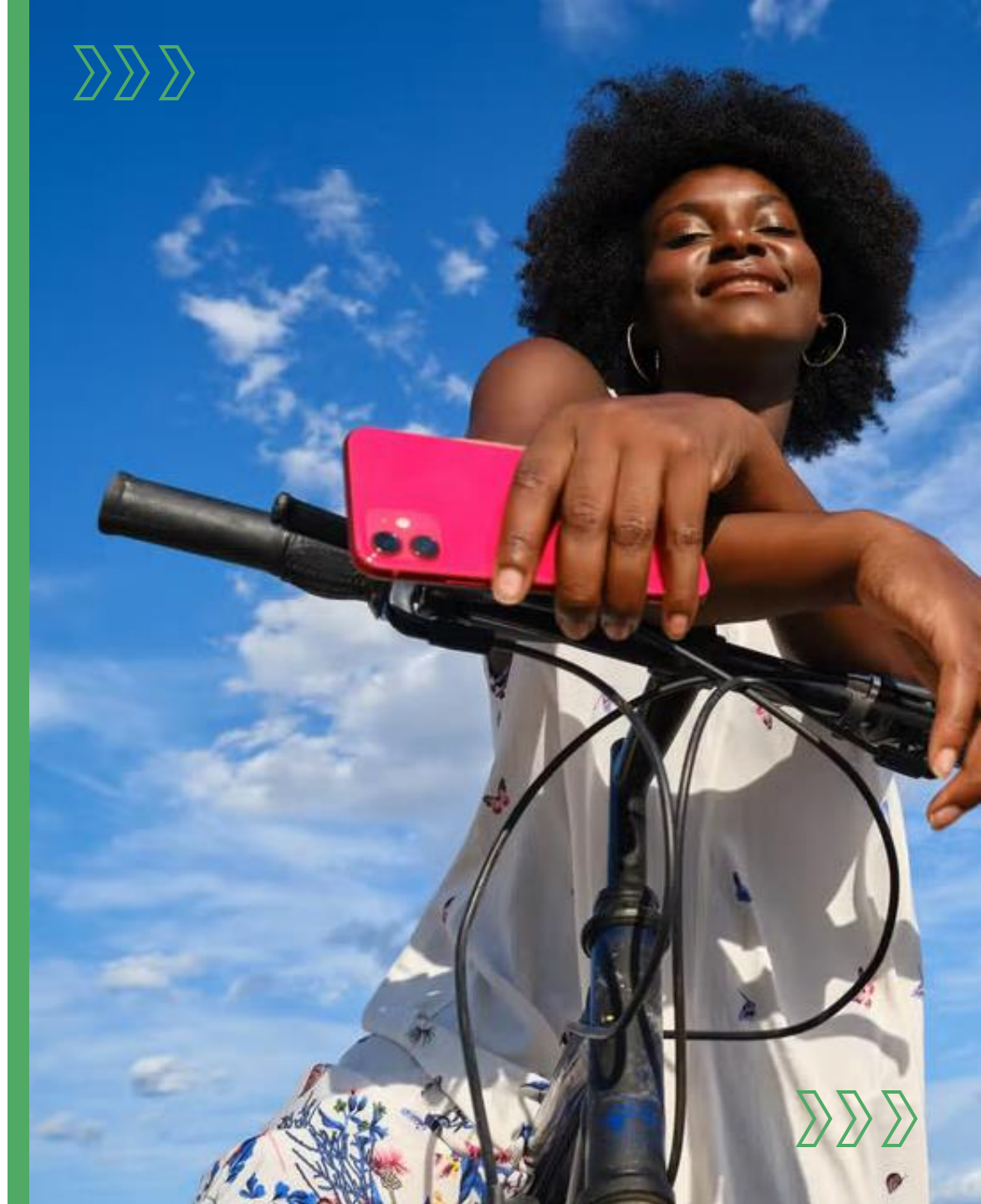




T Mobile

CASE STUDY

Powering Agility in Commission Operations at Scale



Background:

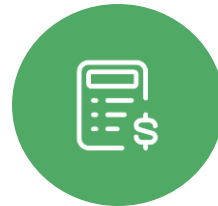
T-Mobile US, Inc., provides mobile communications services in the United States, Puerto Rico, and the U.S. Virgin Islands. It offers its services and products via a dealer network, and its own retail stores. With approx. 275 Master Dealers, 15,000 Agents and 25,000 employees on incentive compensation plans, T-Mobile has a complex and massive commission operations. In 2010 T-Mobile had decided to replace its in-house legacy commissions platform with Varicent, which is now acquired by IBM.

Managing the commission operations for 3 distinct types of Payees – Dealers, Agents, Employees, in an ever-evolving industry poses a huge operational challenge for both IT and Commission Operations. Incentive landscape has inherent challenges as new plan components are rolled out on a quarterly basis, to keep up with the competition.

SPIFFs and KSOs are rolled out and pulled back sometimes on a weekly basis. Delays in calculating the commission amount, and publishing the commission statements was a risk to T-Mobile's ability to attract and retain sales talent. Both, the Commission operations team and IT, were under tremendous pressure to react fast, pay correctly and quickly

T-Mobile's business model entails 'high volume', 'low value' sales transactions. This combination leads to several complications for sales compensation administration. Millions of transactions have to be processed and commissions have to be recalculated on a daily basis.

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Commission policies dictate a six-month recalculation window, allowing a payee to report an issue with a transaction up to six months old. Every time a retro adjustment is made, it impacts the reporting and payout, not just for the Payee, but also for all those who get rolled up credits.

Challenges:

On average, it takes more than a week to resolve a dispute. The daily calculation process took 6-7 hours. This posed an ongoing risk to the daily refresh of commission reports. Any environmental issue on IBMs Cloud, or technical configuration issue could cause the batch process to fail or over run, causing a cascading effect on the next day's commission operations.

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The commission statements were difficult to understand and Payees were often confused about the underlying calculation logic. Execs were downloading giant data files into their local BI tool for analysis.

Solution:

T-Mobile converted the existing technical consulting engagement with SpectrumTek to Managed Services model. Under this new model, SpectrumTek deployed a team of SPM professionals and committed to a pre-defined set of SLAs and Deliverables. The team is responsible for not just technical configuration and enhancements, but also for providing operational support, including ticket resolution and dispute management. All technical work is delivered using Agile methodology.

Benefits:

T-Mobile's commissions team is now much more agile in responding to the changing compensation landscape. It can undertake almost twice the number of enhancement requests compared to what it could do before. T-Mobile's management and executives are now freed up to focus on strategic initiatives, instead of tactical operational challenges. Within 2 months of taking on the Managed Services project, SpectrumTek's senior leadership and industry veterans, conceived and designed the new reports for the field sales team and the executives. The response was overwhelmingly positive, and the first set of reports for Retail Sales was rolled out in Aug'17. The new reports with improved presentation of information, and intuitive layout, have significantly cut down the number of disputes logged. Having an off-shore team, has allowed T-Mobile to deliver better quality of service to the Payees, while reducing the overall cost of operations.

How SpectrumTek Helped:



The Managed Services team is composed of a 17-member team, 8 on-site team in Seattle, WA, and 9 in SpectrumTek's Offshore Delivery Center(ODC) in India.



The on- site team works from SpectrumTek's office in Seattle, just couple of blocks from T- Mobile headquarter, with frequent visits to T-Mobile office for in-person meetings. The offshore team worked from 5 AM PST – 2 PM PST, providing a 4 hour overlap with on-site team.



The offshore team plays a critical role in monitoring the daily batch process and proactively identifying and fixing the issues. For large complex enhancements, all the system design work is done by the onsite team in Seattle, and the development work is handled by offshore team.



The dual shore model ensures expedited delivery, and cost optimization for T-Mobile.



Offshore team is also responsible for doing first level analysis for all in-coming Disputes and Claim request. Data changes, if needed are done by T-Mobile's internal staff. If the resolution, requires system configuration changes, that is handled by SpectrumTek.

About T-MOBILE:

T-Mobile US, Inc., together with its subsidiaries, provides mobile communications services in the United States, Puerto Rico, and the U.S. Virgin Islands. The company offers voice, messaging, and data services to approximately 71 million customers in the postpaid, prepaid, and wholesale markets. It also provides wireless devices, including smartphones, tablets, and other mobile communication devices, as well as accessories that are manufactured by various suppliers. The company offers services, devices, and accessories under the T-Mobile and MetroPCS brands through its owned and operated retail stores, as well as Websites. T-Mobile US, Inc. also sells its devices and accessories to dealers and other third party distributors for resale through independent third-party retail outlets and various third-party Websites. As of December 31, 2016, it had approximately 2,000 T-Mobile and MetroPCS retail locations including stores and kiosks. To learn more, please visit www.t-mobile.com.

About SpectrumTek:

SpectrumTek is a global leader in Sales Performance Management (SPM) Services. We are your trustworthy partner on all things related to SPM – from Sales Compensation Plan Design to Sales Operations Effectiveness and Territory Planning to Software Implementation. Our Managed Services team specializes in post-implementation support and administrative services. Combining our passion for SPM and commitment to customer success, we are certified SI partners for the top 5 software vendors in the SPM space – Captivate IQ, Jedox, SAP (CallidusCloud), Varicent and Xactly. Adopting a technology-neutral-customer-centric approach, we leverage industry best practices to help our customers maximize the ROI from SPM software. Over the last 15 years, our team has delivered more than 250 SPM projects, supporting commission payouts for more than 450,000 Payees worldwide.

Thank You!



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