

# TIBCO INCREASES VALUE OF INCENTIVE COMPENSATION WITH AUTOMATION AND INTELLIGENCE

## SITUATION

At TIBCO, Finance holds responsibility for all events related to variable compensation and sales performance. As TIBCO's sales organization grew and variable pay programs expanded, the team realized it could no longer afford to manage and calculate its incentive compensation on spreadsheets.

## CHALLENGE

With over a thousand employees receiving variable pay worldwide, TIBCO wanted a better way to securely distribute plans and ensure an accurate, historical record. Additionally, the company experienced several drawbacks as a result of administering the program manually, including:

- Lack of centralized data and processes – hurting cross-functional management and employee visibility into compensation plans
- Increased potential for delayed and inaccurate payments – leading to employee dissatisfaction
- High usage of internal resources – resulting in business inefficiencies

Combined, all of these factors adversely impacted the program's main goal – namely, motivating desired employee behaviors. As explained by Anupam Shukla, TIBCO's Sr. Director for Incentive Compensation & Accounting: "Sales people are driven by compensation—making their confidence in commission payouts critical. When sales reps doubt their compensation, they spend more time looking at and debating payments rather than generating new sales."

## SOLUTION

TIBCO chose Xactly for the company's proven leadership in sales performance management (SPM), breadth of solution functionality and its ability to scale to meet TIBCO's future requirements.

Xactly Incent provided TIBCO with a fully automated and cloud-based incentive compensation management (ICM) solution to manage its variable pay programs. Using Xactly Incent, employees now have the ability to view and drill down into their commissions at any point in time – whether on their desktop or mobile device.



Headquartered in Palo Alto, California, TIBCO Software is a global leader in integration, API management, and analytics.

### BENEFITS ACHIEVED:

- Insight into incentive comp best practices
- Instant and mobile access to commissions data
- Streamlined document flow processes
- Accurate and timely payouts with fewer internal resources

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If we didn't have Xactly, we'd probably have to hire up to 15 more people – and we still wouldn't be able to do everything the solution does for us now. Being without Xactly for incentive compensation management would be like being without your smart phone for personal communications. You can't imagine what you'd do without it.

– **Anupam Shukla**  
Senior Director for Incentive Compensation

As a global company, TIBCO also required the ability to calculate commissions in different currencies. TIBCO has over 1400 variable pay employees – being paid in over 25 currencies. With Xactly, TIBCO can quickly issue and process plans to employees in their own currencies.

Using Xactly Incent eDocs, TIBCO has streamlined its document flow processes. With secure and automated review processes, TIBCO has sped and simplified approvals of incentive-related documents, such as compensation plans, quotas and payments.

## **RESULTS**

Using Xactly, TIBCO's variable pay employees can now instantly access their compensation data, view what they've been able to achieve year over year in terms of their target, and see what they have been paid by the company.

### **Leveraging Data Intelligence for Compensation Management**

With Xactly, TIBCO has also gained the ability to apply intelligence to its compensation practices. Only Xactly has 14+ years of empirical pay and performance data. By accessing this data through Xactly Benchmarking, TIBCO can see how their incentive plan compares to other companies to ensure best practices.

### **Gaining Commission Traceability and Streamlined Reporting**

In addition to improved plan distribution, Xactly makes commission reporting faster and easier. With Xactly, TIBCO has a clear and traceable record of what it is paying its employees for variable pay to meet its auditing requirement.

With Xactly's automated reporting capabilities, TIBCO's variable pay employees can instantly see their commission statements, and management has timely insights into commission costs. Commissions represent a big expense for the business. With Xactly, Finance can immediately see if commission calculations are on target.

### **Achieving More with Less**

According to Shukla, the company came to a point where they simply couldn't manage incentive compensation out of spreadsheets. They were too cumbersome and required too much internal manpower.

With Xactly, they use fewer internal resources and are confident of paying commissions accurately and in a timely fashion. TIBCO processes commissions within 30 days. Given the complexity of the compensation plans and the required calculations, Shukla doubts he'd be able to pay people accurately within that timeframe without Xactly.