

Customer Success Story

Acme Packet restores rep confidence, improves performance.

About Acme Packet

Acme Packet, the leader in session border control solutions, enables the delivery of trusted, first-class interactive communications—voice, video and multimedia sessions—and data services across IP network borders. Its Net-Net family of session border controllers, multiservice security gateways and session routing proxies supports multiple applications in service provider, enterprise and contact center networks—from VoIP trunking to hosted enterprise and residential services to fixed-mobile convergence. Over 10,000 Acme Packet systems have been deployed by more than 1,180 customers in 105 countries, including 92 of the top 100 service providers in the world and 11 of the Fortune 25.

The Challenge

Acme Packet sells its industry-leading hardware and software solutions for voice over IP through a combination of direct sales and channel partners. Like many organizations, Acme Packet managed compensation for its 150

Benefits at a glance:

93%

DECREASE IN
ERRORS

94%

DECREASE IN
ADMIN TIME

“We extended an offer to meet with three companies and Xactly was the only one who eagerly accepted our offer to meet in person,” noted Murphy. “The strength of Xactly’s sales commission software was critical, but their professionalism and eagerness to act as a partner also set them apart from the pack.

Implemented in May 2010, Xactly Incent has enabled Acme Packet to automate their sales compensation management processes, and gain

“Xactly Incent has given precious time and focus back to our sales team, enabling them to concentrate more on selling and less on the mechanics of their compensation. Just as important, Xactly fills out our SaaS infrastructure, joining Salesforce CRM in creating a flexible platform for driving competitiveness and performance in the field. We are constantly finding ways of leveraging Xactly Incent for our sales operational advantage.”

– Tony Murphy, from Acme Packet

person direct sales team using manual processes. But this approach did not scale with the company’s dramatic growth, leading to inefficiencies and overhead, and creating an unnecessary distraction.

“It was taking too many hours each month for finance to calculate commissions in spreadsheets,” claims Tony Murphy, an Acme Packet IT consultant responsible for sales compensation. “Meanwhile, because of inefficiencies in the process, sales reps were keeping their own spreadsheets. The end result was that both camps were wasting time and effort in chasing down information and resolving discrepancies. We needed to find a way to give everyone back their precious time, especially the sales reps, so they could focus primarily on their opportunities, and sell more and sell faster.”

The Solution

With a goal of improving their operational and sales effectiveness, Acme Packet began looking to automate its sales compensation management process. Critical to any solution being considered would be its ability to integrate with Acme Packet’s existing Salesforce CRM system.

After evaluating several competing solutions, Acme Packet selected Xactly Incent for sales compensation management, and related Xactly modules for analytics, modeling and data management.

real-time web-based visibility into plans and attainment. In addition, Xactly Incent’s rules-based compensation engine ensures compensation accuracy – helping Acme Packet reduce shadow accounting and discrepancies.

On the backend, Xactly’s Data Management capabilities allow Acme Packet to automate the loading and integration of data into Xactly Incent from salesforce.com – creating a single, accurate version of data across systems. “Xactly Data Management is one of the hidden jewels of the Xactly platform and it has revolutionized how we gather and use relevant sales data,” says Murphy.

Seamless integration with Salesforce CRM allows sales reps to sign-in once and manage their sales performance directly within the Salesforce CRM interface.

Xactly Analytics also extended analytic and reporting power to individual sales reps who want to see very specific things around their orders and commissions. Similarly, management can quickly analyze and report on costs and accrual by sales regions and individual team members.



Xactly helps Acme Packet get better business results.

Increased Sales Performance

Previously, Acme Packet sales reps spent several hours each month calculating their own compensation, calling finance for clarification, and working through discrepancies. With Xactly, they spend a fraction of this time on the same activities. Consequently, they are able to focus more of their efforts on selling and moving deals forward.

"As far as our sales reps are concerned, there's no more time wasted on 'shadow accounting' or resolving discrepancies," explains Murphy. "Instead, they have increased confidence that their compensation is being calculated correctly and can focus more of their energies into generating revenues. That's been a huge gain."

Streamlined Commissions Processing

On the finance side, time spent in sales compensation processing efforts has been reduced nearly 94% - freeing up finance personnel for more strategic tasks.

"Our sales reps have increased confidence that their compensation is being calculated correctly and can focus more of their energies into generating revenues."

"From a finance department perspective, the ROI has been terrific," says Murphy. "They have oversight, but the nitty-gritty, time-consuming activities and procedures have all been automated."

Timely Commissions Visibility

Among the processes that have been greatly improved at Acme Packet is visibility into commissions. Sales reps no longer have to wait for their pay-outs to see if their commissions have been correctly calculated. Instead, they now have Web-based access to their individual compensation plans, and to the variables that are impacting their pay-outs on each deal.

"We would calculate commissions and cut the checks, but occasionally a sales rep would raise a question about his or her compensation" says Murphy. "Now, because we're pulling information from Salesforce CRM into Xactly, we are able to show reps on the first of every month precisely what they are going to be paid. They get to review it before it's engraved in stone, and that's really cut down on the discrepancies."

"We've gone from a 10% discrepancy rate to 0.7% or less, and we hope to close the gap further."

Improved Communications and Compliance

When Acme Packet was using spreadsheets to calculate compensation, there was typically a 10% rate of discrepancy between the sales and finance numbers – which is in line with the sub-optimal accuracy rate normally experienced when using manual methods. Now, with Xactly, the picture has changed completely, creating a closer alignment between sales and finance.

"We've drastically reduced the number of discrepancies and we hope to close the gap further," claims Murphy. "Needless to say, a lot of pressure is off finance, and the process is much more efficient."

Continued Process Improvement

With the basics of automated compensation management now nailed down, Acme Packet is extending its use of various value-added Xactly features. This includes the integrated Xactly Docs module, which enables compensation plans and confirmation letters to be electronically distributed and approved using the rep's digital signature. Automating the process also provides Acme Packet a digital, archived audit trail for compliance purposes.

"We are thinking constantly about the areas where we can let Xactly Incent do the work for us, such as using it for document management and securing digital signatures," says Murphy. "Our goal in that area is to hit the ground running with our 2011 plan, and have everything electronically distributed and returned digitally signed using Xactly's document management capabilities."

"Xactly Incent has given precious time and focus back to our sales team, enabling them to concentrate more on selling and less on the mechanics of their compensation. Just as important, Xactly fills out our SaaS infrastructure, joining Salesforce CRM and BigMachines in creating a flexible platform for driving competitiveness and performance in the field. We are constantly finding ways of leveraging Xactly Incent for our sales and operational advantage," concluded Murphy.

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, 35 S. Market Street, San Jose, CA 95113

© 2005-2010 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.