

CaptivateIQ

GUIDE

# Thriving in the Era of Efficient Growth

The New Strategy Playbook for Today's  
Go-to-Market Leaders



# Welcome to the Era of Efficient Growth ✨

Across sizes, industries, and objectives, businesses today aren't just being asked to grow – they're being asked to grow **efficiently**.

The macroeconomic roller coaster of the past several years has meant reallocated, minimized, or even eliminated resources for many GTM (Go-To-Market) teams. These shifts and reorganizations have emphasized the importance of process efficiencies. It's now crystal clear that motivation-focused strategies that optimize a business' return on incentive spend are especially essential for cultivating sustaining high-performance revenue organizations that drive top-line growth without breaking the bank.

While a “growth-at-all-costs” mindset may have been feasible in rosier times, this new era — where workforce consolidations and dialed-back spend have become the norm — requires business leaders to take a closer look under the operational hood, and implement more sustainable planning and performance strategies to help them meet three mission-critical objectives:

- **Improving operational efficiency:** Automate manual tasks and streamline workflows to free up time and space to become more intentional and strategic.
- **Hitting today's revenue plan and targets:** Put the right motivational levers in place to efficiently drive revenue without breaking the bank.
- **Setting up for future growth and acceleration:** Clearly understand what's working and what's not – and remain flexible to stay ahead of market and business changes.

As the biggest sales expense for many businesses, and one of the biggest expenses overall, getting incentive compensation right via transparency, timeliness, and accuracy is table stakes. And as the most **impactful** expense, it's critical that organizations design and implement plans that motivate the right behaviors and outcomes. Striking the right balance here is no easy feat — it takes careful planning, execution, and monitoring to ensure your sales performance strategies successfully deliver immediate **and** longer-term results.

Throughout this guide, you'll find the modern GTM insights, advice, and strategies you need to not just survive, but truly thrive on your way to successfully meeting each of these high-priority objectives in this new **Era of Efficient Growth**.



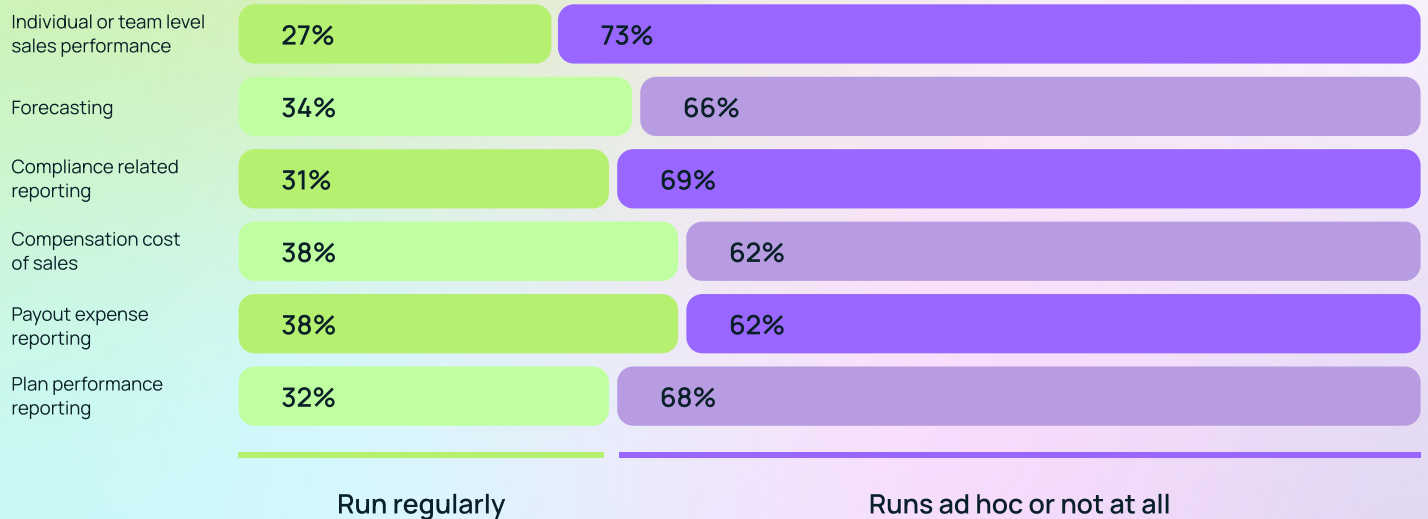
## Priority #1: Improve Operational Efficiency

In our 2024 State of ICM Report, we saw some unnerving trends, including that – despite the majority feeling highly satisfied with the ability to provide real-time visibility, support high levels of complexity, and quickly understand how plans are performing:

- Only 43% of incentive compensation professionals surveyed said they've automated end-to-end commissions
- 46% said they calculate commissions in an accurate and timely manner
- Just one-quarter said they feel they're currently dedicating the right split between tactical and strategic tasks

There's a huge opportunity cost to this lack of automation and an over-reliance on manual work:  
A lack of program reporting and insights

### Incentive Compensation Review: Reporting Frequency



– and thereby, a lack of program optimization. Without automation, compensation administrators often get mired in the tactical, spending tens of hours every month on manual tasks including processing payouts, fielding and responding to rep inquiries, and troubleshooting discrepancies.

**“Overwhelmed by administrative duties, decision-makers often neglect to critically assess which behaviors they aim to incentivize and understand the subsequent effects on business performance and employee focus within variable compensation frameworks.”**

**Matt Curl**

COO at Apollo.io, CIQ's 2024 State of ICM Report

## **AI as a Stepping Stone to Increased Efficiency**

AI adoption (or at least experimentation) is trending upwards, [but only 4% of companies adopting AI are getting the full value out of the tech, according to Boston Consulting Group](#). The biggest gains come from upgrading business processes including revenue operations, sales, and compensation administration.

AI can significantly streamline commissions management by simplifying complex workflows and reducing the manual burden on administrators. Instead of spending hours troubleshooting formula errors, admins can rely on AI solutions to provide real-time assistance, resolving errors or offering solutions directly within the workflow. This enhances accuracy and efficiency while also minimizing errors that could impact payouts, and freeing up admins to focus on more strategic tasks.

On the rep side, AI-powered tools can boost transparency and motivation by delivering real-time insights into how their actions impact earnings. For example, AI can help reps view projected payouts based on current performance, providing clear guidance on how to maximize potential earnings. This transparency builds trust and encourages performance-driven behaviors, helping reps work more strategically to achieve their goals and supporting broader revenue objectives (more on this later).

When approached and implemented thoughtfully, AI can have an outstanding impact by streamlining and automating manual tasks, freeing up reps' time to focus more on selling, and surfacing insights to help boost program performance.

## Your Crawl → Walk → Run Approach

### → Crawl

Do a process audit to really understand how you're spending your time and identify opportunities for improvement. For example, if you're swamped by rep inquiries every pay period, it's probably worth looking into why there are cracks there so you can diagnose the underlying problems and determine how to best address them.

### → → Walk

Begin automating specific processes that consistently take up too much time or create bottlenecks. This could include setting up rule-based workflows for commission calculations and automating basic reporting functions to reduce the time spent on repetitive tasks. For example, providing a centralized dashboard that gives visibility into commission status can help reduce the volume of inquiries from reps by making key information accessible.

### → → → Run

Fully automate end-to-end commission processes, integrating AI and advanced analytics to continuously monitor, optimize, and adjust compensation strategies. By automating the most time-intensive manual tasks, you'll free up the headspace you need to identify trends in performance and proactively adjust plans to ensure alignment with business goals. At this stage, you can also leverage AI to surface actionable insights that not only streamline operations but also enhance program optimization, enabling your team to shift focus from tactical to strategic initiatives.



## Priority #2: Hit Today's Revenue Plan & Targets

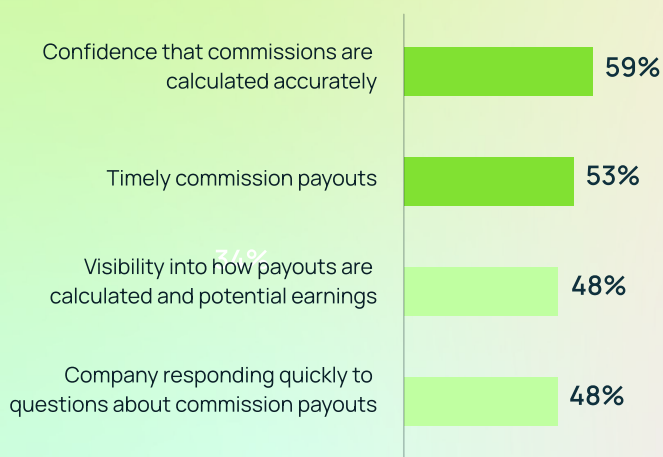
Tomorrow's long-term business success depends on today's nearer-term wins – and today's near term wins depend on your revenue team's motivation and productivity.

To achieve these wins, companies need to consider the pivotal role incentive compensation plays in shaping behaviors and driving results. According to our recent [Compensation & Motivation Pulse survey](#), 57% of commissionable employees said working for commissions or bonuses motivates them to perform better, with over half noting that it also encourages them to hit their goals. This demonstrates how incentive compensation can foster a results-driven environment, empowering team members to see the direct impact of their efforts on both their personal achievements and the company's broader objectives. With this alignment, employees are more likely to stay engaged, motivated, and focused on activities that contribute to overall success.

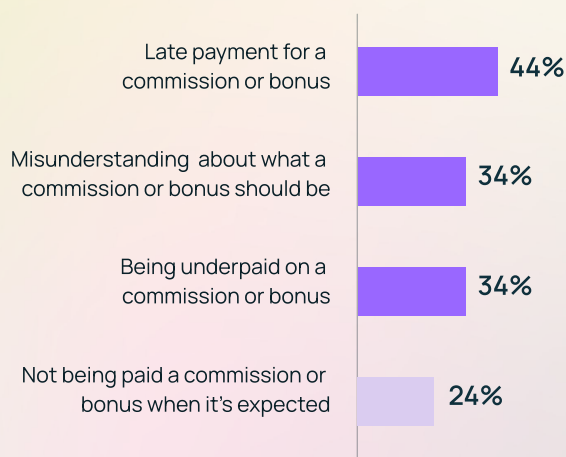
Transparency in incentive structures is also critical for building trust, and it serves as a powerful motivator. The survey also revealed that 59% of employees say confidence in accurate commission calculations is essential to their motivation, while 53% emphasized the importance of timely payouts. When GTM reps understand how their actions influence their earnings and can trust in the reliability of these systems, they feel empowered to make informed decisions that drive value for the business and themselves.

### 2024 Motivation at Work

#### What improves motivation at work?



#### What deters motivation at work?





The power of incentive compensation as a revenue driver should not be underestimated – and, of course, neither should the impact of transparency and clarity (or lack thereof) on incentive plan effectiveness and GTM team behaviors. By being strategic in how you design, implement, and communicate your plans, you can use incentives as a true differentiator, building a thriving performance-based culture that sustainably grows revenue in the process.

**“When you implement an incentive program, you have to get it right. And getting it right means making sure employees understand how they’re getting paid, making sure that it’s aligned to the job roles, making sure they have visibility into the payments, and making sure they have the confidence that you’re going to deliver on your promises as an employer.”**

**Matt Bartels**

Principal at The Alexander Group, on the Multiplier

## The Growing Opportunity of Pay-for-Performance

Pay-for-Performance trends are nothing new, but [a recent article in The Wall Street Journal](#) shows that they are becoming a broader trend, especially as more belt-tightening businesses expand incentive programs beyond sales teams to drive efficient growth.

The TL;DR is that in this new era, companies are transitioning away from static salary models, and instead opting for broader variable compensation systems where higher pay is directly tied to individual or team performance. Of course, this has already been prevalent in sales departments, but now we’re seeing pay-for-performance models expand to other roles with measurable outcomes as well, including customer success, demand generation, and even HR managers and accounts.

Organizations are designing tailored bonus structures to incentivize employees based on their role and contribution. For example, sales teams may have consumption-based or real-time performance metrics guiding their bonuses, ensuring alignment with business objectives.



## Your Crawl → Walk → Run Approach

### → Crawl

Begin by defining clear, measurable objectives for your incentive plans and ensuring basic transparency around how incentives work. Start with foundational alignment by clearly communicating incentive structures and goals to reps. Survey team members to gauge their current understanding and gather initial feedback on clarity and alignment. This will help you pinpoint areas where improvements in communication and design are needed.

### → → Walk

Introduce role-specific performance metrics and tailor incentives to align with each team's unique contributions. Provide real-time visibility into performance metrics – allowing employees to track progress toward their goals – and establish regular check-ins to discuss individual and team performance, ensuring everyone understands how their efforts impact their compensation and the company's goals. At this stage, optimize communication by building a consistent cadence of updates, addressing any common questions or misconceptions.

### → → → Run

Fully transition to a dynamic pay-for-performance model across departments with advanced, data-driven personalization of incentives. Leverage analytics to continuously refine incentive structures, ensuring they're effectively motivating behavior in alignment with broader business objectives. Expand transparency by creating self-service dashboards where employees can track their earnings in real-time, and use predictive analytics to help employees understand how certain behaviors or performance levels could impact their future compensation. At this stage, incentive compensation is a strategic driver, fueling a culture of performance across the organization.



## Priority #3: Set Up for Future Business Growth & Revenue Acceleration

Meeting your short-term revenue goals with the right planning and incentive levers will push you along the right trajectory, but it's important to be intentional about how you set up for sustained business growth.

To build a truly effective and scalable incentive compensation strategy, it's essential to track and analyze how these programs are performing. Yet, according to our [2024 State of Incentive Compensation Management Report](#), only 40% of compensation professionals actively optimize their incentive programs based on insights. This means that over half of comp teams may be missing out on opportunities to align incentives more closely with business goals. By regularly measuring program performance through metrics like Compensation Cost of Sales (CCOS) and quota attainment rates, organizations can fine-tune their incentive plans to drive behaviors that not only meet immediate targets but also lay the foundation for sustainable growth.

Real-time, actionable reporting allows businesses to adapt compensation structures proactively, addressing shifts in market conditions or strategic priorities. However, only a third of surveyed professionals consistently create reports on program effectiveness, leaving many without a clear view of how incentives impact revenue results. By leveraging data to assess plan effectiveness, companies can more strategically support revenue acceleration and align future growth with the evolving priorities of the organization.

**Make sure you're able to answer the following questions simply by pulling the right reports:**

**How efficiently is your program run?**

- Percentage of commissions accuracy
- Commissions time-to-payroll

**How well does your program motivate reps?**

- Win rate
- Average deal size
- Average deal length
- Percentage of reps hitting quota
- Revenue growth
- Individual attainment
- Team-level attainment
- Deal velocity

**What's the ROI on your incentive compensation spend?**

- Compensation Cost of Sales (CCOS)
- Customer Acquisition Cost (CAC)

It's crucial to understand whether your incentive compensation plans are motivating the right behaviors and outcomes, and determine how they're impacting overall business results compared to expectations.

**“As we talk about trying to uplevel from being tactical to strategic, having the right insights is what’s going to enable you to be that thought partner – the person who can actually guide the business.”**

Rosalyn Santa Elena

Founder of the RevOps Collective, on the Multiplier

## Remaining Nimble in Fast-Paced Times

[Inflation skyrocketed, then stabilized; consumer confidence is once more on the up-and-up after treading more tepid waters.](#) If the last several years have taught us anything, it's that in today's fast-paced, ever-changing world, uncertainty is the only real certainty.

With such a volatile market, maintaining flexibility within your incentive compensation program is essential. Market dynamics such as fluctuations in demand and economic shifts require a responsive approach to compensation structures. For example, when inflation spikes or new competitors enter the landscape, incentive plans should be adaptable enough to quickly realign with evolving business needs. Only by staying agile can compensation teams ensure that incentive programs continue motivating the right behaviors, even as external conditions shift. By closely monitoring market signals and implementing regular reviews of compensation structures and program performance, organizations can make swift adjustments to maintain alignment with business objectives and safeguard their competitive advantage.

To achieve this adaptability, it's crucial for compensation teams to establish regular touchpoints to evaluate plan performance. Leveraging insights from real-time reporting allows companies to spot emerging trends, forecast potential challenges, and pivot their strategies accordingly. This proactive stance can make the difference between merely meeting targets and consistently driving growth, as it empowers organizations to adjust incentives with the market's pace and ensures reps are always focused on the activities that drive the most value.

## Your Crawl → Walk → Run Approach

### → Crawl

Start by setting up basic reporting and tracking mechanisms to measure incentive plan performance. Establish key metrics like quota attainment rates, compensation cost of sales (CCOS), and rep performance benchmarks. As a baseline, focus on accurately capturing essential data and creating a foundation for understanding how these metrics reflect the impact of your incentive programs on revenue goals, setting the groundwork for more detailed insights as your data matures.

### → → Walk

Implement a more comprehensive analytics process with regular reporting and review cycles. Begin assessing program effectiveness in relation to long-term growth objectives by tracking changes in revenue, market conditions, and sales behaviors. This stage should also include periodic reviews of compensation plans to evaluate alignment with business priorities, making necessary adjustments as insights emerge from consistent performance reports. The aim here is to proactively refine your programs based on concrete data from your reporting framework.

### → → → Run

Establish a continuous optimization loop in which your compensation team regularly monitors performance trends and adjusts plans to support both current targets and future growth objectives. With a robust analytics capability, compensation teams can track key metrics in real time, forecast trends, and adapt plans to better align with strategic shifts. At this stage, consider using predictive modeling or scenario planning to simulate the impact of various incentive structures, ensuring your compensation plans remain flexible and responsive to market changes, thereby positioning the organization for sustained revenue acceleration.

## Conclusion

The era of efficient growth demands that GTM leaders go beyond traditional strategies and embrace a more innovative approach to incentive compensation. As we've explored in this guide, achieving sustainable business growth requires a blend of strategic foresight, operational agility, and an unwavering focus on maximizing the impact of each incentive dollar spent. By prioritizing operational efficiency, hitting near-term revenue goals, and setting a solid foundation for future growth, today's organizations can navigate an increasingly complex business landscape with resilience and confidence.

Through intentional planning, data-driven insights, and adaptable compensation structures, companies can unlock the full potential of their teams and foster a high-performance culture that sustainably thrives. By taking a proactive approach to monitoring and optimizing incentive programs, GTM leaders not only drive immediate results but also position their organizations for long-term success. This era calls for business leaders who are prepared to continuously refine, adapt, and grow — and with the right strategies in place, the path to efficient, scalable growth is within reach.

# Level Up Your Business With a Modern Incentives and Planning Solution ✨

CaptivateIQ is the leading Sales Performance Management solution, recognized by Forrester and G2, and trusted by customers including Affirm, Gong, and Figma. With solutions for Sales Planning and Incentives, we help revenue teams automate processes, hit revenue targets, and adapt with business change, ultimately driving efficient growth. It's time to rethink ROI - your return on incentives - with CaptivateIQ.

To learn more, visit [www.captivateiq.com](https://www.captivateiq.com) and follow [CaptivateIQ on LinkedIn](#).

**CaptivateIQ**

