BLUEHORIZONS



IMPLEMENTATION CASE STUDY

Trusted Guidance. Smarter Solutions.

Challenge

Mattress Firm faced many challenges with managing sales compensation across multiple systems, causing inefficiencies, limited visibility for payees, and compliance challenges. The lack of transparency also reduced the motivational impact of incentive plans, making scaling and optimization difficult.

Engagement

BHG's strategic implementation consolidated Mattress Firm's three fragmented compensation systems into a unified Varicent solution. BHG developed robust data processes and transparent reporting for 6,500 sales representatives, while providing thorough training to ensure client self-sufficiency. The results included an 87.5% decrease in payroll processing time and significantly improved operational efficiency.

Outcomes

- Reliable/scalable/transparent payment processing platform
- Reduced privacy exposure with SOC compliant platform
- Integrated performance tools for field associates
- Eliminated dependency on single source support
- Improved commission processing timeliness
- Reduced payment inquiry volume

Mattress Firm, a Forbes 40 Best Customer Service organization, previously operated with a fragmented compensation system spanning three different platforms: a primary system dependent on a single developer, a non-compliant third-party tool for bonus management, and inconsistent reporting through Tableau, Excel, or no formal system at all. This approach created significant inefficiencies when managing compensation for 6,500 sales representatives across multiple plans, processing approximately 300,000 monthly transactions. The fragmented approach resulted in complex calculations, manual data management, lack of real-time visibility, and an inability to make post-pay cycle adjustments—all while incurring high development costs and creating a risky dependency on a single developer for system maintenance.

CHALLENGE

One of the primary goals for Mattress Firm was to unify various “sources of truth” into a cohesive and maintainable system, which would streamline operations and improve efficiency. Additionally, the company aimed to enhance transparency for its sales associates, fostering greater motivation and engagement among the team.

Another critical focus was ensuring regulatory compliance to navigate the complexities of the industry effectively. As the business continues to grow, Mattress Firm sought a scalable solution that could evolve alongside its expanding needs. Finally, they wanted to reduce reliance on a single developer for system maintenance, promoting a more sustainable and collaborative approach to managing their technological infrastructure.

OUR APPROACH

Blue Horizons Group served as Mattress Firm’s strategic advisor by:

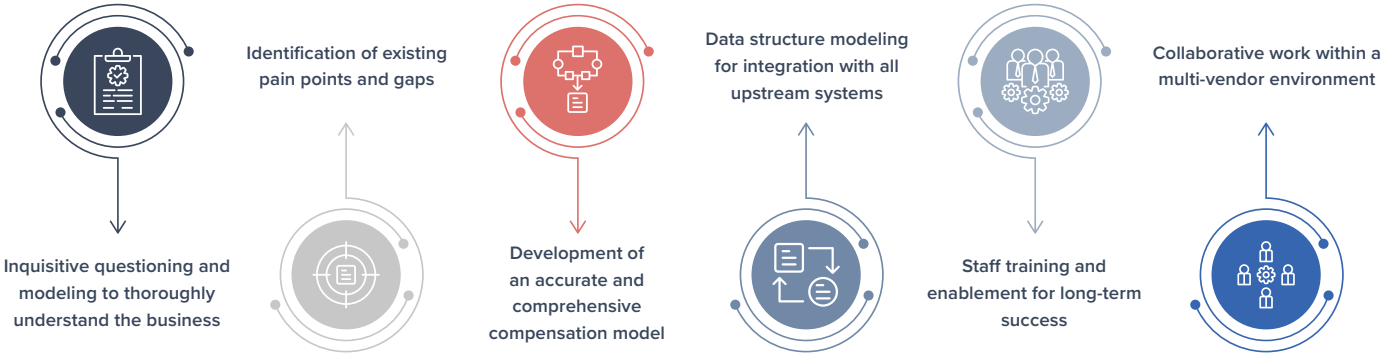
- **Assisting with solution RFP development and evaluation**
- **Applying domain expertise to establish more efficient processes**
- **Acting as the implementation partner for Varicent software**
- **Developing comprehensive models of their incentive compensation business**

Varicent was selected for its ability to manage multiple calendar timelines, its open data model providing greater flexibility, and comprehensive functionality tailored to Mattress Firm’s unique compensation structure.

Copyright © The Blue Horizons Group LLC All rights reserved.

THE IMPLEMENTATION PROCESS

BHG deployed a differentiated approach that incorporated:



Using robust design principles, accelerators, and templates combined with deep technical expertise, the team delivered this complex implementation on time and within budget.

REAL RESULTS

The partnership between Mattress Firm and BHG resulted in:

- Integrated performance tools for field associates
- 87.5% decrease in payroll processing time
- Reduced payment inquiry volume
- Enhanced privacy with a SOC-compliant platform
- A centralized, real-time platform offering sales representatives instant access to commission reports and calculations.
- Elimination of dependency on single-source support
- Improved problem-solving efficiency with increased calculation visibility
- Improved scalability and flexibility
- Enhanced transparency for both sales associates and managers
- Real-time expected commissions for faster decision-making

Key enhancements included a daily commissions feed for pay advance partners, integration of dashboards and estimator tools into training programs, and leadership-driven improvements such as budgeting tools and product availability insights.

Copyright © The Blue Horizons Group LLC All rights reserved.

BLUEHORIZONS

In Summary

The successful implementation has led to an ongoing partnership between Mattress Firm and Blue Horizons Group. Future enhancements will include: integration of total compensation statements, refinement of reporting tools, and incorporation of commission insights into proprietary sales platforms. Through BHG's expertise and Varicent's robust capabilities, Mattress Firm has successfully optimized its sales compensation process, improving efficiency, transparency, and scalability while mitigating operational risks and reducing costs.

