



Success Story
Technology and Business Services Industries



Aligning 30,000 Sellers with the Business Strategy

beqom.

to make your people happy

beqom.com

Microsoft Aligns 30,000 Sellers with Business Strategy, Predicts \$49 Million Annual Savings with beqom Sales Performance Management Platform



With more than 131,000 employees, including 30,000 sellers, Microsoft operates worldwide in over 190 countries, and generates more than \$110 billion in annual revenue. Its Worldwide Incentive Compensation (WIC) Team is responsible for the design, strategy, implementation, and administration of seller incentives for 30,000 sellers across the world for Microsoft.

Cloud Computing Market Demands Drive Need for Agility, Data Metrics

As a global IT company, Microsoft competes in a highly dynamic industry where survival depends on being able to change sales strategies quickly to adapt to evolving market conditions.

“We operate in hundreds of countries and we have salesforce in almost all of those countries where we have sales locations and offices,” says Mamata Bhopatkar, Worldwide Incentive Compensation General Manager. “Creating incentive compensation plans that are relevant for the business worldwide, across a portfolio of products, is a very tall undertaking.”

This intensity has only intensified with the prevalence of cloud computing. The cloud business is dynamic, with fierce competition and frequent disruption as new offers are brought to market.

“In such a disruptive space we have to be extraordinarily agile in terms of what we bring to the market and how we incentivize our sellers to sell those products,” explains Bhopatkar. “Having an incentive compensation system that provides us the agility to evolve our incentive compensation, to bring in new data feeds, to bring in new metrics, to have more frequent plans was the core capability that we needed.”



But this level of agility was not possible with Microsoft's legacy sales performance management system, a 15-year-old legacy platform that had been "cobbled together" over the years, relates Greg Peiker, Director, Corporate Functions Engineering, noting that the legacy platform was no longer effective for Microsoft. "We needed to be able to respond more quickly and take a concept all the way through to a live plan in a much tighter timeframe."

Sellers Now Aligned Globally, at Scale

"Re-platforming seller incentives is a huge undertaking in any company, and for the size and complexity that Microsoft represented, it was an unbelievably difficult task. Doing that was not going to be possible without the great partnership that we had with the beqom team," recalls Bhopatkar.

With beqom, the Microsoft WIC team started with a proof of concept to understand the capabilities of the platform that beqom offered. Next, beqom and Microsoft partnered over several quarters to ensure that the team's user needs and business needs were met by the platform.

"beqom was extraordinarily accommodating in making sure that it supported the needs of our business,"

— Mamata Bhopatkar, Worldwide Incentive Compensation General Manager.

“It’s everything from the beginning of the [compensation] strategy design all the way down to what does that look like in a plan, how does that show up to a participant, through to actually paying and executing on that,” adds Peiker. “The team is there the whole way, and the beqom system is well put together end to end.”

With beqom’s Sales Performance Management solution, Microsoft now handles highly complex incentive compensation plans, including plan setup, territory and quota management, sales crediting and commission processing for 30,000 sales and service personnel worldwide. The WIC team is able manage a complex territory/quota matrix and to accurately credit billions of data points across these employees, “at scale and speed that we have never experienced before,” Bhopatkar says.

The Microsoft team measures the success of the transformation in three key areas: execution of the corporate strategy, operational effectiveness and efficiency, and experience for the sellers.

“I think we’re doing well on all of those,” says Peiker. “We’ve taken a lot of time out of the [corporate strategy] cycle, where we’re able to take a concept and get it into production much more quickly. In operational effectiveness and efficiency, we’ve taken cycle times and we’ve been able to shrink them down. And we’ve got a much better seller experience where people understand more deeply their data, where it comes from, and what it means to them.”



Results

By implementing the beqom Sales Performance Management solution, Microsoft optimized operational and administrative effectiveness. **Microsoft estimated that using the beqom solution would yield savings of about \$49 million annually**, realized from a combination of factors:

- Time savings among sales teams as plans are understood and payout calculations are trusted
- Improved budgeting capabilities for compensation expense and plan ROIs through data management, simplified plan design, and predictive analytics
- Reductions in incorrect payments and streamlined administrative needs
- Savings in sales operations and IT support due to the stability and functionality of the new platform

Corporate Snapshot

Sector: Technology

Headquarters: Washington, USA

Total employees: 131,000*

Annual revenue: \$110 billion*

* in 2018

In addition, Microsoft saw significant operational and strategic benefits:

- 40-50% reduction in comp plan cycle times and required operations capacity. Complex crediting can now be executed in less than six hours, versus days.
- Agility in plan design and simulation, with time-to-production reduced and new strategies available at market speed.





Happiness is the best driver for success

Our mission is to make the workforce of our customers happy. beqom drives happiness by allowing business managers to lead, align, and motivate employees and partners. The beqom Total Compensation solution is used globally across all industry sectors by more than 100 large companies such as Microsoft and Vodafone.

It addresses all performance and compensation aspects such as salary review, bonus, long-term incentives, commissions, benefits, non-cash rewards, and all key drivers towards employee performance and sales performance.

HR, sales, and finance departments leverage our platform to drive performance, retention, cost optimization and... happiness among their people.



Copyright © beqom 2019 All Rights Reserved. “beqom”, “beqom to make your people happy” (logo) and “to make your people happy” are the exclusive trademarks of beqom SA.

All other trademarks, and logos are trademarks and logos of their respective owners.

For more information, please visit www.beqom.com.

Images source: Courtesy of Microsoft