

SALES COMPENSATION PLAN DESIGN WORKSHOPS

Xactly's vision is to empower every company to inspire performance through the effective use of sales compensation to drive focus and needed results from their sales team, Xactly's Sales Compensation Design Practice works with clients to ensure their plans designs are right for their business, focusing their sales people on the most important sales, correctly balancing risk and upside in the plans, and delivering solid value to the business for their sales compensation spend.

Although Xactly offers a more traditional engagement model for larger or more complex organizations, for smaller organizations, we have developed a model that leverages a Workshop approach to deliver great value through a more efficient process, as described below.

WHY ENGAGE WITH XACTLY STRATEGIC SERVICES FOR A PLAN DESIGN WORKSHOP?

- **Fast:** We can solve most sales comp puzzles for smaller sales teams in a focused workshop day (that's for under 100 sales people, 7 or fewer plans)
- **Affordable:** By using experienced expert consultants and proprietary design tools, we offer "big firm" quality at a price point that small businesses can afford
- **Implementation-Ready:** Ours is the only design consulting offering that guarantees the plans recommended will work well with Xactly's solutions
- **Lasting Value:** Our offering is a very well supported do-it-yourself model - delivering the right plans right for now, and ensuring you know how to adapt them as the business needs change in future years.

XACTLY SALES COMPENSATION DESIGN WORKSHOP ENGAGEMENTS

A workshop engagement includes three phases:

Assessment: In this phase, we prepare to make the workshop day as effective as possible. We interview key stakeholders to understand objectives for the sales organization and compensation plans. We review and summarize current plans based on plan documents. We analyze pay and performance history to check many aspects of plan health including pay levels, pay mix, goal accuracy, alignment of compensation costs with results. We review prevalent practices in your industry using Xactly's Insights™ data. And we summarize all of this, along with recommended plan adjustments, for use in the Workshop meeting.

Workshop: The workshop takes place either onsite in your offices, or via web meeting. During the workshop we start with an overview of sales compensation design principles and best practices in a discussion format. We then review the assessment findings in light of the applicable best practices. We agree on the business objectives for your plans, and the right plan design framework to be used. At this point we are about half-way through the workshop, and we use the rest of the workshop to roll up our sleeves and develop detailed compensation plans for your team using our proprietary compensation design tuner. We move from role definition to pay structure (total compensation, pay mix, leverage), then identify the right measure of sales success to use for incentive delivery. Finally, we work through the detailed mechanics for your plans including payout tables and linkages among measures. We finish the workshop by creating a detailed list of next steps to finalize the plans including modeling criteria, transition planning as needed, communication planning, and plan administration.

Post-Workshop Support: After the workshop, additional ideas will be raised and potential challenges with the detailed designs will be identified. We provide a few additional meetings to be requested by your team as needed to continue to support you as you finalize your plans. Clients often use these web meetings for a review of plan modeling, adjustments to key parameters like acceleration, support for your internal approval process, or review of drafts of communication materials.

WHAT IF A WORKSHOP ISN'T ENOUGH?

For clients with large or complex sales organization, with many compensation plans, or with substantial change management needed (e.g., merger situations), a workshop approach is not always the best answer. In these cases, we will work with you to understand your specific situation and devise a custom approach to meet your needs.