

# Siemens Healthineers

## Sales commission on the next level

Closing a big deal can take months, or even years, of effort. To ensure that sellers are rewarded fairly for their work, Siemens Healthineers rebooted its approach to sales performance management.



## Business challenge

It's no secret that motivated sellers perform better. How could Siemens Healthineers make sure its salesforce in Germany received fair commission on deals, with better transparency of pay?

## Transformation

Siemens Healthineers rebooted its commission plans using Varicent Sales Performance Management (SPM), boosting automation and visibility of calculations and payments.

## Results

### Quick

calculations help the finance team work efficiently

### Engages

sales teams, who enjoy full visibility of commission calculations

### Saves

time for the IT team by adopting a SaaS approach

# Business Challenge Story

## Striving for excellence

A world-leading provider of medical technologies, Siemens Healthineers employs many salespeople in Germany and across the globe. These teams work hard over sales cycles that can last for months and even years—and to keep them motivated, it's vital for Siemens Healthineers to ensure that each salesperson is properly rewarded for the time and effort they dedicate to a deal.

Previously, Siemens Healthineers in Germany managed sales commission using a homegrown solution, which had been gradually expanded and enhanced over time. Only limited personnel were trained to maintain the system, and upgrades or enhancements were difficult and time-consuming.

To unlock efficiencies, Siemens Healthineers set out to improve the management of sellers' commission payments, and to provide salespeople with a clear view of how their pay was calculated. Additionally, the company wanted to extend the incentive system to salespeople for different types of sales and to deploy it to more countries.



---

**“Varicent Sales Performance Management will help us transform our approach to compensation.”**

— Erwin Merkel, Director of IT, Siemens Healthineers

# Transformation Story

## Prescribing leading-edge technology

After reviewing proposals from several vendors, Siemens Healthineers decided to deploy Varicent on a Software-as-a-Service (SaaS) basis.

Erwin Merkel, Director of IT at Siemens Healthineers, explains: “We are currently working to deploy a new ERP system, so it was vital that we chose a sales performance management solution that could be integrated with our new ERP system once it went live. We selected Varicent because it offered much greater flexibility than the competing solutions we examined.

“One of the key advantages of Varicent was the option to select a SaaS deployment. Choosing cloud enables us to think big and start small, scaling up the solution to keep pace with business requirements. Of course, in light of Siemens’ recent IPO announcement for Siemens Healthineers, cloud will be a great advantage in boosting flexibility to meet evolving business needs.”

Varicent provided local support during the implementation, with Varicent Business Partner, Lanshore LLC, delivering offshore consulting services. Siemens Healthineers completed the deployment within a tight budget.

“The implementation went very smoothly, and we completed the deployment within a tight budget,” recalls Erwin Merkel. “Siemens Healthineers and Varicent people worked together as a single team and forged close relationships. The Varicent consultants

demonstrated an in-depth knowledge of the Sales Performance Management software and a strong commitment to delivering a solution that would provide us with real business value.”

During this time, the Finance Team at Siemens Healthineers uses Varicent to calculate commission for around 130 salespeople in Germany. The solution maintains a full track record of payments and calculations, simplifying compliance with regulations around bonus schemes.

Soon, salespeople will have full visibility of how their commission is calculated via a new web portal in Varicent, enabling them to drill down to view bonuses for each deal they close. If sellers have questions or think a payment is incorrect, they will be able to send questions via the portal to a finance person and receive a prompt response to their inquiry.

---

**“In the future it will be easier to update our commission plans to better align sellers’ efforts with overall company strategy, steering sales in a proactive manner. The Varicent solution will enable us to analyze payments quickly, easily and at a granular level, helping to derive decisions about the new plans.”**

— Erwin Merkel, Director of IT, Siemens Healthineers

# Results Story

## Embracing transparency

The new solution enabled Siemens Healthineers to replace its old solution with a robust, highly automated way of calculating compensation for salespeople. If the Finance Team needs to make manual adjustments or corrections, the changes can be completed more transparently compared to the previous system.

“We have eliminated the business risk of relying on a homegrown system with limited support,” remarks Erwin Merkel. “Varicent has been met with a very warm reception among our finance people, who like the look and feel of the solution, and can see commission data in much finer detail.

“For salespeople, one of the main advantages is the increased transparency that the new portal will soon provide. Sellers will be able to see precisely how their pay is being calculated

and even view the results in charts and graphs. We hope this openness will boost their engagement, inspire their trust, and help them see exactly how their hard work pays off.

“What’s more, it is now much easier to update our commission plans to better align sellers’ efforts with overall company strategy, steering sales in a more proactive manner. Varicent will enable us to analyze payments quickly, easily and at a granular level, helping to inform decisions about the new plans.”

Building on its success, Siemens Healthineers plans to roll out the solution to other types of sales and other countries.

Erwin Merkel concludes: “Varicent will help us transform our approach to compensation. In future, we hope to expand this to the next level – by using the sales performance management system in more types of sales and across borders.”

# About Siemens Healthineers

Siemens Healthineers specializes in helping healthcare providers worldwide to deliver high-quality patient care in an affordable manner. The company is a world market leader in many of its lines of business, employs more than 45,000 people across 73 countries, and generates annual revenues of around EUR 13 billion. Its technology helps treat 209,000 patients every hour and influences over 70 percent of critical clinical decisions.



# About Varicent™

Varicent helps clients accurately track, manage, and report on sales processes through the industry-leading Sales Performance Management (SPM) solution. Established in 2005, Varicent innovated the SPM software industry by developing business tools for Incentive Compensation, Territory, Quota, and Channel Management. With Varicent's augmented intelligence-powered platform, customers realize bottom-line efficiencies and top-line results through sales dashboards and models for better decision making at all levels of the business.

## For more information

To learn more about Varicent, contact your Varicent sales representative or visit [www.varicent.com](http://www.varicent.com)

---

© Copyright Varicent 2020  
Varicent™  
Canada: 4711 Yonge St., Suite 300  
Toronto, ON Canada M2N 5KB  
March 2020

Varicent and the Varicent logo are trademarks of Varicent. Other product and service names might be trademark of Varicent or other companies.

