Xactly Buyer's Guide

CANIDIUM

Why and how to implement Xactly for your organization according to industry experts.

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Introduction

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The more motivated your sales team is, the more revenue they will generate. However, managing complex incentive programs at scale is traditionally error-prone and labor-intensive. This inefficiency is the core issue that Incentive Compensation Management Software (ICM) solves.

ICM solutions such as Xactly are designed to manage and optimize sales incentives effectively, ensuring your team is appropriately motivated and rewarded. Xactly calculates commissions and bonuses based on real-time sales data. By automating the calculation of variable pay, ICM solutions eliminate the manual errors that often plague traditional methods, ensuring that every salesperson receives the correct compensation promptly.

ICM solutions facilitate designing and implementing incentive plans that motivate your sales team. These plans can be tailored to meet your business's specific needs, offering various incentives such as bonuses for achieving sales targets, additional commissions for upselling, or rewards for maintaining customer satisfaction.

At Canidium, our ICM team designs, configures, and implements Xactly based on client specifications. Leveraging the extensive expertise of our in-house experts, we will walk you through everything you need to know in this comprehensive buyer's guide.

Xactly's Capabilities

Xactly can keep your sales team motivated, engaged, and focused on driving sales by providing precise and achievable incentives. Let's delve into the core capabilities of Xactly, and explore how it can transform your approach to compensation and incentive management.

AI: The new AI Copilot allows you to interact with Xactly's platform using natural language queries, making accessing and analyzing data easier. For instance, as a sales manager, you can ask the system to "show me the people earning sales commissions" or "show me the top three deals for May." The tool will promptly provide the relevant information.

Xactly Extend: Xactly allows you to design unique workflows requiring approvals or automate processes such as creating an order based on a dispute. This flexibility allows you to tailor the platform to meet specific operational requirements, making it possible to create virtually any custom solution needed.

Variable Pay Management: Xactly allows you to set up complex compensation structures for unit prices, discount levels, and sales volumes.

Incentive Plan Design: Xactly facilitates individually configured incentive plan design to target specific metrics. With Xactly, you can perform scenario modeling, adjust various plan components, and predict the potential outcomes. For instance, you can model changes to commission structures, bonus tiers, or other incentives to see how these adjustments might impact seller performance and overall business goals.

Compensation Management: Xactly automates time-consuming and error-prone compensation management processes. It also increases compensation plan transparency, making it easier to adjust structures according to changing priorities or market factors.

Users and Challenges

Xactly is used by companies to design, implement, and manage compensation plans that align sales behaviors with business goals. Here are four key types of users within a company who typically interact with Xactly and the challenges the solution addresses for each role:

1 Compensation Administrators

Administrators are responsible for managing complex compensation plans, ensuring they are updated, accurate, and compliant with company policies and regulations Xactly streamlines the management of compensation plans, reduces errors, and ensures compliance through audit trails and reporting capabilities.

2 Sales Representatives

Sales reps often struggle with visibility into their compensation and understanding how their sales activities link to payouts. Xactly provides real-time visibility into their earnings and detailed insights into how their sales activities contribute to their compensation. It helps them understand the compensation structure and motivates them by clarifying potential earnings from deals.

3 Executive Teams

Executives need to ensure that the compensation strategy aligns with overall business goals, is cost-effective, and drives the desired business outcomes. Xactly provides executives with analytics and reporting tools to assess the effectiveness of compensation plans.

4 Sales Managers

Sales managers need to monitor team performance, forecast earnings, and adjust targets or territories. Xactly allows sales managers to track team performance against targets, forecast future performance, and make necessary adjustments to territories or quotas.

The Benefits of Xactly

Improved Accuracy in Compensation Payments

Xactly automates the calculation of commissions and other incentive payments, reducing the likelihood of errors that can occur with manual processes. This accuracy helps in maintaining trust and satisfaction among your sales team, ensuring that they are paid correctly and on time.

Enhanced Visibility and Transparency

Xactly provides detailed dashboards and reporting tools that give sales representatives real-time visibility into their earnings, progress towards targets, and the specifics of how their incentives are calculated. This transparency helps in motivating the sales team and clarifying their goals and potential rewards.

Increased Operational Efficiency

By automating the process of tracking, Xactly software significantly reduces the administrative burden on compensation managers. This efficiency allows companies to manage more complex and varied compensation plans without increasing administrative costs or workload.

Strategic Sales Management

Xactly tools often include features for modeling and forecasting that help leadership and sales managers plan and adjust sales strategies effectively. This strategic management capability enables businesses to swiftly adapt to market changes, optimize sales territories, and realign sales objectives with broader company goals.

Regulatory Compliance and Risk Management

The software ensures that compensation plans comply with internal corporate policies and external regulatory requirements. Audit trails, consistent application of compensation rules, and detailed reporting help mitigate risks and ensure compliance.

The Canidium Process
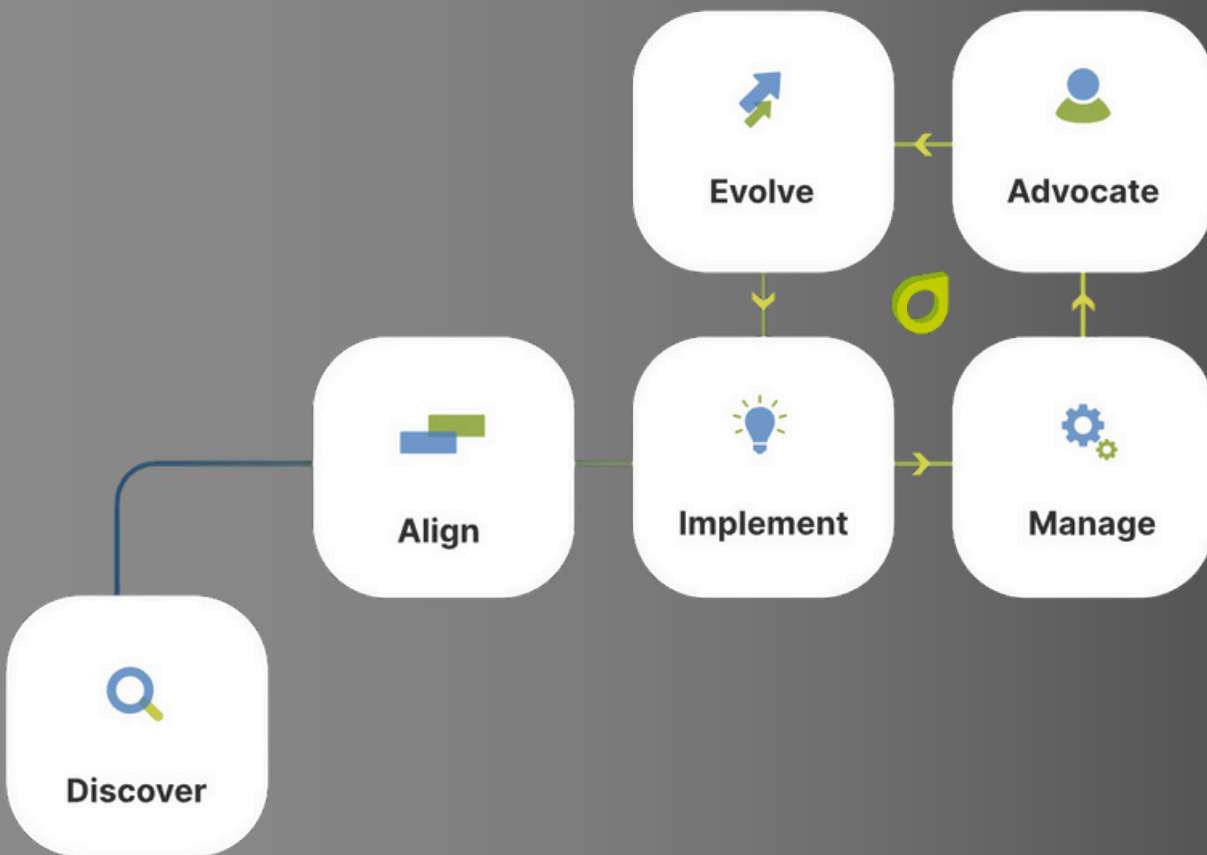
Discover

What are your current processes? Pain points? Goals? Through interviews, workshops, and documentation review, we assess your requirements to identify the key objectives of the pricing implementation.

Align

You'll work closely with the implementation team to align the pricing solution with your business goals and processes. This may involve mapping out current workflows, defining new processes, and creating a roadmap for the implementation.

Implement

During implementation, we'll configure the pricing software to meet your specific requirements, integrate it with other systems (such as CRM and ERP), and test the solution.

Manage

Once the pricing solution is implemented, the focus shifts to managing and maximizing its performance. We'll train users, monitor system performance, and adjust as needed to optimize the solution.

Advocate

We'll work with you to promote the benefits of the pricing solution within your organization. This involves highlighting success stories, conducting training sessions, and providing ongoing support to ensure the project's success.

Evolve

Your business needs will change. We'll evaluate and evolve the pricing solution by implementing new features when appropriate, exploring integrations, and optimizing processes to improve performance and ROI.

Roles During an Implementation

Successful implementation of Xactly requires collaboration among various roles within your organization and with your chosen SI partner's team to ensure seamless integration, customization, and operation. Each role plays a critical part in the project's success, contributing expertise and guidance to achieve the desired outcomes efficiently.

1 · Project Manager

SI Partner-Provided

Project managers serve as the backbone of Xactly implementations; responsible for setting project timelines, managing resources, and ensuring that the project stays on track to meet its objectives. Project managers act as a central point of contact for all stakeholders.

2 · Solution Architect

SI Partner-Provided

Solution architects are responsible for designing technical solutions that align with the organization's business requirements and objectives. They work closely with project managers and stakeholders to understand business needs, assess existing systems and infrastructure, and develop a roadmap.

3 · Configuration Engineers

SI Partner-Provided

Configuration engineers play a crucial role in configuring Xactly to meet the specific needs and requirements of the business. They leverage their expertise in Xactly's configuration capabilities to design and implement tailored solutions that address unique business challenges.

4 · Data Lead

Provided By you

Data leads are responsible for facilitating data migration and ensuring data accuracy throughout the implementation process. They work closely with IT teams, data analysts, and stakeholders to assess existing data sources, cleanse and transform data as needed, and migrate data into Xactly.

Canidium's SOW Process: 15 Steps

Using our experience creating thousands of SoWs, we have put together a comprehensive guide on the subject so that you can go into the process fully informed and ready to proceed efficiently. No matter which implementation partner you choose, we want you to be armed with the right expectations, so you can succeed.

1. **Project Overview**

This defines the project's purpose and overarching goals. It ensures that all participants understand the implementation's direction and objectives.

2. **Scope Description**

This step details the software's features and functionality. This clear delineation helps avoid ambiguities and sets expectations for the final product.

3. **Project Objectives**

Lists specific goals that guide the project towards successful completion. These objectives are used as benchmarks to measure progress and make decisions.

4. **Project Deliverables**

Specifies the tangible items and outcomes expected from the project. Each deliverable is clearly defined to give stakeholders a concrete sense of progress.

5. **Project Schedule**

Provides a detailed timeline that includes phases, milestones, and deadlines. This schedule is crucial for keeping the project on track and managing time efficiently.

6. **Resource Requirements**

Details the personnel, hardware, software, and other resources required for the project. Proper resourcing is essential for turning the project vision into reality.

7. **Roles and Responsibilities**

Clarifies the duties and expectations of each team member and stakeholder. This clarity promotes efficiency and helps prevent conflicts and overlaps in responsibilities.

8. **Project Assumptions**

Documents the assumptions made during the planning phase. Acknowledging these assumptions helps manage risks and prepare for potential challenges.

Canidium's SOW Process: 15 Steps

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9. Risk Assessment

Identifies potential risks and outlines strategies to mitigate them. Proactive risk management is key to maintaining the project's integrity and timeline.

10. Change Control Process

Describes the method for managing changes to the project scope. A well-defined process ensures that changes are controlled and do not adversely affect the project's trajectory.

11. Budget and Cost Estimate

This provides an estimate of the total costs associated with the project and outlines budget constraints. Financial planning helps manage resources and ensure the project stays within financial limits.

12. Quality Assurance and Testing

Details the procedures for testing the software and ensuring quality standards are met. These measures are vital for delivering a reliable and user-approved product.

13. Acceptance Criteria

Sets the specific criteria that the project must meet to be considered complete. This clarity ensures that the project meets all functional and operational requirements before deployment.

14. Communication Plan

This plan outlines how communication will be managed among team members and stakeholders. Effective communication is crucial for maintaining transparency and ensuring everyone is aligned with the project goals.

15. Legal and Compliance Considerations

Addresses any legal or regulatory issues that must be complied with. This ensures the project adheres to all applicable laws and regulations, avoiding legal complications.

Xactly Success Story

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One of the largest professional recruiting, consulting, and staffing firms in the world chose Canidium to implement Xactly.

The firm needed a powerful, agile sales compensation platform to fuel its continued growth. Not only was it difficult to manage their complex plans in spreadsheets, but they were also causing accuracy concerns and making it difficult to hit both weekly and monthly commission payouts targets. After a competitive review of available systems, the company selected Xactly Incent and kicked off its implementation.

The Objective
The company had one simple goal: recruiting the best candidates for the best companies. **Their growth had been immense, resulting in over 400 salespeople and 1,600 contractors requiring compensation support.**

Results
Eliminating more than 1,000 spreadsheets, **the firm now has a single source for all of its compensation data and reporting across offices, improving accuracy and cutting commission processing time by 90%.** As the sales team also has complete visibility into their sales and statements via easy-to-use dashboards, disputes have been reduced, along with more than 600 weekly commission report emails.

Highlights

600+ weekly commission report emails eliminated

80+ user additions with no additional administrative burden

All reporting and processing in one, central platform

Less administration, more automation

Better transparency, reporting, and distribution

All Your ICM Questions, Answered

Discover more about ICM solutions at our Learning Center

> To be at the forefront of your market, you must give your sales team a reason to outperform your competition. However, it is impossible at scale to manually manage the complex compensation structures and incentives required to effectively motivate different sales teams with diverse priorities.
> Enterprise or mid-level operations must have incentive compensation management tools to augment their administrative capabilities. These tools streamline administrative processes and ensure accurate and fair compensation, motivating sales teams to excel.

4 Factors Impacting Xactly Incent and Connect Implementation Costs

1. **Plan Components:** The more intricate and diverse the plan components, the higher the implementation costs, reflecting the increased effort and resources needed for configuring and integrating these elements into the Xactly platform.

2. **Commission Hold/Release Automation:** The complexity and customization required for automating commission hold and release processes directly influence implementation costs, reflecting the effort required to align compensation practices seamlessly with commission workflows in the Xactly platform.

3. **Order Feed Automation:** The complexity and depth of order feed automation required directly impact implementation costs, reflecting the effort and customization needed to seamlessly align compensation practices with order workflows within the Xactly platform.

4. **HR Automation:** The more comprehensive the HR automation required, the higher the implementation costs, reflecting the increased effort and customization needed to seamlessly align compensation practices with HR workflows within the Xactly platform.

Xactly Offerings

Xactly Incent and Connect Together

With Xactly Incent, organizations can automate and streamline the calculation and management of sales commissions. The added offering of Xactly Connect facilitates smooth data integration, ensuring that incentive-related information seamlessly flows between Xactly Incent and other crucial business systems.

Xactly Forecasting

With Xactly Forecasting, businesses can leverage advanced analytics and data-driven insights to make informed decisions. Canidium's implementation expertise ensures a tailored setup that aligns with the unique forecasting needs of each client.

Xactly Compensation Expense Forecasting (CEF)

CEF is a powerful platform designed to elevate accuracy in expense forecasting for sales compensation. Xactly CEF empowers businesses to harness advanced analytics and data-driven insights, facilitating well-informed decision-making.

Xactly Commissions Expense Accounting (CEA)

Xactly CEA is tailored for comprehensive expense visibility and reporting related to sales commissions. By leveraging this tool, businesses gain insights into commission-related costs, helping them manage expenses effectively and make data-driven decisions.

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Xactly Incent and Connect Implementation Pricing

Ultimately, project costs are determined by the required implementation roles, the hours per role, and the assigned rate for each role. We've outlined general pricing in the table below using a simplified "t-shirt sizing" model for small, medium, and large projects.

Feature:	XS	Small	Medium	Large	XL
Plan Components	<3	3-5	5-10	10-20	20+
HR Automation	N/A	N/A	N/A	N/A	1
Order Feed Automation	0	0-1	1-2	3-4	5
Commision Hold/Release Automation	N/A	N/A	N/A	1	1
Price:	$15-30K	$30-45K	$45-75K	$75-150K	$150K+

Xactly Forecasting or CEF Implementation Pricing

Plan Factors:	Small:	Medium:	Large:
Custom Forms	1-2	2-3	4+
Custom Reports and Dashboards	N/A	N/A	N/A
Price:	$10-21K	$21-31K	$31K+

Xactly CEA Implementation Pricing

Feature:	Small:	Medium:	Large:
Total Integrations	1	2	3+
Portfolios	1	2	3+
Subsidiaries	1	2	3+
Price:	$20-40K	$40-54K	$54k+

More Resources

Still have questions? You can reach out to our team of experts here. You can also learn more about sales performance management (SPM) here.

How to Scale Incentive Compensation Plans

Xactly Extend: Leveraging Custom Applications to Improve Efficiency

5 Reasons Why Incentive Compensation Software Doesn't Work Out-of-the-Box

5 Benefits of Commission Expense Accounting (CEA) Software

Bundling Your Software Implementations: Should You Use the Same Partner for Different Projects?

Solving Your HR Administrator Task Challenges

7 Indicators You Need a New Incentive Compensation Management Tool

Ready to begin your Xactly Project?

Reach out to our team of experts [here](). You can also learn more [on our website.]()