

Market Competitiveness Through Sales Compensation Assessment and Design

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The Situation



A global
web content
management
software company

was migrating from an on-premise to a subscription/cloud company. Their sales compensation expense was above budget despite below-goal sales performance.

The Challenge

The software company needed to convert existing on-premise customers to subscription while acquiring new subscription customers. Better alignment between incentive pay and sales goal performance was a must. They also needed to align the sales compensation plan to field sales role responsibilities.

The Solution

The Alexander Group (AGI) conducted a **global assessment of sales coverage** by interviewing sales executives to confirm role responsibilities and identify gaps in the sales compensation program. AGI then recommended sales compensation plan options to drive organizational strategy and estimated the cost of the new plans for all role variations across geographies.

The Benefit

The company took the recommendations and designed different sales compensation plans for hybrid vs. hunter field sales roles (vs. same plan today). In addition, they aligned target pay-to-market benchmarks to ensure market competitiveness.