

# Oracle<sup>®</sup> Sales Compensation

Concepts and Procedures

Release 11*i*

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**Oracle Sales Compensation Concepts and Procedures, Release 11i**

**Part No. A86673-02**

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# Preface

Welcome to the **Oracle Sales Compensation Concepts and Procedures**, Release 11i, suite of applications.

This Concepts and Procedures provides information and instructions to help you work effectively with Oracle Sales Compensation.

This preface explains how Concepts and Procedures is organized and introduces other sources of information that can help you.

## Intended Audience

This guide is aimed at the following users:

- System Administrators (SA), Database Administrators (DBA), and others with similar responsibility.
- Sales Compensation managers, analysts, and salespeople using Oracle Sales Compensation.

## Structure

This manual contains the following chapters:

“Understanding Oracle Sales Compensation” provides overviews of the application and its components, explanations of key concepts, features, and functions, as well as the application’s relationships to other Oracle or third-party applications.

“Using Oracle Sales Compensation” provides process-oriented, step-by-step instructions for using the application to perform essential business tasks.

## Related Documents

For more information, see the following manuals:

- *Oracle Applications, Product Update Notes, Release 11i*
- *Installing Oracle Applications, Release 11i*
- *Oracle Applications Concepts*
- *Implementing CRM Applications*
- *Oracle CRM Foundation Components Concepts and Procedures*
- *Oracle CRM Foundation Technical Reference Manual*
- *Oracle CRM Foundation Implementation Guide*
- *Implementing Oracle CRM:ERP Functional Checklist* (available on Oracle MetaLink)
- *Implementing Oracle CRM Functional Checklist* (available on Oracle MetaLink)
- *Oracle Sales Online Technical Reference Manual*
- *Oracle Sales Compensation Implementation Guide*
- *Oracle Applications Flexfields Guide*
- *Oracle Workflow Guide*
- *Oracle Applications System Administrator's Guide*
- *Oracle Applications Developer's Guide*
- *Oracle Application Object Library/Workflow Technical Reference Manual*

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# Understanding Oracle Sales Compensation

This topic group provides an overview of the application and its components, explanations of key concepts, features, and functions, as well as the application's relationships to other Oracle or third-party applications.

## Overview of Oracle Sales Compensation

Whether your organization is a start-up or a global enterprise, Oracle Sales Compensation provides a unique online application for the design, distribution, and administration of variable compensation plans. Based on logic that can be configured or modified by an end user, the application determines:

- What events are eligible for incentive payments
- Who should receive credit
- How the credits are calculated and paid

Oracle's end-to-end Internet strategy ensures that everyone who needs to work with incentive information can do so online as part of a single, coherent system of compensation management. For example, the Sales Planner can configure new plans and allocate quota to the sales organization in collaboration with finance, marketing, and sales management. The resulting plans can be seamlessly rolled out to the sales force for online approval. When the sales force accepts, the new plan can be activated for commission processing in the production system.

The production system controls the ongoing task of determining incentive payments from incoming transactions. The first step in this process is collecting transactions from a source system. The Open Collections feature supports transaction information from any source, including legacy systems, provided that the other systems are in the same instance as Sales Compensation's. This is in

addition to the collection abilities from the out-of-the-box integration with Oracle ERP systems, Order Capture Management and Receivables.

A typical compensation plan consists of one or more modular components, or *plan elements*. Plan elements may reflect variations of commission or perhaps a bonus based on the accumulated achievement of the sales agent. Plan elements can also be configured for tracking nonmonetary credits such as managerial points or production credits.

All modular components used in the system can be configured and reused in different combinations. Taking full advantage of this capability simplifies system configuration as well as administration. For example, from a relatively small library of plan elements, you can configure many plan variations.

Plan elements also consist of modular components that can be freely assigned in different combinations. These underlying components have several distinct functions:

- *Revenue Class* is used to classify a bundle of classification rules that establishes the event eligible for compensation and the basis of calculation.
- A *Formula* determines how the compensation will be calculated.
- A *Rate Table* determines the rate at which achievements are commissioned.

Pay Group assignment determines the frequency with which a salesperson receives payment. You exercise control over the total amounts paid to salespeople through Payment Plans. You can specify a minimum and/or a maximum payment as well as whether any minimum payments are recoverable or not against future amounts payable. In addition, there is control over commission payment for each transaction by a salesperson. Payments to nonemployees such as agents, brokers, and suppliers are automatically posted to Oracle Payable Invoice Interface Table.

In addition to timely and accurate transaction processing, Oracle Sales Compensation serves as a feedback mechanism for the sales organization and management through Web-based compensation and performance reports.

Granting online access to all professionals involved in compensation management, such as sales planners, sales analysts, and internal and external salespeople, creates a large, collaborative community of stakeholders who can both use and contribute real-time information about incentive systems. Oracle Sales Compensation supports a wide variety of sales relationships and alternative sales channels, letting sales representatives and managers access and view compensation information over the Web. Users can drill down through compensation summary information to transaction details and performance-ranking reports, so that salespeople can

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analyze their own performance and sales managers can measure their teams' performance.

## Navigation

The navigator displays:

- Icon that represents each functional area
- Drop-down list of views relating to each functional area
- Hierarchical list of functions that relates to the selected view
- Nodes in each hierarchy representing each related record in the database

Choose the functional area and choose a view. Double-click a node to expand the hierarchy. Double-click a data node to open the functional window and display the selected record.

Right-click a node to perform any of the following actions:

- Add a new item below the selected node
- Open the selected functional window
- Conduct a search
- Copy the selected node
- Refresh the list

This version of Oracle Sales Compensation is released on two different technology stacks, forms and Java Server Pages (JSP). Users must navigate between forms and JSP to complete certain tasks, for example, processing pay data.

## How Oracle Sales Compensation Relates to CRM

Oracle Sales Compensation shares modules and exchanges information with other applications in the Oracle e-Business suite. Modules that share code are known as the foundation modules.

Oracle Receivables and Oracle Order Capture provide sales transaction information that forms the basis for calculating sales compensation.

Oracle Resource Manager provides information about salespeople, whether they are employees or non-employees.

Oracle Sales Online provides a mechanism to the sales force to estimate their commission based on their current compensations plans. This capability is in the Income Planner under the Compensation tab in Oracle Sales Online.

Compensation information is made available to Oracle Sales Intelligence.

## Understanding Compensation Plans

The following information explains how you can use compensation plans to correctly compensate and provide incentives for your salespeople:

[What Is a Compensation Plan?](#)

[Purpose of Compensation Plans](#)

[Number of Compensation Plans](#)

## What Is a Compensation Plan?

The conditions that control sales compensation are defined in a **compensation plan**. Comparable to an on-line version of a salesperson agreement, a compensation plan captures your organization's unique practices for paying sales compensation, with individual rules that determine the recipient, amount, and timing of a compensation payment.

You have complete flexibility to create incentive compensation plans that you can customize for your company's unique sales situations. You can:

- Create as many compensation plans as you need
- Customize existing plans for individual sales representatives or situations
- Build compensation plans using rate tables, formulas, and other building blocks from existing compensation plans

- Control the validity of all aspects of the compensation plan using precise start and end dates

## Purpose of Compensation Plans

A compensation plan is a set of elements governing the compensation payments to a salesperson. Using compensation plans, you can:

- Pay commissions, bonuses, and nonmonetary compensation
- Provide incentives to salespeople to achieve specific and measurable sales goals, including yearly and periodic sales targets, as well as sales targets for individual sales categories
- Vary compensation rates based on user defined measures, such as quota achievement, gross sales, and unit sales
- Vary quotas or compensation rates based on sales categories
- Stage compensation payment over the life of a sale
- Specify compensation accelerators for sales promotions
- Specify payment minimums and maximums that are recoverable or nonrecoverable
- Specify goals to track achievement for recognition programs
- Customize plans for individual salespeople
- Specify plan changes to occur on specific dates
- Manage complex compensation relationships through sales roles and hierarchies

## Number of Compensation Plans

A compensation plan relates to a sales role within your organization. Different roles require different pay components, and therefore different compensation plans.

In a sales organization that has highly varied tasks, much overhead is required to create a different compensation plan for every salesperson. To avoid overhead costs associated with maintaining a large number of plans, you can create a set of compensation plans that target general compensation needs for most of your sales force, then adjust individual quotas, goals, accelerators, and compensation rates when you assign the plan to a salesperson.

As you build a variety of plans for your sales force, remember that you can assign a rate table to more than one plan element, and you can assign a plan element to more than one compensation plan.

## Sales Force Planning

The objective is to steer sales force effort towards achieving the organization's sales target through compensation plans. Sales Force Planning helps to automate the sales budgeting process by giving salespeople a tool to communicate their quota estimate to their sales managers. Sales managers can then allocate a quota based on their direct salespersons' estimates. Sales Force Planning generates compensation plans with quotas based on sales managers' quota allocation and track the approval process. Sales managers can apportion quotas between departing directs and new hires. Planning analysts can then pass the approved compensation plans to the Oracle Sales Compensation production system for commission processing.

In addition, Planning analysts are able to assign new sales roles to salespeople and move salespeople to other compensation groups. There are reports to locate those salespeople with quotas outside a value range for senior management control purposes and also there are reports to calculate the quota over assignment percentages between each level of sales management hierarchy. Quota over assignments are quotas that become inflated when allocated from a manager to subordinate salespeople.

## Quota Assignment

In this section, you will read about:

- Overlay salespeople
- Quota distribution techniques
- Over assignment percentages

## Overlay Salespeople

Checking the overlay check box is a method of segregating your salespeople into either overlay salespeople or nonoverlay salespeople.

Some organizations define overlay as nonrevenue sales credits. The term "nonrevenue sales" indicates that the value is not posted to General Ledger. In the Global Computers example, the Account Manager and the Hardware Salesperson are the direct participants and they are responsible for closing the sale. The Business

Development Manager is considered an overlay salesperson because he/she had made contact with the customer on more general sales activities and was not responsible for price negotiations for example, that is specific to this sale. If the sale value is 10000, an extract of the transaction lines would look like this:

	<u>Revenue Type</u>	<u>Sales Value</u>
Account Manager	revenue	6000
Hardware Salesperson	revenue	4000
Business Development Manager	nonrevenue	2000

The Business Development Manager in the above example received 20% nonrevenue credit for the sale ( $2000 / (6000 + 4000)$  is 20%). His/her commission on this sale will depend on the compensation plan rules and rate table that can be applied to the transaction upon calculation.

Overlay salespersons' quotas are excluded from the over assignment percentage calculations. See Over Assignment Percentages section for explanation on over assignment percentages. This is so that sales management can view total sales revenue that the sales force plan to deliver.

## Quota Distribution Techniques

You can perform an initial distribution of quota by using the fields at the bottom right of the Quota Modeling Summary screen. There are several methods for allocating quotas:

- Even distribution of manager's quota over immediate direct salespeople
- Minimum Quota allocation as preset in the Sales Role Details screen
- Allocation to each direct salesperson a quota amount as much as the manager's

## Over Assignment Percentages

	<u>Hardware</u>	<u>Software</u>	<u>Main</u> <u>Revenue</u>	<u>Support</u> <u>Service</u>	<u>Total</u> <u>Quota</u>	<u>Overlay</u>
Manager	3000	1000	4000	160	4160	No

Direct 1	1200	330	1530	75	1605	No
Direct 2	1200	330	1530	75	1605	No
Direct 3	1200	400	1600	80	1680	No
Direct 4	3000	1000	4000	160	4160	Yes

The Direct over assignment is 117.55%

Explanation of calculation :

Total quota excluding overlay is 1605+1605+1680= 4890

Manager's quota = 4160

Therefore, direct over assignment is  $4890/4160 = 1.1755$

This means that this manager has divided his or her quota to the subordinate salespeople plus 17.55% extra.

If any of these directs have subordinate salespeople and they in turn have quota as well, then a street level over assignment calculation will be performed. If the street level total quota is 5000, then the street level over assignment is 120.19%.

Over assignment percentages exclude quota allocated to overlay salespeople as they are regarded as nonprimary salespeople. See section on overlay salespeople for explanation of the term *overlay*.

## Apportionment of Quota Between Departing and Arriving Salespersons

If part way through the year, an employee switches jobs or roles, or a new hire takes over a role, the quota must be apportioned between the departing and new resources.

1. Select the employee through the Salesperson Details screen.
2. From Salesperson Details screen, unlock the Quota.  
This changes the End Date from read-only to editable.
3. Enter an end date for the first Role. A person should not have 2 active Roles toward the end of the year.
4. From Quota Modeling Summary, unlock the quota of the departing resource.  
The end date can be changed in salespeople detail screen only if the plan status is pending.

5. Apportion the quota between the departing resource and the new hire/vacancy.

## Quota Approval Process

In this section, you will read about:

- Approval sequence
- Workflow

### Approval Sequence

After a quota is locked by the sales manager, the sales manager needs to generate the compensation plan. The compensation plan incorporates the quota allocated by the sales manager to the direct salesperson, calculates the commission rates based on the input of On-Target-earnings and quota, and incorporates the Terms and Conditions text. The electronic document as a whole is referred to as a contract.

Next, the Contract Approver reviews the contract and either accepts or rejects the contract.

If the Contract Approver accepts the contract, then the sales manager distributes the contract to the direct salesperson. The salesperson can then view, accept, and print the contract.

If the Contract Approver rejects the contract, then the sales manager needs to unlock and adjust the quota if that is the solution to the rejection. The approval process repeats after the sales manager locks the quota again.

### Workflow

Installing Oracle Workflow will enable Sales Force Planning users to be notified by email to prompt the email receiver that an action is required to progress the approval process for the compensation plans. Sales Force Planning approval process has been captured in a Oracle Workflow definition file. This flat file is accessible after Oracle Workflow is installed. Refer to the Implementation Guide for instructions on how to set up Workflow for Sales Force Planning.

## How Transactions are Compensated

You choose the source transactions, the orders, invoices, or customer payments on which to base your compensation payments. Transactions are classified based on business rules, into revenue classes. A revenue class is assigned to a **plan element**, a set of conditions a salesperson must meet to be eligible for compensation. For each revenue class assigned to a plan element, you need to specify how much compensation you want to award for each type of transaction you collect. Each sale corresponds to one or more transactions, depending on when during the life of the sale your organization pays compensation.

For each revenue class, you define transaction factors or multipliers for each type of transaction relevant to that class. Transaction factors help you stage **sales credit** (sales amount accredited to a salesperson) over the life of a sale, assigning percentages of the transaction amount to the events that are important to your sales organization.

When calculating the compensation payment, the sales credit is multiplied by the transaction factor you defined for that transaction type, resulting in **net sales credit** for the compensation transaction.

Transaction types from Oracle feeder systems include:

- **Order Booked:** The order is processed when it is booked and its status changes to booked.
- **Invoice:** The invoice is processed when posted to Oracle General Ledger. After it is posted, no changes can be made to the invoice.
- **Payment:** Payment is received in Oracle Receivables.
- **Take Back:** When the invoice due date grace period is exceeded, the amount of compensation credited for this sale is taken back.
- **Credit and Debit Memo:** An invoice is fully or partially reversed and posted to Oracle General Ledger.
- **Give Back:** A payment is received for a take back.
- **Manual Adjustment:** An adjustment is made.
- **Write Off:** A sale is written off the books for a variety of reasons and posted to Oracle General Ledger.

For all revenue reducing transactions, such as take backs and credit memos, the application creates a new transaction for a negative amount of the sales credit.

**Warning:** The application does not check to see whether the salesperson(s) credited

on the original invoice is the same salesperson(s) on the revenue reducing transaction. Therefore, it is possible to reduce a salesperson's commission on transactions for which he or she did not receive sales credit previously.

When you choose a particular transaction factor, you are specifying that you want to pay compensation based on the state of the compensation system at the time that transaction occurred. For example, if Global Computers chooses to pay hardware 50% on order and 50% on invoice, one compensation payment is made based on the plan elements on the date of the order and the remaining payment is made based on plan elements on the date the invoice is posted.

## Revenue Classes

A **revenue class** is a user-defined category of sales for which your organization awards compensation. Each revenue class represents a different type of sale for which your organization pays compensation. Thus, different companies have different revenue classes because each sales organization awards compensation differently. By assigning revenue classes, you specify the types of revenue for which each salesperson can earn compensation.

After defining your organization's revenue classes, you assign one or more revenue classes to a plan element and assign the plan element(s) to a compensation plan. A compensation plan is then assigned to a sales role. The same compensation plan can be assigned to many sales roles. Salespeople are then assigned sales roles, each of which has a compensation plan previously assigned.

Many companies award compensation based on the types of products or services their salespeople sell. Depending on the business practices of your sales organization, you can award compensation based on factors other than products or services sold. For example:

- Your sales organization can have customer account teams, where salespeople only receive compensation for sales to their assigned set of accounts. In this case, each customer account can be a separate Oracle Sales Compensation revenue class.
- Your company can organize its sales strategy around expansion into new markets, where each new market can be a separate revenue class.
- Your company can use product-based sales compensation, paying compensation only for sales made in a salesperson's assigned set of products.

For a specific example, Global Computers awards compensation based on the types of products or services its salespeople sell. At the broadest level, the company sells

PCs, peripherals, education services, consulting services, and support maintenance services. While some types of salespeople, such as resellers, are authorized to sell only a subset of this offering, the company awards compensation to some of its salespeople for all types of products and services. Thus, for Global Computers, each product or service category is an Oracle Sales Compensation revenue class.

## Hierarchy Terminology

While the functions of hierarchies differ, the concepts and terminology used are the same for all hierarchies.

The term *dimension* refers to a named and defined type of hierarchy. As many hierarchies as needed can be created for each dimension. However, only one hierarchy per dimension can be effective at any given time.

A dimension is a high-level hierarchy type that is based on a table, which must be defined in Oracle Sales Compensation. A dimension can be used

- To create a hierarchy that you use to define rules, or
- To hold the primary and foreign key links between Oracle Sales Compensation and other tables

Oracle Sales Compensation provides two default dimensions: Salespeople and Revenue Classes. Create as many dimensions as you need, for example, for product code or customer, to use for referencing in defining the rules classification. To define a dimension, these criteria must be met:

- The dimension must be based on an existing table in the database.
- There can be only one dimension per base table.
- The table must be defined in the Tables and Columns form in Oracle Sales Compensation.
- The database table must have either a numeric primary key assigned or have no primary key and numeric columns in the table.
- Table information defined in the Tables and Columns form must accurately describe the table.

Note: The salespeople dimension is defined through Oracle Resource Manager. You can view this hierarchy in the left navigator in Oracle Sales Compensation.

## Classification Rules

Classification rules are sets of user-defined rules to determine the revenue class of each transaction. A revenue class is a user-defined category of sales for which the organization awards compensation.

Each rule contains one or more conditions. These conditions specify the characteristics a transaction must have to classify into a given revenue class. Each rule is associated with a revenue class. During commission calculation the revenue class is assigned to a transaction when it passes all conditions in the rule. The transaction attribute value expresses each condition.

For example, Global Computers awards compensation based on the type of products or services sold, thus defining a transaction attribute for product code. This transaction attribute is represented in the compensation transaction tables as the column `PROD_TYPE`. To determine whether to award consulting revenue, Global checks whether the product code is `CON`. Global creates a rule to check for this type of revenue. The rule has one condition: `PROD_TYPE = CON`.

Because the application classifies a transaction by checking values of specific transaction attributes, be sure to specify all attributes you need for classification when you set up transaction collection.

## How the Classification Rules Hierarchy Works

The following information explains the hierarchy of revenue classes classification rules and how transactions roll through the hierarchy to determine compensation:

[The Rules Hierarchy](#)

[Comparing Transaction Attributes with Revenue Classes Classification Rules](#)

[Multiple-Condition Rules](#)

[Changes](#)

## The Rules Hierarchy

When you define classification rules, notice the common conditions among the classification rules. For economy of expression and ease of maintenance, assign the common conditions once to the parent of rules that share the same conditions. For example, the Standard Multimedia PC and the ATO Multimedia PC are in the same hierarchy and share the condition `Product_Code=MM`. This condition is specified

once in the application for the parent rule of the two rules that differentiate Standard Multimedia PC and the ATO Multimedia PC.

## Comparing Transaction Attributes with Revenue Classes Classification Rules

The application uses rules in the hierarchy starting with the rule at the top, and moving down from left to right. When a compensation transaction passes a rule (all conditions are true), the application then compares the children of that rule, working left to right, until it finds a match. Then it looks at the children of that rule, and so on, until it reaches the bottom of the hierarchy, returning the revenue class of the last matching rule. After the classification process, the matching revenue class' name is marked on each transaction as an additional attribute.

## Multiple-Condition Rules

If *any* one of several conditions associated with a revenue class qualifies a compensation transaction to be assigned to a class when the condition is true, you can define multiple sibling rules in the hierarchy, one for each condition. Because the application evaluates other sibling rules if a transaction does not satisfy the first rule on a level in the hierarchy, the application processes these rules as if they were joined by an AND operator. When a transaction fails a rule, the application compares the transaction attributes with other sibling rules from left to right.

For example, suppose that Global Computers classifies products by ID number and decides to sell its products via telesales in addition to its existing direct channel. Global can add a new rule:

- PROD\_TYPE BETWEEN 1201 and 1600 (existing condition or rule)
- CHANNEL\_TYPE is 03 (new rule)

Therefore, if a transaction's attributes satisfy *all* rules, then the transaction will classify against the revenue class. If the OR condition is used, then the transaction will classify against that revenue class if the transaction attributes meet *any* of the revenue class' rules.

If several revenue classes share multiple conditions, you can minimize data entry by creating a parent rule that includes the shared conditions, and by defining only the unique conditions as child rules.

## Changes

You can make changes to your revenue classification setup. You can add, change, or delete:

- Revenue classes
- Revenue classes in a hierarchy
- Rules in the classification rules hierarchy
- Conditions for a rule

## How Compensation Groups Work

The following information explains how hierarchies of compensation groups are used to compensate multiple salespeople for one sales transaction:

### Purpose of Compensation Groups

#### Credit Sharing

## Purpose of Compensation Groups

A **compensation group** is a group of salespeople who share sales credit, directly or indirectly, when a sale is made. They are placed together in a hierarchy to accurately account for the payment of commission and sales credit. For example, at Global Computers, when salespeople close a sale, they receive commission, their managers receive sales credit toward their quotas, territory sales managers receive sales credit from the manager's transactions, and territory sales consultants also receive indirect credit for performing consulting work that helped to close the business.

In many sales organizations, multiple salespeople can receive sales credit for the same commission transaction. If you choose to compensate multiple salespeople for the same commission transaction, you use a compensation group hierarchy to specify the relationships among the credit receivers.

A salesperson can have more than one sales role and belong to more than one compensation group. For example, at Global Computers, sales representatives A, B, and C are in the same compensation group because their sales roll up to manager X. Manager X also belongs to a different compensation group that includes a separate group of salespeople who are working on another project.

## Credit Sharing

You can allocate sales credit for a commission transaction:

- To one or more of a salesperson's managers in an organizational hierarchy. This type of credit allocation is called a rollup, because the application rolls credit up within the sales organization.

When transactions are processed, the manager(s) automatically receive all sales credit applied toward subordinate salespeople, provided that they have the same revenue classes as their subordinates. Therefore, the manager need not be named on the transaction.

- To peers of a salesperson. To enable Oracle Sales Compensation to process a single transaction that credits more than one salesperson for a single transaction, each transaction that is fed from feeder system(s) must identify all the salespeople to be credited. Therefore, the system(s) must allow the user to create orders and/or invoices with many transaction lines, each line crediting a salesperson.

Salespeople need not be members of the same Compensation Group to share credit for the same transaction. The naming of salespeople on transaction lines must occur in the feeder system(s), not in Oracle Sales Compensation. Adjustments to credit receivers can be made in OSC through the move credit and split features, but these features are only for small volume of transactions.

## How Data Collection and Purging Works

You can also read about:

- [Creating compensation transactions](#)
- [Updating compensation transactions](#), and
- [Purge utility](#)

The Collections function of Oracle Sales Compensation is responsible for building compensation transactions and storing them in an API table (CN\_COMM\_LINES\_API). The compensation transactions can subsequently be imported from this API table into Oracle Sales Compensation. A compensation transaction is a record which identifies a compensation event (such as the sale of an item). The main attributes of a transaction are the:

- Type of compensation event
- Identity of the person who is directly credited for the event
- Value of the transaction

A transaction may optionally contain other attributes, such as transaction currency, product identification, and customer identification.

When compensation transactions are imported into Oracle Sales Compensation, they are stored in the CN\_COMMISSION\_HEADERS table. The columns in this table are direct equivalents of columns with the same names in CN\_COMM\_LINES\_API.

Collections allow you to build compensation transactions from the Oracle Receivables and Oracle Order Capture applications. These are known as Standard Transaction Sources. You can also create your own Transaction Sources from the database tables of any legacy applications that you wish. The process of setting up Collections to collect from a legacy system consists of the following components:

- **Source Tables.** Identify the tables from which the transactions are to be built.
- **Queries.** Specify how these tables are to be joined together and how appropriate rows are identified.
- **Mappings.** Specify how data from the Source tables are used to populate the destination fields in the compensation transaction.
- **Actions.** Specify filters to remove unwanted transactions, and extra logic to be incorporated into the collection procedure.
- **Collection Package.** Generate a collection package which will build compensation transactions based upon the setup from the previous steps, and will store those transactions in CN\_COMM\_LINES\_API.
- **Concurrent Program.** Collect transactions from the required transaction source whenever you want, by running a pre-defined Concurrent Program.

For example, assume that a Transaction Source is an Order database and that each order consists of an Order Header containing general information about the order, plus a set of Order Lines where each Line represents an ordered item. This information is stored in an Order Header table (L\_ORDER\_HEADERS) and an Order Line table (L\_ORDER\_LINES). In the Order system it is possible for a number of salespeople to receive credit for each Order Line. There is therefore also a Sales Credits table (L\_SALES\_CREDITS) to hold this information.

The end result of setting up Collections for a particular Transaction Source is a PL/SQL package that is stored in the applications database. The Collect procedure within this package builds compensation transactions from the Transaction Source and stores them in CN\_COMM\_LINES\_API. The Collect procedure executes the listing notification and the creation and updating of compensation transactions.

## Listing Notification

This feature makes a list of all individual transaction lines from the Transaction Source for which compensation is payable. The feature stores the unique identifier of each line in a Notification Table. In our example, the list of individual transactions is obtained by examining the Order Lines table, L\_ORDER\_LINES, and the unique identifiers of rows in this table are stored in the Notification Table.

## Creating Compensation Transactions

For each unprocessed individual transaction line identifier in the Notification Table, you can build as many compensation transactions as are required. In the example Transaction Source, it is necessary to join together the Order Lines and Sales Credits tables. Suppose there is a particular Order Line for which three salespeople earned credit. The Order Line identifier was stored in the Notification Table, but you need a join to the Sales Credits table to find out that three transactions need to be created and three salespeople must be identified.

The compensation transactions are created using a single SQL query. As a minimum, this query must join together all the tables necessary to decide the number of individual compensation transactions which are created from each line item (L\_ORDER\_LINES and L\_SALES\_CREDITS in the example). The tables used in this query are referred to as the **Direct Mapping** tables.

## Updating Compensation Transactions

Suppose that you need to include the salesperson's territory identifier into each compensation transaction but this information is stored in a separate L\_TERRITORIES table. The key of this table is Salesrep\_ID. There are two ways that this information can be pulled into the compensation transaction.

- The first way would be to add a join to this table in the query that creates compensation transactions, thus making it a **Direct Mapping** table. This is a valid approach, but not always practical. For example, not every salesperson has territory information, then you have to know how to make the join to this table an Outer Join, without which no compensation transactions will not build for salespeople without territories. If you need your compensation transaction to contain 10 informational fields, all of which are sourced from different tables, the Collection Create query would have to join all these tables together, resulting in a query that is difficult to maintain and does not improve performance.

- You can set up Collections to delay populating territory identifier fields until after the initial creation of the compensation transaction. After the compensation transaction has been created and inserted into CN\_COMM\_LINES\_API, the territory identifier field is populated by a series of update statements. Example:

```
UPDATE cn_comm_lines_api api SET attribute1 =
```

```
(SELECT territory_name FROM l_territories lte WHERE lte.salesrep_id =  
api.salesrep_id);
```

When a destination field in the compensation transaction is populated in this manner, it is known as an **Indirect Mapping**.

## Purge Utility

The automated purge utility is not available for this release 11.5.4.

## Calculation

Calculation is a process used by the system to calculate commission and bonus plans for salespeople. This calculation section will explain:

[Phases of Calculation](#)

[Calculation Process](#)

## Phases of Calculation

When you calculate a set of transactions, the application performs these actions:

- **Revert:** This feature restores the transactions within your specified parameters back to their original unprocessed state. When a full calculation is performed, the application deletes any system-generated (rollup) transactions and reverts the status of transactions to unprocessed.
- **Unprocessed:** The transaction has not been processed. The application displays a status for unprocessed transactions in transaction status.
- **Classification phase:** The application checks the revenue classification rules that have been defined for the affected transactions, and determines that the transaction was successfully classified. Using the classification rules you defined, the application is able to determine a unique revenue class for each transaction.

- **Failed Classification:** Indicates that the transaction did not have a matching revenue class. Be sure that you have defined and synchronized revenue classification rules before further investigation.
- **Rollup phase:** Oracle Sales Compensation runs a process to determine all salespeople who should receive credit for this transaction based on the rollup date, and the salespeople hierarchy effective for that date. For every credit receiver, the application creates a new system-generated transaction for each manager entitled to a rollup credit.
- **Population phase:** Oracle Sales Compensation identifies the appropriate plan elements that are associated with the revenue classes that have been matched with each transaction. The application adds the identified plan element's name to each transaction as an additional attribute.
- **Failed Population:** The transaction did not match the quota rules for the credited salesperson. Although the transaction had a matching revenue class, the credit salesperson did not have the revenue class assigned to his or her plan element.
- **Calculation Phase:** Based on the information gathered, Oracle Sales Compensation performs calculation on all transactions for salespeople during the specified period.
- **Failed Calculation:** The transaction failed to be calculated. Oracle Sales Compensation displays a status for transactions that have failed the calculation phase in the transaction status. Check your calculation rules, ensure that your calculation expressions, rate tables (if applicable), plan elements, and compensation plans are valid.

## Calculation Process

Efficient calculation is accomplished by automatically recording in the Notify Log every event that occurs that affects the calculation. The log also lists what part of the calculation is affected and therefore must be rerun as a result of the event.

For example, a new transaction is collected and all salespeople affected by that transaction are recorded in the log. Other examples of events include a change made to a rate table, changes in compensation plans, and changes to classification rules. The log also records the highest phase of calculation the event has reached successfully. The calculation for that event will start at the next higher phase.

When you perform an incremental calculation, then the application calculates everything in the notify log. Use the incremental calculation for your normal calculation needs.

You can choose to perform a full calculation to recalculate everything within a given date range. The full calculation takes longer than the incremental calculation.

## Payment

The payment process spans both types of User Interface and technology. To begin with, run the Posting Details Concurrent program using Forms. In the menu bar, go to Tasks > Run Concurrent Request > Request block > Name and select Posting Details from the List of Values. Run the Concurrent Request.

Next, go to the html version of the application and select Sales Compensation Online Super User through Profiles in the top right hand corner of the screen. Create a Payrun through the Payrun screen (go to Payment tab > Create sub-tab > create Payrun screen). You may view and adjust the payment amount for each transaction, for each salesperson through the Payment Transactions screen (Payment tab > Summary sub-tab > select a Payrun > Payrun Details screen > select a salesperson > Payment Transactions screen).

When ready to pay, return to Concurrent Manager in Forms: Tasks > Run Concurrent Request > Request block > Name and select the Payrun Post from the list. Run the Concurrent Request.

Pay data is posted to the Payment API Table. Pay data for nonemployees go further when posted to the Oracle Payable Invoice Interface Table (user activation required).

## Using Multiple Currencies

Sales compensation can be viewed in different currencies and rolled up in functional currency. With the choice of multiple currencies, you can:

- Use a functional currency  
The functional currency is the currency that is used by the parent company, and is defined in the General Ledger set of books. The functional currency is used for calculation.
- Associate a currency for each salesperson  
The currency you associate with each salesperson is the **salesperson** currency, and all transactions credited to that salesperson can be reported in that currency.

- Handle a different currencies at the transaction level

Each transaction can have up to two currencies: transaction currency, which is the original currency in which the transaction occurred, and the functional currency.

- View salespeople's account balances in functional or salesperson currency

If your functional currency is Austrian Schillings (ATS), Belgian Francs (BEF), Dutch Guilders (NLG), Finnish Markka (FIM), French Francs (FRF), German Marks (DEM), Greek Drachmas (GRD), Irish Punt (IEP), Italian Lira (ITL), Luxembourg Francs (LUF), Portugese Escudo (PTE), or Spanish Pesetas (ESP), ensure that your feeder systems perform conversions to functional currency satisfying the triangulation rules. The conversion applies only to transactions expressed in nonfunctional currency.

Reports can be displayed in nonfunctional currencies. However, the values displayed are mere translations and not conversions. Conversion are permanent, but translations are theoretical conversions without any effect on eventual commission payments. Payments *in the payment application* should be determined based on the exchange rate on payrun date. However, some customers may stipulate a different exchange rate date.

If you are contemplating changing your current functional currency to the euro, the feature that will help you with the functional currency change is not available in this 11.5.4 release.

- Run reports in any currency, one at a time.

Commission statements and reports can be displayed in the transaction currency, the salesperson's currency, and the parent company's functional currency.

# Using Oracle Sales Compensation

This topic group provides process-oriented, step-by-step instructions for using the application to perform essential business tasks.

## Salesforce Search

### Steps

1. Enter at least one search criterion. You can enter a salesperson's name, employee number, job title, or compensation group information into the fields. Alternatively, click the buttons to the right of the fields to bring up pop-up menus for your selection. Select the desired information.
3. Click Clear if all information from the screen needs to be removed.
4. Click Go.

If no information is available, change your search criteria and try again. Or, enter a different date in the Effective Date field or click the button to select a date from the pop-up calendar window.

## Quick Find Bar

Use the Quick Find bar to find information on Salespeople, Roles, Job Titles or Quota Modeling Groups. Choose from the drop-down menu to display all of the listings in a specific category. For example, select the 2001Group compensation group and the display will show all salespeople who are members of that group.

## Salesforce Search Results

Salesforce Search Results are shown in a six-column table. The columns include basic salesperson information relating to job and compensation group. You can sort the table on any of the six columns. An arrow appears in the column upon which the table is currently sorted. Clicking on the salesperson's name brings up the Salesperson Details screen.

## Salesperson Details

The Salesperson Details screen displays basic information about a salesperson, including their name, employee number, start date, end date (if any), cost center (if any), compensation group, and job titles. The Compensation Group field includes a pop-up menu. If a salesperson belongs to more than one group it will be displayed, and you can choose the one you need.

At the bottom of the screen, under Job Titles, are 13 columns that display a range of information about the salesperson. Click the appropriate pop-up box button, drop-down menu, or hyperlink to find or be directed to more detailed information about the salesperson.

## My Compensation Groups

A Compensation Group is a number of salespeople who share the same rollup relationship. This application displays your details and your Directs' on the next screen.

### Steps

1. Enter your search criteria by selecting an Organization and an effective Start Date. The screen will be refreshed with the results of your search criteria.
2. Select the Compensation Group that you wish to view details on.

## Quota Modeling Summary

This screen allows you to view the quota allocated to you and your Directs.

If you are the Manager of this Compensation Group and you have the appropriate Manager access privilege, you may allocate quota to your Directs. There is reference information to help you perform the quota allocation exercise, such as:

- Your Directs' role(s) in your compensation group as well as effective start and end dates
- Your Directs' participation period in your Compensation Group (hierarchy start and end dates)
- Your Directs' estimate of their own quota (Quota from Field column)

- The status of Compensation Plans. See Guidelines below on the approval process.

Navigate down the hierarchy of Compensation Groups to view your Directs' allocation of quota to their own Directs (hierarchy column), if applicable.

### Steps

1. You can do an initial distribution of quota by using the fields at the bottom right of the screen. There are several options for allocating quotas. You may distribute your quota evenly to each of your Directs by selecting Even (Distribute Quota field) and clicking Distribute. Alternatively, you can allocate the minimum quota by Sales Role by selecting Minimum. You can also allocate to each of your Directs a quota amount equal to your own quota by selecting Equal.
2. To enter quota figures individually for each of your Directs, click the hyperlink figure under the Planning Quota column.
3. Direct Level Overassignment is the total quota of your Directs expressed as a percentage of your own quota. Street Level Overassignment is the total quota of the salespeople at the lowest level of the hierarchy (subordinate to your Compensation Group) expressed as a percentage of your own quota.
4. To produce a compensation plan that you can view: after you have updated the quota that you have allocated to your Directs, click Generate.
5. To add a new line under the Direct Salespeople block of your compensation group, click Add To-be-Hired. This new line represents a vacancy or position to be filled by a new salesperson.

### Guidelines

The quota allocated requires it to be locked first. The draft Contract is the Compensation Plan with Terms & Conditions added at the end.

The Contract Approver can then view and approve the draft Contract with the locked quota. Once the draft Contract is approved, you can distribute the Contract to your Directs. Your Directs will then have the opportunity to view their new Contracts and either accept or print it. The approval status of the Contract can always be seen under the column called Plan Status.

## My Quota Estimate

This screen allows you, the salesperson, to communicate to sales management what you think your new quota should be for the next compensation plan cycle. Your

manager and your manager's manager will have access, to view your quota estimate and they will take your estimate into consideration when allocating your final quota to you.

### **Prerequisites**

Salesperson responsibility is the minimum requirement to access this screen.

### **Steps**

1. Against each quota component and under the Quota from Field column, enter your quota estimate.
2. If you wish to erase your estimate(s), press on the Restore button and the application will retrieve the last saved estimate(s).
3. Press on the Update button to save your estimates.

## **Quota Model Summary Report**

With this report, you can get a snapshot of:

- A compensation group's total quota and its constituents
- A compensation group's quota approval status by salesperson
- The over assignment effect reverberating through lower levels of the organization hierarchy

You can see in one report the quota allocations to every resource or salesperson, including the manager of a selected compensation group. The quota is broken down by individual components that make up the total quota. Additionally, the user can see the over assignment expressed in values as well as percentages between each level of the organization hierarchy. These are represented by subtotals at the bottom of the report for each level of salespeople; for example, the total quota for salespeople at the bottom of the hierarchy (street level), the total quota for the immediate manager (first line manager) and the total quota for the manager of the first line manager.

## **Average Quota Summary**

You can know, with this report, what the average quota value is by role for the selected compensation group. It is useful to know the average quota value for

comparable roles in various compensation groups and organizations. In some companies, compensation groups are organized by sales territory. Therefore, it is possible with this report to compare the quota between comparable roles over various territories.

Additionally for reference, the planned sales figure to be delivered by the selected compensation group is shown by means of a summary table that displays the total quota, excluding overlay and a breakdown of total quota by role. Against each role, there is a headcount. In the next and subsequent tables for each role there is a list of salespeople and a simple average of the quota assigned by role.

## Over Assign Quota Summary

You can see in one report what the over assignment value and percentage effect is on the immediate level of salespeople and the street level salespeople. This report only displays salespeople with manager roles.

## Quota Range Summary

This report allows you to scan the list of salespeople for those who fall outside the range of minimum and maximum quota values predefined for each role. Contract Approvers can use this report as a means of rejecting compensation plans or contracts that have been submitted for their scrutiny.

For each selected compensation group, the maximum and minimum quota range is displayed for each role. In addition, there is a column that shows how each salesperson's assigned quota in the selected compensation group fared against the minimum quota set for the role.

## Overlay Summary

This report lists all overlay salespeople, if any, who are members of the compensation group selected. This report is a concise display of overlay salespeople as distinct from previous reports where both overlay and nonoverlay salespeople are displayed together.

## To-Be-Hired Summary

This report lists all salespeople who have not been hired as yet, in the selected compensation group. It is a concise means of listing vacancies and additional headcount requirements on one report.

## Transitional Salespeople

This report lists all salespeople who have not been allocated a role, in the selected compensation group. It is a means of identifying those salespeople who do not have a role for the next contract cycle.

## Compensation Plan Generation Status

This report lists the compensation plan activation status for all salespeople in the selected compensation group. The activation process is related to passing approved compensation plans from Sales Force Planning to commission processing (forms based part of this application). This report aims to help analysts to identify those compensation plans that have not been activated for commission processing and to take action to investigate its nonactive status.

## Sales Role and Compensation Plan Mapping

This report lists all sales roles and how each was mapped to job title(s) as read from Oracle Resource Manager, for each compensation group selected.

This report is configurable and for instructions on how to hide or show selected columns, go to Configuring reports section below.

## Compensation Plan History

This screen records changes in the status of a salesperson's compensation plan. The changes are date-stamped.

## Add To-Be-Hired

If your to-be-hired salesperson is assigned a manager role, ensure that you assign a subordinate compensation group for this vacancy. You can assign a compensation group, start date, and end date. Click the list of values to select the compensation group. The end date field is optional.

## Quota Components

Use this screen to create Components and specify their type.

Components are parts of a compensation plan. Examples of Fixed Pay Components are Fixed Salary and Car Allowance. Examples of Variable Pay Components for a

---

Personal Computer Salesperson at Global Computers are Multimedia PC Sales, Professional PC Sales , Total PC Sales, Total Quota, and Maintenance Services.

### **Prerequisites**

None

### **Steps**

1. In the Application, choose **Setup > Components**.
2. Enter the name of the Component.
3. Enter a short description for each component.
4. Select a Component type.
5. Check the Compute Flag if the value of the component is to be derived from a formula.

### **Guidelines**

In the Global Computers example, the Component names are Fixed Salary, Car Allowance, Multimedia PC Sales, Professional PC Sales, Total PC Sales, Maintenance Services, Total Quota.

Component types are either Fixed or Variable. If Variable, select either Quota Based or Non Quota Based. In the Vision example, Fixed Salary Component and Car Allowance Component are both Fixed type. Multimedia PC Sales Component, Professional PC Sales Component and Maintenance Services Component are Variable Quota Based type.

If the quota for a Component is to be derived from using a formula, then check the Compute Flag box. Total PC Sales Component and Total Quota Component are Variable Quota Based type as well but with the Compute Flag checked. Example, Total PC Sales Component has the Compute Flag checked because its value is the sum of the values of Multimedia PC Sales Component and Professional PC Sales Component added together. Total Quota Component value is the sum of values of Total PC Sales Component and Maintenance Services Component.

## **Sales Role Summary**

Use this screen to find a Sales Role.

A Sales Role describes a set of salespeople who share a common compensation structure. Examples are PC Salesperson, Education Salesperson, Consultant, and PC Regional Sales Manager.

### **Prerequisites**

Sales Roles must be created through Oracle Resource Manager.

### **Steps**

Select a Sales Role name to go to its details.

## **Sales Role Detail**

Use this screen to view and/or edit a Sales Role's details.

### **Prerequisites**

Sales Roles, Components, Attainment Schedules, Rate Tables, Single Dimension Rate Tables must be created first in the Production Module.

### **Steps**

1. On Target Earnings: enter Total Earnings if Salesperson achieves 100% of quota.
2. Club Eligible: check box if this Role is entitled to Club participation on achieving Club rules.
3. Rounding factor: example, input 1000 if quota figure that will end up on the Compensation Plan is to be rounded up to the nearest 1000.
4. Minimum and maximum Quota: enter the range of quota figures that this Role should have.
5. Input the Compensation Plan Level. For example, street level salesperson will have Level 1.
6. Select an Attainment Schedule applicable to this Role's Compensation Plan.
7. Fixed Pay Components: select Fixed Components and enter ascending numbers against each Component to indicate the sequence that each Component is to appear in the Assign Quota and My Quota Estimate screens. Enter the Fixed Pay Amount for each Fixed Component. (Global Computers example: if the Fixed Salary of a PC Salesperson is 50000, then enter 50000 against the Fixed Salary Component.

8. Variable Pay Non Computed Components: as above, select Components and enter sequential order of display.
9. Variable Pay Computed Components: select Components and enter sequential order of display.
10. Variable Pay Non Quota Components: select Components and enter sequential order of display. Also enter the earnings figure if the target is achieved.
11. Map to Compensation Plan: entering the name of the Compensation Plan here will enable it to appear in Production when the activation process has been run.

### **Guidelines**

Entering the Quota range enables the Quota Range Report to be run. The minimum quota on the Sales Role Details screen will be picked up on the Minimum Quota field on the Quota Modeling screen when the minimum function is invoked by the user.

Compensation Plan Levels are used in the Quota Model Summary and Average Quota Summary Reports where the quota for each Component are totaled for each level of Salespeople in the Salespeople Hierarchy for the selected parameters (example, Organization, Effective Date) of each Report.

The Attainment Schedule will be used in the Compensation Contract where earnings for each level of achievement are displayed.

## **Edit Computed Component Formula**

Use this screen to define a formula for a Computed Formula.

### **Prerequisites**

Components must be created.

### **Steps**

1. Select a Component from the list of values.
2. Enter the percentage against this selected Component. Repeat steps 1 and 2 until all variables of the formula have been defined.
3. Click Restore to retrieve the last saved set of information.
4. Click Save to save new information.

**Guidelines**

The percentages entered against each Component selected will be multiplied with the value of each Component. The results of all multiplication will be added together.

**Define Quota Anchors**

Use this screen to define a formula for a Computed Formula.

**Prerequisites**

Rate Tables and Components must be created.

**Steps**

1. In the Rate Schedule Detail section, enter the commission rate range for each tier of the Rate Table.
2. In the Quota Anchors Detail section, select Amount if entering the commission earnings amount for each attainment/achievement level. For Percentages, select percentage and enter the percentage for each attainment level. See Guidelines for more explanation.
3. Click Restore to retrieve the last saved set of information.
4. Click Save to save new information.

**Guidelines**

If the first tier of the Rate Table is 0 to 25%, enter 0 commission earnings against 0% attainment. This means that at 0% achievement of quota, the variable pay is zero. For example:

0	Amount	0.00
25	Amount	5,000
50	Amount	12,000
100	Amount	20,000
200	Amount	50,000
9999	Amount	0.00

At 25 to 50% of quota achievement, the additional variable pay will be a maximum of 7000. At the 50 to 100% level of quota achievement, the maximum additional variable pay will be 8000. Any achievements over 200% of quota can be capped by entering a zero (no additional variable pay) against the highest rate tier.

## Default Contract Text

Use this screen to define the text that accompanies the Compensation Plan.

### Prerequisites

Super User responsibility is required.

### Steps

1. Enter the title of the Contract at the Contract Title field.
2. Enter the Eligibility Rules in the Club Qualification text box.
3. Enter the Terms & Conditions of the Compensation Plan.
4. Enter the Approver's details in the Approver section.
5. Click Restore to retrieve the last saved set of information.
6. Click Save to save new information.

### Guidelines

The text in the Terms & Conditions text box can be made to refer to the location of the Terms & Conditions. Example, "I accept the Terms & Conditions as set out in the Company Handbook that is posted on the Notice Board or the Company Handbook that was issued with the Employment Contract." This text will appear at the bottom of the Compensation Plan that will be generated later.

The Approver's details will appear at the bottom of the Compensation Plan as well.

## Job Title Summary

Use this screen to find a Job Title. After that, use the next screen, Job Title Details, to assign Sales Role(s) to the selected Job Title.

### **Prerequisites**

Super User responsibility is required. Resources have been set up in Oracle Resource Manager.

### **Steps**

Select a Job Title by clicking its name.

### **Guidelines**

If using Oracle Human Resources Management System (HRMS), the Job Title information is read from HRMS via Oracle Resource Manager. If not using HRMS, please refer to Oracle Resource Manager for information on how to define resources.

## **Job Title Details**

Use this screen to assign Sales Role(s) to the selected Job Title.

### **Prerequisites**

Super User responsibility is required. Resources have been set up in Oracle Resource Manager.

### **Steps**

1. Under the Role column, click the list of values box to the right of the Role field.
2. Enter a search criteria for the Role name in the pop-up box.
3. Select a Role from search results.
4. Select a Start and End Date for the term of the assignment by using the calendar pop-up box or alternatively, input the dates in the dd-mmm-yyyy format.
5. Tick the check box to indicate which Role will be the default Role assigned to this Job Title.
6. Click Restore to retrieve the last saved set of information.
7. Click Save to save new information.

## **User Summary**

Use this screen to find a User. After that, the User Access Detail screen will allow alterations to the selected User's access privileges.

**Prerequisites**

Super User responsibility is required.

**Steps**

Select a User by clicking his or her name.

## User Access Detail

Use this screen to alter the selected User's access privilege.

**Prerequisites**

Super User responsibility is required.

**Steps**

1. Selected User may have Update or View-only access to selected Compensation Groups and Organizations.
2. Click Restore to retrieve the last saved set of information.
3. Click Save to save new information.

## Creating Revenue Classes and Hierarchies

Revenue classes are user-defined categories of business revenue used to determine whether a sales credit is applied toward a compensation payment. A hierarchy composed of broader revenue classes at the top, or root, with subclasses as children of the root, make it possible to pay compensation for broader revenue classes without specifying all possible subclasses in a compensation plan. Use this procedure to define your revenue classes and build hierarchies of revenue classes.

## About Categorizing Your Sales Revenue

You begin defining revenue classification by identifying your organization's revenue classes and then defining these classes in Oracle Sales Compensation.

A **revenue class** is a user-defined category of sales for which your organization awards compensation. Many organizations award compensation based on the types of products and services they sell. In that case, the products and services are grouped into revenue classes and arranged into hierarchies with broader categories at the top, or root, of the hierarchy.

When matching the revenue class on a compensation transaction, such as a sales order, to a revenue class on a salesperson's compensation plan, the class of the transaction is rolled up in the revenue class hierarchy to determine matches to any revenue class on the plan.

All revenue classes on the same plan element share the same quota and compensation rate table. If revenue classes in a compensation plan have different quotas or are paid according to different rate tables, you must create a plan element for each revenue class that has a different quota or compensation rate.

## Defining Revenue Class

Use this procedure to create a revenue class. A **revenue class** is a user-defined category of sales for which your organization awards compensation.

### Prerequisites

None.

### Steps

1. In the Navigator, choose **Classification Rules > View By Revenue Classes**.
2. In the hierarchy, right-click **Revenue Classes** and choose **New**.  
The Revenue Class window appears.
3. Enter the names and descriptions for all revenue classes you have identified.
4. Select a Liability Account and Expense Account.
5. Save your work by clicking File in the toolbar and Save in the drop down menu.

## Using the Hierarchy Window

You can use this window to:

- Define a hierarchy
- Add nodes
- Delete nodes

See [How the Classification Rules Hierarchy Works](#).

## Defining a Hierarchy

Use this screen to assemble revenue classes into hierarchies.

### Prerequisites

Revenue Classes have been created.

### Steps

1. In the hierarchy, double-click **Revenue Classes**.  
The Hierarchies window displays the revenue class hierarchy type.
2. In the Name field, select the dimension for which you are defining a hierarchy.
3. Choose Hierarchies. Use the Hierarchies window that opens to add and view hierarchies.
4. Enter the name of the new hierarchy.
5. Enter the period you want the hierarchy to be effective. Choose From and To periods from a list of values. Two hierarchies in the same dimension cannot have overlapping periods.
6. Add nodes to a hierarchy.
7. Save your work.

## Adding Nodes to a Hierarchy

Use this procedure to add a node to a hierarchy.

### Steps

1. In the hierarchy, double-click **Revenue Classes**.  
The Hierarchies window displays the revenue class hierarchy type.
2. Select a hierarchy, then choose Nodes.  
Use the window that opens to define the parent-child relationship between all nodes in a hierarchy.
3. Start at the top of the hierarchy; define the nodes in your hierarchy.  
By default, Oracle Sales Compensation names the highest level root of every hierarchy BASE NODE. You can change this name. Use the Current Root menu to change the root you are defining.

4. Enter the names of all children of this node. Use the list of values to select the children.
5. To define the next level in the hierarchy, select a child node, then choose Children.

The 'child' moves to the Current Node position and Oracle Sales Compensation displays the children of the new parent, if they exist.

6. Enter the names of all children of this parent.
7. Choose Parent to go one level up in the hierarchy.
8. Repeat steps 4 through 7 to define all nodes in the hierarchy.
9. Save your work and exit the window.

## Deleting Nodes from a Hierarchy

Use this procedure to delete a node from a hierarchy.

### Steps

1. In the Hierarchies window, choose Nodes.
2. Select the node you want to delete and then choose Delete Record from the Edit menu.
3. Save your work and exit the window.

### Guidelines

You can create as many hierarchies as you need. However, only one hierarchy can be effective at any given time.

You can import any portion of another hierarchy to become a child of your selected node in the hierarchy you are building.

## Creating Classification Rules

To determine the appropriate revenue class for a transaction, a classification ruleset is used to classify sales transactions. Depending on its revenue class, a transaction is matched with a compensation plan and a compensation amount is calculated to be paid for the transaction. Use these procedures to define a set of attributes and values that uniquely identify each revenue classification.

Create a classification ruleset and classification rules.

## Guidelines

Name your rules after the revenue classes they describe. Rules do not require unique names.

# Ruleset

Use this procedure to create a classification Ruleset and Account Generation.

## Prerequisites

Revenue Classes have been created and the user-defined flexfields of the CN\_COMMISSION\_HEADERS table have been defined.

## Steps

1. In the Navigator, choose **Classification Rules > View By Classification Rules**.
2. In the hierarchy, right-click **Classification Rules** and choose **New**.  
The Ruleset window appears.
3. Specify a name for your set of classification rules and assign active start and end dates.
4. Select Revenue Classification type.
5. Save the ruleset.  
The new ruleset appears in the Navigator.
6. Close the Form and return to the Navigator.
7. Right-click the ruleset that you have just created and select **Add new child Rule**.  
The Rules Form will appear.
8. Define your classification rules on the Rules Form and return to this Form when completed.
9. For every Ruleset that has new or changed rules, click **Synchronize**.  
Ruleset Status displays either **Complete** if the currently defined revenue classes and rules have been synchronized, or **Incomplete** if you have made changes in your definitions since they were last synchronized.  
When you click **Synchronize**, the classification rules package is automatically installed in the database using the concurrent program named **Install Classification Rules Package**.

## Guidelines

You can define multiple date-effective classification rulesets. Ruleset active dates may not overlap.

A hierarchy of rules can be defined for each ruleset.

Every rule must have at least one attribute.

A rule may or may not have a revenue class. If the rule does not have a revenue class, then its children rules must define the revenue class. If a rule has a revenue class, then the revenue class is assigned to the transaction only if none of its child rules match the transaction.

If you specify high and low values in a rule condition, the values must be numeric, not alphanumeric.

**Hierarchy Values:** Selecting this option allows you to enter the value in the hierarchy you want to match. The fields that appear are Hierarchy and Hierarchy Values. If the value of the transaction attribute rolls up the hierarchy to the value you specify, then the compensation transaction satisfies the condition.

**Not:** Specify the inverse of a value you defined by checking Not. The compensation transaction satisfies the condition if the attribute is not equal to the specified value, is not between the range of values specified, or does not roll up to the specified ancestor value.

When you add rules and revenue classes, you must synchronize the new rule and revenue class definitions before they can be used in compensation plans. You do not need to synchronize if you only rearranged the rules.

Always customize the classification rules using the setup forms available. Do not modify the generated PL/SQL code.

## Troubleshooting

When a transaction fails classification for a rule that uses hierarchy values, the most common problem is that the primary key value in the transaction attribute column is not the same as the primary key value defined in the hierarchy (the value for the EXTERNAL\_ID field).

## References

[What are Classification Rules](#)

# Rules

Use this screen to define the classification rules.

## Prerequisites

Classification Ruleset has been created.

## Steps

1. In the Navigator, right-click the **Ruleset** that you have just created and select **Add new Child Rule**.  
The Rules window appears.
2. Assign a name to the rule that you are about to define.
3. Choose a revenue class from the list of values.
4. In the Rule Attributes tab, choose a user column name from the list of values, choose the type of values from the drop-down list, and enter the value or values that apply.
5. Optionally, enter additional attributes for the rule.  
Every attribute is assumed to be linked to other attributes with *AND*.
6. If you want any of the attributes to be related with *OR*, use the Build Expression tab to relate the first two attributes with *AND* or *OR*.  
An additional value of **Result1** appears in the first column and is added to the attribute list of values.
7. Continue to relate the remaining attributes. Use **Result1** to relate a third attribute to the first two.
8. Save the rule.  
The expression appears.
9. To add rules in the hierarchy of rules, position your cursor over the parent rule, right click, and choose **New Rule**. Repeat from step 2.
10. Return to the Ruleset Form for every ruleset that has new or changed rules and click **Synchronize**.

## Guidelines

Name your rules after the revenue classes they describe. Rule names are not required to be unique.

## Setting Up Compensation Plans

Before you can set up a compensation plan you must define calculation expressions, define rate tables, create formulas, and define plan elements. See [Understanding Compensation Plans](#).

### Defining Calculation

To begin forming your calculation expressions, go to [Forming Calculation Expressions](#).

You can use approximately 165 columns when defining a Calculation expression. There are 100 user definable column attributes and approximately 65 hard coded columns. You can use these Calculation Expressions as Performance Measures, Input Expressions or Output Expressions. You can also nest a Calculation Expression within another Calculation Expression.

As part of the definition process you can select the corresponding columns from the expression builder and create expressions. Once they have been saved they can be assigned and reassigned to any number of formulas you need.

Do this by selecting a valid Expression from a List of Values at each of the screens for performance measure, input and output.

A Performance Measure can be an accumulation of transaction values that are captured by the Plan Element that it is assigned to. Performance Measures serve as a mechanism to gather cumulative information by Plan Element and group them for use in reports that compare achievements to Quota, Goal and Performance Measure.

An example of a Performance Measure is Revenue. You would select and define the columns where revenue information for transactions are held. As transactions are entered and collected for the assigned Plan Element, the transaction values are accumulated. The Expression would like this:-

TRANSACTION\_AMOUNT\* EVENT\_FACTOR

Inputs of the Formula instruct Sales Compensation what to evaluate from the transactions and how to match the results to the corresponding rate table. Think of the input expression as a sorter for all incoming transactions for Sales Compensation.

A sample rate table could look like:

\$0 - \$100	4%
-------------	----

\$100 - \$500	5%
\$500 - \$99,999	6%

For example, as a condition a company can establish that its sales force will be compensated based on transaction amount. The input expression will merely state that transactions will be sorted by TRANSACTION\_AMOUNT from the CN\_COMMISSION\_HEADERS column.

As transactions are 'sorted' by through the input expression they are matched to the rate table tiers established. If a transaction is collected in Oracle Sales Compensation with the following attributes:

1. Customer X
2. Transaction Amount \$100
3. Product Z

Oracle Sales Compensation, using the input expression created will match the above transaction of \$100 with the rate table and determine that 4% will be paid on this order.

Outputs of the formula instruct Sales Compensation how much to pay salespeople. The payment amount can either be tied to a rate table or not. This will be determined by the users.

In our example above our business users determined that the salespeople will be paid based the rate table result, transaction amount, and a constant uplift/accelerator factor of 1.035. Users will need to instruct Sales Compensation the columns where all this information resides and apply the calculations.

Example of an output expression:

Rate Table Result \* (TRANSACTION\_AMOUNT \* EVENT\_FACTOR \* PAYMENT\_FACTOR)

Using the above expressions, Oracle Sales Compensation will match what the input expression returns as the corresponding rate table result (that is, matching the \$100 transaction amount and coming up with a pay out of 4%), multiply it by the transaction amount (\$100), multiply with event factor of 100% and multiply with 1.035 for the payment accelerator or payment uplift.

Total payment due to the salesperson for this transaction will be \$4.14.

## Forming Calculation Expressions

Use this screen to define calculation expressions or parts of your formula that you can re-use in other formulas.

### Prerequisites

None

### Steps

1. Choose **System** from the Menu bar, and select **Tables and Columns** from the drop down menu.
2. Query the Schema and Table name that you want to view.  
For example, if you want to view the CN\_COMMISSION\_HEADERS, query on **Schema** CN and **Name** CN\_COMMISSION\_HEADERS.  
The **Tables and Columns** window displays the selected schema and table.
3. Next to the table, select **Use in Calculation**.  
The columns in the table are listed.
4. Optionally, give each column a business-related user column name for ease of identification by the user.
5. Select **Calculation Value** for each column to be made available for inclusion in a calculation.
6. Save your work.  
External tables can also be used. Create a Table in any schema in the same instance as the application.
7. In the Menu bar, choose **System > External Table**.
8. Register the table by choosing the desired table and saving it.
9. Click the **Columns** tab.
10. Click the **Primary Key** tab and check the primary key box.
11. Enter sequence in sequence field.
12. In the Menu bar, choose **System > External Table**.
13. Enter source table and destination table.

### Guidelines

A Commission Formula must include at least one column from the following tables.

- `cn_commission_lines`
- `cn_commission_headers`

A Bonus Formula cannot include a column from the following tables or any external table that is mapped to these tables.

- `cn_commission_lines`
- `cn_commission_headers`
- `cn_srp_period_quotas`

A Commission Formula cannot include an element from the table `cn_srp_periods` or any table that is mapped to this table.

A Bonus Formula cannot include an element from the table `cn_srp_period_quotas` or any table that is mapped to this table.

User table names are listed under External Elements in the Calculation Values tree. You join an external table to an internal table by mapping them using System > External Tables.

A Bonus Formula cannot be used as an embedded formula and cannot be mixed with a commission type formula.

Selected columns are accessible in the calculation values tree for use in building formulas and performance measures. The user column name is listed in the tree rather than the actual column name.

The following Oracle Sales Compensation tables are predefined in the system and can be used as calculation values in defining performance measures and formulas:

```
CN_COMMISSION_HEADERS
CN_COMMISSION_LINES
CN_SRP_QUOTA_ASSIGNS
CN_SRP_PERIOD_QUOTAS
CN_SRP_PERIODS
CN_QUOTAS
```

## Defining Rate Tables

Rate tables are used to establish compensation percentage rates or fixed amounts for different performance levels. The compensation formula and plan element

determine the type of information to be compared to the rate table and how the resulting rate is used in the calculation. Use this procedure to define your rate tables.

### Prerequisites

Rate Dimensions must exist.

### Steps

1. In the Navigator, choose **Compensation Plans** > View By **Rate Tables**.
2. In the hierarchy, right-click **Rate Tables** and choose **New**.  
The Rate Tables window appears.
3. Enter a unique name for the Rate Table. Select a Rate Table type, either an Amount type or a Percentage type.
4. In the next block select a rate Dimension that you created previously.
5. In the remaining blocks, select each Dimension and enter either your commission Amounts or your commission Percentages.
6. Save your Rate Table.

## Assigning Rate Dimensions

If a commission rate is based on multiple criteria, then a multidimension rate table must be created to reflect all criteria: one dimension per one criterion.

For example, you are giving an added sales incentive for selling products A and B in addition to variable commission rates based on revenue. Your formula first compares revenue against a dimension of commission percentages. This dimension must be dimension 1. Next your formula compares sold volume of product A with a fixed fee dimension based on volume. This dimension must be dimension 2. Product B needs a separate dimension to compare with sales volume, which is dimension 3.

A dimension contains rate tiers to establish different levels of achievement to be compensated at different rates. See the following table for an example of a dimension with rate tiers.

**Dimension****Revenue**

0 - 10,000

10,000 - 25,000

25,000 - 50,000

50,000 -

Your minimum and maximum values in the Rate Tiers section must be stated in terms consistent with your input information.

You can change both the tiers and rates for a rate table. Any changes you make are propagated to all plan elements to which those rate tables are assigned, and thus to any salespeople that use plans containing those plan elements. If you change the levels of quota achievement in a tier, or add or delete a tier in a rate table, those changes propagate to all salespeople, regardless of whether their plans have custom quotas or rates.

In the following example there are three dimensions containing three tiers each. A total of 27 rates needs to be defined. In the following table the steps required to define the 27 rates are shown. Dimension 3 is chosen as the primary dimension. At step 2 a different tier is chosen for dimension 2 and related rates in dimension 3 are entered.

**Dimension and Rates Example**

Dimension 1	Dimension 2	Dimension 3	Rate
<i>Dimensions</i>			
1-2	10-20	100-200	
2-3	20-30	200-300	
3-4	30-40	300-400	
<i>Step 1</i>			
1-2	10-20	100-200	1
		200-300	2
		300-400	3
<i>Step 2</i>			

***Dimension and Rates Example***

<b>Dimension 1</b>	<b>Dimension 2</b>	<b>Dimension 3</b>	<b>Rate</b>
<b>1-2</b>	<b>20-30</b>	<b>100-200</b>	<b>4</b>
		<b>200-300</b>	<b>5</b>
		<b>300-400</b>	<b>6</b>
<i>Step 3</i>			
<b>1-2</b>	<b>30-40</b>	<b>100-200</b>	<b>7</b>
		<b>200-300</b>	<b>8</b>
		<b>300-400</b>	<b>9</b>
<i>Step 4</i>			
<b>2-3</b>	<b>10-20</b>	<b>100-200</b>	<b>10</b>
		<b>200-300</b>	<b>11</b>
		<b>300-400</b>	<b>12</b>
<i>Step 5</i>			
<b>2-3</b>	<b>20-30</b>	<b>100-200</b>	<b>13</b>
		<b>200-300</b>	<b>14</b>
		<b>300-400</b>	<b>15</b>
<i>Step 6</i>			
<b>2-3</b>	<b>30-40</b>	<b>100-200</b>	<b>16</b>
		<b>200-300</b>	<b>17</b>
		<b>300-400</b>	<b>18</b>
<i>Step 7</i>			
<b>3-4</b>	<b>10-20</b>	<b>100-200</b>	<b>19</b>
		<b>200-300</b>	<b>20</b>
		<b>300-400</b>	<b>21</b>
<i>Step 8</i>			
<b>3-4</b>	<b>20-30</b>	<b>100-200</b>	<b>22</b>
		<b>200-300</b>	<b>23</b>
		<b>300-400</b>	<b>24</b>

**Dimension and Rates Example**

Dimension 1	Dimension 2	Dimension 3	Rate
<i>Step 9</i>			
3-4	30-40	100-200	25
		200-300	26
		300-400	27

**Prerequisites**

None

**Steps**

1. In the Menu bar, select Tasks > Rate Dimensions.
2. Assign a unique name to your Dimension.
3. Select either Amount or Percentage type. The type chosen determines how you express your achievement levels.
4. Enter its description.
5. In the next block, enter the amounts or the percentages in ascending order.
6. The Tier Sequence will be numbered automatically as you progress through each level of achievement.

**Guidelines**

None

## Creating Formulas

You have complete flexibility to create formulas for calculating compensation. Your formulas can be used in another formula definition or in a plan element definition. Use this procedure to create formulas.

You can save an incomplete formula and return to complete it later.

**Prerequisites**

Expressions must be defined before you assign them to your formulas.

Any column from any table can be part of your formula, providing the Calculation Value check box for the column is selected in Columns and Tables. (See [Defining Calculation](#).)

Rate tables must be created first if you want to include them in your formula. (See [Defining Rate Tables](#).)

If you wish to incorporate Calculation Expressions into your formula, then these Expressions must be created before you reach this stage. These Expressions can be repeated in your formula and can also be reused in other formulas as well.

### Steps

1. In the Navigator, choose **Compensation Plans** > View by **Formula**.
2. In the hierarchy, right-click on **Formulas** and choose **New**.
3. In the general tab, enter a unique name and a description for your Formula.
4. Decide whether your Formula is for calculating a Commission or a Bonus. Make your selection at Type.
5. In the next block, determine your calculation rules.
6. In the last block, select a **Calculation Expression** that will become your Performance Measure. Performance Measure as well as Quota will be used in Reports for comparison with achievement.
7. In the Input tab, select a **Calculation Expression** to represent your input formula. The number of Input Calculation Expressions must equal the number of Dimensions in the Rate Table that you will select in the next step.
8. If applied rates are part of your formula, then in the **Rate Table** tab, select the rate tables to apply to the formula and enter their effective start and end dates. You can view the Rate Table details and rates for each dimension by clicking Rate Table Details.
9. In the **Output** tab, select your output **Calculation Expression**.
10. Return to the General tab and click Generate. On completion, the validation process will return a Complete status.

### Guidelines

A Bonus Formula is a type of Formula where there are no links or references to transactions. See Guidelines for Calculation Expressions.

Apply transactions individually if you want each transaction calculated separately to determine a rate. Group transactions if you want transactions aggregated to determine the rate.

Tick the Accumulative checkbox if transactions are required to be aggregated in total. Rate applied will be determined by the transactions-total achieved to date within the interval.

Use interval to date quotas and fixed amounts if:

- Calculation is to occur before the end of the plan element interval (for example, if the interval is quarter and calculation occurs monthly)
- Quotas are set cumulatively within the interval
- Performance to date is to be compared to the quota to date

Choose Thresholds if you want all prior transactions within the interval paid retroactively at the higher rate once that higher rate is achieved through accumulative transactions.

Do not split tiers if you want a rate from the Rate Table applied to the full amount. Split tiers if you want portions of the full amount paid at each rate up to the top qualifying rate. For example, the Rate Table shows 0-1000 at 1%, 1000-2000 at 2%. The transaction amount is 1500. If you tick the No Split checkbox, 2% will be applied to the whole transaction amount of 1500. If you tick the Non Proportional checkbox, 1% will be applied to 1000 and 2% will be applied to 500.

The Proportional checkbox is intended for use with Amount Rate Tables. Example, if the Rate Table shows 0-1000 at 100, 1000-2000 at 200. The first transaction amount is 200. The commission for this transaction is 20 because 200 is one fifth of the first rate tier and one fifth of the 100 rate is 20. If the second transaction amount is 1300, the remaining four fifths of the first rate tier will pay 80 and half of the second tier  $[(1300-800)/(2000-1000)]$  will pay 100 (half of the rate 200). Total commission for the second transaction is 180.

## Defining Plan Elements

A **plan element** is a set of conditions a salesperson must meet to be eligible for compensation. It determines how the compensation is calculated. Use this procedure to define plan elements.

### Prerequisites

If the plan element includes a formula, then the formula must be created first. (See [Creating Formulas](#).)

If the plan element includes a rate table, then the rate table must be created first. (See [Defining Rate Tables](#).)

If the plan element includes a revenue class, then the revenue class must be defined first. (See [Creating Revenue Classes and Hierarchies](#).)

### Steps

1. In the Navigator, choose **Compensation Plans > View By Plan Elements**.
2. Right-click **Plan Elements** and select **New**.
3. In the **General** tab, in the first block:
  - Enter a unique name for your Plan Element.
  - Enter its Start and End dates.
  - Enter a description of its objective.
  - You may copy from an existing Plan Element by clicking on the Copy Plan Element button to make a duplicate of the displayed Plan Element. The name is changed with a “\_2” attached to the end of the Plan Element name. You may over-write with a new name if you wish, before saving the new Plan Element.
  - To start a new Plan Element, click on the New Plan Element button.
  - In the Quota Group field, select a value. For example, by selecting Quota, the Plan Element will appear under the Quota category on the Year To Date Summary Report. If Bonus is selected, the Plan Element will appear under the Bonus category on the Year To Date Summary Report. The categories in the report appear in alphabetical order. New categories can be created: Toolbar > System > Lookups > OSC Lookups form.
4. In the second block of the General tab:
  - Select the Interval, Incentive type, Credit type, Formula type and a Formula. If you choose External Formula type, you must enter the name of the PL/SQL procedure. If you choose Formula type, select a Formula that has a Complete status.
  - If you want the Plan Element and the eventual payment to be assigned to someone other than the Salesperson credited with the sale, tick the Eligible for Payee Assignment checkbox.

- Tick the Calculate Last checkbox if you want this Plan Element to be calculated after all the other Plan Elements assigned to the same Compensation Plan as this Plan Element is, are calculated.
  - Select Liability and Expense Account codes information that you want sent to Oracle Accounts Payable Invoice Interface Table for all future commission payments relating to this Plan Element.
5. In the last block of the General tab, enter the Quota, Fixed Amount and Goal figures. These are measures that will be used to compare against actual achievements. If you have Quota, Fixed Amount and Goal figures against individual Revenue Classes assigned to this Plan Element, you can tick the Sum amounts from Revenue Classes checkbox and the totals will appear in these 3 fields. The Distribute Variables button will be available once a Formula with Interval to Date checked is assigned to your Plan Element. The Distribute function allows you to seasonalize your Quota, Fixed Amount and Goals.
  6. In the Revenue Classes tab, assign your Revenue Classes to this Plan Element. You may have Quota and Payment Accelerators at Revenue Class level for an effective period that you can specify through the Start and End Dates. Ensure that your Transaction or Event factors add up to 100% in total. Example, you can have 50% of the Order value calculated for commission, 20% of the Invoice value and 30% of the Payment amount for commission calculation. Other Factors do not need to total 100% and each can be over 100% if you require.
  7. The Formula tab will display the Formula that you have assigned under the General tab earlier.
  8. Similarly, the Rate Table tab will display the rates associated with the Formula.
  9. Save your new Plan Element so that it will be available for assigning to a Compensation Plan.

### **Guidelines**

You can assign multiple plan elements to a compensation plan, and you can assign the same plan element to multiple compensation plans.

When you change the structure of a plan element, it applies to every compensation plan that uses it and for every salesperson assigned to that plan. The affected compensation plans must again be validated.

The Plan Element's effective dates must be within the dates of the compensation plans to which the plan element is assigned.

You can change any part of a plan element before it is assigned to a salesperson. Any changes you make are propagated to all plans to which those plan elements are assigned, and thus to any salespeople that use those plans.

Once a compensation plan has been assigned to a sales role, you cannot change the plan's interval type. If you have assigned the plan and you want to change the interval for a plan element, you must remove the plan assignment, change the plan element's interval, then reassign the compensation plan.

How the Accelerators and transaction factors are used will depend on how your Calculation Expression is defined. Example, a common Formula is to have an Input Expression =

`TRANSACTION_AMOUNT* EVENT_FACTOR* QUOTA_FACTOR;`

and an Output Expression =

`Rate_Result* TRANSACTION_AMOUNT* EVENT_FACTOR* PAYMENT_FACTOR.`

You will find both Accelerators and the Transaction factors/Event factors under Oracle Sales Compensation Elements.

## Defining Compensation Plans

A compensation plan is built from plan elements and is assigned an effective start and end date. The plan can then be assigned to multiple sales roles.

Use this procedure to define a compensation plan.

### Prerequisites

Plan elements and formulas must be created if they are to become part of the compensation plan.

### Steps

1. In the Navigator, choose **Compensation Plans > View By Plan Elements**.
2. In the hierarchy, right-click **Compensation Plans** and choose **New**.  
The Compensation Plans window appears.
3. Assign a unique name to the new compensation plan.
4. Assign start and end dates to the plan.

5. Enter the objective description for this plan based on the associated sales role. The description is used as part of a contract for the salesperson.
6. Tick the Allow Revenue Class overlap checkbox if you want your Plan Elements to use the same Revenue Classes.
7. Select plan elements to be included in the plan and assign each plan element effective start and end dates.
8. Optionally, select a plan element and click **Element Details** to review plan element details.

The Plan Element window displays the selected plan element information.

9. Click **Validate** to ensure that you have entered the plan information correctly.

When you validate a compensation plan, the following are verified:

- The plan has a name and start and end dates
- The plan has one or more plan elements assigned with start and end dates within the plan start and end dates
- Each plan element has a rate table with contiguous tiers and with start and end dates within the plan start and end dates
- Each plan element has at least one revenue class assigned that has start and end dates within the plan start and end dates
- Each plan element has a rate table structure that makes sense for the plan element type
- Each revenue class has at least one key transaction factor and at least one other transaction factor

If each of the above conditions is true, then the Status field shows **Complete**. When the Status field displays **Incomplete**, the plan cannot be used to calculate compensation.

10. Save the plan.

When you save a plan, the values of that plan become the default values when you assign it.

11. Optionally, edit the start and end dates for individual salespeople. When the compensation plan is assigned to a sales role, the sales role and salespeople assigned to the sales role display in the compensation plan window. (See [Defining Sales Roles](#).)

### **Guidelines**

Consider defining plan names by job titles or area of sales you are compensating.

When you assign a plan to a salesperson, you define assignment start and end effective dates between which the salesperson is on that plan. Because you can assign the same plan to many salespeople, ensure the plan period is broad enough to encompass all necessary assignment periods.

You can change or restructure any aspect of a compensation plan. Because you can assign the same plan to many salespeople, however, ensure you are aware of how the changes you are making impacts individual salespeople.

When you change a compensation plan, the changes propagate to the salespeople assigned to the plans. For customized plans, the salesperson receives all changes except the customized changes. If a change is made to a tier in a rate dimension, then the new rates overwrite customized rates.

## **Defining Salespeople**

You create or import salespeople using Resource in Oracle Resource Manager. You then assign roles to a salesperson in the Roles tab and assign a sales credit type in the AR tab.

## **Defining Sales Roles**

A **sales role** describes a set of salespeople who share a common compensation structure. Examples are marketer, broker, and sales manager. Create sales roles using Roles in Oracle Resource Manager. Use this procedure to assign compensation plans to a sales role.

### **Prerequisites**

Sales roles are defined using Oracle Resource Manager and have the Sales Compensation role type.

Super User responsibility is required.

### **Steps**

1. In the Navigator, choose **Sales People > View By Sales Roles**.
2. In the hierarchy, select a sales role to view.
3. Browse and choose compensation plans to be assigned.

4. Select start and end dates to define the effective period for the compensation plans to be assigned to this sales role.
5. Optionally, click **View Compensation Plan Details** to see the compensation plan screen for the selected plan.

The Compensation Plans window displays plan information.

6. Save your work.

### Guidelines

The date range used to assign a compensation plan to a sales role must be within the start and end dates of the compensation plan itself.

Once a compensation plan has been assigned to a sales role, you cannot change the plan's plan element time interval. If you have assigned the plan and you want to change the interval for a plan element, you must remove the plan assignment, change the plan element's interval, then reassign the compensation plan to the sales role. See [Defining Compensation Plans](#).

## Defining Compensation Groups

A single sale is credited through a hierarchy of salespeople and managers by using a structure of compensation groups. Define compensation groups and build hierarchies of compensation groups using Groups in Oracle Resource Manager. Assign sales roles in the Roles tab and specify Sales Compensation in the Usages tab when you define the group. Compensation groups can only be viewed in Oracle Sales Compensation. Follow these steps to view compensation groups.

### Prerequisites

Compensation groups must be defined using Oracle Resource Manager.

### Steps

1. In the Navigator, choose **Sales People > View By Compensation Groups**.
2. In the expanded hierarchy, right-click a group and choose **Open**.

The Compensation Groups window displays the selected group.

### Guidelines

The effective dates of a compensation group must overlap the effective dates of its parent group.

If the parent group effective dates include an open end date, then the child groups can have either open end dates or specified end dates.

One compensation group cannot exist as a child of more than one parent group unless the start and end dates of the two relationships do not overlap.

One salesperson can have only one role at any given point in one compensation group. However, the salesperson can be assigned the same or a different role assigned in a different compensation group during the same period.

A salesperson or sales manager can be assigned to a compensation group only if that person's sales role start and end dates show the role is active within the compensation group start and end dates. The salesperson cannot be assigned beyond the sales role start or end date. For example, if the compensation group dates are Jan 1 through Dec 31, and the sales role dates are November 1 through March 31 of the following year, then the sales role can only be assigned to the group from November 1 through December 31.

You cannot change start dates once assigned and saved. You must delete the record and recreate it.

Deleting a compensation group assignment to another compensation group only deletes the link between the two groups. The salespeople remain assigned to each compensation group.

Updates to a compensation group do not affect other compensation groups within the hierarchy. See [How Compensation Groups Work](#).

## Defining Pay Groups

A **pay group** defines the frequency of payments, such as monthly or semi-monthly, for the salespeople who are assigned the pay group. Use this procedure to define pay groups.

### Prerequisites

Calendars and related pay periods must be defined in GL and activated in Sales Compensation. (See Oracle Sales Compensation Implementation Guide.)

### Steps

1. In the Navigator, choose **Payment Setup > View By Pay Groups**.
2. In the hierarchy, right-click **Pay Groups** and choose **New**.

The Pay Groups window appears.

3. Assign a unique name to the pay group and enter a description.
4. Select effective start and end dates for the pay group.
5. Select a calendar from the list of values.
6. Select a period type from the list of period types that were defined for the selected calendar.

The grid displays all pay periods for the selected calendar and period type that fall within the effective date range.

The Sales Representatives tab displays all salespeople who have been assigned the pay group using the Salesperson Workbench.

7. Save the pay group.

### Guidelines

The period type defines the frequency of payments for the pay group.

Each pay group can have one or many pay periods. A **pay period** is a range of dates over which calculated plan element commissions are collected for payment.

The pay group reflects the frequency of the pay periods.

Each pay group requires a separate pay run. See [Submitting for Payment](#) for information about creating a pay run.

### References

See [Administering Salespeople](#) to assign the pay group to salespeople.

## Defining Payment Plans

Use payment plans to set rules governing how much is paid. Payment plans are optional and are used to set up advance or deferred payments. Use this procedure to define minimum and maximum payments.

### Prerequisites

None.

### Steps

1. In the Navigator, choose **Payment Setup > View By Payment Plans**.
2. In the hierarchy, right-click **Payment Plans** and choose **New**.

The Payment Plan window appears.

3. Assign a unique name to the payment plan.
4. Optionally, establish a minimum amount to be paid at the end of each pay interval, and indicate whether it is recoverable from later commissions.
5. Optionally, establish a maximum amount to be paid at the end of each pay interval.
6. Optionally, establish a maximum amount that can be paid for any pay interval. If you select the Pay Later option, any amounts over the maximum to be paid can be rolled over and paid in future periods.
7. If you want any commission earned above the maximum payment to be included in a later pay run, then select **Pay Later**.
8. Save the payment plan.

The payment plan is available to be assigned to a salesperson in the workbench.

### **Guidelines**

The application checks first for the minimum amount and pays it. Recoverable amounts are calculated after the minimum is met.

## **Integrating with Oracle Accounts Payable**

### **Prerequisites**

System Parameters must be set to the proper account generation level.

When a Payrun has been processed (Paid status against the Payrun name), the Salespeople Sub-ledgers are updated to reflect the amounts paid in the appropriate accounts/balances. Payrun details would also have been sent to Oracle Payable Invoices Interface Table.

Oracle Sales Compensation will look for expense and liability account information depending on the account generation level you select from the System Parameters. Enter the account information either at the revenue class, plan element, or ruleset if the account generator level has been set to Revenue Class, Plan Element, or Classification, respectively.

Oracle Payable will only recognize the Salespeople for payment if they are activated as Suppliers through Oracle Purchasing. Please refer to Oracle Purchasing Guides.

The records in `cn_payment_lines_interface` Table are mapped to the invoice interface in Oracle Payable. The mapping has been done as follows:

<b>AP_INVOICES_INTERFACE</b>	<b>Populated with</b>
INVOICE_ID	AP_INVOICES_INTERFACE_S.NEXTVAL
INVOICE_NUM	CNPD.COMMISSION_LINE_ID
INVOICE_DATE	CN_PAYRUNS.PAY_DATE
VENDOR_ID	FND_USER.SUPPLIER_ID
VENDOR_SITE_ID	PO_VENDOR_SITES.VENDOR_SITE_ID
INVOICE_AMOUNT	COMMISSIONABLE_AMOUNT
INVOICE_CURRENCY_CODE	FUNCTIONAL CURRENCY CODE
PAYMENT_CURRENCY_CODE	REP CURRENCY CODE
SOURCE	“OSC” (NEW quick code of type SOURCE)

<b>AP_INVOICE_LINES_INTERFACE</b>	<b>Populated with</b>
INVOICE_ID	Same value as entered for AP_INVOICES_INTERFACE
INVOICE_LINE_ID	AP_INVOICE_LINES_INTERFACE_S.NEXTVAL
LINE_NUMBER	CNPD.COMMISSION_LINE_ID
LINE_TYPE_LOOKUP_CODE	ITEM/ TAX / MISCELLANEOUS
AMOUNT	CNPD.PAYMENT_AMOUNT

The Liability Account will also be mapped to the Oracle Payable Interface. This will be done using the Account Generator, accessible via the Ruleset Form. The Liability Account information will be supported by default at three levels:

- REVENUE CLASS
- PLAN ELEMENT
- CLASSIFICATION

If the transaction level option is chosen then the following setup has to be done similar to the current classification Ruleset procedure:

Define a Ruleset of the type 'Liability Account Mapping'. Define rules for this Ruleset by selecting the columns of transaction that determine the segments and thus the code combination id that forms its rule attributes. The classification package will be generated and the appropriate package will be invoked by the payment submission package that obtains the liability code dynamically based on the liability account mapping setup.

## Account Generator

Expense and Liability Account information will be supported by default at three levels:

- REVENUE CLASS
- PLAN ELEMENT
- CLASSIFICATION

If the transaction level option is chosen then the following setup has to be done similar to the current classification Ruleset procedure:

### Steps

1. Define the name of the ruleset.
2. Give a start and end date of this ruleset.
3. Select the type of Account Generator.
4. In the Navigator, right-click the Ruleset that you have just created and select Add new Child Rule.
5. The Rules window appears.
6. Assign a name to the rule that you are about to define.
7. Choose a revenue class from the list of values. Optionally select Expense & Liability account.
8. Enter the Expense and Liability Accounts from the list of values.
9. In the Rule Attributes tab, choose a user column name from the list of values, choose the type of values from the drop-down list, and enter the value or values that apply.
10. Optionally, enter additional attributes for the rule.

11. Every attribute is assumed to be linked to other attributes with *AND*.
12. If you want any of the attributes to be related with *OR*, use the Build Expression tab to relate the first two attributes with *AND* or *OR*.
13. An additional value of Result1 appears in the first column and is added to the attribute list of values.
14. Continue to relate the remaining attributes. Use Result1 to relate a third attribute to the first two.
15. Save the rule.
16. The expression appears.
17. To add rules in the hierarchy of rules, position your cursor over the parent rule, right click, and choose New Rule. Repeat from step 2.
18. Return to the Ruleset Form for every ruleset that has new or changed rules and click Synchronize.

## Administering Salespeople

From the Salesperson Workbench you can view the components that affect the compensation for any salesperson. Use this procedure to review information about a salesperson, assign sales roles and payment plans, and administer the salesperson's compensation.

### Prerequisites

The salesperson must be defined.

### Steps

1. Select a salesperson from the **Navigator**.  
The Salespeople Workbench appears.
2. If you want to assign a pay group to the salesperson, then in the Salesperson tab use the list of values to choose the pay group. Then assign start and end dates.
3. If you want to hold payment for this salesperson, then in the Salesperson tab select **Hold Payment** and select a reason for the payment hold.

The salesperson's payment is not generated when the pay group is submitted for payment.

4. In the Sales Role tab, review the salesperson's assigned sales roles and compensation groups.
5. If you want to assign a sales role, then in the Sales Role tab use the list of values to choose the sales role and then assign start and end dates.
6. In the Compensation Plans tab, review the salesperson's assigned compensation plans and plan elements.
7. Optionally, click **Compensation Summary** or click **Compensation Details** to view the salesperson's compensation information.
8. In the Payment Plans tab, review the salesperson's payment plan information.
9. If you want to assign a payment plan, then in the Payment Plans tab select the plan from the list of values and enter start and end dates.
10. If you want to pay the salesperson either a minimum or maximum amount regardless of commissions earned, then enter the amount.
11. If you want the minimum payment deducted from later commissions, then select **Recoverable** and, optionally, enter a maximum recoverable amount.
12. If you want any commission earned above the maximum payment to be included in a later pay run, then select **Pay Later**.
13. Save your changes.

### **Guidelines**

When you enter start and end dates, the dates must fall within the range of effective dates for both items being assigned, for example, the salesperson and the sales role.

A salesperson can be assigned multiple pay groups, but only one pay group can be active at a time.

### **References**

For information about what pay groups are and how they are created, see [Defining Pay Groups](#).

For information about what sales roles are and how they are created, see [Defining Sales Roles](#).

For information about assigning compensation groups, see [Defining Compensation Groups](#).

## Customizing Compensation Plans

You can customize each plan element in the compensation plan for an individual salesperson. Use this procedure to customize a compensation plan.

### Prerequisites

None

### Steps

1. Select a salesperson from the Navigator.  
The Salespeople Workbench appears.
2. In the Compensation Plans tab, select a sales role.  
The compensation plans and plan elements for the salesperson and sales role appear.
3. Select **Customized** next to the plan element to be customized.  
If you leave the **Customized** check box unchecked for a plan element, then any changes you make to the quota or rates for that plan element are inherited by the salesperson.
4. Select the plan element name and click **Details**.  
The Plan Element window displays the details for the plan element.
5. Edit the details to customize the plan. See the table under References for a list of fields that can be changed and where they can be found in the plan element tabs.
6. Save your changes.

### Guidelines

Although you can customize the rates for individual salespeople, those representatives automatically inherit all changes made to other aspects of the compensation plan itself. For example, if you customize compensation rates for a salesperson and then delete a bracket in the rate table assigned to that compensation plan, then the salesperson's rates default to those in the new rate table.

If you change the levels of quota achievement in a tier, or add or delete a tier in a rate table, then those changes propagate to all salespeople, regardless of whether their plans have custom quotas or rates.

## References

### *Editable fields to customize a plan*

Tab Location	Field
General	Quota
	Fixed Amount
	Goal
	Sum amounts from Revenue Classes
General > Distribute Variables	All fields (quota, fixed amount, and goals allocated by amount and percentage)
Revenue Class	Quota
	Fixed Amount
	Goal
	Payment Accelerator
	Quota Accelerator
Rate Tables	Commission rate
Payees	Alternate payees can be selected along with effective dates for this plan element.

## Collecting Transactions

Data must be collected from the mapped tables and loaded into Oracle Sales Compensation before calculation for payment can occur. Use this procedure to collect and load selected types of transactions for calculation.

### Prerequisites

If you want to use information other than that provided in the default mapping, then you must first map the required information.

### Steps

1. In the System menu, choose **Collections**.  
The Collections window appears.
2. In the Collection tab, select the **Collect** check box for each collection event you want to include in your data collection.

3. In the Mapping tab, click **Map**.  
Your selected events and the mappings are synchronized.
4. From the Navigator, choose **Concurrent Requests > Run**.
5. In the Submit a New Request window, choose the **Single Request** option, and then click **OK**.
6. In the Submit Request window, choose from the list of values or enter the name of a collection package, depending on the type of transaction information you are collecting, in the Request Name field. The collection package names include:
  - Collect Orders
  - Collect Take Backs
  - Collect Invoices
  - Collect Payments and Givebacks
  - Collect Writeoffs
  - Collect Credit and Debit Memos
7. Click **Submit Request**.  
The requested data is collected into an interface table.
8. In the Requests window, click **Refresh Data** to ensure that the collection package has completed installing.
9. Repeat steps 6, 7, and 8 for each collection package.
10. In the Submit Request window, enter `Transaction Interface Loader` in the Request Name field, and then click **Submit Request**.  
The collected data is loaded into the `CN_COMMISSION_LINES` table and is available for calculation.
11. From the **Action** menu, choose **Close Form**.

### Guidelines

The Order Posting event collects data from Oracle Order Capture. The other events collect data from Oracle Receivables.

When a change is made to a sales order in Oracle Order Capture, the change is documented in a notification which is then processed during the running of Collect Orders. If the collection is run infrequently, then the number of notifications to be processed can make the run time lengthy. To shorten the run time of Collect Orders

you can regularly run the concurrent program called Order Update Notification. This concurrent program processes the notifications and stores the pertinent information in a manner that will process more quickly during Collect Orders.

### References

For more information about collection events, see [How Data Collections Work](#).

For more information about mapping, see Oracle Sales Compensation *Implementation Guide*, "Mapping Transactions."

## Adjusting Transactions

If a collected transaction contains errors in information or credit assignment, then it can be corrected with an adjustment. Use this procedure to adjust a transaction or change who is credited with the transaction.

### Prerequisites

Super User responsibility is required.

The application has collected the transaction.

### Steps

1. In the Tasks menu, choose **Adjustments**.  
The Maintain Transaction window appears.
2. Conduct a Find.  
A list of transaction records appears.
3. Select the transaction record you want to adjust.
4. Click **Adjust Transaction**.  
The Adjust Transaction window appears.
5. If you want to make a simple manual adjustment, then enter the adjustment information and save. If not, then go on to step 6.
6. Click the correct button for the type of adjustment you want to perform:
  - **Move Credits**  
The credit moves from the existing credited salesperson to a salesperson you specify.

- **Share Credits**

The original salesperson's credit remains the same, but you also give the credit to a salesperson you specify.

- **Deal Split**

You specify additional salespeople and the percentage of credit each salesperson receives for the transaction. The percentages must total 100.

- **Deal Move**

Credit for the whole transaction is removed from the existing credited salesperson to a salesperson you specify.

- **Deal Share**

The original salesperson's credit remains the same, but you also give the credit to a salesperson you specify.

7. Enter the appropriate information.

8. Click **OK**.

### **Guidelines**

You can create a new manual transaction by selecting **New Transaction**.

You cannot split a nonrevenue, obsolete, frozen, or reversal transaction.

If a transaction has not yet been collected, then you can adjust the order or invoice directly. The correct transaction credit information is then collected by the application.

You can adjust more than one record at a time.

## **Calculating Compensation**

You can calculate compensation for all salespeople who have valid compensation plans, for all salespeople in the notify log file, or for salespeople you specify. Use this procedure to submit a batch for calculation.

### **Prerequisites**

The period being calculated must have a status of Active.

## Steps

1. In the Tasks menu, choose **Submit Calculation**.

The Calculation Submission window appears.

2. Enter the definition information.
3. Enter the parameters.
4. If your calculation type is **Bonus** and you don't want to calculate all bonus plan elements, then select the interval type and the bonus plan elements to be calculated.
5. If you select **Salespeople Specified by You**, then use Find Salesperson if needed and specify the salespeople whose commissions you want to calculate.
6. Click **Calculate**.

The Status field displays the status of the calculation using these values:

- **Incomplete:** The calculation has not been submitted.
  - **Complete:** The calculation has completed successfully.
  - **Failed:** An error has occurred. You can run the calculation again, if necessary. To find details for the error, select View My Requests from the Help menu, select the error, and then in the Request window, click View Details.
  - **In progress:** The calculation is still in the processing of running.
7. If you want to view the process log, then navigate to **System > Process Log**, find the calculation process, and click **Process Log**.

The Process Log window displays the information relating to your calculation process.

## Guidelines

Transactions whose process dates fall within the dates you specify will be included in the calculation.

If you have made a change that will affect the calculation, such as a rate table change, then the application lists in the Notify Log all salespeople and periods that are affected by the change. Select Salespeople in Notify Log to calculate all the salespeople affected by the changes made.

Following is an explanation of the parameters:

- **Entire Hierarchy:** If you selected **Salespeople Specified by You** or **Salespeople in Notify Log**, disable this option if you want to perform the calculation on the specific salespeople themselves rather than their hierarchy.
- **Concurrent Calculation:** If the calculation is large, select this option to run the calculation as a background process in the Concurrent Manager. After you submit a concurrent process, you can proceed to do other things while it completes the calculation. You may want to make a note of the concurrent process number in case you want to check the status of the process later on. If you have entered manual transactions, select this option so that they can be properly calculated.
- **Incremental Calculation:** Use incremental calculations for most or all of your calculations. Everything that needs to be calculated is calculated.

### References

See [Calculation](#) for an explanation of calculation.

## Submitting for Payment

You prepare your pay run for each pay group when due, adjust the calculated pay as needed, and submit the pay run to be paid. Use this procedure to edit scheduled compensation, hold payment on a transaction, and submit for payment.

### Prerequisites

At least one pay group must exist.

If there is no payment plan, then the calculation must be done first.

### Steps

1. In the **Tasks** menu, choose **Submit Payment**.

The **Payment Submission** window appears.

2. Enter a name for the payrun and select the payrun definition information.

3. Click **Select All Salespeople**.

The salespeople who are in the pay group and are scheduled to be paid for the selected pay period appear.

4. Select one salesperson and click **Worksheet**.

The payment worksheet for the salesperson appears.

5. Review the information and edit as needed.
6. If you make a change for commission or bonus, then enter the reason in the Justification for Change window that appears when a change is made.
7. Optionally, click the **Bonus** button to enter a manual bonus. Select the plan element, enter the amount, and click **OK**.
8. Optionally, click the **History** button to view a history of changes and the justifications for the changes.
9. Save the worksheet.
10. Click **Pay**.

The application does the following:

- Calculates the payment for all salespeople in the payrun document
- Updates the subledger for each salesperson
- Updates the payment interface table
- Updates the status for this payrun document to PAID

### **Guidelines**

Submit separate pay runs for each pay group and each credit type.

## **Payment**

The payment process spans both types of User Interface and technology. This process enables Oracle Sales Compensation to process all the calculated transactions and pass them to the payment interface table to be paid. Transactions do not need to be collected or calculated for a payment process to run. The Payment Plan can be in affect for some members of the sales force and transactions are not required for pay (see Payment Plans).

### **Steps**

1. Log into Sales Compensation.
2. Run Concurrent Manager request for Posting Details.
3. Log in with the responsibility of Sales Compensation Online Super User.
4. Select the Payment Tab > Create subtab.
5. Provide a Payrun Name.

6. Select a Paygroup to pay from the list of values.
7. Select a Pay Period to pay from the list of values.
8. Select a Payment Incentive Type from the list of values.
9. Select a Pay Date to pay from the list of values.
10. Select the Salespeople to pay.

Adjust any salespeople payments.

1. Select the Summary subtab
2. Query the Payrun and drill into the detail.
3. Query the Salesperson and drill into the detail.
4. Make any adjustments to the salesforce as necessary in the payment amount field.

Process Pay

1. Log into Sales Compensation.
2. Run Concurrent Manager request for Pay Payrun.

## Monitoring Salesperson Performance

Review a summary of a salesperson's compensation or look at details by plan element or by transaction to thoroughly review a salesperson's performance. Use this procedure to view a salesperson's compensation summary and drill down to detailed information.

### Prerequisites

You can review your own performance or the performance of a salesperson and sales role combination that is within a compensation group for which you are the manager or administrator.

### Steps

1. In the Compensation Plans tab of the Salespeople Workbench, select the salesperson and sales role.
2. Click **Compensation Summary**.

A summary of the salesperson's compensation appears for the selected sales role. The summary includes earned commissions, the status of advances, payrun information, and any pending compensation.

3. Optionally, click **View Details**.
4. Select the compensation plan and plan element to review.

The detail information shows the salesperson's quota and earnings by plan element.

5. Optionally, click **View Sales Credits**.

Transactions for this salesperson and period appear.

### References

See [Administering Salespeople](#) for more information about the salespeople workbench.

## Year To Date Summary

This report is an overview of a salesperson's achievements, commission and bonus earnings and advances or draws. This report is accessible by default by the manager, salesperson and sales compensation online super user responsibilities.

The figures are grouped by period and by plan element. Super user can control which plan element appears as a quota or bonus category through the Quota Group checkbox on the Plan Element form. The pay out section is grouped by earnings type and by period.

## Quota Performance

This report is a snapshot of salespeople achievement and earnings. Achievements are shown against interval to date quota and annual quota. Earnings total are broken down by period to date and interval to date.

## Commission Statement

This report shows transaction details broken down by period for a salesperson. It is configurable and for instructions on how to hide or show selected columns, go to Configuring reports section below.

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## Commission Summary

This report is a snapshot of salespeople achievement and earnings. Achievements are shown against interval to date quota and annual quota. Earnings total are broken down by period to date and interval to date.

This report is identical to the Quota Performance report except that there are 3 extra columns (on the far right) available through this report. This report is accessible through Sales Compensation Online Super User by default whereas the Quota Performance report is accessible by default to those users with Manager and Salesperson responsibilities.

## Transaction Details

This report shows transactional details of the specified salesperson and is used primarily by the salesperson and sales manager. It provides the details from the Year To Date Summary report. The report can be run to show results of any specified period and by transaction status.

It is configurable and for instructions on how to hide or show selected columns, go to Configuring reports section below.

## Hierarchy

This report shows hierarchy structure for all "dimension" hierarchies such as revenue classes, customers, and products. This report also displays any salespeople hierarchy within an organization at any moment in time as specified by the user.

## Unprocessed Transactions

This report is a useful way for locating transactions by process status. Users have the option of running this report for any calculation status, load status and adjustment status for any specified salesperson, date, transaction type, order and invoice number.

