
PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Compensation

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PeopleSoft Enterprise Human Resources Administer Compensation Preface

This preface discusses:

- PeopleSoft Products.
- PeopleSoft Enterprise HRMS Application Fundamentals.
- Common elements in this PeopleBook.

Note. This PeopleBook documents only page elements that require additional explanation. If a page element is not documented with the process or task in which it is used, then either it requires no additional explanation or it is documented with common elements for the section, chapter, PeopleBook, or product line.

PeopleSoft Products

This PeopleBook refers to the following PeopleSoft product: PeopleSoft Enterprise Human Resources Administer Compensation.

PeopleSoft Enterprise Application Fundamentals

The *PeopleSoft Enterprise Human Resources Enterprise 9.1 PeopleBook: Administer Compensation* provides implementation and processing information for your PeopleSoft Enterprise Human Resources Administer Compensation system. Additional, essential information describing the setup and design of your system appears in a companion volume of documentation called *PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook*. Each PeopleSoft Enterprise product line has its own version of this documentation.

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook consists of important topics that apply to many or all PeopleSoft Enterprise applications across the PeopleSoft Enterprise HRMS product line. No matter which HRMS products you are implementing, you should become familiar with the contents of this central PeopleBook. It is the starting point for fundamentals, such as setting up control tables and administering security.

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "PeopleSoft Enterprise HRMS Application Fundamentals Preface"

PeopleBooks and the PeopleSoft Online Library

A companion PeopleBook called *PeopleBooks and the PeopleSoft Online Library* contains general information, including:

- Understanding the PeopleSoft online library and related documentation.
- How to send PeopleSoft documentation comments and suggestions to Oracle.
- How to access hosted PeopleBooks, downloadable HTML PeopleBooks, and downloadable PDF PeopleBooks as well as documentation updates.
- Understanding PeopleBook structure.
- Typographical conventions and visual cues used in PeopleBooks.
- ISO country codes and currency codes.
- PeopleBooks that are common across multiple applications.
- Common elements used in PeopleBooks.
- Navigating the PeopleBooks interface and searching the PeopleSoft online library.
- Displaying and printing screen shots and graphics in PeopleBooks.
- How to manage the locally installed PeopleSoft online library, including web site folders.
- Understanding documentation integration and how to integrate customized documentation into the library.
- Application abbreviations found in application fields.

You can find *PeopleBooks and the PeopleSoft Online Library* in the online PeopleBooks Library for your PeopleTools release.

Common Elements in This PeopleBook

Frequency	Enables you to select a frequency (hourly, daily, monthly, annually, and so on) in which to express the compensation rate.
Base Pay	Pay for a regularly assigned workweek. A pay component that is included in the job compensation rate calculation. For example, an employee's base compensation package may be made up of the following components: base pay, cost of living, child-care cost, and commuting cost.
Compensation Package	All of the base and non-base pay components on a job row.
Job Code	An ID for a job as defined on the Job Code table.
Job Code Component	A pay component assigned to a job code. A pay component is defined by associating a rate code with a job code on the Default Compensation page or the Non-Base Compensation page of the Job Code table.
Job Compensation Rate	The compensation rate of the corresponding job row.

Non-Base Pay	A pay component that is used by Payroll only in paysheet calculation. It is not included in the job comp rate calculation. For example, non-base pay can be set up for additional work, holiday pay, bonuses, and so on.
Pay Component	A row in a compensation record that builds the compensation packages in that record.
Rate Code	The ID of a pay component. It defines a rate of pay. Rate Code represents pay components on pages and when configuring compensation packages in a compensation record. Rate Code is set up in the Comp Rate Code (compensation rate code) table.
Rate Code Group	A number of pay components (represented by rate codes) that are bundled into a subset of a compensation package. The rate code group is used to calculate percentage-based components that do not apply the percentage to all pay components in the compensation package. Rate code groups are set up on the Rate Code Groups page.
Rate Code Type	Determines how the monetary value of a rate code is calculated. The compensation rate code type is defined on the Comp Rate Code table. Valid values are Flat Amount, Hourly Rate + Flat Amount, Hourly Rate, Percent, and Points.
Rate Matrix	A matrix that is associated with a rate code, which applies rules and formulas to determine the amount or rate for a specific employee.
Rules-Driven Pay Component	A pay component that uses rules to determine the appropriate rate code to assign to an employee. Rules are set up in the Comp Rate Code Rules component.
Salary Step Component	A pay component that is assigned to a salary step by entering the corresponding rate code on the Salary Step Components page.
Seniority Pay	A premium that is paid for the length of time that an employee has worked for an organization.
Seniority Pay Component	A pay component that has a rate code with the seniority rate code class (SENPAY). This class is provided by PeopleSoft and is assigned on the Comp Rate Table page. You use it to access the seniority pay functionality.
Seniority Rate Code	A rate code associated with the seniority rate code class (SENPAY). This class is provided by PeopleSoft and is assigned on the Comp Rate Code Table page. You set up levels of pay increase for these codes on the Seniority Pay page of the Comp Rate Code component.

Chapter 1

Getting Started with Administer Compensation

This chapter discusses:

- Administer Compensation business processes.
- Administer Compensation implementation.

Administer Compensation Overview

With Administer Compensation functionality, you define pay components to determine employee compensation. You can associate pay components with customized rules that use Job record fields to calculate compensation variables consistently throughout your organization.

Pay components might include regular pay, additional pay for work under hazardous conditions, pay for work in a different job, or pay for an equipment allowance. A pay component could be an hourly rate, a flat amount, or an addition to the base hourly rate.

With Administer Compensation, you can:

- Figure a percentage of a worker's base pay and use it as a pay component.
- Compensate workers using salary points.
- Create a unique compensation package for each employee.

Administer Compensation Business Processes

Administer Compensation provides the following business processes:

- Defining Compensation Rates and Rules-Driven Component Defaulting.

Set up flexible defaulting rules that automatically update an employee's compensation package based on field values other than job code and salary step code.

- Administering Seniority Pay.

Add and update seniority rate codes in employees' compensation pages. Seniority rate codes enable you to pay a premium for seniority.

- Refreshing Employee Compensation Information.

Update employee compensation packages based on current values in the system, replacing manual changes with new default values.

- Using Market Pay.

Capture market pay data to represent the conclusion of a job valuation or market pricing business processes.

We discuss these business processes in the business process chapters in this PeopleBook.

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "Setting Up and Working with Market Pay"

Administer Compensation Integrations

Human Resources integrates with all the PeopleSoft HRMS applications, with other PeopleSoft applications, and with third-party applications.

Human Resources shared tables are available to many PeopleSoft HRMS applications. In addition, data in many Human Resources tables is available to any PeopleSoft application that is set up to subscribe to the published messages.

The Administer Compensation business process integrates with the following PeopleSoft HRMS applications:

- PeopleSoft Enterprise Human Resources Administer Workforce.
- PeopleSoft Enterprise Human Resources Manage Base Compensation and Budgeting.
- PeopleSoft Enterprise Human Resources Manage Positions.
- PeopleSoft Enterprise eCompensation Manager Desktop.

We discuss integration considerations in this PeopleBook.

Administer Compensation Implementation

Administer Compensation also provides component interfaces to help you load data from your existing system into Administer Compensation tables. Use the Excel to Component Interface utility with the component interfaces to populate the tables.

This table lists the components that have a setup component interface:

Component	Component Interface	References
COMP_RATECD_TBL	CI_COMP_RATECD_TBL	See Chapter 2, "Setting Up Administer Compensation," Setting Up Rate Codes , page 6.
JOB_CODE_TBL	CI_JOB_CODE_TBL	See <i>PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook</i> , "Setting Up Jobs," Defining Job Subfunction and Job Function Codes.
SALARY_GRADE_TBL	SALARY_GRADE_TBL	See <i>PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting</i> , "Setting Up Base Compensation and Budgeting," Setting Up Salary Plans, Grades, and Steps.

Other Sources of Information

In the planning phase of your implementation, take advantage of all PeopleSoft sources of information, including the installation guides, data models, business process maps, and troubleshooting guidelines.

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "PeopleSoft Enterprise HRMS Application Fundamentals Preface"

Enterprise PeopleTools PeopleBook: PeopleSoft Component Interfaces

Enterprise PeopleTools PeopleBook: PeopleSoft Setup Manager

Chapter 2

Setting Up Administer Compensation

This chapter provides an overview of Administer Compensation, and discusses how to:

- Set up rate codes.
- Define groups of rate codes.

Understanding Administer Compensation

In the following overview, the second step—defining rate codes—is required. The other remaining steps are optional, but they provide invaluable functionality for rate code use.

To administer compensation:

1. Define rate code classes on the Rate Code Classes page.
2. Define rate codes on the Comp Rate Code Table page.
3. Define rate code groups on the Rate Code Groups page and enable the use of rate code groups in the system.
4. Associate rate codes with salary steps on the Salary Step Components page of the Salary Grade component.
5. Define special rate code defaulting rules using the Rate Code Defaulting Rules component.
6. Associate rate codes with job codes, positions, and worker job records.
7. Compensate workers by using salary points:
 - a. Select the Salary Points check box on the Options page of the Installation component.
 - b. Set up the Salary Points monetary value on the Default Settings page of the Company component.
 - c. Associate the point value (an integer) with rate codes on:
 - The Salary Step Components page of the Salary Grade component.
 - The Default Compensation page and the Non-Base Compensation page of the Job Code component.
 - The Compensation page of the Job Data component.

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "Setting Up Jobs"

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting, "Setting Up Base Compensation and Budgeting"

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Positions, "Setting Up Positions"

Setting Up Rate Codes

To set up rate codes, use the Rate Code Class Table (RATECD_CLASS_TBL) and Comp Rate Code Table (COMP_RATECD_TBL) components. Use the CI_COMP_RATECD_TBL component interface to load the data into the tables for this component interface.

This section provides an overview of creating seniority rate codes, lists the pages used to set up rate codes, and discusses how to:

- Create rate code classes.
- Define rate codes.
- Associate seniority rate codes with compensation increases.
- View defaulting rules associated with compensation rate codes.

Note. If you are assigning rate code classes to rate codes, you must define rate code classes before creating rate codes.

Pages Used to Set Up Rate Codes

Page Name	Definition Name	Navigation	Usage
Rate Code Class Table	RATECD_CLASS_TBL	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Class Table	Create rate code classes.
Comp Rate Code Table (compensation rate code table)	COMP_RATECD_TBL	Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Comp Rate Code Table	Define rate codes.

Page Name	Definition Name	Navigation	Usage
Comp Rate Code Table - Seniority Pay	SENIORITY_PAY	Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Seniority Pay	Associate a seniority rate code with: <ul style="list-style-type: none"> Levels of compensation increases. One or more groups that you define using Group Build.
Comp Rate Code Table - Combination Rules	COMP_RATECD_RULES	Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Combination Rules	View defaulting rules associated with a compensation rate code.

Creating Rate Code Classes

Access the Rate Code Class Table page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Class Table).

Rate Code Class Table

Rate Code Class: SENPAY

Rate Code Class Information Find | View All | First 1 of 1 Last

*Effective Date: 01/01/1900 *Status: Active

*Description: Seniority Rate Codes

Short Description: Sen Rate Codes

Rate Code Class Table page

You can associate individual rate codes with rate code classes. These classes are used as search criteria on rate code search pages throughout the system. After you create rate code classes on this page, you assign them to rate codes on the Comp Rate Code Table page.

The predefined rate class SENPAY enables you to bundle rate codes used to administer seniority pay to workers.

Defining Rate Codes

Access the Comp Rate Code Table page (Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Comp Rate Code Table).

Comp Rate Code Table page

Use Highest Rate

Select to use the highest rate of pay for this rate code. Use this option when a worker is temporarily placed in another job that is paid at a higher rate. This field does not affect human resources processing.

For Payroll for North America: When you assign rate code at the job level, you can enter a compensation rate that differs from the rate defined on the rate code table. If you deselect this check box, the rate that you specify at the job level overrides this rate.

Apply FTE (apply full-time equivalency)

Select for the rate code to be calculated as part of FTE. FTE is the percentage of full time that a worker normally works in the corresponding job. Full time is defined in the Standard Hours and Standard Work Period fields on the Salary Plan table. Alternatively, it can be defined in the default Standard Hours and Standard Work Period fields on the Installation table.

For Payroll for North America: Select to include full time equivalency in the job in the calculation of a base pay rate. You can select this check box only when the rate code type is Flat Amount or Hourly Rate. This check box does not apply to non-base-pay rates; it is unavailable for entry if you deselect the Base Pay check box.

Default Without Override

Select to ensure that compensation rate of the workers assigned to this rate code cannot be manually updated on the Compensation page of the Job Data component. You must select this check box for seniority rate codes.

Note. We do not recommend deselecting this check box for a rate code used as an absorbable premium on the Salary Plan table after the rate code has been added to worker compensation packages.

Rate Code Type

Select a compensation rate type. Depending on the type you select, certain fields become available for entry. Values are:

- *Flat Amount:* A fixed (or flat) amount.
- *Hourly Rate + Flat Amount:* A flat amount that is paid in addition to the hourly rate that is specified on a worker's timesheet. Enter the flat amount in the Compensation Rate field. This type cannot be a base-pay component.
- *Hourly Rate:* An hourly rate of pay.
- *Percent:* A percentage for use in defining compensation.
- *Points:* This type of rate code is paid using salary points instead of currency. The monetary value of each point is set up on the Company Table page.

Note. To use points, select the Salary Points check box on the Installation Table - HRMS Options page.

See *PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook*, "Setting Up and Installing PeopleSoft HRMS," Setting Up Implementation Defaults.

Rate Code Class

Select a rate code class to associate with the rate code. Values include:

- *Elements of Base Salary (BASSAL):* Used in salary forecasting.
- *Defined Range Rate Codes (DFRPAY):* Used for pay components that are based on grade ranges within salary plans.
- *Regular Bonus (REGBON):* Used in salary forecasting.
- *Seniority (SENPAY):* Enables you to create seniority pay components, associate them with levels of pay increase, and update them according to changing seniority status.

Note. If you have created additional rate code classes, you can select one of the delivered values described previously or one of the values you created.

Calculated By	<p>Select a value to determine how the rate for this rate code will be derived. Values are:</p> <ul style="list-style-type: none"> • <i>None</i>: The rate on the rate code table itself is used. This value uses the current functionality. • <i>Rate Matrix</i>: The value will be derived dynamically from a rate matrix associated with the rate code. The rate matrix may have multiple criteria that determine different rates to be used. <hr/> <p>Note. You can switch between <i>None</i> and <i>Rate Matrix</i> without having to create a new effective-dated row.</p> <hr/>
Rate Matrix	<p>Select the specific rate matrix to be used.</p> <p>This field becomes available when the <i>Rate Matrix</i> value is selected in the Calculated By field.</p> <hr/> <p>Important! You can only select a rate matrix whose output is compatible with the definition of the rate code. For example, if the rate code has a rate code type of Flat, (which implies a dollar amount), then the rate matrix must have an output of type amount, it cannot have an output that is a percentage, or a string of characters.</p> <hr/> <p>See <i>PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting</i>, "Using Configurable Matrices."</p>
Comp Percent (compensation percentage)	<p>Enter the percentage that will be applied to all base pay components, or a rate code group when new compensation rates for a worker are being derived.</p>
Compensation Rate	<p>Enter the standard compensation rate for this rate code. .</p> <p>This field is available when you select the value of <i>None</i> in the Calculated By field.</p>
Currency	<p>Enter the currency for each value pertaining to the Calculated By field. .</p>
Frequency	<p>Select a compensation frequency. You cannot select Hourly if the rate code type is Flat Amount. You <i>must</i> select Hourly if the rate code type is Hourly or Flat Amount & Hourly.</p>
Earnings Code	<p>If you use PeopleSoft Enterprise Payroll for North America and enter an earnings code here for a nonbase pay rate code, the system automatically enters the earnings code when you select the comp rate code on the paysheet.</p>

(AUS) Australia

When implementing PeopleSoft Enterprise Salary Packaging for Australia, use this page to define and review the compensation rate codes you will use to package your workers. Compensation rate codes represent the IDs that you use for your pay components throughout your Salary Packaging system.

When defining your salary package components and additional components, you can link them to compensation rate codes to help you enter expenditures for the appropriate components. If you link compensation rate codes to salary package components, you must have a unique rate code for each package component or additional component (identified as an expense payroll type). This enables you to reconcile the package expenditure.

Maintained via Package Only Select to create a link between a salary package component and the compensation rate code.

If you select this check box, a warning message appears if you manually change a worker's compensation rate code.

This check box, combined with other information on the worker's Job record, is used to maintain salary package integrity.

Using Rate Codes – Example

If a worker is assigned a rate code that is matrix-based, there will only be an initial evaluation of the rate matrix to determine the compensation rate for that rate code. This is consistent with current rules for rate code management. Over time, worker information may change that could warrant the assignment of a different rate from the matrix. However, the system will not do this automatically. The only way to get rates reevaluated automatically is by running one of the existing batch processes (CMPnnn). In general most of these batch processes replicate the processing done by the Default Pay Components and the Calculate Compensation buttons on Job compensation page. If someone manually added a Rate Matrix based rate code, and the "Default Without Override" option is not selected, that rate code will never get refreshed by any process or by pushing the button. If an update is needed, it must be done manually.

See Also

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Salary Packaging, "Understanding Administer Salary Packaging"

Creating Seniority Rate Codes

To administer seniority pay, you must create seniority rate codes.

To create a seniority rate code:

1. Associate a rate code with the predefined seniority rate code class SENPAY.
2. Associate the rate code with levels of seniority compensation increase.
3. (Optional) Associate the rate code with one or more groups that you define using Group Build.

Important! You cannot associate configurable rate matrices to seniority rate codes.

Associating Seniority Rate Codes with Compensation Increases

Access the Comp Rate Code Table - Seniority Pay page (Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Seniority Pay).

Comp Rate Code Table | Seniority Pay | Combination Rules

Comp Rate Code: HXLMS1

Seniority Pay Information Find | View All | First 1 of 1 Last

Effective Date: 01/01/1900

Calculate Seniority By: Hire Date Company Seniority Date
 Birth Date Professional Experience Date

Japan

Seniority Pay Group Find | View All | First 1 of 1 Last

*Group ID:

Seniority Pay Compensation Customize | Find | View All | First 1 of 1 Last

*Level	Min Years	Min Months	Comp Rate	Currency	Frequency
1					

Comp Rate Code Table - Seniority Pay page

Calculate Seniority By Select the type of date on which to base seniority. Values are:

- *Hire Date.*
- *Company Seniority Date:* This date tracks the amount of time that a worker has been with a particular company in the organization.
The default date is the hire date, but you can override it.
- *Birth Date.*
- *Professional Experience Date:* The date that the worker began working in a job requiring skills that are directly related to the current position.

(JPN) Japan

Educ Lvl-Adjsted Birth Date (education level-adjusted birth date) Select to calculate education level age-related pay, a type of seniority pay commonly paid by Japanese organizations.

Seniority Pay Group

Group ID

Enter one or more group IDs to associate the seniority rate code with groups that you define using the Group Build business process. The system issues a warning if the ID that you enter is associated with another seniority rate code. When you move out of this field, the name of the group ID appears.

Note. If you do not enter a group ID, the system associates the seniority rate code with every worker's compensation package.

Seniority Pay Compensation

Level

Enter a seniority level

Min. Years (minimum years) and Min. Months (minimum months)

Enter the minimum years and months of service that are necessary to qualify for the seniority level. If you enter both Min. Years and Min. Months, the system uses the total of those years and months in its calculation.

Comp Rate (compensation rate)

This option appears if you select Flat Amount, Hourly Rate, or Hourly Rate + Flat Amount as the rate code type. Enter a compensation rate to associate with this seniority level.

Comp Percent (compensation percent)

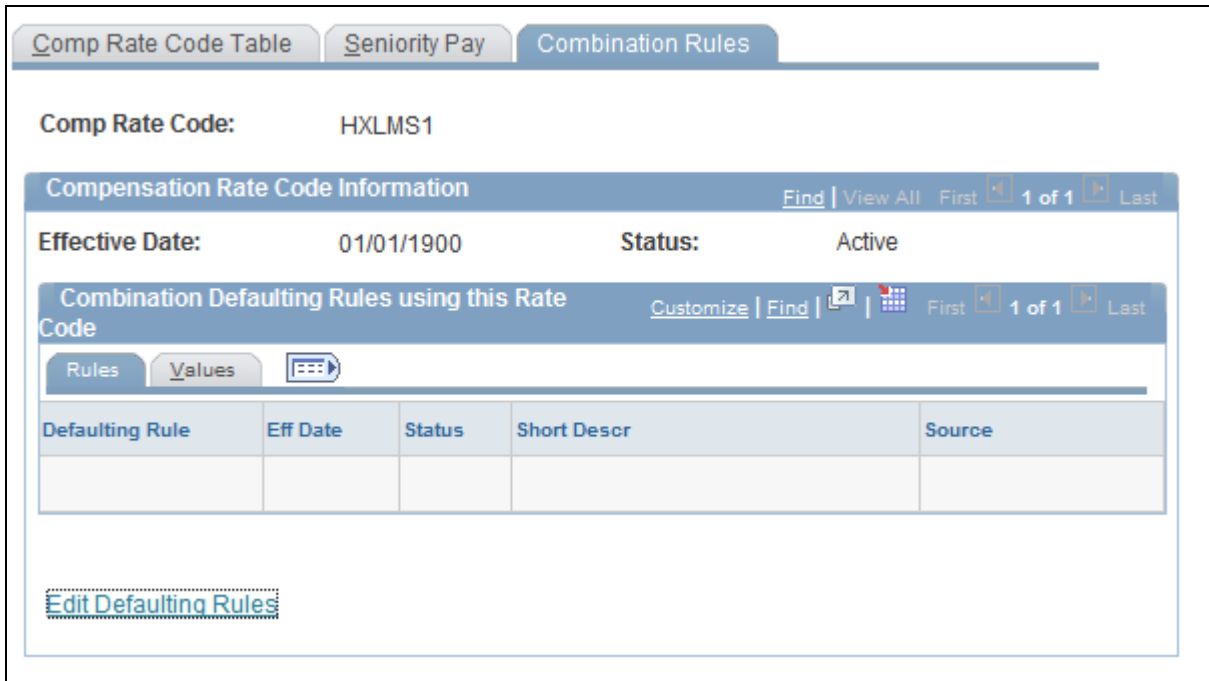
This option appears if you select Percent as the rate code type. Enter the compensation percentage to associate with this seniority level.

Points

This option appears if you select Points as the rate code type. Enter the salary points to associate with this seniority level.

Viewing Defaulting Rules Associated with Compensation Rate Codes

Access the Comp Rate Code Table - Combination Rules page (Set Up HRMS, Foundation Tables, Compensation Rules, Comp Rate Code Table, Combination Rules).



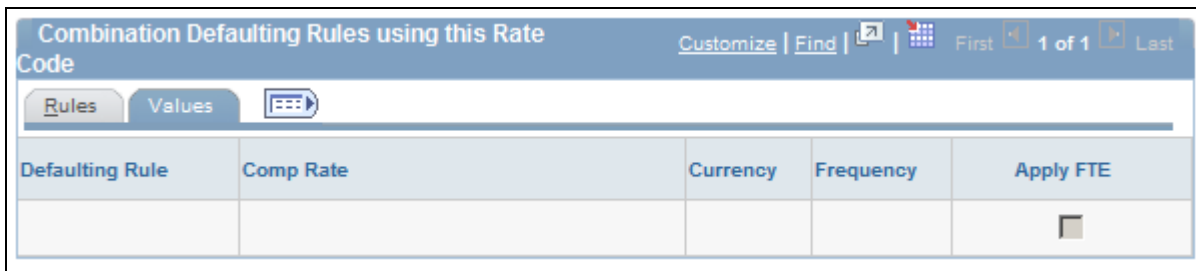
Comp Rate Code Table page - Combination Rules tab

This page displays the combination defaulting rules that use this rate code.

Edit Defaulting Rules Click to access the Rate Code Defaulting Rules - Rate Codes page, where you edit the information for the defaulting rules.

Values tab

Access the Values tab.



Combination Rules page – Values tab

This page displays the compensation rate, currency and frequency as defined on the defaulting rule.

Note. This page only displays *combination* defaulting rules, not salary step and job code defaulting rules.

Defining Groups of Rate Codes

To set up rate code groups, use the Rate Code Groups (RATE_CODE_GROUPS) component.

This section provides overviews of rate code groups and discusses how to create groups of rate codes.

Understanding Rate Code Groups

After you have defined rate codes, you can optionally set up rate code groups. Using rate code groups, you can:

- Be specific when calculating percentage-based pay components as part of your worker compensation packages.

For example, a worker's base compensation package may be made up of the following components: base pay, cost of living, child-care cost, and commuting cost.

- Calculate a bonus amount based only on certain parts of a worker's compensation package, as opposed to the entire package.

You may want to do this if a percentage-based bonus is part of a worker's compensation.

- Bundle base-pay components that you want the system to use in its calculation, excluding other pay components.

Note. Before you can use groups of rate codes, you must select the Use Rate Code Groups check box on the HRMS Options page of the Installation component.

Understanding Percentages and Rate Code Groups

You can associate a rate code group with a percentage rate code. If you do this, the system applies that percentage to all the rates in the rate code group; it adds the total to a worker's compensation package. If you decide not to use rate code groups, you can calculate percentage rates using a worker's entire base-pay compensation package.

When you implement a pay increase for a worker, you can specify that the worker is to receive a percentage increase of base pay, as defined in the rate code group. When the system calculates the value of the increase, its calculation is based on the different pay rates that are associated with the base-pay rate group.

You can associate a rate code group with a percentage rate code:

- In a salary step on the Salary Step Components page of the Salary Grade component.
- With a job code on the Default Compensation and Non-Base Compensation pages of the Job Code component.
- At the worker level on the Job Data - Compensation page.

Page Used to Create Groups of Rate Codes

<i>Page Name</i>	<i>Definition Name</i>	<i>Navigation</i>	<i>Usage</i>
Rate Code Groups	COMPRT_GRP_PNL	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Groups	Create groups of rate codes.

Chapter 3

Defining Compensation Rates and Rules-Driven Component Defaulting

This chapter provides an overview of rules-driven pay component defaulting and discusses how to:

- Define compensation rates for workers.
- Define rules-driven component defaulting.

Understanding Rules-Driven Component Defaulting

This section discusses rules-driven component defaulting.

You can use rules-driven component defaulting to create flexible defaulting rules for rate codes. This feature enables you to specify default values to use based on certain criteria, such as field values. For example, you can base workers' compensation on their locations.

To set up component defaulting rules:

1. On the Defaulting Options page, select the job data fields that affect compensation in your organization and that you want to have available for use in pay component defaulting rules.
2. In the Rate Code Defaulting Rules component, define pay component defaulting rules by indicating the field values that should result in a rate code change in a worker's compensation package.

For example, you want to set up a rule that bases the default compensation values on a worker's salary plan and location. To do this:

1. On the Defaulting Options page: Select the Location and Salary Plan fields.
2. In the Rate Code Defaulting Rules component:
 - a. Define the rule.
 - b. Indicate the location and salary plan values that trigger pay component defaulting
 - c. Indicate which new rate codes apply.
 - d. Save the rule.
3. If the status is set to Active, component defaulting is now in effect.

4. In the Job Data component: Search for the worker and click the Default Pay Components button.

The system will use the defaulting rules to add new pay components to the worker's compensation record or update the values of existing pay components to the default values.

Note. Since component defaulting is now in effect whenever a worker's job data is changed (such as the salary plan or location), the system will apply these rules.

You can also use the Refresh Employee Compensation process to set the default values for the compensation packages of a defined worker group. When you trigger the component defaulting process, the system updates the compensation record of any worker who meets the criteria established in the defaulting rule.

Rules-driven component defaulting is optional; job code and salary step component defaulting may be sufficient to meet your business requirements. In the Rate Code Defaulting Rules component, you can also view rate code defaulting rules with a rate code source of job code or salary step. However, you must use the Job Code and Salary Grade components to edit them.

Defining Compensation Rates for Workers

Use the CI_JOB_CODE_TBL and SALARY_GRADE_TBL component interfaces to load the data into the tables for these component interfaces.

After you define rate codes (and optional categories such as rate code classes and groups), you can define compensation rates for workers. Defining worker compensation is fully documented in other HRMS PeopleBooks, as shown in the table below.

Overview of Steps for Defining Rates of Pay

<i>Associate rate codes with:</i>	<i>On the:</i>
Salary steps	Salary Grade Table - Salary Step Components page
Job codes	Job Code Table - Default Compensation and Non-Base Compensation pages
Positions (using the job codes you assign to them)	Position Data component - Description page
Employee records	Job Data component - Compensation page

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "Setting Up Jobs," Associating Salary Plan Information and Base Pay Rate Codes with a Job Code

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Positions, "Setting Up Positions," Creating Positions

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Administer Workforce, "Increasing the Workforce"

Defining Rules-Driven Component Defaulting

This section lists the pages used to define rules-driven component defaulting and discusses how to:

- Specify fields that should be available when defining component defaulting rules.
- Define component defaulting rules header information.
- Create component defaulting rules criteria.
- Associate values with component defaulting rules criteria.
- Assign rate codes to component defaulting rules.

Pages Used to Define Rules-Driven Component Defaulting

Page Name	Definition Name	Navigation	Usage
Rate Code Defaulting Options	CMP_DFLT_OPTIONS	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Rate Code Defaulting Options, Rate Code Defaulting Options	Specify which Job record fields are available to component defaulting rules.
Definition	CMP_RULE_DEFN	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Definition	Define component defaulting rule header information.
Criteria	CMP_RULE_CRITERIA	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Criteria	Create and modify criteria for component defaulting rules.
Values	CMP_RULE_VALUES	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Values	Specify the values that the fields and operators you selected on the Criteria page should act on.

Page Name	Definition Name	Navigation	Usage
Rate Codes	CMP_RULE_RATECD	Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Rate Codes	Assign rate codes to the component defaulting rules.
Rate Code	WCS_RTCD_DETAILS	Click Details on the Rate Codes page.	View additional information about the compensation rate code.

Specifying Fields That Should Be Available When Defining Component Defaulting Rules

Access the Rate Code Defaulting Options page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Options, Rate Code Defaulting Options).

Rate Code Defaulting Options

Record: JOB EE Job History

Defaulting Rule Options Find | View All | First | 1 of 16 | Last

*Field Name: BUSINESS_UNIT

*Field Label: Business Unit

Edit Table: BUSUNIT_HR_VW HR Business Unit Lang Table

Prerequisite Fields Customize | Find | 1 of 1 | Last

	*Required for Prompt	*Field Label	Equivalent Record Field	
1	<input type="text"/>	<input type="text"/>	<input type="text"/>	

Rate Code Defaulting Options page

Defaulting Rules Options

Field Name and Field Label Select the field name that you want to have available for use as criteria for component defaulting rules. After you select a field name, its description appears in Field Label; you can change this description.

Edit Table Select the field's edit table—that is, the table from which the field is prompted.

Prerequisite Fields

Required for Prompt and Field Label Select the field that prompts for the defaulting rules fields, if required. If you select a field in Required for Prompt, you must select its value on the Values page.

For example, if the defaulting rules field is Department, select *SETID*. (Before you can select a department, you must select the department's setID.) The appropriate values appear in Field Label and Equivalent Record Field when you select the Required for Prompt field. You must then access the Values page to select the department's value (based on its setID).

Equivalent Record Field Select the Required for Prompt field's Job equivalent. For example, the Job equivalent of SETID is SETID_DEPT.

Sometimes the equivalent field is the same as the Required for Prompt field, or there is no equivalent field. If there is no equivalent field, leave this field blank.

Defining Component Defaulting Rules

Access the Definition page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Definition).

The screenshot shows a web interface for defining a defaulting rule. At the top, there are four tabs: 'Definition', 'Criteria', 'Values', and 'Rate Codes'. The 'Definition' tab is selected. Below the tabs, the 'Defaulting Rule:' is identified as 'K0G002'. A sub-header 'Defaulting Rule Definition' is followed by a search bar containing 'Find | View All | First | 1 of 1 | Last'. The main form contains the following fields:

- *Effective Date:** A date field with the value '01/01/1980' and a calendar icon.
- *Status:** A dropdown menu with 'Active' selected.
- *Description:** A text field containing 'Marketing Department Bonus'.
- Short Description:** A text field containing 'Marketing Dept Bonus'.
- Rate Code Source:** A text field containing 'Combination Rule'.

Definition page

Enter a description of the component defaulting rule. All defaulting rules created directly in this component will have the rate code source Combination Rule. You can also view defaulting rules with other rate code sources, such as job code or salary step. Those rules are automatically created when you set up default pay components on those pages.

Creating Component Defaulting Rules Criteria

Access the Criteria page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Criteria).

The screenshot displays the 'Criteria' page for a defaulting rule. At the top, there are tabs for 'Definition', 'Criteria', 'Values', and 'Rate Codes'. The 'Criteria' tab is selected. Below the tabs, the 'Defaulting Rule' is identified as 'K0G002'. The 'Defaulting Rule Definition' section includes a search bar and navigation controls, showing 'Effective Date: 01/01/1980' and 'Status: Active'. The 'Rate Code Source' is set to 'Combination Rule'. The 'Defaulting Rule Criteria' section also has a search bar and navigation controls, showing the following criteria: '*Record: JOB' (with a magnifying glass icon and 'EE Job History' text), '*Field Name: DEPTID' (with a magnifying glass icon and 'Department' text), 'Edit Table: DEPT_TBL' (with 'Departments' text), and '*SQL Operator: Equals' (in a dropdown menu).

Criteria page

Record, Field Name, and Edit Table Select the record and the name of the field whose value will trigger this rule. The system displays the field's edit table.

SQL Operator Select the Structured Query Language (SQL) operator that defines the relationship of the rule to the field values that you select on the Values page. For example, select *Equals* if you want the rule to act only on workers who have the field value specified on the Values page.

Associating Values with Component Defaulting Rules Criteria

Access the Values page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Values).

Defaulting Rule: K0G002

Defaulting Rule Definition Find | View All | First | 1 of 1 | Last

Effective Date: 01/01/1980 **Status:** Active

Rate Code Source: Combination Rule

Defaulting Rule Criteria Find | View All | First | 1 of 1 | Last

Record: JOB **Field Name:** DEPTID **Equals**

Values Customize | Find | First | 1 of 1 | Last

Sequence	SetID	Value
1	SHARE	25000

Values page

prompt field and Value SetID)
 (on this sample page, the prompt field is labeled SetID)

If a prompt is required for the Value field (that is, Required for Prompt is specified on the Defaulting Options page), select the appropriate prompt value here. For example, select the department's setID in the prompt field and then select the department in the Value field. (You must first use the Defaulting Options page to select department as Field Name and setID as the Required for Prompt field.)

Assigning Rate Codes to Component Defaulting Rules

Access the Rate Codes page (Set Up HRMS, Foundation Tables, Compensation Rules, Rate Code Defaulting Rules, Rate Codes).

Defaulting Rule: K0G002

Defaulting Rule Definition Find | View All | First | 1 of 1 | Last

Effective Date: 01/01/1980 **Status:** Active

Rate Code Source: Combination Rule

Defaulting Rule Rate Codes Customize | Find | First | 1 of 1 | Last

Rate Code	Seq	Details	Comp Rate	Currency	Freq	Percent	Rate Code Group	Points	Apply FTE
K0GNU		Details	1,800.00	USD	A				<input type="checkbox"/>

Rate Codes page

Rate Code

Select the rate code to be used as the default for this defaulting rule.

Details

Click to access the Rate Code page and view additional information about the compensation rate code. If there is a rate matrix associated with the rate code, you can also view the matrix from this page.

Comp Rate
(compensation rate)

Enter the compensation rate for this defaulting rate code rule.

If the rate code type is *Flat Amount*, *Hourly Rate*, or *Hourly Rate + Flat Amount*, enter a compensation rate for the rate code.

Note. This field is unavailable if you are using a rate code that has an associated rate matrix. In that case, the compensation rate is determined dynamically based on the rate matrix and will be updated directly on the worker's job compensation record when the defaulting rule is triggered.

Chapter 4

Using Wage Progression with Administer Compensation

This chapter provides an overview of the wage progression functionality and discusses how to set up and use wage progression with Administer Compensation.

Understanding Wage Progression and Administer Compensation

Automatic step progression is a standard practice in the manufacturing industry and retail industry of providing new workers with increases based on the passage of time or actual time worked. The definition of actual time worked will vary by bargaining agreement. The formulas used for calculating increases also differ by agreement.

The wage progression feature provides the ability to define a wage progression rule that captures the advancement criteria and step calculations. You can then generate the step details reflecting a grade pay range. Batch processes gather and analyze worker data to determine when a worker is ready for advancement and will insert the appropriate Job and Compensation rows reflecting the new step and pay rate.

See Also

[Chapter 4, "Using Wage Progression with Administer Compensation," page 25](#)

Prerequisites

In order to use the wage progression feature, you must:

- Use Human Resources as your core system of record for worker information.

The worker must be assigned a bargaining unit, labor agreement, and a salary plan that includes a wage progression rule.

- Select Multi-Step Grade option on the Installation Table - HRMS Options page (Set Up HRMS, Install, Installation Table, HRMS Options).
- Determine if your wage progression rules require time worked data.

If yes and if you use PeopleSoft Enterprise Payroll for North America, then associate special accumulators with all the appropriate earnings codes. Earning codes in the accumulators must be defined to match the wage progression rule's time requirements. You could alternatively create integrations to provide time data from other systems or enter the time manually on the Review Wage Progression page.

See Also

PeopleSoft Enterprise Payroll for North America 9.1 PeopleBook, "Setting Up the Payroll Process," Establishing Special Accumulator Codes

PeopleSoft Enterprise Payroll for North America 9.1 PeopleBook, "Defining Earnings Codes and Earnings Programs"

Setting Up and Using Wage Progression with Administer Compensation

To set up and use wage progression, use the Define Salary Grades (SALARY_GRADE_TBL) component.

Important! You will not use the Categorization Defaults page in the Define Salary Grades component because the labor agreement parameters do not apply. To associate a salary plan and grade to one or more labor agreements, use the Job Codes page of the Labor Agreement component (Set Up HRMS, Product Related, Workforce Administration, Labor Administration, Labor Agreement).

This section discusses how to:

- Define a salary plan with a wage progression.
- Define wage progression rules.
- Apply wage progression rules to salary plans.

Pages Used to Set Up and Use Wage Progression with Administer Compensation

<i>Page Name</i>	<i>Definition Name</i>	<i>Navigation</i>	<i>Usage</i>
Salary Plan	SALARY_PLAN_TABLE	<ul style="list-style-type: none"> • Set Up HRMS, Product Related, Compensation, Base Compensation, Salary Plan • Compensation, Base Compensation, Maintain Plans, Define Salary Plan 	Define salary plan basics.

Page Name	Definition Name	Navigation	Usage
Define Wage Progression Rule	SALARY_PLAN_TABLE2	<ul style="list-style-type: none"> Set Up HRMS, Product Related, Compensation, Base Compensation, Salary Plan Select the Wage Progression Plan check box. The system displays the Define Wage Progression link. Click this link to display the page. Compensation, Base Compensation, Maintain Plans, Define Salary Plan Select the Wage Progression Plan check box. The system displays the Define Wage Progression link. Click this link to display the page. 	Define wage progression rules associated with a salary plan.
Salary Step Components	SALARY_GRADE_T3GBL	Compensation, Base Compensation, Maintain Plans, Define Salary Grades, Salary Step Components	Generate salary steps using wage progression rules.

Defining a Salary Plan with a Wage Progression Rule

Access the Salary Plan page (Set Up HRMS, Product Related, Compensation, Base Compensation, Salary Plan).

Salary Plan

Set ID: SHARE Salary Administration Plan: KUH1 [Business Units that use this Set ID](#)

Salary Plan Find First 1 of 1 Last

*Effective Date: 01/01/1980 *Status: Active Go To Row + -

*Description: Professional Workers

Short Description: Profession Wage Progression Plan [Define Wage Progression Rule](#)

*Standard Hours: 40.00 Work Period: W Weekly

*Currency Code: USD US Dollar

Default Salary Matrix Code: Default Rating Model: Company: GBI Global Business Institute 9999

Frequency Defaults		Auto Calculated Premium	
Hourly:	H Hourly	<input type="checkbox"/> Auto Calculated Premium	
Daily:	D Daily	Absorbing Premium:	
Monthly:	M Monthly	Non-Absorbing Premium:	

Attached File

URL Identifier: Add

Long Description:

Added By: Date Added:

Salary Plan page (1 of 2)

Germany

Tariff:

Tariff Area:

Japan

Salary Plan Explanation:

Salary Plan page (2 of 2)

Salary Plan

Wage Progression Plan Select this check box if you want to associate a wage progression rule to this salary administration plan.

The other fields on this page are discussed in the Manage Base Compensation and Budgeting PeopleBook.

See *PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting*, "Setting Up Base Compensation and Budgeting," Associating Salary Components With Salary Steps.

Defining Wage Progression Rules

Access the Define Wage Progression Rules page (Set Up HRMS, Product Related, Compensation, Base Compensation, Salary Plan. Select the Wage Progression Plan check box. Then click the Define Wage Progression link.

Set ID: SHARE Salary Administration Plan: KUH1

Salary Plan

Effective Date: 01/01/1980 Status: Active Description: Professional Workers

Step Generation Rules

*Rate Calculation: Amt Increase

*Increment Type: Elapsed Weeks

Comp Rate Code: NAHRLY Default NA Hourly

Leave Accumulator: K20 ST - Vacation + Sick Hours

Advancement Processing Rules

Exceed maximum for Grade

Round to Max of Grade Within

Tolerance Type: Flat Amount

Tolerance Amount: 0.050000 USD

Advancement Approval Required

Days Within: 5

Job Action: PAY Reason: SPG

Wage Progression Steps Customize | Find | View All | First 1-7 of 7 Last

*Step	Step Description	Time Required In Step	Units	Increase Amount	Currency Code	Maximum Leave Hours		
1	Amt Inc Elap Wks Appr Step 1	4.0000	Weeks		USD		+	-
2	Amt Inc Elap Wks Appr Step 2	4.0000	Weeks	1.000000	USD		+	-
3	Amt Inc Elap Wks Appr Step 3	4.0000	Weeks	0.250000	USD		+	-
4	Amt Inc Elap Wks Appr Step 4	4.0000	Weeks	0.250000	USD		+	-
5	Amt Inc Elap Wks Appr Step 5	4.0000	Weeks	0.250000	USD		+	-
6	Amt Inc Elap Wks Appr Step 6	52.0000	Weeks	0.250000	USD	40.00	+	-
7	Amt Inc Elap Wks Appr Step 7		Weeks	3.500000	USD		+	-

Define Wage Progression Rules page

Step Generation Rules

Rate Calculation

Select the method to calculate rates. These values are used during the generation of rate codes and values that appear on the Salary Grade Step Components page. Values are:

- *% Grade Max*: Step rate will be the specified percentage of the grade's maximum rate.
- *% Grade Min*: Step rate will be the specified percentage of the grade's minimum rate.
- *% Increase*: A percentage-based increase will be added to the pay rate of the worker's previous step.
- *Amt Increase*: A specific amount for the increase to be added to the pay rate of the worker's previous step.

Note. For incremental calculation methods, the step generation process will store a step rate code value based on the grade's minimum rate. However, during the wage advancement process of calculating the worker's new step rate, incremental percentage or incremental amounts will be applied to the worker's actual rate for the rate code designated in the wage progression rule. For the Percentage of Maximum or Minimum and the User Defined types, the worker's new rate value comes from the stored grade step rate codes.

- *User Defined*: Select this value if the step rates do not match the criteria of any of the other calculation methods.

Rates must be manually entered on the Grade Step Components page.

Increment Type

Select the method required by your labor agreement to determine the manner in which a new hire or new-in-job worker is evaluated for advancement to the next pay step. Values are:

- *Elapsed Months*: Select this method if you want to advance the worker based on a number of months since they entered their step.
- *Elapsed Weeks*: Select this method if you to advance the worker based on a number of weeks since they entered their step.
- *Hours Worked*: Select this method if you want to advance based on the worker's actual hours worked.

An interface to Payroll for North America is delivered, however staging tables can accept data extracted from other time sources. Time can also be entered manually into the Review Wage Progression page.

Comp Rate Code

(compensation rate code)

This rate code is inserted on the grade step during step generation and will store the calculated rate.

- Hours Accumulator** Only available if you select an Increment Type of *Hours Worked*. Select the Payroll for North America Payroll special accumulator to use in order to capture the hours worked for this wage progression rule.
- Leave Accumulator** (Optional) This field is only available if you select an Increment Type of *Elapsed Months* or *Elapsed Weeks*. This Payroll for North America special accumulator can capture reported leave hours. This is only required if your progression rule has a secondary qualifier to make sure a worker has not exceeded the specified number of leave hours during the required elapsed time in the step.

Advancement Processing Rules

- Exceed maximum for Grade** (Optional) This field is only available if the calculation method is an increase type. Select this check box if it is acceptable for the worker's new step rate to exceed the maximum for the grade.
- Round to Max of Grade** (round to maximum of grade) (Optional) This field is only available if the calculation method is an increase type. Select this check box if you want to round the calculated new rate value to the grade maximum value when it is within the specified tolerance.
- Tolerance Type** This field indicates the closeness unit that you want the rounding rule to evaluate. Select one of these values:
- *Percent*: Enter the percent for the tolerance.
If you select this option, the Tolerance Percent field becomes available.
 - *Flat*: Enter the amount of the tolerance.
If you select this option, the Tolerance Amount field becomes available.
- Tolerance Percent** Enter the percent for rounding purposes. This field is available if you select *Percent* as a Tolerance Type.
- Tolerance Amount** Enter the amount for rounding purposes. This field is available if you select *Flat* as a Tolerance Type.
- Advancement Approval Required** (Optional) Select this check box if approval is necessary before step increases are awarded. When selected you must review and manually approve workers in order for the step advancement batch process to pick them up and perform the step and compensation updates.
To manually approve the advancement, use the Approve Employees to Advance page (Workforce Administration, Labor Administration, Wage Progression).
If you select this check box, the Days Within: field becomes available.
- Days Within** To present workers for approval prior to their estimated advancement date, enter the number of days prior to that date. The workers will be set to Almost Qualified status during the Update Wage Progression Qualification sub-process. You can then approve them early, if appropriate. This can facilitate timely processing of the step and rate increase and its recognition by payroll.

Job Action	Select a job action to be assigned by the advancement process when it inserts a new job row. Values come from the Actions page.
Reason	Select a related reason code from the values which come from Action Reason page.

Note. Once workers have reached or exceeded the maximum rate for the grade, they are considered at *parity* for their job wage rate. When this occurs, the worker's step will be incriminated to the highest step for the grade and they will be placed on Stop Wage Progression and will no longer be processed by any of the wage progression processes.

Note. Since the number of hours worked are accumulated in pay period increments, hours worked based rules assign the worker's advancement date as the start of their next pay period. Elapsed time based rules will assign the advancement date based on adding the required time in the step to the worker's step entry date.

Wage Progression Steps - Time in Step tab

Step	Enter the numerical value for the Step IDs in the order in which the wage progression rules should be generated.
Step Description	Enter a description for the step in this free form field.
Time Required in Step	Enter the amount of time that the worker must remain in the step before they can be advanced.
Units	The values are display only and are automatically generated depending on the Increment Type field.

Wage Progression Steps - Increase tab

Increase Amount	Enter the amount for the rate increase for this wage progression rule. The increase parameter will vary depending on the calculation method. For example, if the method is percent of grade maximum, the value will be a percent or if the method is incremental amount, the value will be an amount. The currency code of the Salary Plan applies.
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Wage Progression Steps - Time Limits tab

(Optional) These limits are secondary rules that can be applied in addition to the primary time in the step requirements.

Time Limit	For Hour-based rules: Enter a numerical value for the calendar time limit associated with the time in step requirement.
Time Limit Units	Select the increment used for the time limit. Values are <i>Days, Months, Weeks, and Years</i> .

Maximum Leave Hours For Elapsed Time based rules: Enter the maximum number of leave hours that are allowed at each step.

You must also define and associate a Payroll for North America Special Accumulator in the Leave Accumulator field.

Applying Wage Progression Rules to Salary Plans

Access the Salary Step Components page (Compensation, Base Compensation, Maintain Plans, Define Salary Grades, Salary Step Components).

Salary Step Components page

Salary Step Components page

Important! You must include ranges for the minimum, midpoint, and maximum salary ranges on the Salary Grade Table page prior to generating steps.

Salary Grade

Spec Accum (special accumulator)

Displays the Hours Accumulator value which reflects the Hours Worked accumulator from the wage progression rule defined for the salary plan. Only applicable when Payroll for North America is used.

Generate Steps or Regenerate Steps

Click this button to calculate or recalculate the salary steps per the salary plan's wage progression rules. Click the View All in the Salary Step group box to review the generated step details.

The button changes to Regenerate Steps once you have saved the page.

Important! You should regenerate steps when you change the wage progression rule.

Wage Progression Rule Click this link to access the Wage Progression Rules page where you can view wage progression rules associated with this salary grade.

Salary Step

You can manually add Salary Component rate codes if the step requires rate codes in addition to those defined on the wage progression rule.

Hours to Next Step Increment Displays the number of hours that the worker must accumulate in this step before being eligible for the next step increment.

Chapter 5

Administering Seniority Pay

This chapter provides an overview of the Update Seniority Pay process and discusses how to administer seniority pay.

Understanding the Update Seniority Pay Process

Many organizations pay a premium for seniority. Seniority is the length of time that a person works for an organization.

The Update Seniority Pay process adds and updates seniority rate codes in worker compensation packages. The process determines whether each worker's compensation package contains the correct seniority rate codes.

If a worker's compensation package contains a seniority rate code:

1. The system determines whether adequate time has passed for the worker to reach the next seniority level.
2. If the worker is eligible for the next seniority level, the system inserts a new job row and adds a new compensation package with the seniority rate code and corresponding amount of pay for the next seniority level.

If the worker's compensation package does not contain a seniority rate code:

1. The system inserts a new job row with an action of Pay Rate Change and a new action reason of SEN (seniority).
2. The system updates the worker's compensation package to add the seniority rate code.

Important! You cannot associate configurable matrices to senior pay rate codes.

Administering Seniority Pay

To administer seniority pay, use the Update Seniority Pay (RUN_CMP013) and Update Seniority Eligibility (RUN_CMP014) components.

To administer seniority pay:

1. Run the Update Seniority Pay process (CMP013) to add and update seniority rate codes in worker compensation packages.

You can also add seniority rate codes to worker compensation packages manually. Even though you add these codes manually, the Update Seniority Pay (CMP013) process updates them.

2. Run the Update Seniority Eligibility process (CMP014S) to determine if workers are still eligible for seniority pay components.

If a worker is no longer eligible for seniority pay, the system removes the seniority rate code from that worker's compensation package. However, the process does not remove the seniority rate codes that were added manually.

3. Run the Multiple Seniority Components report and review the worker records that have multiple seniority rate codes and determine whether the seniority components are appropriate.

This section provides an overview of the Update Seniority Pay process, lists prerequisites, and discusses how to:

- Update seniority pay components.
- Ensure worker eligibility for seniority pay components.

Prerequisites

You must have created seniority rate codes by associating rate codes with a seniority rate code class on the Comp Rate Code Table page.

See Also

[Chapter 2, "Setting Up Administer Compensation," Defining Rate Codes, page 7](#)

Pages Used to Administer Seniority Pay

<i>Page Name</i>	<i>Definition Name</i>	<i>Navigation</i>	<i>Usage</i>
Update Seniority Pay	RUNCTL_SENPAY2	Workforce Administration, Collective Processes, Seniority Processing, Update Seniority Pay, Update Seniority Pay	Add and update seniority pay components in workers' compensation packages.

Page Name	Definition Name	Navigation	Usage
Update Seniority Eligibility Multiple Seniority Components	RUNCTL_SENPAY	<ul style="list-style-type: none"> • Workforce Administration, Collective Processes, Seniority Processing, Update Seniority Eligibility, Update Seniority Eligibility • Workforce Administration, Collective Processes, Seniority Processing, Multiple Seniority Components 	<ol style="list-style-type: none"> 1. Run the Update Seniority Eligibility Process (HR_CMP014) to ensure that workers are still eligible for seniority pay components. 2. Generate the Multiple Seniority Components report (PER044). Use this report to review the worker records that have multiple seniority rate codes.

See Also

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "PeopleSoft Application Fundamentals for HRMS Reports," PER044 - Multiple Seniority Components – Basic Report

Updating Seniority Pay Components

Access the Update Seniority Pay page (Workforce Administration, Collective Processes, Seniority Processing, Update Seniority Pay, Update Seniority Pay).

Update Seniority Pay page

- Update Future Rows** Select to update all existing future effective-dated rows (rows that have an effective date later than the as of date) in addition to the effective-dated row you are adding or correcting.

- Don't Absorb Changes** Select to leave absorbable rate codes unchanged if there is a change in the defaulted salary amount.

This option applies only to workers who have target compensation rates and are assigned to salary plans with the Auto Calculated Premium function enabled.

- Process By** Select Rate Code or Group ID as the way to run the Update Seniority Pay process (HR_CMP013).

Rate Code: The process adds or updates seniority rate codes in the compensation packages of all workers in groups that are associated with the seniority rate codes that you list on this page. If a seniority rate code is not associated with a group ID, the process adds or updates seniority rate codes in the compensation packages of all workers.

Group ID: The process adds or updates seniority rate codes in the compensation packages of all workers who are associated with the groups you list on this page.

- Rate Code** This field is available when you select Rate Code in the Process By group box. Select one or more rate codes. Insert rows if you need to run the process using multiple seniority rate codes.

Group ID This field is available when you select Group ID in the Process By group box. Select one or more group IDs. Insert rows if you need to run the process using multiple group IDs. The system only displays the groups for which you have security access.

Running the Update Seniority Pay Process

To run the Update Seniority Pay process:

1. Run the Application Engine process HR_CMP013.

The Application Engine process finds the workers who meet the criteria specified in the run control parameters, and loads their information into a temporary table.

2. Run the SQR report CMP013 to review the information loaded by the Application Engine process.
3. Run the Application Engine process HR_CMP013_CI to load the information to the worker Job Data pages.

See Also

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting, "Setting Up Base Compensation and Budgeting," Defining Salary Plan Characteristics

PeopleSoft Enterprise HRMS 9.1 Application Fundamentals PeopleBook, "Setting Up and Working with Group Definitions," Setting Up Group Security

Enterprise PeopleTools PeopleBook: PeopleSoft Process Scheduler

Ensuring Worker Eligibility for Seniority Pay Components

Access the Update Seniority Eligibility page (Workforce Administration, Collective Processes, Seniority Processing, Update Seniority Eligibility, Update Seniority Eligibility).

Update Seniority Eligibility page

Process By Select All to run the report for all workers.

If a worker is not eligible for seniority, this process removes the seniority rate code from their worker compensation package—unless the seniority rate codes was added manually.

Note. The rest of the fields on this page are identical to those on the Update Seniority Pay - Seniority Pay page.

Running the Update Seniority Eligibility Process

To run the Update Seniority Eligibility process:

1. Run the Application Engine process HR_CMP014.

The Application Engine process finds the workers who meet the criteria specified in the run control parameters, and loads their information into a temporary table.
2. Run the SQR report CMP014S to review the information loaded by the Application Engine process.
3. Run the Application Engine process HR_CMP014_CI to load all the information to the worker Job Data pages.

See Also

Chapter 5, "Administering Seniority Pay," Updating Seniority Pay Components, page 37

Chapter 6

Refreshing Worker Compensation Information

This chapter provides overviews of compensation defaults and salary plan compensation defaults and explains how to refresh worker compensation packages.

Understanding Compensation Defaults

When you hire a worker or update a worker's Job record, the system enters default compensation information in the Job record or leaves the compensation fields blank for manual entry. The source of the default compensation depends on the way you set up salary plan defaults, the nature of the worker's job change, or both.

Changing a Compensation Package

When you make a change to any element of a worker's Job record that affects compensation, the system resets the compensation components when you click the Default Pay Components button on the Compensation page of the Job Data component. The system does the following:

- Executes rate code defaulting, excluding seniority pay, based on the current defaulting values.
You define these values when you set up rules-driven component defaulting.
- Executes rate code defaulting, excluding seniority pay, based on a rate matrix.
You can associate a rate matrix when you set up rules-driven component defaulting.
- Replaces manual updates in default components with the current default values.
- Replaces the default values in non-updateable components with the current default values.
- Recalculates any compensation-related fields on the Job record, for example, comp rate, annual, hourly, daily amounts, compa-ratio, and so on.

If you don't click the Default Pay Components button after updating any relevant Job Data fields, the system issues a warning message when you attempt to save the new record. Click Cancel and go to the Compensation page, where you can click the Default Pay Components button and make any required changes manually. If you don't click the Default Pay Components button, the compensation package is not reset until the next time the default component logic is triggered (either by clicking this button or by a batch update process).

Recalculating Compensation

Click the Calculate Compensation button (on the Compensation page) to have the system recalculate the worker's compensation without executing any rate code defaulting or replacing any default values. You need to recalculate if you manually added new components or updated the values on existing components of the worker's compensation record. You cannot save the record after modifying the worker's pay components without recalculating the compensation.

Understanding Salary Plan Compensation Defaults

You specify a worker's salary administration plan, labor agreement, grade, and step on the Job Data - Salary Plan page. When you hire a worker or make a change to his or her Job record, the system enters default salary plan information in the Job record or leaves the salary plan fields blank for manual entry. The source of the default compensation depends on the way you set up salary plan defaults, the nature of the job change, or both.

See Also

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting, "PeopleSoft Human Resources Manage Base Compensation and Budgeting Preface"

Setting Up Salary Plan Defaults

Use the LOCATION_TABLE component interface to load data into the tables for these component interfaces.

You can assign default salary plans, grades, and steps to a worker in one or a combination of the following ways:

- Associate the salary plan with a location on the Location Profile page.
- Associate the salary plan with a job code on the Job Code Table - Default Compensation page.

If there is no salary plan associated with the location entered on the Job Data - Work Location page, the system will enter the salary plan (and step and grade, if applicable) associated with the job code you enter on the Job Data - Job Information page.

- Assign a salary plan directly to a worker on the Job Data - Salary Plan page.

You can enter a salary plan directly on the Job Data - Salary Plan page if there is a job code associated with the selected location or job code. You can also override any defaulted salary plan, step, or grade values.

- Associate a salary plan with a labor agreement on the Categorization Defaults page.
- Associate a salary plan with a labor agreement directly to a worker on the Job Data - Salary Plan page.

The system verifies that the combination of salary plan, steps, and grades that you enter in the Job Data component is valid and exists in the system. If the combination does not exist, the system issues a warning message.

Note. If you want to use the Default Pay Components functionality to automatically enter step component rates in Job Data, select Multi-step Grade on the Installation Table - HRMS Options page.

The system enters default values into the step components and other compensation fields when you click the Default Pay Components button. Only salary plan information defaults when you make a change to the job or location fields.

Salary Administration Plan Defaulting at Hire

The system enters the following salary administration plan when you hire a worker:

- If you have associated a salary administration plan with the location selected on the Job Data - Work Location page, the system will enter the salary plan on the Job Data - Salary Plan page.
- If you have associated a salary administration plan with the job code selected on the Job Data - Job Information page and *not* associated a salary plan with the selected location, the system will enter the salary plan (grade and step, if applicable) on the Job Data - Salary Plan page and leave the compensation information fields blank and available for entry.
- If you have a salary administration plan associated with both the location and the job code, the system will use the default value associated with the selected location.
- If you have not associated a salary administration plan with either the location or job code, the system will leave the salary plan, grade, and step fields available for entry.
- You may override the default salary administration plan values, provided that the new values are valid.

Note. If you have not associated a salary administration plan with either the location or job code, but have associated a base rate code with the job code, the system will insert the base rate code information when you click the Default Components button on the Job Data - Compensation page.

Salary Administration Plan Defaulting After Hire

The system enters the following default information when you enter a new location in the Job record of an existing worker:

- If there is a salary plan associated with the new location, the system checks the existing grade and step values against the grade and step values of the salary plan.

If the grade and step are valid for the new location's salary plan, the system enters the new salary plan on the Job Data - Salary Plan page.
- If the grade and step are *not* valid for the new location's salary plan, the system leaves the existing salary plan value. This ensures that the worker is not inadvertently left without a compensation plan.

If you want to change the grade and step as a part of your update, you must change the salary plan to one that includes the new grade and step.

The system enters the following information when you enter a new job code in the Job record of an existing worker:

- If there is a salary plan associated with the new job code and not with the location code, the system enters the salary plan, grade, and step information associated with the job code.
- The system does not enter the base rate code associated with the new job code but inserts the default compensation data from the previous data row.

Note. When you click the Default Pay Components button, the system does not insert into an existing Job record the base rate code information associated with the new job code. It only inserts this information when you create a new Job record (that is, when you hire a worker).

Refreshing Worker Compensation Packages

To refresh worker compensation packages, use the Refresh Compensation (RUN_CMP015) component.

Use the Refresh Employee Compensation Application Engine process (HR_CMP015) to update worker compensation packages. This process recalculates compensation based on the current values in the system and automatically populates the correct compensation amount by inserting a new Job row (unless there is no change to a worker's compensation). The process replaces manual changes with the new default values.

Understanding the Refresh Employee Compensation Process

The Refresh Employee Compensation process executes the same steps as the Default Pay Components button on the Compensation page; however, it enables you to update several records at once.

The Refresh Employee Compensation process:

- Inserts a new Job row when you select Add new effective date with the effective date you entered in the As Of Date field.
- Updates the job row that is effective as of the date you select in the As Of Date field.
- Updates any future rows when you select Update Future Rows. (A future row is one that comes into effect after the as of date.)

See Also

[Chapter 3, "Defining Compensation Rates and Rules-Driven Component Defaulting," Understanding Rules-Driven Component Defaulting, page 17](#)

Page Used to Refresh Worker Compensation Packages

Page Name	Definition Name	Navigation	Usage
Refresh Compensation	RUNCTL_CMP015	Workforce Administration, Collective Processes, Refresh Compensation	Refresh multiple worker compensation packages with current default values, and print a report that displays the new and previous compensation data of the impacted workers.

Running the Refresh Employee Compensation Process

Access the Refresh Compensation page (Workforce Administration, Collective Processes, Refresh Compensation).

Refresh Compensation page

Report Parameters

As Of Date and
**Correction on current
Info.**

Select to update data and override information in worker records. The system updates the record that is effective as of the date you enter.

As Of Date and Add new effective date Select to insert a new effective-dated row using As Of Date as the new effective date. For example, you enter *01/01/2003* in As of Date and run the process. The process inserts a new Job row with an effective date of 01/01/2003.

If a record already exists with this effective date, the system inserts a row with the date and a sequence number.

Update Future Rows Select to update all existing future effective-dated rows, in addition to the effective-dated row already being added or corrected. (A future effective-dated row is one that has an effective date later than the As Of Date you specify.)

Don't Absorb Changes Select to leave absorbable rate codes unchanged when the defaulted salary amount changes.

This option only applies to workers who have a target compensation rate and are assigned to a salary plan with the Auto Calculated Premium function enabled.

Process By

Group ID Select to process by group ID. The update process selects all workers with the group ID you specify.

All Select to process all workers to whom you have security access.

Running the Refresh Employee Compensation Process and Report

To run the process, select Refresh Employee Compensation (HR_CMP015) Application Engine process on the Process Scheduler Request page.

After you run this process, you can run the Refresh Employee Compensation report (CMP015) to review the data that has been updated. This report displays the new and previous compensation data for the impacted workers.

See Also

PeopleSoft Enterprise Human Resources 9.1 PeopleBook: Manage Base Compensation and Budgeting, "Setting Up Base Compensation and Budgeting," Defining Salary Plan Characteristics

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