



Novell

Business Profile

Novell Inc. is a leading global infrastructure software and services firm

Industry

High tech

Solution

Commissions by CallidusCloud

Goal

Drive new license sales for key product lines using incentive programs

Sales Performance Programs Boost Profitability

Faced with unprecedented competition and pricing pressures, companies today are looking for new ways to drive revenue and optimize profitability. When it comes to the sales force, performance management programs are an effective way to help companies achieve their financial objectives. An adaptable sales performance plan gives sales executives the ability to quickly take corporate strategy or objectives and translate it into an incentive plan to drive behavior in the sales force.

When global infrastructure software and services firm Novell Inc. wanted to drive new license sales for key product lines in the second half of fiscal 2007, sales executives decided to implement an incentive program for its sales team in the Americas – but they needed to move quickly. With a sales performance management software system from CallidusCloud, Novell was able to build and test a new compensation strategy in days that put a multiplier to the products it wanted to promote – then roll out the new plan in a single instance. “Before, a plan change would have taken us weeks to implement and test before we could go live with it within our sales organization,” says Jim Parker, director of global commissions at Novell. “Today, a similar change only takes about five days to implement and test.” With the new incentive plan in place, Novell quickly aligned its sales force with its corporate strategic goals.



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A Matter of Trust

Agility was just one of the reasons why Novell executives chose CallidusCloud's Commissions. With its old sales performance software, Novell's sales team lacked visibility into their performance and quotas. “We also struggled with inaccurate calculations,” Parker adds. “Salespeople spent hours recalculating and validating their numbers. They didn't have faith and trust in the system.” The commissions team received hundreds of requests for adjustments each month.

After a rigorous review of five sales performance management solutions, Novell chose Commissions by CallidusCloud. “It really came down to a few things, richness of product functionality, domain expertise and partnership,” Parker explains. “We really felt like CallidusCloud had a firm understanding of this space and spoke our language. They are a partner that we can really move forward with.”

Commissions is the application used by compensation analysts and administrators to design and implement incentive compensation plans. It features a re-designed Webbased user interface that is built for productivity. Intelligent power-user features facilitate organizational hierarchy, rate-table, territory, and compensation rule design, as well as commission processing and impact analysis.

Novell chose a phased rollout, starting with the U.S. and Europe, then Canada, Latin America and parts of the Asia-Pacific region. Today, CallidusCloud software is used by almost 1,000 Novell employees worldwide whose compensation is tied to product sales. Sales incentive strategies can be applied globally or by geography.

“The data that comes out of the system is used on a daily basis to make performance management decisions and organizational investment decisions,” Parker says. The solution provides Novell with the data it needs to analyze sales staff productivity in the form of profitability or expense-to-revenue ratios for each business unit or by individual sales rep.

Tangible Results

In addition to a more efficient sales operation, Novell reduced the cost of IT support to its sales compensation system by 40% and streamlined the commissions organization in the Americas with Commissions.

Indeed, a recent study of commissions software users by independent research firm, Gantry Group, showed that these solutions can improve sales performance resulting in increased sales, increased cross-selling and up selling; help avoid incentive overpayments and reduce compensation disputes; provide faster time to market with new products, and foster a more agile, proactive sales force.

At Novell, sales reps in the field have come to expect and rely on accurate daily reporting of transactions, sales credits and quotas, Parker says. "The software is looked to as the source of information for rep performance, rep productivity, and rep profitability at Novell."

About Commissions by CallidusCloud

Commissions is the industry's most powerful, flexible and user-friendly incentive compensation management solution, capable of improving productivity and visibility at every level of your organization.

For more information visit <http://www.calliduscloud.com/product/commissions> or call 1 866 812 5244.

