Organizations use Kennect's platform for sales compensation automation which helps bring transparency and operational efficiency.

The Complex, Made Easy

In this case study, we're going to explore a few facets of a world-renowned pharmaceutical company, **Lupin,** that managed to overcome the broad problems in its incentive compensation plan design and turned those challenges into success.

The success or failure of a sales compensation plan in any organization can be attributed to the systems, processes, and people associated with the management and execution of the plan.

Inaccurate data, complex compensation calculations, manual entries, and lack of expertise are the most

The only essential thing in any business is Growth!

potent issues why organizations find themselves stuck in failure mode.

If you often find your sales team failing to contribute to the corporate's growth plans, it's a clear indication that the compensation, rewards, or incentive plan requires an emendation.

Lupin Pharmaceuticals, a leading multinational pharmaceutical company headquartered in Mumbai, India, was using traditional methods to plan, calculate, monitor sales compensations. The internally developed system the company was using lacked clarity on various levels - primarily, payouts schedule and performances.

People need to know how they can affect progress toward the goal. More importantly, they need to know how others are performing in comparison to them. Having a data-driven system that keeps everyone informed about the team's contribution and target toward the final goal not only keeps the sales reps motivated, but also provides ample opportunities for each member of the team to revise their strategies as per the change in requirements.

The system was lacking such transparency. As the company failed to keep pace with technology to allocate and announce sales quotas and rewards, sales reps started losing confidence in the company's incentive compensation system.

Lupin turned to Kennect to streamline, and more than, modernize their sales compensation and performance management system. Opting to fully automate the management of their incentive compensation plans, Lupin now takes advantage of Kennect's domain expertise to maintain an effective in-house system.

Having a system, or a "scoreboard" that's in full view of all the participants enhances employee satisfaction, which in turn improves performance. Lupin's sales team now receives their sales compensation payouts without any delay and sales reports are available online with access to updated information on the go.

Winning is important for all, and when the sales compensation plans are done right, team wins can be quite lucrative for both the employees and the organization.

"The lack of transparency in the incentive system can give rise to distorted behavior among employees and if sales reps feel that the incentive awarded isn't fair, then it can have a negative effect on collective enthusiasm, thereby, reducing productivity."
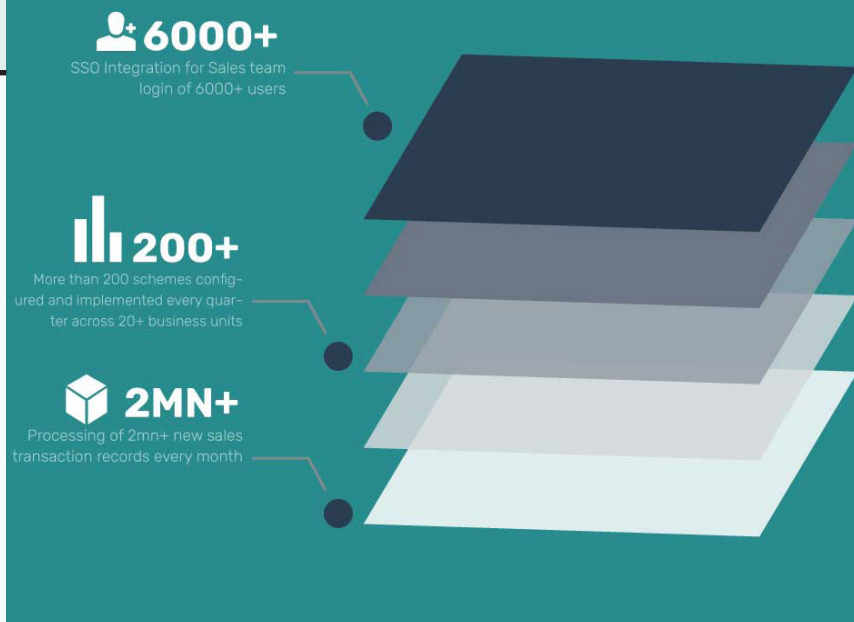
Pulkit Agrawal,
Founder, Kennect

Benefits

» Close to **400** man-days effort saved for Sales Operations team annually

» Availability of **100%** accurate data for sales review and performance

» Saving of **1000s** of hours of the sales team in manually tracking own sales

6000+
SSO Integration for Sales team login of 6000+ users

200+
More than 200 schemes configured and implemented every quarter across 20+ business units

2MN+
Processing of 2mn+ new sales transaction records every month

"Kennect helped us save time and we now have automation in compensation management with minimal infrastructure management and better team communication—all of which helps us reduce costs and improve our sales reps' performance".

Head of Sales Compensations

Challenges

01 - Manual calculation of sales performance by MIS/SFE team

02 - Sharing of sales performance to sales team once a month

03 - 1000s of hours spent by sales reps on tracking their sales manually

04 - Non-availability of sales and effort performance data for year-end appraisal purpose

05 - No tracking of incentive available with the sales team

Solution

01 - Integrated with the company's ERP and CRM solution to pull transaction and employee master data

02 - Daily Sales Performance Data availability on mobile devices across hierarchies for 20+ business units with exception management

03 - Two-year growth data calculation based on current organization structure

04 - Streamlined year-end performance appraisal by automated calculation of rating with manager's input and final processing of ratings