

California State Auto Association (CSAA)

Callidus Software and IBM Partner to Turn Incentive Compensation into a Strategic Asset for Second-Largest AAA Organization

Business Profile

Second-largest member organization of the AAA organization, a recognized leader and advocate for the safety and security of all travelers since it was founded more than 100 years ago.

Industry

Member-based organization offering insurance, financial, automotive and travel products and services.

Geographies

CSAA serves more than 4.2 million members throughout California, Nevada and Utah, and offers select products in six additional states via partnerships with other AAA organizations.

Callidus Software Solution

TrueComp®, TrueInformation®

California State Automobile Association (CSAA) provides a wide array of automotive, travel, insurance and financial services to more than 4.2 million members throughout California, Nevada and Utah. It is the second-largest member group in the AAA organization. AAA has been a leader and advocate for the safety and security of all travelers since it was founded more than 100 years ago.

CSAA Sees Road for Change

CSAA has maintained a long-standing commitment to meet the changing needs of the communities and members it serves. The business landscape, especially for the company's insurance business, was changing; competition was strong, with new competitors emerging. Shifting customer demographics meant a greater need for customizing and segmenting products and services. Consumer demand for alternative sales and service channels was increasing. As the company evaluated its business and assessed its opportunities for next-level growth, evolving business processes and technology systems were vital to proactively addressing many of these critical external market dynamics.

Insurance offerings are a strong benefit for CSAA's member base. Insurance products, especially auto and home, are major revenue drivers for the organization. CSAA wanted to introduce new products and expand or adapt existing offerings to better meet customer needs and grow revenue.

Incentive compensation is a core underpinning of product rollout success, since the way in which field agents are compensated is a key fundamental for bringing products to market.

But CSAA's commission and incentive compensation processing was a combination of manual processes and legacy systems that lacked flexibility and delayed the ability of the company to bring new products to market and incentive compensation to the field.

"Prior to deploying TrueComp, our existing systems were a challenge for our business," said Michael Kahns, Manager, Sales and Incentive Compensation for CSAA. "We knew we had to deploy an incentive compensation solution that would help us better meet the needs and demands of agents, our business and ultimately, our members."

CSAA turned to Callidus Software and IBM to deploy a state-of-art Enterprise Incentive Management Solution (EIM). The integrated Callidus and IBM solution—which includes Callidus Software's TrueComp and TrueInformation products running on IBM's WebSphere* Internet infrastructure software, IBM DB2* Universal Database, and eServer* pSeries*—replaced CSAA's mix of legacy IT systems, spreadsheets and paper reports.

* Denotes a trademark or registered trademark of the International Business Machine Corporation.



CSAA Speeds Products to Market, Boosts Field Agent Productivity

“With the Callidus solution, incentive compensation is now a business asset. We have the power to use incentive compensation to address market changes and opportunities, and take a proactive part in helping the organization achieve its next level of growth and better meet the needs of our members.”

Michael Kahns, Manager, Sales and Incentive Compensation, CSAA

With the new integrated Callidus/IBM solution fully deployed, CSAA has the foundation to roll out new products or make changes to existing products to better meet member needs. With the Callidus solution, the company successfully rolled out two new insurance offerings—motorcycle and rental property insurance, in just a few months. Time required to make strategic changes to compensation plans has been reduced significantly.

“With the Callidus solution, we can design, manage and administer sales compensation more efficiently, and more quickly capitalize on business opportunities,” added Kahns. “Plus, field agents have greater confidence in commission data, and with on demand access, they spend less time questioning the accuracy of the data and more time driving sales.” Kahns adds that field agent commission inquiries have declined significantly since the deploying the new system.

Keith Hawkyard, a CSAA field agent for more than 10 years, agrees. “With the Callidus solution, I simply go to the Web portal to export the production report and search by transaction type such as cancellations,” said Hawkyard. “Now instead of spending time wading through paper each month, I can get what I need quickly so I can focus on activities that turn that data into sales. It’s very motivating because you know if you want to reach a certain level of production, that information is right in front of you so you know what you need to do to achieve your production goals.”

“With the Callidus solution, incentive compensation is now a business asset” adds Kahns. “We have the power to use incentive compensation to address market changes and opportunities, and take a proactive part in helping the organization achieve its next level of growth and better meet the needs of our members.”

Benefits

- Greater business agility to use sales compensation as a proactive tool to drive revenue.
- Reduced time to market for new products by three to six months.
- Flexible incentive compensation system that can easily adapt compensation plans to the needs of the business.
- Reduced time to make strategic changes to compensation plans by more than 50%.
- Increased accuracy and timeliness of commission payments to 600 field agents with 50-75% reduction in call volume from field agents on commission/ bonus issues.
- On-demand access for field agents to customer data, commissions and bonuses improves trust with agents and increases sales productivity.
- Significant cost reductions for IT administration and development.

Corporate Headquarters

Callidus Software Inc.
160 West Santa Clara Street
15th Floor
San Jose, CA 95113 USA
Tel: (408) 808-6400
Fax: (408) 271-2662
info@callidussoftware.com

UK and European Headquarters

Callidus Software Ltd
1 Quality Court
Chancery Lane
London WC2A 1HR
United Kingdom
Tel: +44 207 061 6301
Fax: +44 207 061 6302

USA Offices

Atlanta, Austin,
Chicago, New York
San Jose, Scottsdale

International Offices

London, Sydney, Toronto

www.callidussoftware.com