

Dräger Replaces Xactly with Performio's Modern Incentive Compensation Platform



Client:

Dräger

Industry:

Manufacturing

Headquarters:

Lubeck, Germany

Size:

15,000 employees

i About

Dräger is an international leader in the fields of medical and safety technology. Their products protect, support and save lives. The company's long-term success is based on the four key strengths of its value-driven culture: customer intimacy, professional employees, continuous innovation and a commitment to outstanding quality. Founded in 1889, Dräger generated revenues of around \$4.1 billion in 2020. The Dräger Group is currently present in more than 190 countries and has more than 15,000 employees worldwide.

? The Challenge

The FP&A department at Dräger US was looking to replace Xactly, as they had outgrown its platform and wanted to upgrade their Incentive Compensation Management (ICM) capabilities. They were seeking to expand their commission program around team crediting and the Xactly platform could not accommodate that requirement. Furthermore, it was becoming increasingly difficult to get the customer service support they needed.

“The more we needed help, the less help we could get because the customer support people who really understood the product and our requirements had left the company,” said Anh Ung, Finance Controller, FP&A European department, Dräger. “We were always boxed in and could not grow. Our plans were in the same layout for ten years. Furthermore, over the past few years we experienced very poor customer service. They would even drop our cases without resolution and not communicate with us properly.”

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Anh Ung

Finance Controller, FP&A
European department, Dräger

⚡ The Solution

They went out to market to identify an ICM solution that could handle their crediting complexity and provide great customer service. The team evaluated SAP/ Callidus and Performio. After a thorough selection process, the Dräger team felt Performio’s offering best matched their requirements. In addition, Performio offered an unlimited amount of data processing, with no additional fees, which was a big plus because Dräger processes a large volume of data each month.

Another aspect the team liked about Performio was its ability to handle complex plans and multiple roles. Dräger manages comp plans for many different roles, not just field sales reps and their managers. Other departments on incentive comp plans included business development, purchasing, medical support, modalities, clinical operations, and sales support. Each of these roles has their own complexity, including splitting commissions by order, invoice, and product.

“Some of our plans are very complex. We liked that the Performio team took a consultative approach and shared their expertise and new ideas to help us refine our commission program,” recalls Ung. “The majority of our sales comp plans are pretty standard, but there are other outliers, for example government sales vs. corporate sales, types of products sold, and services provided. We needed a system that could handle all of this.”



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✓ The Results

Today a team of four manages the commissions program for 300 sales reps. Payroll provides the data and the finance group manages the plans and validates the system is working, which provides checks and balances.

“Commissions are a very high priority in our company. I like Performio’s user interface and the ability to build graphs showing trends over time,” says Ung. “The sales team loves to see sales trends per month and attainment rates. It looks modern to them and they like the clear visibility into their performance vs the overall organization.”

Performio’s built-in reporting capability is able to provide over 90% of their reporting requirements for their commissions program. There is a report for executive management, so leadership can keep track of commission payouts and track performance. In addition, sales comp data is split out by line of business, so they can clearly see business performance and sales rep performance.

“Because Performio can be customized, the solution has allowed us to build anything we have wanted,” says Ung. “Performio has been very accommodating and has allowed us to set up our commissions the way we want. Now the process is much easier and we can work smarter, not harder.”

The Dräger team continues to optimize their Performio solution and plans to leverage more of the functionality available in the platform, including the native quota management functionality.