



Success Story



iPCS is a Sprint affiliate with over 81 markets in the Midwest and eastern parts of the U.S. iPCS manages and sells cellular coverage, and as of July 2009, has network coverage to over 12.6 million residents and has over 710,000 subscribers.

Business Challenges

- Complex and changing commission structure
- Home-grown system unable to keep pace with changes
- Massive amount of manual research into numerous dealer complaints
- Lack of visibility for dealers into commission details
- Extra staff needed to support payment research and validation

Business Value

- Automated 95% of dealer commission payments
- Reduced validation complaints by 90%
- New reports help dealers understand and review dealer commission payouts
- iPCS redeployed 50% of the commissions staff

iPCS Reduces Commission Complaints by 90%

iPCS had always struggled with accurate commissions, but a LEAN exercise really brought the tangled process to light. Paying commissions is a complicated task and the homegrown system at iPCS could not keep up with frequent changes to commissionable events and plans. Scorecard Systems' Commissions Manager application automated 95% of the commission process and reduced commission research requests and complaints by 90%.

Managing dealer commissions is a tough job. Keeping up with the compound, tiered commission structures across multiple sales channels is a significant challenge. Once combined with special bonuses and promotions, the process of calculating accurate commission payments can be extremely difficult and time-consuming.

Teresa Cherry, Accounting Manager for Payroll and Commissions at iPCS, knows all about the challenges of calculating accurate commission payments. A sizeable retail sales force and dealers, combined with a home-grown commission system, required her team to deal with large numbers of daily validation requests to research potential payment errors.

"Our IT team had developed an internal system when we launched our business, but the system was being pushed beyond its limits by the continual changes being asked for by the sales leadership and the complexity of the coding needed to maintain all of the business rules," says Cherry.

From the perspective of the payroll and commissions team, the process

was inefficient, as they were spending 80% of their time reconciling payments and responding to complaints. There were no automated checks or balances in place.

When iPCS began implementing LEAN methodologies, they brought to light the complexity and inefficiency of the existing commissions process. Cherry created a business case that demonstrated the benefits of changing both the process and the system.

iPCS had used Scorecard Systems' Subscriber Analysis Application and Revenue/Usage module for many years to produce accurate and reconciled subscriber reports. This longstanding relationship proved that Scorecard possessed the knowledge, experience, and level of service to expand iPCS' reporting solution to the commissions process.

Adding Scorecard's Commissions Manager was an easy choice. "The Scorecard team knew our data and the complexities it entailed. It was a natural choice," says Cherry.

To begin the project, Scorecard's commissions deployment team

facilitated sessions with both Cherry's department and IT to establish project goals, clarify and define business rules, and understand data flows.

In keeping with Scorecard's remote deployment methodology, all configuration work was performed off-site, allowing iPCS to avoid paying for travel expenses often inherent in such projects. "Scorecard has a wealth of experience with long-distance implementations," says Cherry. "Key project milestones such as the business rule session, commission plans reviews, and training occurred at iPCS, and the degree of communication amongst our teams allowed us to feel like they were onsite even though they did not have to be."

Once Scorecard delivered the system, Cherry's team began the task of testing and validating the processed data. "The hardest part was trying to compare the data to our manual calculations which might not have been right in the first place!" she says. The validation uncovered numerous challenges with the legacy system that were resulting in commission overpayments.

"Before, my staff spent 80% of their time revalidating payments. Now, the number of discrepancies we have to research has dropped by 90%."

—TERESA CHERRY, iPCS ACCOUNTING MANAGER

Although a typical Commissions Manager deployment can be completed in under 90 days, the iPCS sales executives made major changes to the commission structure mid-way through the project. "Although these changes caused delays to our implementation, Scorecard quickly adapted to the new process and helped iPCS make the necessary adjustments to keep the project on track," said Cherry.

Commissions Manager includes a set of standard reports, including a very detailed activity report that lists plan and feature changes by subscriber. Most iPCS dealers receive commissions on service upgrades, making the detailed activity a critical component of commissions reconciliation.

Additionally, the dealers required very specific information which was available to them through a configurable report on the commissions portal. The dealers are now quickly able to determine their commissionable activity and confirm that they are being paid accurately. The dealers' confidence in the commission process increased tremendously over the



previous solution, where this information was not readily accessible.

Scorecard's Commissions Manager has actually changed the way Cherry's team works with her business partners. She has been able to guide them in the commission strategy process, coaching the sales executives to leverage parameters within Commissions Manager so that evolving plans can be modified efficiently.

"Our commissions team is thrilled to have the ability to make their own adjustments to the commission structure. As new plans and promotions are created, we can quickly make the table changes without having to involve either IT or Scorecard. We are finally self-sufficient!"

The project to automate the commission process with Scorecard's Commissions Manager was a great success, leading to the expansion of the solution to the direct retail channel. Commission questions and complaints from the field have been reduced by 90%, and Cherry has been able to redeploy many of her team members to other tasks.

Cherry cannot say enough good things about Scorecard. "I don't give out compliments lightly, but they have truly been a joy to work with," she says. "Any request I make is responded to right away. Their service is impeccable. They know what they do and they do it very well."

About Scorecard Systems

Scorecard Systems is the leader in reporting and analysis solutions for telecommunications companies, and has been helping telecom companies produce accurate subscriber metrics since 1996. Scorecard supports landline and wireless carriers, cable, satellite, broadband, and internet providers around the globe.