

# WHEN OUTSOURCING WORKS



## AN ICM MANAGED SERVICES CASE STUDY OF THE WACKER NEUSON GROUP

### Industry:

Manufacturing

### OS Service Lines:

OS EDGE Managed Services

### Technology Partner:

IBM/Varicent

**THIS CASE STUDY DOCUMENTS THE JOURNEY OF THE NORTH AMERICAN OPERATION OF GERMAN-BASED MANUFACTURING COMPANY WACKER NEUSON AS THEY SOUGHT A BETTER SOLUTION FOR MANAGING THEIR INCENTIVE COMPENSATION.**

### CHALLENGE:

#### An ICM process hanging on a single thread

Wacker Neuson first worked with OpenSymmetry in 2013 on the implementation of their original incentive compensation management (ICM) system – Varicent, now IBM ICM – to replace a web of spreadsheets and manual sales commission calculations. This ICM system, however, hung on a single thread – a sales compensation administrator who possessed all of the knowledge about the system and processes. She had structured the payouts and reports in a way that she understood but was not easy for others to pick up, due to a lack of ICM system process documentation.

Ultimately, Wacker Neuson recognized that they were carrying too much risk with the existing program and conducted an internal assessment, with the end goal being to improve their ICM solution.

#### Wacker Neuson turned to OpenSymmetry for help evaluating six key areas of their existing ICM solution:

1. Process efficiencies
2. System efficiencies
3. Data integrity best practices
4. Reporting and communication best practices
5. Program management best practices
6. Cost efficiencies



**WACKER  
NEUSON**  
*all it takes!*

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OpenSymmetry helped us to evaluate our ICM program in a new light. Their technical and business expertise allowed us to understand the details of how changes would impact our system and processes. This enabled us to implement changes that would have the biggest impact on our business.



– Sales Operations Manager,  
Wacker Neuson

## SOLUTION:

### Outsourcing management of all ICM

In the fall of 2015, Wacker Neuson invited OpenSymmetry to lead an onsite workshop for a full review of their ICM system in order to start addressing the challenges and opportunities for improvement uncovered during the evaluation. **The workshop deliverables included:**

- Detailed documentation of “as is” process
- Process improvement recommendations
- System mapping
- System configuration update recommendations
- Reporting enhancements

After considering their options, **Wacker Neuson made the decision to outsource the operation of their ICM program through OpenSymmetry’s managed services offering, OS EDGE.** An OS EDGE team was trained on Wacker Neuson’s system, checking it for redundancy and ensuring that it utilized the most efficient resources and processes to reduce costs. The OS EDGE team developed Standard Operating Procedures and took over management of the following aspects of the Wacker Neuson ICM process:

- Regular status reporting
- Transactional processing
- Accrual processing
- HR update processing
- Commission processing
- Reporting and communication management
- Customer and product updates/maintenance
- Year-end processing and set-up
- Incident management
- Continuous improvement identification and execution
- Quarterly business reviews

## ABOUT WACKER NEUSON

Headquartered in Munich, Germany, Wacker Neuson designs and manufactures a comprehensive range of light and compact equipment and serves the global construction, agriculture, landscaping, oil and gas, and municipal industries. The company has corporate sales and service organizations in more than 35 countries, as well as nine plants around the world and an extensive dealer network. Behind the brand stands the Wacker Neuson Group, a corporation with around 5,500 employees and revenue of EUR 1.53 billion in 2017. OpenSymmetry partners with Wacker Neuson's sales affiliates in the USA and Canada.

## RESULT:

### Freedom to focus on impactful business drivers

By inviting OpenSymmetry (OS) to assess, improve, and own their ICM program, **Wacker Neuson saw improvements in each of the six key areas initially evaluated:**

- 1. Process Efficiencies:** By applying best practices such as automating HR updates in the ICM system, OS **eliminated unnecessary manual processes.** Additionally, by configuring the native ICM password functionality, OS streamlined a once inefficient process of managing ICM passwords outside of the system.
- 2. System Efficiencies:** By identifying key areas to streamline the technical configuration, OS made recommendations to **reduce IT dependencies** and **quickly and easily make small plan changes.**
- 3. Data Integrity:** By aligning data fields and making recommendations to update SAP queries, OS **increased the accuracy of customer and transaction data** that was loaded. OS also made recommendations to automate data imports for a streamlined process.
- 4. Reporting and Communication:** The OS team gave recommendations to improve real-time reporting, giving Wacker Neuson the ability to **make better informed and more timely decisions.** They also identified an opportunity to streamline communication for **faster and easier commissions processing and approvals.**
- 5. Program Management:** By identifying additional resources and setting up a comprehensive documentation process, OS **reduced the risk that once came from having just one compensation administrator hold all the keys to the ICM system.**

## ABOUT OS EDGE:

Managing incentive compensation is a continuous process that doesn't end once an incentive compensation management (ICM) technology is deployed. OS EDGE, OpenSymmetry's managed services offering, was born out of our clients needing operational support beyond deployment.

The consulting team at OpenSymmetry delivers a full suite of ICM managed services. This empowers businesses to focus their efforts on what's most important — their core business.

**6. Cost Efficiencies:** By outlining best practices for managing exceptions, OS made the ICM program more efficient and **decreased program management costs** that once came from having a compensation administrator who spent countless hours configuring unwieldy rules to catch each and every uncommon exception.

Partnering with OpenSymmetry's OS EDGE team to operate their ICM program empowered Wacker Neuson to focus on their core business. **They can focus on high priority organizational initiatives while having complete confidence that they have a best-in-class and cost-effective ICM solution.**

If you're interested to learn more about how OS EDGE can help you take control of and get the most from your ICM solution, please email us at [os\\_info@opensymmetry.com](mailto:os_info@opensymmetry.com)



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## ABOUT OPENSYMMETRY

OpenSymmetry is a global consulting company that specializes in the planning, implementation, and management of sales performance management (SPM) solutions supported by the industry's leading technology suppliers. Since 2004, OpenSymmetry has enabled its customers, ranging in size and industry, to achieve greater operational efficiency and get better sales results.