Oracle® Sales Compensation

Implementation Guide

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Oracle Sales Compensation Implementation Guide, Release 11*i*

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Contents

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Part No. A86178-01

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Preface

Intended Audience

This document is intended for IT professionals who are tasked with implementing Oracle Sales Compensation, Release 11*i*.

Related Documents

Additional information on installing and setting up dependencies is available in the following documents:

- *Release Notes, Oracle Applications Release 11i* (Part #A83528-01)
- *Oracle Applications Release 11i Concepts* (Part #A82932-01)
- *Installing Oracle Applications Release 11i* (Part #A69409-01)
- *Oracle Applications System Administrator's Guide Release 11i*
- *Implementing Oracle CRM:ERP Functional Checklist* (available on Oracle MetaLink)
- *Implementing Oracle CRM: Foundation Functional Checklist* (available on Oracle MetaLink)
- *Oracle Applications, Product Update Notes, Release 11i* (A85297-01)
- *Implementing CRM Applications* (A86291-01)
- *Oracle CRM Foundation Components Concepts and Procedures* (A86099-01)
- *Oracle CRM Foundation Technical Reference Manual* (A86150-01)

Implementing Oracle Sales Compensation

This topic group provides general descriptions of the set up and configuration tasks required to implement the application successfully.

Overview of Oracle Sales Compensation

You can automate the complex task of calculating compensation and customize compensation to suit the unique operations of your organization's sales force.

Because sales tasks vary highly from one company to another, a compensation system that produces windfall sales for one company might not suit another. Oracle Sales Compensation calculates and pays compensation based on functions that precisely mirror the operations of your sales organization. For example, you can:

- Define the structure of a compensation transaction, or the set of information your sales organization needs to calculate incentive compensation.

  You specify the data you need, and Oracle Sales Compensation then collects this data for you from the data sources you specify.

- Categorize your business revenue into revenue classes that specify the types of revenue warrant compensation in your organization.

  Oracle Incentive Compensation assigns a revenue class to a compensation transaction using a set of classification conditions you define for each class. You can pay a salesperson for certain revenue classes but not for others because Oracle Sales Compensation only awards credit based on the revenue classes you assign to a salesperson's compensation plan.

- Define an unlimited number of compensation plans and assign them to individuals or groups of salespeople.

You can compensate many different kinds of salespeople by mixing and matching compensation terms when you build each plan.

- Define how your organization tracks and pays incentive compensation.
- Specify how your organization typically makes adjustments.

After you define precisely how your sales force operates, you generate your own customized version of the system from which to pay incentive compensation. You can respond to changing sales strategies by making changes in your setup and regenerating the system.

Setting Up Oracle Sales Compensation

Overview

The following sections of this document describe the necessary steps for setting up Oracle Incentive Compensation.

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

Setting System Profile Options

The table below lists the profile options which need to be set to implement Oracle Incentive Compensation. The options can be set in any sequence.

	Option	Description
1.	OSC: Collect on Account Credits Default: Yes	Enables or disables collection of "on account credits". If set to Yes, then the application will collect invoices, regular credit memos, and account credit memos when collecting invoices. If set to No, then the application will collect only invoices and regular credit memos.
2.	OSC: Commission Rate Precision Default: Null	Determines the number of digits that will automatically follow the decimal point for the commission rate.
3.	OSC: Debug Mode Default: No	Locates errors generated by concurrent processes, such as calculation, collection, transaction interface loader, and upload and download hierarchy. Setting Debug Mode to Yes writes these errors to an internal audit table.
4.	OSC: Default Custom Flag Default: Yes	When set to Yes, the compensation plans are customized. Otherwise, they are not customized.
5.	OSC: Log File Default: No	If set to Yes, debugging messages are written to a log file. Only enable this profile option for debugging purposes if there are suspected problems with the application. If enabled, this profile option generates log files, which can affect performance.
6.	OSC: Log File Directory	Sets the directory where the log file is stored. When you enter the directory path, you do not need to enter a slash after the name.
7.	OSC: Mark Events	Answer No while setting up your system. Change to Yes when you are ready to start collecting transactions. Every event such as a transaction is put into the Notify Log so that it will be included in the next calculation.
8.	OSC: Prior Adjustment	Allows a period's transactions to be calculated incrementally. If set to No, allows all plan elements in a period to be calculated incrementally. Before enabling this profile option, make sure that any transactions that have a processed date earlier than the latest processed date shown in the System Parameter window have been calculated.

	Option	Description
9.	OSC: Report Security Level	Assigns security levels to view and print reports within the company. Super User: View and print reports for all members of an organization. Analyst: View and print reports for anyone that is assigned to them. Manager: View and print reports only for the sales representatives that are below them in the hierarchy. Sales Rep @ Site: View and print only their reports.
10.	OSC: Sleep Time in Seconds	Sets the amount of wait time in between each phase of calculation. The wait time gives each phase time to complete the current process without being queried by the system for a status. The default setting is 180 seconds (3 minutes). For large volume transactions, use the default setting.
11.	OSC: User's Employee Number	Assigns a unique employee identification number to each user within the application who are managers and sale representatives. The system administrator generally assigns this number to all employees. The OSC: Report Security Level profile option uses this number to determine each user's report viewing and printing access options.
12.	OSC: User's Type	Select either Employee or Other for each user.

Implementation Steps

The table below summarizes the steps necessary to successfully implement Oracle Incentive Compensation. Further information detailing the implementation procedures is provided in the sections following the table.

Step	Action	Description
1.	Select a set of books	Use **System > System Parameters** to select a set of books set up in General Ledger
1.	Set up open/close periods	Use **Financial >Open and Close Periods**
2.	Copy periods from Oracle General Ledger to Oracle Sales Compensation	Use **Financial > Pay Periods** and select **Active** for each period in the general ledger you want to copy and use in Oracle Sales Compensation.
3.	Activate periods	Use **Financial > Accumulation Periods** to assign **Future Enterable** for setting up plans and salespeople, or **Active** to process transactions.

Step	Action	Description
4.	**Financial > Define Interval Types**	Define quota intervals by assigning a name, selecting a calendar, and assigning an interval number to each period. Or, optionally, use the predefined intervals provided (Period, Quarter, Year).
5.	Define responsibilities	Optional. Default responsibilities are provided. Use **Security > Responsibility Define** to create custom responsibilities.
6.	Assign user responsibilities	Use **Security > Responsibility > Define** to set up user responsibilities.
7.	Define credit types	Optional. Use **Financial > Credit Types** to define additional non-monetary credit types.
8.	Set credit type conversion factors	Optional. Use **Financial > Credit Type Conversions** to set conversion factors for converting one credit type to another, such as to convert non-monetary credit types to your functional currency.
9.	Set collection parameters, salesperson batch size, and select Managerial Rollup	Use **System > System Parameters** to set the number of transactions to collect per batch, the number of transactions to transfer from the Collector to the Calculator, and the number of days to allow after payment due date before sales credit is taken back. Set the number of salesperson periods in a incentive compensation calculation batch. Optionally, select **Managerial Rollup** to enable the rollup of credits through the compensation group hierarchies.
10.	Map tables for data collection	See Mapping Transactions.
11.	Set rule batch size parameter in **System > System Parameters**	The Rule Batch Size parameter is used by the code generation program to determine how many PL/SQL packages should be created for a revenue classification. This parameter needs to be set because the PL/SQL compiler limits the size of the PL/SQL blocks and gives a "program too large" compilation error when this limit is exceeded.
12.	Create manual transaction reason codes	Optional. If you want reason codes identified for manual transactions, then set them up in the ADJUSTMENT_ REASON lookup table. Use **System > Lookups.** See the *Oracle Application Object Library Reference Manual.*
13.	**System > Security Profile**	Optional. If you want to grant a manager security access to compensation information for salespeople not included in normal security for the manager, then set up the relationship using this window.

Data Collection

You collect data from other sources into Oracle Sales Compensation. For example, the salesperson's name, the amount of the sale, and the sale date can be collectedfrom Oracle Receivables. You do this by defining a link, called a *map*, between Oracle Incentive Compensation and source documents from Oracle Receivables, Oracle Order Capture, or an external source. After the map is established, you can process collections between these source documents and Oracle Sales Compensation.

The following information explains data collection in more detail:

Types of Collectible Data

Available Mapping Methods

Collecting Data

Types of Collectible Data

The following types of transaction data can be collected from Oracle Receivables:

- Invoices
- Credit and debit memos
- Payment postings
- Writeoff postings
- Take back postings

  Once an invoice due date goes beyond the set grace period, the credit for the sale is deducted from the salesperson's sales credit.

- Give back postings

  A past due invoice that has been deducted from the salesperson's sales credit is now paid. The salesperson receives the credit.

From Oracle Order Capture, booked orders and adjustments to booked orders can be collected using the CN_COMM_LINES_API interface table. If you have data stored in an external source, such as an Excel spreadsheet, then you can use an interface table (CN_COMM_LINES_API) to write scripts to load this data to Oracle Sales Compensation. This method is discussed in How to Collect Transactions from an External Source. Information in the CN_COMM_LINES_API table is ready to load into Oracle Sales Compensation CN_COMMISSION_LINES.

Oracle Receivables transaction data can be mapped at three levels:

- Header table level, which provides customer information, or the header level information (CN_TRX)
- Line table level, which provides information about the product or item, or the line level information (CN_TRX_LINES)
- Sales Lines table level, which provides information about the salesperson's credits (CN_TRX_SALES_LINES)

The data in these levels is stored in source table columns. Map the data for a source by mapping a column in the source document such as an invoice header to another column in the destination table such as CN_TRX in Oracle Sales Compensation. Data is collected into the three CN_TRX tables and sent to the CN_COMM_LINES_API interface table, ready to load into Oracle Sales Compensation CN_COMMISSION_LINES.

Available Mapping Methods

Use one of the following methods to complete the transaction data mapping:

- Default mapping: You can use a default mapping definition provided by Oracle Sales Compensation. For most of the time, this is the type of mapping you will use.

  The default mapping for Oracle Receivables collects data from three related tables:

  - RA_CUSTOMER_TRX
  - RA_CUSTOMER_TRX_LINES
  - RA_CUST_TRX_LINE_SALESREPS

  If the default compensation transaction does not contain all the data your organization needs to pay compensation, then you need to define additional data to collect from Oracle Receivables. You define this data by customizing columns in the appropriate Oracle Sales Compensation transaction table using either direct or indirect mapping.

- Direct mapping: You can map a column from any of the three tables included in the default mapping to an equivalent column in the destination table. If you need to fine-tune the mapping criteria, such as changing the source transaction data, then you can create a direct mapping using an expression. To create the mapping link, you assign an attribute column in Oracle Sales Compensation to link the source and destination columns.

- Indirect mapping: If you need information from a table that is not included in the default mapping, then you need to use foreign key in the destination table to link to the primary key of the source table. Then map a column in the source table to an attribute column in your destination table.

Collecting Data

Use the Concurrent Manager to run a concurrent request to collect each type of transaction. The concurrent request loads the data into the CN_COMM_LINES_API table. The names of the concurrent requests follow:

- Collect Orders Booked
- Collect Take Backs
- Collect Invoices
- Collect Payments and Givebacks
- Collect Writeoffs
- Collect Credit and Debit Memos

Collected data can be loaded into the Oracle Sales Compensation CN_ COMMISSION_LINES table using the Transaction Interface Loader program.

Mapping Transactions

Specific columns from source tables must be mapped to the correct columns in Oracle Sales Compensation in order to collect information needed to calculate compensation. Use this procedure to map columns.

Prerequisites

If you want to map a column that is not included in the default mapping, then you must choose one of the attribute columns in your destination table to receive the data. Assign a user name to the chosen attribute column in the destination table using the Tables and Columns window. In addition, assign a user name to the chosen attribute column in the CN_COMMISSION_LINES table. The user name cannot be the same as the system name for the column (ATTRIBUTE).

If you are collecting data from a table other than the tables included in the default mapping, then you must use the Tables and Columns window to set a primary key in the source table, and set a foreign key in the destination table to link the tables. The key fields must be of the same data type.

Steps

1. From the System menu, choose **Collections.**

   The Collection and Mapping window appears.

2. In the Mapping tab, select the source and destination table.

   The default mapped columns appear in gray.

3. Click **New** to enter a new mapping.

   A new blank line appears.

4. Select **Column Mapping.**

5. Enter the source table, the source column and the destination column.

6. If you want to use either a foreign key or an expression, then select **Foreign Key or Expression** and enter the information.

7. Save your mapping.

   Your mapped columns are now available for collection.

Guidelines

If you want the data from a source column changed in some way when it is collected, then select **Foreign Key or Expression** and enter the expression.

If you are collecting data from a table other than the tables included in the default mapping, then select **Foreign Key or Expression** and choose the foreign key from the list of values.

If you checked the **Classification Values** check box in Tables and Columns for the columns you are mapping, then the details of the collected transactions will appear in the Maintain Transactions window. Also, these columns will be available for use in defining classification rules.

Using Tables

Use the Tables window to set up tables and perform the following tasks:

Creating Classification Rules

In order to use a flexfield for a classification rule, you must set it up properly in the Tables window.

Defining Calculation Values

You can set up columns to be used in calculation values.

Mapping Transactions

You can assign user names to tables and keys to link tables for mapping.

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.

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. Save your work.

   Note: After creating new revenue classes, arrange them into a hierarchy.
5. From the Navigator, choose **Hierarchies.**
6. In the hierarchy, double-click **Revenue Classes.**

   The Hierarchies window displays the revenue class hierarchy type.
7. Enter a name for your hierarchy.
8. Enter the start and end dates for the hierarchy.
9. Save your hierarchy.
10. Click **View Details.**

The Hierarchies window displays the existing available root classes. The application provides a default root class called Base Node.

11. Enter one or more root class names.

    When you select the root name, it appears in the large box. A plus sign next to the name in the box indicates you can click it to expand and view the hierarchy that is part of the selected root. You can expand and view any level of the hierarchy.

12. In the large box, select the parent revenue class for which you want to add a child.

13. Click **Add.**

    The Hierarchy Elements window displays the existing children for the selected revenue class.

14. Use the list of values to add a revenue class.

15. Click **OK.**

    The added revenue class appears in the hierarchy.

16. Repeat from step 11 to build your hierarchy.

17. Save your work periodically and again before you 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

A classification ruleset is used to classify sales transactions to determine the appropriate revenue class for the transaction. Using the revenue class, a transaction is matched with a compensation plan and a compensation amount to be paid for the transaction is calculated. Use this procedure to define a set of attributes and values that uniquely identify each revenue classification.

Prerequisites

Revenue classes must be defined.

You can use descriptive flexfields ATTRIBUTE1 through ATTRIBUTE100 in the CN_Commission_Headers table to classify a transaction into a revenue class. In order to use the flexfield, Classification Value must be selected for the column using the Tables and Columns function. The Column Datatype must also be set to either numeric or alphanumeric (the default is alphanumeric). You can also specify a Valueset Name. The valueset should be table validated. The values in the specified valueset are used in the Value field instead of unvalidated data entry when you are defining a rule attribute.

The Rule Batch Size parameter must be set.

You can forecast compensation in the Oracle Sales products with greater accuracy by calculating compensation by opportunity. In order to do so, assign attributes in the CN_COMMISSION_LINES table to Interest Type, Primary Interest, and Secondary Interest in Tables and Columns, select Classification Value, and create classification rules that use one or more of these attributes.

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. Save the ruleset.

   The new ruleset appears in the Navigator.
5. Click **Rules.**

   The Rules window appears.
6. Assign a name to the rule.
7. Choose a revenue class from the list of values.
8. 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.
9. Optionally, enter additional attributes for the rule.

   Every attribute is assumed to be linked to the other attributes with AND.

10. 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.

11. Continue to relate the remaining attributes. Use **Result1** to relate a third attribute to the first two.

    Each additional relationship adds a Result value that can be used in building further relationships.

12. Save the rule.

    The expression appears.

13. To add rules in the hierarchy of rules, position your cursor over the parent rule, right click, and choose **New Rule.** Repeat from step 6.

14. Return to the Ruleset window for every ruleset that has new or changed rules and click **Synchronize**.

    Ruleset Status displays either **Synchronized** if the currently defined revenue classes and rules have been synchronized, or **Unsynchronized** 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

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

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).

Defining Calculation Values

Calculation values are used to build performance measures and formulas. Use this procedure to define calculation values.

Steps

1. In the Navigator, choose **System > Tables and Columns.**
2. Query for schema and table.
3. Next to the table, select **Use in Formula.**

   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.

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 OSC 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

External tables can also be used.

Create a table in any schema in the same instance as the application.

Steps

1. In the Navigator, choose **System > Tables and Columns**
2. Register the table by choosing the desired table and saving it.
3. Click the Columns tab
4. Click the Primary Key tab and check the primary key box
5. Enter sequence in sequence field.
6. In the Navigator, choose **System > External Table**
7. Enter source table and destination table.

Guidelines

Any column from any table can be part of a performance measure calculation.

Defining Performance Measures

Performance measures are any criteria that salespeople must achieve for their compensation to be determined. Strategic goals must be converted into performance measures in order to quantify and properly reward a salesperson. Use this procedure to define performance measures.

Prerequisites

If you plan to include values from database tables in your performance measure, then these must be defined. (See Defining Calculation Values.)

Steps

1. In the Navigator, choose **Compensation Plans >** View By **Performance Measures.**
2. In the hierarchy, right-click **Performance Measures** and choose **New.**
3. Enter a name and description for the performance measure.
4. Build your performance measure calculation using any combination of calculation values from any table, operators (such as plus or minus), SQL functions, and numbers. Previously defined performance measures can also be used as a component while defining a performance measure.
5. Click **Compile** to compile the SQL statement.

   The SQL statement appears. Status displays either **Valid** or **Invalid** after the compile is attempted.
6. If the status displays **Invalid**, then correct your performance measure and compile again.

Save your performance measure.

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 as well as how the resulting rate is used in the calculation. Use this procedure to define your rate tables.

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. Choose the rate type for the commission rates.

4. Click **Assign Dimensions.**

   The Assignment window appears.

5. Click **Create Dimension.**

   The Dimension window appears.

6. Create each dimension. Assign it a unique name, indicate the type as amount or percent, and set up the rate tiers. Click **OK** to save your dimension.

   You are asked if you want to define a new dimension. If you answer no, then you return to the **Assignment** window.

7. Place your dimensions in the desired sequence.

   The input for a formula is entered in a sequence to match your sequenced rate dimensions, thus matching the correct input with the correct rate dimension.

8. Click **OK** to save the dimension assignments and return to the **Rate Table** window.

9. Enter the rates for all combinations of tiers.

   If the rate type is percentage, then you can enter a percent value and the application adds the percent symbol. A rate must be set for every combination of dimension parameters. You can view all dimensions and enter rates for the dimension you choose as the base dimension. The term *base dimension* has no other significance. Choose one tier for each of the other dimensions, and then enter the rates.

10. Save your rates.

    The rate table is available to be used in formulas and plan elements.

Guidelines

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**
Dimensions			
1-2	10-20	100-200	
2-3	20-30	200-300	
3-4	30-40	300-400	
Step 1			

Dimension and Rates Example

Dimension 1	Dimension 2	Dimension 3	Rate
1-2	**10-20**	**100-200**	**1**
		200-300	**2**
		300-400	**3**
Step 2			
1-2	**20-30**	**100-200**	**4**
		200-300	**5**
		300-400	**6**
Step 3			
1-2	**30-40**	**100-200**	**7**
		200-300	**8**
		300-400	**9**
Step 4			
2-3	**10-20**	**100-200**	**10**
		200-300	**11**
		300-400	**12**
Step 5			
2-3	**20-30**	**100-200**	**13**
		200-300	**14**
		300-400	**15**
Step 6			
2-3	**30-40**	**100-200**	**16**
		200-300	**17**
		300-400	**18**
Step 7			
3-4	**10-20**	**100-200**	**19**
		200-300	**20**
		300-400	**21**

Dimension and Rates Example

Dimension 1	Dimension 2	Dimension 3	Rate
Step 8			
3-4	20-30	100-200	22
		200-300	23
		300-400	24
Step 9			
3-4	30-40	100-200	25
		200-300	26
		300-400	27

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

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 Values.)

Performance measures must be created first if you want to include them in your formula. (See Defining Performance Measures.)

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

Steps

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

   The Formulas window appears.
3. In the General tab, assign a unique name to the formula and select your rules.

4. Optionally, select a performance measurement to be accumulated to track the salesperson's achievement. It is not part of the commission calculation.

5. If your formula includes elements that are compared to a rate table to determine rates to be applied, then in the Input tab, define your input.

   Use any combination of calculation values from any tables (such as plan elements and transactions), operators (such as plus or minus), SQL functions, numbers entered in the formula, and previously defined performance measures and formulas.

   The sequence of your input elements must match the rate table's dimension sequence in order to apply the correct rate dimension to the correct element.

6. Optionally, add user-defined information under **Input Name** to reference the information for each input and rate dimension sequence.

7. Click **Compile** to compile the SQL statement for the input formula.

   The SQL statement appears. Status displays either **Valid** or **Invalid** after the compile is attempted. Correct your formula and compile again if your formula is invalid.

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 rates for selected dimensions for each of the rate tables.

9. In the Output tab, construct the expression that defines the output, or calculated commission amount.

   Define your output using any combination of calculation values from any tables (such as plan elements and transactions), operators (such as plus or minus), SQL functions, numbers entered in the formula, and previously defined performance measures and formulas. If you want to use the results of a defined rate table, then specify the Rate Table Result calculation value as the first part of your output expression.

10. If you want the SQL statement for the output to display, then select **Show Sql.**

11. Click **Compile** to compile the SQL statement.

    Status displays either **Valid** or **Invalid** after the compile is attempted. Correct your calculation and compile again if your calculation is invalid.

12. Save your formula.

    The formula is now available to use as part of other formulas or as a plan element.

Guidelines

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.

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 the tiers are split, the 1500 transaction is paid at 1% for the first 1000 and 2% for the 500. If the tiers are not split, then the transaction amount of 1500 is paid at 2%.

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 to have your transactions cumulative if you want the rate determined for each transaction based on the total transactions achieved to date within the interval. Later transactions move up the rate table as amounts accumulate.

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.

The number of inputs must equal the number of dimensions in the chosen rate table.

If Rate Table Result is to be included in the output, then it must be the first element in building the output and can be used only once.

A formula type of Commission must include at least one column from the following tables.

- cn_commission_lines
- cn_commission_headers

A formula type of Bonus cannot include a column from the following tables or any external table that is mapped to thess tables.

- cn_commission_lines
- cn_commission_headers

- cn_srp_period_quotas

A formula type of Commission cannot include an element from the table cn_srp_ periods or any table that is mapped to this table.

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

A commission formula that includes individually applied transactions can include only a single input element if any of the following is also true:

- Accumulative is no, interval to date is no, and split is yes
- Accumulative is yes

If a commission formula includes transactions that are grouped by interval, accumulative is set to yes, and interval to date is set to no, then the formula must include an element from SQL > Group Functions in the Calculation Values tree for input. This is also true for output if any column from cn_commission_lines or cn_ commission_headers is included in the output.

A commission formula that includes transactions grouped by interval cannot be used as an embedded formula. An embedded formula can only include individually applied transactions, Accumulative set to no, and Interval to Date set to no.

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. (SeeDefining 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. Expand the Plan Element hierarchy and select an existing plan element.

   The Plan Element window displays the selected plan element information.
3. In the General tab, you can do any of the following:
   - Click **Copy Plan Element** to make a duplicate of the displayed plan element. The name is changed with **_2** added to the name. Enter a new name before saving the new plan element.
   - Click **New Plan Element** to clear the screen and create a new plan element.
4. Enter your plan element information.
5. If you want the plan element and the eventual payment to be assigned to someone other than the salesperson credited with the sale, select **Eligible for Payee assignment.**
6. Select the **Formula Type**.
   - If you choose **External**, then you must enter the name of the external PL/SQL procedure to be used in the calculation.
   - If you choose **Formula**, then enter the formula name. The formula must have a status of **Complete.** (SeeCreating Formulas)
7. You can review the formula on the Formula tab. You can view the formula rate table on the Rate Tables tab. (SeeDefining Rate Tables)
8. Optionally, enter quota, fixed amount, and goal.
9. Optionally, select **Sum amounts from Revenue Classes** to sum the amounts from the quotas, fixed amounts, and goals entered on the revenue classes tab.
10. Optionally, click **Distribute Variables** and enter either amounts or percentages for each period.

    If your plan element contains a formula that includes quota, fixed amount, or goal and that has **Interval to Date** selected, then you can distribute the quota, fixed amount, and goal among time intervals. For example, a yearly quota of 12,000 can be distributed to 1,000 for each period within the plan element

effective dates. If you entered percentages, then the amounts are calculated. If you entered amounts, then the percentages are calculated.

11. Optionally, in the Revenue Classes tab, choose the revenue classes for this plan element and assign quotas, goals, or fixed amounts. (SeeCreating Revenue Classes and Hierarchies)
12. Optionally, add payment and quota accelerators along with their effective dates.
13. Enter the transaction factor percentages and enter other factors, if any.
14. Optionally, in the Rate Tables tab, add rate tables to the plan element.
15. Save the plan element.

    When the plan element is saved it is available to be added 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.

You can create a duplicate of an existing plan element to use as a template for future plan elements.

You assign one or more plan elements to a plan by name. Thus, consider defining a name by job title or area of sales you are compensating.

Credit types are user defined and can be monetary or nonmonetary.

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

Transaction Factors for revenue classes must total 100%. Other Factors do not need to total 100% and can be assigned any percentage, including over 100%.

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.

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.

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.

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.

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. Select plan elements to be included in the plan and assign each plan element effective start and end dates.
7. Optionally, select a plan element and click **Element Details** to review plan element details.

   The Plan Element window displays the selected plan element information.
8. 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.

9. Save the plan.

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

10. 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 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 Incentive Compensation.

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.

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 and controlled recovery.

Prerequisites

Credit types must be defined.

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 whether or not 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 recovered in each pay interval.
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.

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 Incentive Compensation in the Usages tab when you define the group. Compensation groups can only be viewed in Oracle Sales Compensation. Use this procedure to view compensation groups.

Prerequisites

Compensation groups must be defined.

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.

Administering Salespeople

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.
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.

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. Choose salesperson from the Navigator.
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.

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.**

How to Collect Transactions from an External Source

You can collect transactions from an external source, such as your own billing system or non-Oracle receivables or order entry system. You do this by populating the CN_COMM_LINES_API intermediate table within Oracle Sales Compensation. Once the transactions have been populated into the CN_COMM_LINES_API table, you can run the Transaction Interface Loader concurrent program to bring the transactions into the CN_COMMISSION_LINES table. Oracle Sales Compensation then calculates the transactions in the CN_COMMISSION_LINES table and updates these transactions with the calculated amounts.

The CN_COMM_LINES_API table contains many of the same columns as the CN_COMMISSION_LINES table in which Oracle Sales Compensation stores all information relevant to a transaction as it is processed. In general, the CN_COMM_LINES_API table excludes those columns of the CN_COMMISSION_LINES table which are filled in with information during transaction processing.

The following table describes the structure of the CN_COMM_LINES_API table.

Structure of CN_COMM_LINES_API Table

Column	Data Type	Data to Enter
SALESREP_ID	NULL NUMBER (15)	If this value is not in the system, Oracle Sales Compensation generates a SALESREP_ID value.
PROCESSED_DATE	NOT NULL DATE	Enter the date of the transaction.
PROCESSED_PERIOD_ID	NUMBER (15)	Optionally, enter the period the process date falls in.
TRANSACTION_AMOUNT	NOT NULL NUMBER	Enter the amount of sales credit
TRX_TYPE	NOT NULL VARCHAR2 (30)	Enter a value such as INVOICE.
LOAD_STATUS	VARCHAR2 (30)	Enter NULL when the record is first entered; this field is updated to LOADED when Load is run.
ATTRIBUTE1 through ATTRIBUTE100	VARCHAR2 (80)	Descriptive flexfield columns. These columns map to the attribute columns in the CN_ COMMISSION_LINES table.
EMPLOYEE_NUMBER	NUMBER(15)	Enter the salesrep number used in the Sales Workbench.
SALESREP_NUMBER	NUMBER(15)	Not used.
ROLLUP_DATE	DATE	Not used.
ROLLUP_PERIOD_ID	NUMBER(15)	The period-id for creating rollup transactions.
SOURCE_DOC_ID	NUMBER(15)	Not used.
SOURCE_DOC_TYPE	VARCHAR2(30)	To say what source incentive compensation is being fed from an AR or OE etc.
TRANSACTION_ CURRENCY_CODE	VARCHAR2(15)	Transaction currency code.
EXCHANGE_RATE	NUMBER	If transaction currency code is not the same as the functional currency, then the exchange rate has to be entered which is multiplied by the transaction amount to get the functional amount.
ACCTD_TRANSACTION_ AMOUNT	NUMBER	The system updates this column with functional currency amount.
TRX_ID	NUMBER(15)	Used by AR or OE collection.

Structure of CN_COMM_LINES_API Table (Cont.)

Column	Data Type	Data to Enter
TRX_LINE_ID	NUMBER(15)	Used by AR or OE collection.
TRX_SALES_LINE_ID	NUMBER(15)	Used by AR or OE collection.
QUANTITY	NUMBER(10)	To enter the quantity on a transaction.

Attributes 1 through 100 are the descriptive flexfield columns you use to specify information not included in the base table. See *Oracle Sales Compensation Technical Reference Manual Update* for detailed information on Oracle Sales Compensation tables and columns.

Before populating the CN_COMM_LINES_API table and running the Transaction Interface Loader program, you should:

1. Create the salesperson records in the Salesperson Workbench.
2. Make sure that each salesperson's active dates are entered.
3. Make sure the columns in CN_COMM_LINES_API table map to different columns in the Oracle Sales Compensation system as follows:
   - EMPLOYEE_NUMBER in the API should be the same as the SALESREP_NUMBER in the Salesperson Workbench. It is the same value found in the EMPLOYEE_NUMBER column in the CN_Salesreps view and the SALESREP_NUMBER COLUMN in the RA_SALESREPS table.
   - The PROCESSED_DATE needs to be a date in between the Active_To and Active_From periods for the Salesrep as defined in the Salesperson workbench.
   - TRX_TYPE should one of these types: INV, ORD, PMT, WO, TBK, GBK, CM which correspond to invoice, orders, payment, writeoff (or adjustments), take back, giveback, or credit memo.
   - TRANSACTION_AMOUNT needs to entered. This is equivalent to Net Revenue.
   - Leave LOAD_STATUS as NULL. This will be updated by OSC once the transactions are loaded into the CN_COMMISSION_LINES table.
   - There is no need to enter the REVENUE_CLASS_ID since OSC will classify the transaction into the appropriate revenue class based on the Attribute information defined on the transaction and the revenue class rules defined in OSC.

- ROLLUP_PERIOD_ID is the period which determines which Salesperson hierarchy should be used to roll up the transactions from the direct credit receiver (that is, the salesrep defined on the transaction) to indirect credit receivers in the sales credit rollup chain. If the ROLLUP_PERIOD_ID is not entered, OSC uses the processed-date as the default.
- SOURCE_DOC_TYPE should define the source of transactions. For example it could be from AR, PA or other.

To collect transactions using the open interface:

1. Load the CN_COMM_LINES_API table with your transaction data.

   You can load the data using SQL*Loader, manually, or by copying from your existing tables.

2. Do one of the following:

   - Using the Concurrent Manager, run the Transaction Interface Loader program.

     By default, select Run from the Concurrent Requests menu to navigate to the Submit Requests window. Enter the name of the program in the Name field and select Submit.

   - In SQL*Plus, run the CN_COMMISSION_LINES_PKG.Load procedure to load the transaction data from the CN_COMM_LINES_API table to the CN_COMMISSION_LINES table.

     Once you run the Transaction Interface Loader or the CN_COMMISSION_LINES_PKG.Load procedure, you cannot update or delete the loaded transactions. To make changes to a transaction entered using the CN_COMM_LINES_API table, you must enter a manual transaction to cancel the transaction and enter a new transaction using the CN_COMM_LINES_API table or the Maintain Transactions window.

After an order is collected in Oracle Sales Compensation, adjusted in Order Capture, and then re-collected in Oracle Sales Compensation, either of the following occurrences takes place:

- If the order has been loaded into the CN_COMMISSION_LINES table, and if there have been any changes to that order, three transactions will result: 1) the original transaction with a status of “Frozen,” 2) a new transaction with a status of reversal that is the negative of the original, and 3) a new transaction with the changed data.

- If the order has not been loaded into CN_COMMISSION_LINES, only two transactions result: 1) Obsolete and 2) New. There is no "reversal" transaction in this case.

To find the transactions that failed, use the Mass Adjustments window. You can also check for failed transactions in SQL*Plus. The currently reported Errors in the LOAD_STATUS column are:

Error Messages for a Failed Transaction Collections

Error	Description
ERROR - TRX_TYPE	Incorrect transaction type. Not in the list of (INV, ORD, PMT, WO, TBK, GBK, CM).
ERROR - REVENUE_CLASS	Incorrect revenue_class_id was entered but it does not exist in the CN_Revenue_Classes.
ERROR - NO EXCH RATE GIVEN	For entering the multi-currency transactions the exchange rate for the foreign currency needs to be also entered.
ERROR - INCORRECT CONV GIVEN	Incorrect conversion rate given.
ERROR - CANNOT CONV/DEFAULT	Cannot convert the given acct_transaction_amount.
SALESREP ERROR	The Salesrep Number is not valid.
PERIOD ERROR	The Processed_Date/Processed_Period_ID does not exist in the CN_SRP_PERIODS table. That is, the Processed_date does not fall in between the salesrep's Active_From and Active_To periods.

Calculation

Calculation is a process used in by the sytem to calculate commissions and bonus plans for salespeople. The following information explains the calculation process.

Phases of Calculation

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

- **Revert:** When a full calculation is performed, the application deletes any system-generated transactions and reverts the status of transactions to a status for unprocessed transactions. This way the new calculation starts with no data left over from a prior calculation.

When an incremental calculation is performed, the application deletes any system-generated transactions or reverts the statuses of transactions to their appropriate statuses based on the information recorded in the notify log.

- **Unprocessed:** The transaction has not yet been processed. Oracle Sales Compensation displays a status for unprocessed transactions in the transaction status.
- **Classification phase:** Oracle Sales Compensation 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, Oracle Sales Compensation was able to determine a unique revenue class for this transaction.
- **Failed Classification:** Make sure that a) you have defined classification rules, and b) you have synchronized the revenue classification rules. Oracle Sales Compensation displays a status for failed classifications in the transaction status.
- **Rollup phase:** Oracle Sales Compensation runs a process to determine all salespeople who should receive credit for this transaction based on a) the rollup date, and b) the salesperson hierarchy effective for that date. For every credit receiver, Oracle Sales Compensation creates a new system-generated transaction in the Rolled Up mode.
- **Population phase:** Oracle Sales Compensation identifies the appropriate plan elements that are associated with the revenue classes that have been identified for the affected transactions. The transaction has matched the compensation plans or plan elements for the credited salespeople.
- **Failed Population:** The transaction did not match the quota rules for the credited salesperson. Oracle Sales Compensation displays a status for a failed population in the transaction status.
- **Calculation Phase:** Based on the information gathered, Oracle Sales Compensation performs the calculation on all transactions for sales people specified for the period. It totals the credit for the transaction compared with the rate tiers, calculates the final amount, and updates the commission due amount. Oracle Sales Compensation displays a status for calculated transactions in the transaction status.
- **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.

Posting

Posting transfers expense information to the interface table CN_POSTING_ DETAILS in preparation for posting to the general ledger. Run the concurrent program CNPOST to perform the posting. You can set CNPOST up as a recurring concurrent program, for example, to run at the end of each day.

The posting concurrent program does the following:

- Creates a posting batch
- Recognizes calculated transactions
- Recognizes payment plan transactions at the salesperson level
- Creates posting details of recognized transactions
- Generates a posting batch summary report

Posting translates compensation transactions and payruns into accounting transactions, including the following:

- Transaction-oriented compensation expenses
- Non-recoverable payment plan expenses
- Advances and recoveries for payment plans at the sales role level
- Advances and recoveries without payment plans at the sales role level

When you calculate incentive compensation, posting records are created. If a recalculation is performed, then reversal records are created for any existing posting records that were created during the prior calculation.

Adjusting Transactions (optional procedure)

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

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.

7. Enter the appropriate information.

8. Click **OK.**

Guidelines

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

You cannot split a non-revenue, 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.

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 add a manual pay amount, edit scheduled compensation, 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.

Before you can enter a manual bonus, the salesperson must be assigned a plan element with a type of Manual.

Steps

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

   The Payment Submission window appears.

2. Enter a name for the pay run 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 of the salespeople 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.

If the salesperson has returned funds, then find the relevant PAID payrun and record the return by selecting Returned Funds, clicking Enter Returned Funds, and entering the information. Returned funds information affects the subledger only. The numbers do not affect payment.

Monitoring Reports

There are three sets of reports which can be viewed.

- Performance Reports

- Operational Reports
- Exception Reports

Performance Reports

Performance reports are intended for use by salespeople, and include the following:

- Compensation Summary
- Blind Ranking Report
- Top/Bottom Performers Report
- Compensation Details
- Sales Credit Reports
- Performance Details Report
- Compensation Details (Fiscal View)
- Performance Details (Fiscal View)
- Compensation Trending Report

Operational Reports

Operational Reports are intended for analysts. They include:

- Adjustments Report
- Compensation Group Hierarchy Report
- Salespeople Hierarchy Report
- Analyst Compensation Consolidated Summary
- Payrun Listing
- Payee Report
- Classification Rules Report
- Payrun Details

Exception Reports

Exception Reports are intended for analysts. They include:

- Payment Hold Report
- Pending Payment Report

- Pending Transactions Report

Report Access by User Responsibility

Incentive Compensation Reports Super User (access to all reports)

Incentive Compensation Performance Report (manager)

Incentive Compensation Performance Report (salespeople)

Incentive Compensation ExceptionReport (analyst)

Incentive Compensation Exception Report (analyst)

Incentive Compensation Operational Report (analyst)

Incentive Compensation Performance Report (analyst)

Use to/Users