



## Mitel

*Mitel drives proactive incentives while reducing administration and time to pay*

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### Overview

#### The need

As a global provider of business communications and collaboration software and services, Mitel makes communication simple, and wanted to make administering its sales incentive plan simple too. With many manual compensation processes and a high degree of reliance on IT resources, Mitel was in search of a user-friendly solution that could help administer its compensation plans.

#### The solution

Mitel implemented IBM® Cognos® Sales Performance Management and IBM Cognos Incentive Compensation Management.

#### The benefit

The new fully automated solution reduced Mitel's dependence on IT resources, eliminated manual processes, and accelerated the company's commission calculation cycle. It now provides compensation reports in real time.

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### Manual processes resulted in reactive compensation approach

When you ask Scott McGillivray, HR Compensation Analyst at Mitel, about his priority for compensation, he does not hesitate with his answer. He wants Mitel to drive its incentive program so that the company really motivates people, as opposed to just paying them.

The former compensation process was managed in Excel and homegrown databases, with source data coming from diverse systems including Oracle, SAP, salesforce.com, IBM® Lotus® Notes® and other internal databases. Each of the company's 50 branches calculated numbers, aggregated them together manually within Excel and sent a template back to payroll. Email was the main mechanism for approvals, which was time consuming and challenging to audit.

“We had no standardization or centralization in terms of how payroll received information,” says Jeff Bryan, US Sales Compensation Administrator at Mitel. “We tried to work from the same template, but we often ended up with 50 different interpretations of a business rule. It was almost impossible for us to achieve speed or visibility within our compensation process.”

Because of the complexity, Mitel often settled for static compensation plans. It was laborious and time consuming to set up the spreadsheets, get the data from finance or IT and communicate changes to sales. “Our process, as it was, did not facilitate the speed to market that the technology industry requires. We were working with yearly plans, when we should have had the ability to change them throughout the year as required,” says Scott McGillivray.



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## Solution components

### Software

- IBM Cognos Sales Performance Management
  - IBM Cognos Incentive Compensation Management
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## Accuracy and timeliness as a foundation for proactive compensation

Scott McGillivray knew that automation was necessary. He wanted Mitel to have the ability to pay people correctly and on time, with a high level of transparency in understanding their payouts. With that foundation in place, Mitel would have the flexibility to develop and implement proactive plans.

The company wanted a robust offering that would support effective compensation management, and facilitate improved analytics and territory management in the future. Mitel decided to implement IBM Cognos Sales Performance Management (SPM).

Mitel needed expert support and collaboration from IBM to help manage the integration of Inter-Tel and Mitel, which was happening in parallel with the Cognos SPM deployment. With Inter-Tel, Mitel added additional direct sales and services components to its channel model in the US, layering the complexity of a retail plan into its existing compensation process. Moving to one fiscal calendar for both companies was a priority.

“We were presented with a lot of unique challenges at the beginning of the project, and the team handled them all exceedingly well,” says Cassie Tucker, IT Project Manager at Mitel. “Beyond the Inter-Tel integration requirements, we had 34 compensation plans in scope initially, and IBM helped us streamline that number.

“By working collaboratively, we gained a greater understanding of our plans and source systems to identify knowledge gaps – what we were paying people, how and why. It gave us a better handle on our outputs and targeting.”

IBM services and support were also a significant advantage after go live. “We had a handful of minor issues that I put through the support portal,” says Jeff Bryan. “I got a quick response and the highest level of expertise to solve the issue every time. It certainly made my life a lot easier in making the Cognos solution a seamless part of our environment and business process.”

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*“Cognos SPM has enabled a high degree of confidence and trust within our sales organization. Reps know that they are being paid properly, which enables them to focus on selling and making money.”*

— Scott McGillivray, HR Compensation Analyst,  
Mitel

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### **Speed and visibility reduce administration and time to pay**

By automating with Cognos SPM, Mitel has reduced the number of people calculating commissions from more than 30 for North America to three for all of North and South America. The company has also reduced payment times from more than six weeks to approximately two weeks. There are now only two feeds into payroll, one from the US and one from Canada, and both are accurate and easier to audit.

“We have achieved the level of excellence that we wanted in commission payment,” says McGillivray. “We can dig deep into higher quality data, we can deliver clarity out to sales and we are paying with speed and accuracy. Cognos SPM has enabled a high degree of confidence and trust within our sales organization. Reps know that they are being paid properly, which enables them to focus on selling and making money.”

With phase one (North and South American commission plans) complete, Mitel is now considering its next steps with Cognos SPM. Phase two will focus on commissions within the company’s global operations, while phase three will target performance analytics, territory management and plan modeling. This is the stage that Scott McGillivray is most excited about.

“Having the tools to determine what we are selling, how we are selling it, how we are paying out and the resulting ROI will drive the fast-moving sales force that we need to stay on top of our industry. By creating and modeling plans, senior management can analyze the business from a sales compensation perspective more effectively, enabling us to align plans with corporate objectives and determine global commission investments based on data-driven evidence.

“It will foster a much stronger partnership between the compensation and business organizations.”

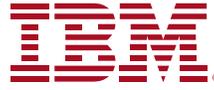
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Business Analytics solutions enable companies to identify and visualize trends and patterns in areas, such as customer analytics, that can have a profound effect on business performance. They can compare scenarios, anticipate potential threats and opportunities, better plan, budget and forecast resources, balance risks against expected returns and work to meet regulatory requirements. By making analytics widely available, organizations can align tactical and strategic decision-making to achieve business goals.

### For more information

For further information please visit [ibm.com/business-analytics](http://ibm.com/business-analytics)



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