

El Tiempo Receives a Boost with Visual Rules

Casa Editorial El Tiempo is a media group in Latin America. Among the portfolio of print, online and TV media properties is El Tiempo, the most widely read newspaper in Colombia with 1.1 million daily readers. Casa Editorial El Tiempo has over 2,000 employees and is part of Grupo de Diarios América, a group of media brands specialized in news and information in Latin America.



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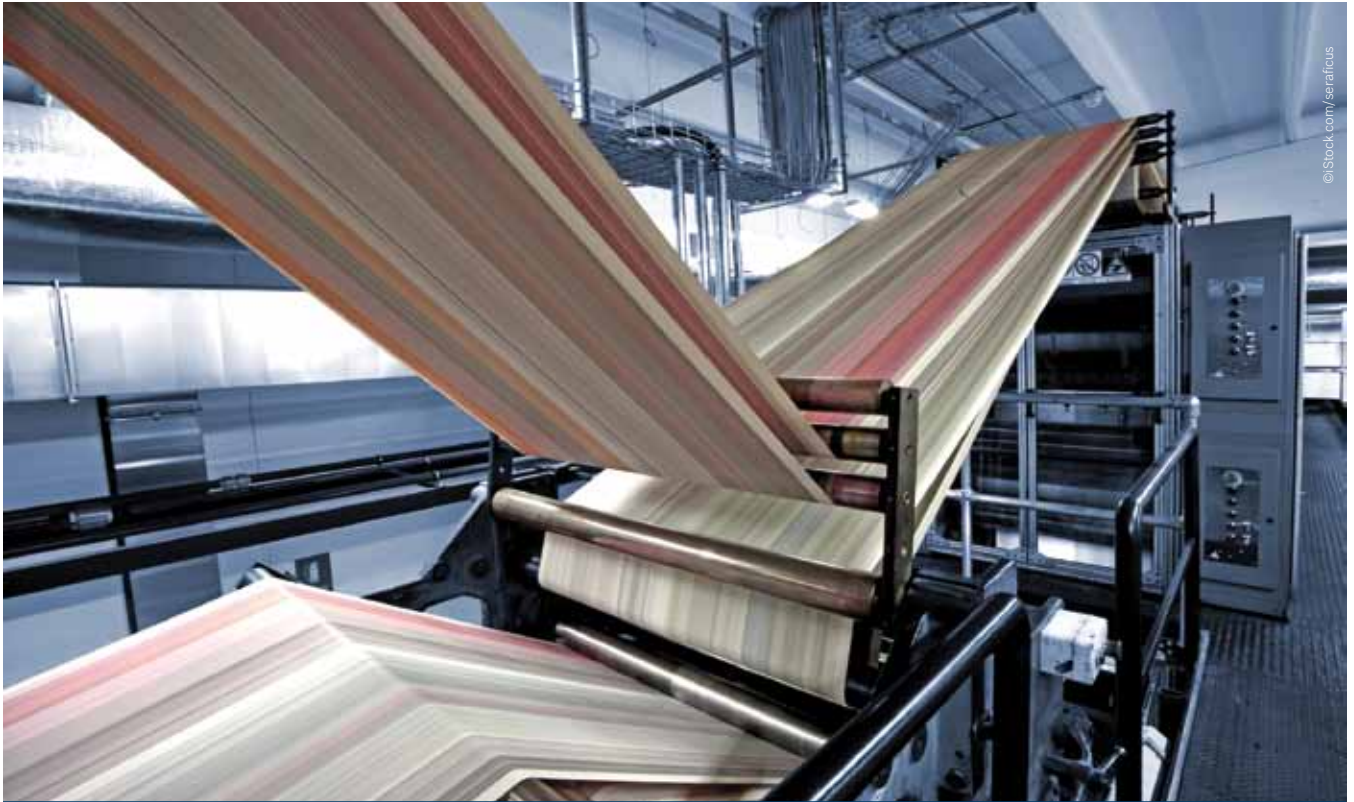
The problem:

El Tiempo needed a solution to automate and administer company-wide incentive programs for its 250 advertising sales executives – each of them with an individual commission model. In the past, El Tiempo established their commission models with a home-grown, rudimentary solution based on Excel, which caused delays and false payments. Spreadsheet solutions commonly cause overpayments of up to 10%; underpayments can have a negative effect as well and often result in low productivity and disputes. El Tiempo’s sales staff also spent a tre-

mendous amount of administrative hours on manually entering their data into spreadsheets. This was valuable time that could have been spent on generating advertising revenue – 75% of El Tiempo’s total income comes from advertisement. “The idea of an incentive calculation tool may seem simple: pay X for generating Y. In reality though, we have very unique and complex compensation plans. Earlier attempts allowed us to automate processes to some degree, but did not address the tremendous complexity we had to deal with,” said Ugo Albarello, Business Architect at El Tiempo.

It was key to El Tiempo’s performance strategy to find a solution which would streamline calculation and payment processing. The solution would need to cut down man hours, human errors and reduce false payment expenses by providing both high levels of automation and the flexibility to easily manage the tremendous complexity of commission models. The solution would also need to deliver an extensive testing environment and auditing capabilities to better manage and control the most complex variable plans and processes.

Case Study



"Prior to the implementation of Visual Rules, we were forced to determine the sales commissions manually using an error-prone Excel model. Visual Rules did not only shorten the process from four days to two hours, it also provides us with quality data." Ugo Albarello, Business Architect at El Tiempo

The solution:

El Tiempo decided that Visual Rules, the business rules product from Bosch Software Innovations, would best fit their needs. What convinced El Tiempo was Visual Rules' flexibility, its capability to process vast amounts of data and the usability supported by a unique graphical interface. The simplified user interface gives business users unmatched visibility and control of sales performance processes. Users within the company can get insight into sales productivity, profitability and performance. The rules-based approach to compensation design helps easily modify and re-deploy payout plans.

"After evaluating several approaches to sales commission management, we chose Visual Rules because it provides the functionality we needed

to keep up with the fast pace of our business," said Ugo Albarello. "The graphical user-friendly interface, empowers our non-technical staff to quickly and easily design compensation models and to make changes in real-time while having testing and auditing features."

Solution & Properties:

The automation began with the initial integration of transaction data. A central database pulls data from different sources and transfers all commission related data to the rules engine. The heart of the sales commission solution contains the decision rules that calculate the commission and conduct units, testing to ensure the quality of the business rules created. Only accurate rules are then transferred via web-services to the next

layer for reporting and analysis. Here, the tool provides information such as the highest and lowest commissions paid to an employee.

Visual Rules' graphical user interface empowers the business users to model all steps of the commission calculation - without depending on IT. As a result, the business logic is not buried deep in code and relevant commission information does not get lost in translation between the business users and El Tiempo's IT team. "We realized that giving more power to our business professionals is a key element in making sales performance both efficient and effective", says Albarello. The business rules can be represented either as flow rules or decision tables; a format familiar to many business users. The new simplified re-

Case Study

presentation replaces hundreds of Excel formulas, which help easily understand the embedded business logic. IT's role is to decouple the rules to provide El Tiempo with the required flexibility to easily make changes to the rule models and the business logic. The scenario building and comparison features of Visual Rules allow the business users to create different versions of a rule model and it delivers accuracy in predicting variable payouts. This helps predict the financial impact of incentive payouts on the bottom

learned that the process of accessing the data from the warehouse took the most time. The IT team rewrote the underlying code and was able to significantly speed up the process. Meeting the increased need for better visibility and compliance, Visual Rules provides El Tiempo with the required audit capabilities for more system control, better audit trails and improved user activity tracking to perform comprehensive audits on variable payout models. All payment data is stored centrally and is effective for historical tracking.

ently calculate commission with the flexibility to enforce varying compensation.” El Tiempo no longer needs to set up multiple commission plans in a self-built solution. So far, they have built 54 flow rules and 14 decision tables - as opposed to 250 different spreadsheets. The time to process commission models for 250 sales executives now takes 2 hours instead of 4 full business days, which has saved 32 to 40 hours of processing time every month. The overall quality of calculated commission has increased dramatically and elimina-



line before rollout. Another key feature is the model versioning capability: changes to the business logic are graphically represented and can be authorized by the user with the required rights. In addition, the statistics features of Visual Rules present valuable information about the rules' performance. It shows, for example, the step of the execution that is most time consuming. El Tiempo

Results & Benefits:

The implementation of Visual Rules from Bosch Software Innovations has resulted in a fully automated commission calculating environment that accelerates the design, deployment and modification of payout plans. “We are very pleased with the results that we are seeing so far,” says Albarello. “Using Visual Rules, we are now able to accurately and effi-

ted overpayment errors. A previous manual, error-prone and time consuming process was replaced by an automated, accurate, fast approach to commission calculation. El Tiempo's sales executives can now easily view and understand their earned compensation. The sales team can focus on its original goals - sales - and successfully drive corporate performance goals.