

White Paper

And if there were a different way of
managing your business challenges?

[5 reasons for automating
challenge-management]

Reason 1 : Boosting employee motivation

Selling business challenges to sales people

Do challenges motivate sales people? Without doubt. It's fifth on their list of motivating factors, according to a survey conducted in 2010 by Observatoire Cegos. Their managers aren't so convinced, however, placing challenges only in 16th position.

Yet some sales people do not buy into these challenges as readily as we would expect. The reasons cited are varied: bonuses and gifts are not alluring enough, rules are too complex, challenges are not well-piloted, too much pressure is put on multi-brand retailers from suppliers, and people are afraid of not succeeding: («It is always the same people who win »).

To overcome these hurdles, there are several solutions:

- o Rethink challenges to put all participants on an equal footing and create new performance indicators (in line with the sales strategy).
- o Get senior sales people involved in rethinking these challenges (as they are often less motivated than others). This could also be tried with dealers.
- o Simplify the rules and make access to them available continuously via the challenge tracking tool.
- o Use collaborative tools to enable sales people to motivate each other by commenting on, encouraging and congratulating colleagues' efforts.

36% increase in take-up rate

« Thanks to Reward Process software 95% of our teams have taken up challenges, whereas only 70% were actively involved before. »



Denis BOURGEOIS, Directeur de réseau, COPY-TOP

Following results day by day

The best way to increase motivation and stimulate competition is to publish results very frequently, so that each sales person knows how he is doing compared to everyone else. Sending out results via conventional methods -Microsoft Excel © spreadsheets, by e-mail, is time-consuming so cannot be done too often.

It is more efficient to publish a single online report that everyone can consult, updated automatically with imported sales data. In addition the site connections can be monitored to check how often participants log-on.

Satisfied sales people

« Using Reward Process helps us get salespeople more involved, monitor their actions and facilitate their access to all challenge-related information. How satisfied are they now? Nobody wants to go back to the old system! »

Stéphane Kermaal, Responsable Marketing Produit, ETC-Métrologie



Meeting the expectations of Generation Y

Generation Y - which by 2015 will represent 40% of employees - is constantly on line and hooked up to social networks and instant messaging. In general the devices they use in their personal lives are different from those used at work. Why not offer them a new way of communicating on business challenges? An online solution, accessible anywhere, anytime, to communicate freely with all other participants, is highly likely to motivate the sales force.

We mustn't forget that recognition within the company is also a motivation factor, considered just as important as bonuses and endowments, and yet it is often overlooked in business challenges.

Reason 2 : Reducing routine tasks and giving more time to creativity

Sales managers would like to spend more time devising creative, motivating challenges. But generally they don't have the tools, (apart from Microsoft Excel® files) to define rules, calculate results and send them out to participants.

This means that only 20% of their time is spent on developing challenges because 80% is spent carrying them out.

As in most areas of management, the solution is to automate repetitive and tedious tasks, freeing up more time for inventiveness and creativity.

Developing challenges without any oversights

Organizing a sales challenge is a complex process : building a coherent system from the word go, in a very short space of time, is no mean feat. What is the framework, what are the objectives? What are the rules? Which rewards to offer? How will the results be made known? With so many factors to consider a vital step could easily be overlooked.

Challenge-management solutions can enable you to build a complete workflow, so you have to proceed step by step to construct your challenge in its entirety. Then when the "green light" is given, all that remains to do is validate it.

Instantaneously the sales people are notified, the rules are sent out, the rewards are visible and participants can sign up immediately.



How can I find new ideas to motivate my sales people?

Reducing report-writing time

Collating tracking statistics on business challenges is one of the most time-consuming jobs: extracting sales data, applying the rules, developing graphics, etc.. When a manager has to follow several challenges on different products or regions simultaneously, the administrative burden can be heavy. If all these tasks can be automated by simply loading the sales data in a system that calculates the results for each challenge and for each sales person, precious time can be gained.

Simplifying reward management

Gift catalogues are often used in external challenges, but these are time-consuming to manage. Using a challenge-management system linked to one gift catalogue on the market, it is possible to introduce an automated management system from start to finish.

« As for managing gifts and endowments, we provide the Ferrari and Reward Process enst... the autopilot. »

APPLEWOOD
PRO

Franck Dupire, Key Account Manager, Applewood

Facilitating tax obligations

In France, the inter-ministerial circular of March 5, 2012, effective from 1 January 2012, sets out legislation for the taxation of business gifts given to employees of third party companies. It is now necessary for the company to provide a list of endowments and gift vouchers issued nominatively, indicating the name, address and Social Security number of each person rewarded.

Business challenge-management solutions gives an accurate tracking of gifts and endowments, providing a reliable basis for preparing tax statements.

Reason 3 : Ensuring challenges are a success

Communicating the rules clearly

Challenges are often complex. Explaining the rules of the game just once, at the launch, is not enough: It is much better to make these rules permanently accessible online. It is only when the challenge is underway that certain instances arise and the rules have to be consulted.. Participants can freely access complementary explanations via the tools available in the challenge-management software.

Facilitating good administration

Good administration is a key success factor for challenges. This means frequent communication: giving regular updates on results, details on the prizes to be won, encouragement to participants who are close to reaching their goals. Sending e-mails is the easiest solution but not the best. Collaborative tools give durable, better-organized, transparent communication, via a secure website. And nothing prevents you from sending e-mails too, with the link to the website included, to incite salespeople's interest.

« Administering incentives is clearly a key element of success, but it's time-consuming. When Valérie Samuel introduced me to her new software Reward Process, where you can standardize incentives via a website, I jumped at the chance to use it. On recurring incentives, I think this tool is highly promising and has a great future ahead of it. »

Alexandra Bazzano, Country Marketing Manager, Dell



66% increase in the number of customers

« Results have far exceeded our expectations. There has been a 66% increase in new customers and sales from our creative studio are up by 43%. »
Denis Bourgeois, Sales Director, CopyTop



Close monitoring for timely reactions

To give challenges the best chance of succeeding you have to be able to react quickly if a glitch occurs. Salespeople or distributors who do not sign up for new challenges; results that take longer to materialise than expected; misunderstandings on the game-rules: these are all issues that must be identified early on, to ensure the operation runs smoothly. Results need to be frequently updated and information sharing facilitated so that each step is closely controlled and action can be taken quickly if need be.

Supporting your teams

If a hitch is detected, prompt action is essential to remedy the situation: to give specific advice, set out the rules, perhaps even schedule a training session on a product, sales technique or selling point. Business challenge-management solutions provide instant communication with the people concerned, giving them pertinent and personalized information.

Reason 4: Close handling of your business challenges

Modelizing all calculations for internal and external challenges

In the simplest instance, incentives are calculated on revenue attainment, sales volumes and number of new customers-the data being extracted from CRM or ERP. But some challenges are more complex. They require managing performance levels, applying formulae, conditions and weighting.... The challenge-management tools enable you to model challenges easily using any type of calculation. And the results obtained can be seen on screen immediately, with tables and graphs giving a clear visual picture.

Piloting easily accessible to all

Automating these operations means instant access to all the elements you need for dynamic, real-time challenge management.

All departments can have access to the results:

- o Intermediary sales managers can relay the operation locally, get involved more easily and increase their presence with their teams, which is a key success factor to business challenges.
- o Marketing and product managers can immediately get an idea of how well the challenge is working.
- o Logistics managers handling gifts and payments can better prepare their workflow
- o The people piloting the incentives can relay information and results more swiftly to the challenge sponsors



Proving how effective challenges are

It is not an easy task for managers to calculate the overall result and to relay this information to management and / or sponsors in a timely fashion. In times of crisis, the challenges' Return On Investment is closely monitored. It is difficult to wait several days to get an accurate picture of the effectiveness of a challenge once it is completed. Challenge-management solutions provide a rapid response and give a complete picture of all past and current challenges, both internal and external.

« The companies surveyed by Reward Process admit they sometimes think of reducing their number of challenges, because of the lack of tools available to manage them. Yet they know they are an effective way of motivating their sales force and improving results. »

Reason5 : Reducing costs

Reducing agency fees

To resolve some of the issues mentioned above, many companies turn to an agency specializing in challenge management. The agency will deal with setting up the operation, a large part of the communication, event management and the development & delivery of rewards.

The budget for this type of service can often amount to several thousand dollars. One of the most costly services is usually the creation of a mini-website, to show the rewards and communicate results online. But this type of “customized” solution does not solve the problem of publishing results: file transfer and data entry remain a large slice of work that requires resources.

Introducing incentive-management software provides a better solution in terms of publishing results and promoting challenges. The cost of this kind of solution is usually a few dollars per month per employee. When the proposed solution is in the cloud, the cost of the platform is also shared. Billing is also flexible, since it depends on the number of users and challenges managed.

Key points of challenge-management solutions

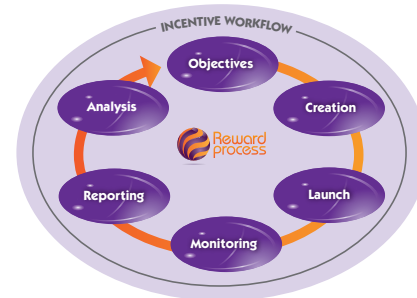
- > Automated reporting
- > Sharing and collaboration
- > Hosted solutions
- > Challenge piloting
- > Centralized communication
- > Accessible 24/7

Significantly reducing the budget

Between the cost of using an agency 4 or 5 times a year, and using challenge-management solutions, the difference is staggering. On average a company with a sales force of 100 will see their bill cut to a quarter of the cost. It is also a way for managers to re-appropriate their challenges: they have all the tools they need at their fingertips for reporting and calculating the ROI of incentives.

Increasing team productivity

Companies that do not turn to specialist agencies have to draw on their own in-house resources to manage their incentive schemes. Adopting a challenge-management solution provides an automated sales data recovery process via interfaces with sales administration and ERP systems. Circulating the information is also simplified, since the results are online and available to all salespeople and distributors concerned. So the time saved on performing routine tasks can be better spent on thinking up new challenges and new ways of implementing them.





This white paper was produced by Niouzeo on behalf of Reward Process.

About Niouzeo:

A leader in information technology, Niouzeo produces white papers, studies and customer testimonials that enable users to decipher the issues and trends in new domains.

About Reward Process:

Reward Process provides a software solution that automates the creation and management of internal and external challenges, for teams and individuals. The solution meets the needs of companies of all sizes in all fields of business, servicing Sales, Marketing and Human Resources departments.



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