

CBeyond OPTIMIZES INCENTIVE COMPENSATION AND ACCELERATES SALES BEHAVIOR WITH XACTLY INCENT

ABOUT CBeyond

Cbeyond, Inc. is a telecommunications and information technology company based in Atlanta, Georgia. Cbeyond delivers cloud services to over 60,000 small and medium-sized businesses in 14 markets across the United States. Cbeyond puts the latest technology within reach of any size business; instead of outlaying capital and manpower to manage infrastructure, customers shift the responsibility to Cbeyond.

THE CHALLENGE

As a cloud company, Cbeyond offers customers a variety of information technology services, which creates a high degree of complexity from a finance and operations perspective. When you have over 600 reps, 1500 indirect partners, and 21 internal plans, incentive compensation is bound to become challenging.

Cbeyond was tired of the lack of transparency in their compensation plans and wanted their sales compensation to driver better behavior. Reps could only see static reports that gave them no visibility into how they were doing throughout the month, and therefore no motivation to improve if they were falling behind. Cbeyond leaders wanted to define new sales behavior that aligned more closely with their corporate goals.

With a partially manual system, administrators were also facing hundreds of inquiries and disputes that demanded time and attention that they didn't have. With only four people handling compensation administration it became clear that managing such a complex operation would be inefficient and nearly impossible without automating.

THE SOLUTION

Cbeyond considered multiple solutions, but found that the Xactly Incent platform matched their needs most closely. They felt that a SaaS solution for sales incentive compensation was a perfect fit, as implementation is fast and predictable and customers don't have to worry about upgrades and maintenance; enhancements developed and tested for one client are quickly available to all. The result is lower cost, more reliability and functionality upgrades for each customer.

Xactly helped to implement a best-in-class strategic plan that accessed all aspects of their sales compensation. As is the case in most companies, different departments had diverse key issues they wanted to be addressed and remedied. With varying issues like the need for more accurate accrual reporting, eliminating variance to forecasting and reducing rep churn many distinct changes needed to be made to the plan and system to deliver the desired results.

CBeyond SAW REMARKABLE RESULTS WHEN THEY AUTOMATED THEIR INCENTIVE COMPENSATION WITH XACTLY

40% INCREASE IN CLOUD SALES
30% INCREASE IN REP PRODUCTIVITY
21% INCREASE IN REVENUE/SALE
88% **DECREASE** IN DISPUTES

INCREASED SALES PRODUCTIVITY

Cbeyond Sales Managers wanted a plan that would increase coaching abilities, productivity, and rep tenure. Working closely with Xactly experts, they were able to strategically design a plan that would help them achieve their aims. Xactly always recommends simplicity, which makes it easier for reps to understand their plans. And when salespeople know and understand their deliverables they're much more likely to achieve goals. Management reports help pinpoint outlier reps so that you can easily provide resources to coach them to success, and real-time reporting with drill down data helps keep reps motivated to sell, and maximize their incentives.

When employees understand their compensation plan, and trust that they're being paid properly, they're also much more likely to be satisfied with their compensation and therefore retained by the company. We all know it can be quite a blow to lose key players, and Xactly Incent mitigates the risk of top performers migrating to greener pastures.

"Xactly always recommends simplicity, which makes it easier for reps to understand their plans. And when salespeople know and understand their deliverables they're much more likely to achieve goals."

XACTLY HELPS CBeyond GET BETTER BUSINESS RESULTS

IMPROVED VISIBILITY AND REPORTING

With CBeyond's previous system, reports were fixed and were only made available once a month. This became problematic because reps could only see progress on quota attainment and incentives statically. With Xactly, reps and managers have real-time visibility so reps can get up to the moment feedback on their progress, and finance never has to worry about inaccurate accruals. This transparency means reps are accountable for their sales behavior at all times, and finance is always confident that their payouts are correct, which lead to a culture of trust between finance and sales at CBeyond. Stakeholder dashboards also increased transparency across the company and strengthened executives trust in the process, and confidence that compliance would be maintained throughout the change to the new system.

SEAMLESS INTEGRATION

CBeyond knew that as a multitenant cloud solution, and a partner of Salesforce.com, integration with their existing ERP, CRM, and HCM systems would be seamless. With Xactly Incent the sales team got total visibility from the initial lead through commission payment, all in one central and easy-to-use location. With Xactly Incent, sales leaders can easily build and implement plans that help them achieve their goals. They found it simple to eliminate inefficient metrics, break down plan components, create compelling differentiation to attract and retain their top talent, and develop more strategic compensation plans that aligned the company goals with the sales rep behavior their incentive compensation inspired.

LEVERAGING THE XACTLY STRATEGIC PARTNERSHIP TACTICAL BENEFITS

| | FROM | TO |
|-----------------|---|--|
| ACCURACY | - Old comp platform - Spreadsheets | - Full automation of calculations reduces disputes |
| TRANSPARENCY | - Manual monthly static reports | - Real-time reporting with drill down data |
| SALES MGT TOOLS | - Low timely visibility to rep results - Less effective coaching | - Timely, easy access to rep results - Drive real time effective coaching |
| CREDIBILITY | - Questions of effectiveness | - Transparency - Building believers |

"With less shadow accounting by reps, and errors from inaccurate spreadsheets eliminated, there are far fewer time-consuming compensation disputes."

BETTER PROCESS ACCURACY

Xactly Incent has streamlined financial reporting at CBeyond around sales operations. The same data that is pulled into Xactly to enable accurate commissions is used to power timely analytics and reporting. Standard reports are run automatically on current data and custom reports can be quickly and easily defined. Now, when CBeyond wants to make a change to their plan to keep up with the ever-evolving market place they don't need to wait until the next quarter. With Xactly Incent, design and release of plans can now keep pace with the needs of the organization, month end close time has been dramatically reduced, and variance to forecast is eliminated.

FEWER DISPUTES

CBeyond is also enjoying closer finance-sales collaboration due to the increased credibility after automating their system. With less shadow accounting by reps, and errors from inaccurate spreadsheets eliminated, there are far fewer time-consuming compensation disputes. This lets reps focus on their number one responsibility- selling, and simplifies the process for sale operations and finance so they can focus on more impactful items like business strategy rather than the compensation process. Now, reps have confidence that their pay out is accurate and on time- every time, and ops and finance don't have to gather data from disparate locations to ensure they have a single version of the truth, which lead to a much more collaborative work environment.

LOOKING AHEAD

CBeyond still has more changes in store, and they trust that Xactly Incent will be able to help them reach all of their continuing goals. Adding a gamification platform to further motivate competitive reps, rolling out a progression promotion model, and implementing remaining compensation plans will be easy with the simple to use, automated, Xactly Incent. Sales reps, sales managers, and finance are all delighted with the time and resources saved from taking control and automating their incentive compensation.

FOR MORE INFORMATION

Visit www.xactlycorp.com or call 1.866.GO.XACTLY (469.2285) to learn how Xactly Incent lets you pay sales commissions on time and error free, motivating your sales team to do more.

Xactly Corporation, 225 W. Santa Clara Street, Suite 1200, San Jose, CA 95113

© 2005-2014 Xactly Corporation. All rights reserved. Xactly, Xactly Analytics, Xactly Connect, Xactly Data Management, Xactly Incent, Xactly Incentive Estimator, Xactly Incent Express, Xactly Modeling, Xactly Document Management, Xactly Territories, and "Incent right. Sell more." are trademarks or registered trademarks of Xactly Corporation. All other trademarks are the property of their respective owners.