Oracle® Incentive Compensation

User Guide

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Contents

Send Us Your Comments xv

Preface xvii

Intended Audience xvii
How To Use This Guide xvii
Documentation Accessibility xix
Other Information Sources xix
Do Not Use Database Tools to Modify Oracle Applications Data xxiv
About Oracle xxiv

Part I Introduction and Overview

1 Introduction to Oracle Incentive Compensation

1.1 Overview of Introduction to Oracle Incentive Compensation 1-1
1.2 Oracle Incentive Compensation Key Features 1-3
1.2.1 Incentive Planning 1-4
1.2.2 Compensation Plans 1-4
1.2.3 Quota Assignment 1-6
1.2.4 Quota Approval Process 1-8
1.2.5 Compensating Transactions 1-9
1.2.6 Revenue Classes 1-10
1.2.7 Hierarchies 1-11
1.2.8 Classification Rules 1-12
1.2.9 Classification Rules Hierarchy 1-12

1.2.10 Compensation Groups 1-14
1.2.11 Data Collection 1-15
1.2.12 Calculation 1-18
1.2.13 Payment 1-20
1.3 Oracle Incentive Compensation Integrations 1-20
1.3.1 Overview 1-21
1.3.2 Oracle Sales Online 1-22
1.3.3 Oracle Resource Manager 1-29
1.3.4 Oracle Payables 1-30
1.4 What's New 1-31

2 Overview of Using Oracle Incentive Compensation

2.1 Accessing Oracle Incentive Compensation 2-1
2.1.1 The Home Tab 2-2
2.1.2 The Incentive Tab 2-2
2.1.3 The Modeling Tab 2-3
2.1.4 The Resource Tab 2-3
2.1.5 The Quota Tab 2-4
2.1.6 The Transaction Tab 2-4
2.1.7 The Requests Tab 2-5
2.1.8 The Product Tab 2-6
2.1.9 The Administration Tab 2-6
2.2 Navigation 2-8
2.2.1 HTML Navigation 2-8
2.3 How Oracle Incentive Compensation Relates to the E-Business Suite 2-9
2.4 Summary of Oracle Incentive Compensation Tasks 2-9

Part II Incentive Planning

3 Incentive Planning

3.1 Overview of Incentive Planning 3-1
3.1.1 The Incentive Planning Process 3-2
3.1.2 Incentive Planning Scenario 3-5
3.2 Incentive Planning Enhancements in this Release 3-5

3.3 Setting up Incentive Planning 3-5
3.3.1 Responsibilities and Responsibility Groups 3-5
3.3.2 Define Default Contract Text and other Settings 3-7
3.3.3 Define User Access 3-8
3.3.4 Define Quota Components 3-9
3.3.5 Define Attainment Schedule 3-13
3.3.6 Seasonality Schedules 3-15
3.3.7 Assign Job Titles to Roles 3-17
3.4 Creating the Agreement 3-18
3.4.1 Defining a Sales Role 3-18
3.4.2 Activating a Sales Role 3-25
3.4.3 Computed Component Formulas 3-26
3.4.4 Allocating a Role to a Resource 3-27
3.4.5 Customizing On Target Earnings and Anchors for Individual Resources 3-29
3.5 Allocating Quotas to Resources 3-31
3.6 Allocation Details - Quota and Pay Assignment 3-34
3.7 Approval, Distribution, and Activation 3-40
3.7.1 Approving Contracts 3-40
3.7.2 Distributing Contracts 3-42
3.7.3 Resources Accept Plans Using Oracle Sales Online 3-43
3.7.4 Activating Compensation Plans 3-44
3.7.5 Regoaling 3-45

4 Modeling Agreements

4.1 Overview of Modeling Agreements 4-1
4.1.1 The Modeling Process 4-2
4.1.2 The Lifecycle of an Agreement Version 4-2
4.2 Modeling Enhancements 4-3
4.3 Creating an Agreement Version 4-3
4.4 Assigning Details to an Agreement Version 4-4
4.5 Allocating Quotas to Quota Based Components 4-6
4.6 Comparing Agreement Version Contracts 4-7
4.7 What-If Scenarios 4-9

Part III Resources and Compensation Plans

5 Creating Resources, Roles and Groups

5.1 Introduction to Creating Resources, Roles, and Groups 5-1
5.1.1 Set Up Resources for Team Compensation 5-1

6 Building Compensation Plans

6.1 Overview of Building Compensation Plans 6-1
6.2 Enhancements to Building Compensation Plans 6-2
6.3 Defining Calculation Expressions 6-2
6.3.1 Input Expressions 6-3
6.3.2 Output Expressions 6-4
6.3.3 Performance Measures 6-4
6.4 Defining Rate Dimensions 6-7
6.5 Defining Rate Tables 6-12
6.6 Defining Formulas 6-14
6.7 Defining Plan Elements 6-18
6.7.1 Creating a Plan Element 6-18
6.7.2 Changing Plan Element Details 6-22
6.7.3 Distributing Variables 6-24
6.7.4 Interdependent Plan Elements 6-26
6.7.5 Assigning Revenue Classes to a Plan Element 6-28
6.7.6 Assigning Rate Tables to a Plan Element 6-29
6.7.7 Accelerators and Transaction Factors 6-32
6.8 Defining Compensation Plans 6-35
6.8.1 Compensation Plan Details 6-36
6.8.2 Salespeople Assigned 6-38

7 Assigning Compensation Plans, Pay Groups, and Payment Plans

7.1 Overview of Assigning Compensation Plans, Pay Groups, and Payment Plans 7-1
7.2 Enhancements to Assigning Compensation Plans, Pay Groups, and Payment Plans 7-2
7.3 Assigning a Compensation Plan to a Role 7-2
7.3.1 Method 1: Using the Incentive Tab 7-2
7.3.2 Method 2: Using the Resource Tab 7-4
7.4 Assigning a Role to a Resource 7-5
7.5 Customizing a Compensation Plan for a Resource 7-5

7.6 Assigning a Pay Group to a Resource 7-7
7.7 Assigning a Payment Plan to a Resource 7-8
7.8 Regoaling 7-9

Part IV Collection, Calculation, Payment, and Reports

8 Collecting and Adjusting Transactions

8.1 Overview of Collecting Transactions 8-1
8.2 Enhancements to Collecting and Adjusting Transactions 8-3
8.3 Open Collections 8-3
8.3.1 Identifying the Header and Line Tables 8-4
8.3.2 Registering the Tables 8-4
8.3.3 Defining a New Transaction Source 8-5
8.3.4 Identifying Source Tables 8-7
8.3.5 Defining Notification and Collection Queries and Runtime Parameters 8-8
8.3.6 Defining Mapping 8-12
8.3.7 Defining Pre-Notification, Post-Notification, and Post-Collection Actions 8-15
8.3.8 Defining Filters 8-17
8.3.9 Generate and Test Generate 8-18
8.4 Standard Collection 8-21
8.4.1 How Direct and Indirect Mapping can Be Modified 8-22
8.4.2 Special Features 8-22
8.5 Submitting a Collection Request 8-26
8.5.1 Runtime Parameters 8-26
8.5.2 Submit a Request 8-27
8.5.3 Viewing the Request Status and Logs 8-28
8.6 Collecting Adjustments 8-30
8.6.1 Collecting Adjustments for Order Transactions 8-30
8.6.2 Collecting Adjustments for Custom Transaction Sources 8-30
8.6.3 Collecting Adjustments for AR - RAM 8-31
8.7 Imports and Exports 8-33
8.7.1 Defining Imports 8-34
8.7.2 Mapping Source Fields to Target Fields 8-36
8.7.3 Reviewing Your Mapping 8-37
8.7.4 Confirming your Mapping 8-37

8.7.5 Import Details and Results ... 8-37
8.7.6 Process Log ... 8-38
8.7.7 Failed Records ... 8-38
8.7.8 Creating a Personalized Search for the Import/Export Page ... 8-39
8.7.9 Exporting Data ... 8-41
8.8 Adjusting Transactions ... 8-42
8.8.1 Create a New Transaction ... 8-44
8.8.2 Add a New Attribute to the Create New Transaction Page ... 8-46
8.8.3 Move Credits ... 8-47
8.8.4 Deal Split ... 8-48
8.8.5 Adjust Transaction ... 8-49
8.8.6 Split Transaction ... 8-50
8.9 Loading Transactions ... 8-52
8.9.1 Viewing Transaction Requests ... 8-53
8.10 Using the Transaction Interface ... 8-53
8.10.1 Validation Checks and Resolution Method ... 8-59

9 Calculating Compensation

9.1 Overview of Calculating Compensation ... 9-1
9.1.1 Two Types of Calculation ... 9-1
9.1.2 Two Methods of Calculation ... 9-2
9.1.3 Phases of Calculation ... 9-2
9.1.4 Unprocessed and Failure Statuses ... 9-3
9.1.5 The Calculation Process ... 9-4
9.2 Calculation Enhancements in this Release ... 9-6
9.3 Preparing for Calculation ... 9-6
9.3.1 Rollup Summarized Transactions ... 9-7
9.3.2 Accumulation and Splits in Multidimensional Rate Tables ... 9-10
9.4 Submitting Calculation ... 9-13
9.4.1 Resubmitting Calculation ... 9-17
9.5 Using Incremental Calculation ... 9-18
9.5.1 Revert_To_State ... 9-20
9.5.2 Action Column ... 9-20
9.5.3 The Notify Log ... 9-21
9.5.4 Customizing the Notify Log Search ... 9-22

9.5.5 All Mark Event List 9-24
9.5.5 9-26

10 Payment with Payruns

10.1 Overview of Payment with Payruns 10-1
10.1.1 Payment Setups and Relationships 10-2
10.1.2 Life of a Pay Worksheet 10-2
10.1.3 Changes to Oracle Incentive Compensation 11*i* from Previous Releases 10-4
10.1.4 Prerequisites 10-5
10.2 Payment Enhancements 10-6
10.2.1 Automated Posting 10-6
10.2.2 Lock Payment Worksheets 10-7
10.2.3 Add and Track Comments on Payment Worksheets 10-7
10.2.4 Payment Administrative Hierarchy and Payrun Sign-Off Report 10-7
10.2.5 Recoverable and Non-Recoverable Manual Payment Adjustments 10-11
10.2.6 Payment Worksheet History Page 10-11
10.2.7 Refresh Worksheet 10-12
10.3 Using the Payrun Summary 10-12
10.3.1 Creating a Payrun 10-13
10.3.2 View Existing Payruns 10-14
10.4 Using the Worksheet Summary 10-17
10.4.1 Current Estimated Payout Page 10-20
10.5 Using the Payment Transactions Page 10-21
10.5.1 Payment Hold at the Transaction Level 10-24
10.6 Approving Worksheets 10-31
10.6.1 The Payrun Sign-Off Report 10-32
10.6.2 Creating a Customized Sign-Off Report Search 10-33
10.7 Submitting a Payrun for Payment 10-35
10.7.1 View Requests 10-36
10.7.2 Submit Requests 10-37
10.8 Payment Review with Example 10-38

11 Reports

11.1 Overview of Oracle Incentive Compensation Reports 11-2
11.1.1 Road Map of Reports from Version to Version 11-2

11.2 Reports Enhancements in this Release 11-5
11.3 Incentive Planning Reports 11-5
11.3.1 Quota Modeling Summary 11-6
11.3.2 Average Quota Report 11-8
11.3.3 Quota Overassignment Report 11-10
11.3.4 Quota Range Report 11-11
11.3.5 Compensation Contract Status Report 11-12
11.3.6 Overlay Report 11-13
11.3.7 Vacancy Report 11-14
11.3.8 Transition Report 11-15
11.3.9 Plan Activation Status Report 11-15
11.3.10 Role to Compensation Plan Mapping Report 11-17
11.4 Compensation Reports 11-18
11.4.1 Year To Date Summary 11-19
11.4.2 Transaction Details Report 11-21
11.4.3 Compensation Group Hierarchy Report 11-22
11.4.4 Classification Rules Report 11-23
11.4.5 Commission Summary Report 11-25
11.4.6 Quota Performance Report 11-27
11.4.7 Commission Statement 11-29
11.4.8 Unprocessed Transactions 11-32
11.5 Configuring Reports 11-34
11.6 Discoverer Workbooks 11-34
11.6.1 Calculation Batch Process Report 11-35
11.6.2 Compensation Plan Revenue Class Mapping 11-35
11.6.3 Resources Not Validated for Calculation 11-36
11.6.4 Different Pay Group Assignment and Compensation Plan 11-36
11.6.5 Commission Statement Report 11-37
11.6.6 Transaction Details Report 11-37
11.6.7 Formula Definitions 11-38
11.6.8 Resource Assignments Overview 11-39

Part V Administration

12 Administration

12.1 Overview of Administration 12-2
12.2 System Parameters 12-2
12.2.1 General 12-3
12.2.2 General Ledger 12-3
12.2.3 Collection 12-3
12.2.4 Calculation 12-4
12.2.5 Payment 12-5
12.3 Tables 12-8
12.3.1 Columns 12-9
12.4 External Table Join Conditions 12-12
12.4.1 External Table Join Conditions - External Columns 12-12
12.5 Accumulation Periods 12-13
12.6 Pay Periods 12-14
12.7 Interval Types 12-15
12.7.1 To View an Interval Type 12-15
12.7.2 To Create a New Interval Type 12-16
12.8 Revenue Class 12-17
12.9 Rulesets 12-18
12.9.1 Rules Hierarchy 12-21
12.9.2 Create Rules 12-22
12.9.3 Rule Attributes 12-23
12.9.4 Build Expression 12-24
12.10 Hierarchy Types 12-25
12.10.1 Hierarchies Detail 12-25
12.10.2 Intervals 12-26
12.10.3 Adding and Deleting Hierarchy Nodes 12-27
12.11 Credit Types 12-29
12.12 Credit Conversion 12-30
12.13 Collection 12-31
12.14 Pay Groups 12-31
12.15 Payment Plan 12-33
12.16 Payroll 12-34
12.16.1 Pay Element Input Values Mapping 12-36
12.17 Components 12-37

12.18 Attainment 12-38
12.19 Job Titles 12-39
12.20 User Access 12-40
12.21 Settings 12-41
12.21.1 Workday Calendar 12-42
12.22 Seasonality Schedules 12-44
12.22.1 Create New Seasonality Schedule 12-45
12.23 Rate Dimensions 12-46

Part VI Appendixes

A Oracle Incentive Compensation User Interface Reference

A.1 Agreements A-1
A.2 Sales Role Detail A-2
A.3 Agreement Details - Computed Component Formula A-7
A.4 Agreement Details A-8
A.5 Role Activation A-9
A.6 Leftovers from the Template A-10
A.6.1 Concepts (optional) A-10

B Compensation Scenarios

B.1 Introduction B-1
B.1.1 Using the Detail Pages and Expression Builder B-3
B.2 Compensation for Individual Transactions B-9
B.2.1 Setup B-10
B.3 Compensation for Transactions Grouped by Interval B-12
B.3.1 Setup B-12
B.4 Compensation for Accumulated Transactions B-14
B.4.1 Setup B-14
B.5 Compensation for Cumulative Achievement to Date B-16
B.5.1 Setup B-16
B.6 Multiple Commission Rates (Rate Tier Splits) B-20
B.6.1 Non-Proportional Split B-21
B.6.2 Proportional Split B-24

B.7 Multiple Input Formula B-27
B.7.1 Setup B-28
B.8 Bonus Compensation B-30
B.9 Interdependent Plan Elements B-31
B.9.1 Setup of First Plan Element B-32
B.9.2 Setup of Second Plan Element B-34
B.10 Formula Within a Formula B-35
B.10.1 Setup B-36
B.11 External Table Based Expressions Used in Formula for Both Input and Output B-39
B.11.1 Setup B-39
B.12 Compensation for Transactions Using Four Different Types of Rate Dimensions B-42
B.12.1 Setup for Plan Element Using Amount/String Multidimensional Rate Table B-44
B.12.2 Setup for Plan Element Using a Percent Percent Rate Table B-45
B.12.3 Using an Expression Based Rate Table B-47
B.13 External Table Based Bonus B-47
B.13.1 Setup B-48

C External Formula Code Examples

C.1 Example 1 ..... C-1
C.1.1 Spec of Example 1 ..... C-1
C.1.2 Body of Example 1 ..... C-4
C.2 Example 2 ..... C-20
C.2.1 Spec for Example 2 ..... C-20
C.2.2 Body of Example 2 ..... C-22

D Customized Summarization Code Examples

Glossary

Index

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Oracle Incentive Compensation User Guide, Release 11*i*

Part No. B10584-02

Oracle Corporation welcomes your comments and suggestions on the quality and usefulness of this document. Your input is an important part of the information used for revision.

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Preface

Intended Audience

Welcome to Release 11*i* of the Oracle Incentive Compensation User Guide.

This guide assumes you have a working knowledge of the following:

- The principles and customary practices of your business area.
- Oracle Incentive Compensation

  If you have never used Oracle Incentive Compensation, Oracle suggests you attend one or more of the Oracle Incentive Compensation training classes available through Oracle University.
- The Oracle Applications graphical user interface.

  To learn more about the Oracle Applications graphical user interface, read the *Oracle Applications User's Guide*.

See Other Information Sources for more information about Oracle Applications product information.

How To Use This Guide

This document contains the information you need to understand and use Oracle Incentive Compensation.

- Chapter 1 begins Part 1 of this User Guide. It provides a brief introduction to the new features of Oracle Incentive Compensation and explains how the product works.
- Chapter 2 continues Part 1 and gives an overview of Oracle Incentive Compensation. This includes a brief explanation of the HTML user interface

and a breakdown of how its tab structure works. Also included is a section on how Oracle Incentive Compensation relates to the Oracle E-Business Suite.

- Chapter 3 begins Part 2 of the User Guide. It explains the purpose and usage of Incentive Planning, and how it enables managers to apportion quotas effectively and lets salespeople submit estimates to make that process more accurate.
- Chapter 4 discusses the Modeling feature of Oracle Incentive Compensation which allows you to compare proposed agreements to each other to determine which one best suits your needs. It explains the steps used with the Modeling tab.
- Chapter 5 begins Part 3 of the User Guide by discussing how to create the elements needed to build compensation plans. These include resources, roles, and groups.
- Chapter 6 is where the actual building of compensation plans gets underway. In this chapter, you start by creating the expressions, rate dimensions, formulas, and plan elements that make up a compensation plan.
- Chapter 7 explains how to assign newly created compensation plans to roles and how the roles are then assigned to individual resources.
- Chapter 8 begins Part 4, which deals with processing of transactions and payment of compensation. This chapter explains how to collect transactions, including importing them into Oracle Incentive Compensation, adjusting them, and loading them before calculation begins.
- Chapter 9 continues the processing of transactions by outlining and explaining the steps performed for calculation of commission.
- Chapter 10 deals with the payment of compensation, including posting and the setting up and payment of payruns.
- Chapter 11 discusses the two sets of reports that are available in Oracle Incentive Compensation. These include Incentive Planning reports and Compensation reports. A table shows which reports are available to different responsibilities within Oracle Incentive Compensation.
- Chapter 12 details the administrative steps used in Oracle Incentive Compensation. Many of these steps are performed just once a year, or occasionally, to set up features such as system parameters or payment groups. These activities are all performed using the Administration tab.
- Appendixes provide additional information that may be of use to you as a reference. This includes examples of typical formulas, plan elements, and

compensation plans and a map showing how different procedures are performed in the current version of the product compared to previous ways they were performed.

- A Glossary of important terms and an Index are provided to it easier.

Documentation Accessibility

Our goal is to make Oracle products, services, and supporting documentation accessible, with good usability, to the disabled community. To that end, our documentation includes features that make information available to users of assistive technology. This documentation is available in HTML format, and contains markup to facilitate access by the disabled community. Standards will continue to evolve over time, and Oracle Corporation is actively engaged with other market-leading technology vendors to address technical obstacles so that our documentation can be accessible to all of our customers. For additional information, visit the Oracle Accessibility Program Web site at `http://www.oracle.com/accessibility/`.

Accessibility of Code Examples in Documentation JAWS, a Windows screen reader, may not always correctly read the code examples in this document. The conventions for writing code require that closing braces should appear on an otherwise empty line; however, JAWS may not always read a line of text that consists solely of a bracket or brace.

Other Information Sources

You can choose from many sources of information, including online documentation, training, and support services, to increase your knowledge and understanding of Oracle Incentive Compensation.

If this guide refers you to other Oracle Applications documentation, use only the Release 11*i* versions of those guides.

Online Documentation

All Oracle Applications documentation is available online (HTML or PDF). Online help patches are available on MetaLink.

Related Documentation

Oracle Incentive Compensation shares business and setup information with other Oracle Applications products. Therefore, you may want to refer to other product documentation when you set up and use Oracle Incentive Compensation.

You can read the documents online by choosing Library from the expandable menu on your HTML help window, by reading from the Oracle Applications Document Library CD included in your media pack, or by using a Web browser with a URL that your system administrator provides.

If you require printed guides, you can purchase them at http://oraclestore.oracle.com.

Documents Related to All Products

Oracle Applications User's Guide

This guide explains how to enter data, query, run reports, and navigate using the graphical user interface (GUI) available with this release of Oracle Incentive Compensation (and any other Oracle Applications products). This guide also includes information on setting user profiles, as well as running and reviewing reports and concurrent processes.

You can access this user's guide online by choosing "Getting Started with Oracle Applications" from any Oracle Applications help file.

Documents Related to This Product

Installation and System Administration

Oracle Applications Concepts

This guide provides an introduction to the concepts, features, technology stack, architecture, and terminology for Oracle Applications Release 11*i*. It provides a useful first book to read before an installation of Oracle Applications. This guide also introduces the concepts behind Applications-wide features such as Business Intelligence (BIS), languages and character sets, and Self-Service Web Applications.

Installing Oracle Applications

This guide provides instructions for managing the installation of Oracle Applications products. In Release 11*i*, much of the installation process is handled using Oracle Rapid Install, which minimizes the time to install Oracle Applications,

the Oracle8 technology stack, and the Oracle8*i* Server technology stack by automating many of the required steps. This guide contains instructions for using Oracle Rapid Install and lists the tasks you need to perform to finish your installation. You should use this guide in conjunction with individual product user's guides and implementation guides.

Oracle Applications Supplemental CRM Installation Steps

This guide contains specific steps needed to complete installation of a few of the CRM products. The steps should be done immediately following the tasks given in the Installing Oracle Applications guide.

Upgrading Oracle Applications

Refer to this guide if you are upgrading your Oracle Applications Release 10.7 or Release 11.0 products to Release 11*i*. This guide describes the upgrade process and lists database and product-specific upgrade tasks. You must be either at Release 10.7 (NCA, SmartClient, or character mode) or Release 11.0, to upgrade to Release 11*i*. You cannot upgrade to Release 11*i* directly from releases prior to 10.7.

Maintaining Oracle Applications

Use this guide to help you run the various AD utilities, such as AutoUpgrade, AutoPatch, AD Administration, AD Controller, AD Relink, License Manager, and others. It contains how-to steps, screenshots, and other information that you need to run the AD utilities. This guide also provides information on maintaining the Oracle applications file system and database.

Oracle Applications System Administrator's Guide

This guide provides planning and reference information for the Oracle Applications System Administrator. It contains information on how to define security, customize menus and online help, and manage concurrent processing.

Oracle Alert User's Guide

This guide explains how to define periodic and event alerts to monitor the status of your Oracle Applications data.

Oracle Applications Developer's Guide

This guide contains the coding standards followed by the Oracle Applications development staff. It describes the Oracle Application Object Library components needed to implement the Oracle Applications user interface described in the *Oracle Applications User Interface Standards for Forms-Based*

Products. It also provides information to help you build your custom Oracle Forms Developer *6i* forms so that they integrate with Oracle Applications.

Oracle Applications User Interface Standards for Forms-Based Products

This guide contains the user interface (UI) standards followed by the Oracle Applications development staff. It describes the UI for the Oracle Applications products and how to apply this UI to the design of an application built by using Oracle Forms.

Other Implementation Documentation

Multiple Reporting Currencies in Oracle Applications

If you use the Multiple Reporting Currencies feature to record transactions in more than one currency, use this manual before implementing Oracle Incentive Compensation. This manual details additional steps and setup considerations for implementing Oracle Incentive Compensation with this feature.

Multiple Organizations in Oracle Applications

This guide describes how to set up and use Oracle Incentive Compensation with Oracle Applications' Multiple Organization support feature, so you can define and support different organization structures when running a single installation of Oracle Incentive Compensation.

Oracle Workflow Guide

This guide explains how to define new workflow business processes as well as customize existing Oracle Applications-embedded workflow processes.You also use this guide to complete the setup steps necessary for any Oracle Applications product that includes workflow-enabled processes.

Oracle Applications Flexfields Guide

This guide provides flexfields planning, setup and reference information for the Oracle Incentive Compensation implementation team, as well as for users responsible for the ongoing maintenance of Oracle Applications product data. This manual also provides information on creating custom reports on flexfields data.

Oracle eTechnical Reference Manuals

Each eTechnical Reference Manual (eTRM) contains database diagrams and a detailed description of database tables, forms, reports, and programs for a specific Oracle Applications product. This information helps you convert data

from your existing applications, integrate Oracle Applications data with non-Oracle applications, and write custom reports for Oracle Applications products. Oracle eTRM is available on Metalink

Oracle Applications Message Reference Manual

This manual describes Oracle Applications messages. This manual is available in HTML format on the documentation CD-ROM for Release 11*i*.

Oracle CRM Application Foundation Implementation Guide

Many CRM products use components from CRM Application Foundation. Use this guide to correctly implement CRM Application Foundation.

Training and Support

Training

Oracle offers training courses to help you and your staff master Oracle Incentive Compensation and reach full productivity quickly. You have a choice of educational environments. You can attend courses offered by Oracle University at any one of our many Education Centers, you can arrange for our trainers to teach at your facility, or you can use Oracle Learning Network (OLN), Oracle University's online education utility. In addition, Oracle training professionals can tailor standard courses or develop custom courses to meet your needs. For example, you may want to use your organization's structure, terminology, and data as examples in a customized training session delivered at your own facility.

Support

From on-site support to central support, our team of experienced professionals provides the help and information you need to keep Oracle Incentive Compensation working for you. This team includes your Technical Representative, Account Manager, and Oracle's large staff of consultants and support specialists with expertise in your business area, managing an Oracle8*i* server, and your hardware and software environment.

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Part I

Introduction and Overview

This part contains the following chapters:

- Chapter 1, "Introduction to Oracle Incentive Compensation"
- Chapter 2, "Overview of Using Oracle Incentive Compensation"

1

Introduction to Oracle Incentive Compensation

This chapter discusses the key features and process flows of Oracle Incentive Compensation. Sections in this chapter include:

- Section 1.1, "Overview of Introduction to Oracle Incentive Compensation"
- Section 1.2, "Oracle Incentive Compensation Key Features"
- Section 1.3, "Oracle Incentive Compensation Integrations"
- Section 1.4, "What's New"

1.1 Overview of Introduction to Oracle Incentive Compensation

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

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

Everyone who needs to work with incentive information can do so online as part of a single system of compensation management. For example, the Sales Planner collaborates with the finance department, marketing experts, and sales management on configuring new compensation plans for salespeople and allocates quota to the sales organization. The resulting plans can be rolled out to the sales force for online approval. When the sales force accepts, the new plans are activated for commission processing in the application.

The application controls the ongoing task of determining incentive payments from incoming transactions. The first step in this process is collecting transactions from a source system. The Open Collections feature supports transaction information from any source, including legacy systems, provided that the other system's data can be accessed in the same database instance. This is in addition to the collection abilities from the out of-the-box integration with Oracle ERP systems, Order Management, and Receivables.

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

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

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

- *Revenue Class* is a user-defined category of business revenue used to classify a transaction for compensation and calculation.
- A *Formula* determines how the compensation will be calculated.
- A *Rate Table* is part of a formula that determines the rate at which achievements are commissioned.

The Oracle Incentive Compensation Payment process enables the application to process all the calculated transactions and complete payment. An optional payment plan can be set up to establish a minimum or maximum payment to a resource.

The enhanced payment process enables you to prepare your payrun for each pay group when due, adjust the calculated pay as needed, and submit the payrun to be paid. Use this procedure to edit scheduled compensation, hold payment on a transaction, and submit for payment.

There are three types of payment:

- Regular Payment: The application collects data, prepares it, and formats it to be used by a non-Oracle Payable system.
- Accounts Payable Integration: Used for vendors, this method prepares payment for Oracle Accounts Payable by classifying the resources as suppliers.

- Payroll Download File: The application collects data and creates a file that can be used by Oracle Payroll

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

In addition to timely and accurate transaction processing, Oracle Incentive Compensation serves as a feedback mechanism for the sales organization and management through eighteen different incentive planning and compensation reports.

Granting online access to all professionals involved in compensation management, such as sales planners, sales analysts, and internal and external salespeople, creates a large, collaborative community of stakeholders who can both use and contribute real-time information about incentive systems. Oracle Incentive Compensation supports a wide variety of sales relationships and alternative sales channels, letting sales representatives and managers access and view compensation information over the Web. You can use the Year to Date Commission Summary Report to look at achievements for each period until the current period in a given fiscal year. The report also has a summary of payments made and outstanding balance for a given resource. Salespeople can analyze their own performance and sales managers can measure their teams' performance using the Quota Performance report.

1.2 Oracle Incentive Compensation Key Features

Oracle Incentive Compensation includes the following features:

- Section 1.2.1, "Incentive Planning"
- Section 1.2.2, "Compensation Plans"
- Section 1.2.3, "Quota Assignment"
- Section 1.2.4, "Quota Approval Process"
- Section 1.2.5, "Compensating Transactions"
- Section 1.2.6, "Revenue Classes"
- Section 1.2.7, "Hierarchies"

- Section 1.2.8, "Classification Rules"
- Section 1.2.9, "Classification Rules Hierarchy"
- Section 1.2.10, "Compensation Groups"
- Section 1.2.11, "Data Collection"
- Section 1.2.12, "Calculation"
- Section 1.2.13, "Payment"

1.2.1 Incentive Planning

The objective of Incentive Planning is to steer sales force effort towards achieving the organization's sales target through compensation plans. Incentive Planning helps to automate the sales budgeting process by giving salespeople a tool to communicate their quota estimate to their sales managers. Sales managers can then allocate a quota based on the estimates of their direct resources. Incentive Planning generates compensation plans with quotas based on sales managers' quota allocation and lets them track the approval process. Sales managers can apportion quotas between departing directs and new hires. Incentive Planning Contract Approvers review and approve compensation plans, and Incentive Planning Finance Managers then pass the approved compensation plans to Oracle Incentive Compensation Administration for commission processing.

In addition, Incentive Planning analysts are able to assign new sales roles to salespeople and move salespeople to other compensation groups. There are reports to locate those salespeople with quotas outside a value range for senior management control purposes and also there are reports to calculate the quota overassignment percentages between each level of sales management hierarchy. Quota overassignments are quotas that are allocated to subordinate salespeople from a manager that add up to more than 100 percent of the manager's quota.

1.2.2 Compensation Plans

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

- What Is a Compensation Plan?
- Purpose of Compensation Plans
- Using Compensation Plans

What Is a Compensation Plan?

The conditions that control incentive compensation are defined in a **compensation plan.** A compensation plan captures your organization's unique practices for paying compensation, with individual rules that determine commission and track achievement.

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

- Create as many compensation plans as you need
- Customize existing plans for individual sales representatives or situations
- Build compensation plans using calculation expressions, rate tables, formulas, and other building blocks from existing compensation plans
- Control the validity of all aspects of the compensation plan using precise start and end dates

Purpose of Compensation Plans

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

- Determine commissions, bonuses, and nonmonetary compensation
- Provide incentives to salespeople to achieve specific and measurable sales goals, including yearly and periodic sales targets, as well as sales targets for individual sales categories. Sales categories are defined in Oracle Incentive Compensation as a hierarchy of revenue classes, which are often based on product or service types, but can also be based on factors like target markets, industry, or customer account.
- Vary compensation rates based on user-defined measures, such as quota achievement, gross sales, and unit sales
- Vary quotas or compensation rates based on the revenue class hierarchy
- Stage compensation payment over the life of a sale
- Specify compensation accelerators for sales promotions
- Specify goals to track achievement for recognition programs
- Customize plans for individual salespeople
- Specify plan changes to occur on specific dates

Using Compensation Plans

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

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

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

1.2.3 Quota Assignment

In this section, you will read about:

- Overlay Salespeople
- Quota Distribution Techniques
- Overassignment Percentages

Overlay Salespeople

Checking the overlay check box enables you to segregate your salespeople into either overlay salespeople or nonoverlay salespeople. Overlay salespeople are not part of a distributed quota of a manager.

Some organizations define overlay as nonrevenue sales credits. The term "nonrevenue sales" indicates that the value is not posted to General Ledger. Consider the following example.

The Account Manager and the Hardware Salesperson of a company are the direct participants and they are responsible for closing the sale. The Business Development Manager is considered an overlay resource because he or she made contact with the customer on more general sales activities but was not responsible for price negotiations for example, that is specific to this sale. If the sale value is $10,000, an extract of the transaction lines looks like this:

Sales Role	Revenue Type	Sales Value
Account Manager	Revenue	$6,000

Sales Role	Revenue Type	Sales Value
Hardware Salesperson	Revenue	$4,000
Business Development Manager	Nonrevenue	$2,000

The Business Development Manager in the above example received 20% nonrevenue credit for the sale:

2000/(6000+4000) = 20%

The manager's commission on this sale depends on the compensation plan rules and rate table that can be applied to the transaction upon calculation.

Quota Distribution Techniques

You can perform an initial distribution of quota by using the Quota Allocation Details page. There are several methods for allocating quotas:

- Even distribution of manager's quota over immediate direct salespeople, with or without an overassignment
- Minimum Quota allocation as preset on the Sales Role Detail page
- Equal distribution: Allocation to each direct resource a quota amount as much as the manager's, with or without an overassignment

Overassignment Percentages

The table below shows a manager's quota and how the manager can overassign the quota to his subordinates at a rate more than 100 percent.

Resource	Hardware	Software	Main Revenue	Support Service	Total Quota	Overlay
Manager	3000	1000	4000	160	4160	No
Direct 1	1200	330	1530	75	1605	No
Direct 2	1200	330	1530	75	1605	No
Direct 3	1200	400	1600	80	1680	No
Direct 4	3000	1000	4000	160	4160	Yes

The Direct overassignment is 117.55%

Explanation of calculation:

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

Manager's quota = 4160

Therefore, direct overassignment is 4890/4160 = 1.1755

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

If any of these directs have subordinate salespeople and they in turn have quota as well, then a street level overassignment calculation will be performed. If the street level total quota is 5000, then the street level overassignment is 5000/4160, or 120.19%.

Overassignment percentages exclude quota allocated to overlay salespeople, such as Direct 4, as they are regarded as nonprimary salespeople. See section on overlay salespeople for explanation of the term *overlay*.

1.2.4 Quota Approval Process

This section covers:

- Approval Sequence
- Workflow

Approval Sequence

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

Next, the Contract Approver reviews the contract and either accepts or rejects it. This can be done by a compensation analyst in Oracle Incentive Compensation on the Quota tab, or by a sales manager using Oracle Sales Online.

If the Contract Approver accepts the contract, then the sales manager distributes the contract to the direct resource. The resource, using Oracle Sales Online, can then view, accept, and print the contract.

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

Workflow

Oracle Workflow must be installed so Incentive Planning users can be notified by e-mail to prompt the mail receiver that an action is required to move along the approval process for the compensation plans. Refer to the Implementation Guide for instructions on how to customize workflow notification messages for Sales Force Planning.

1.2.5 Compensating Transactions

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

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

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

Transaction types supported by Oracle Incentive Compensation are listed below. They are automatically identified when collecting against an Oracle ERP system (Accounts Receivable, Order Management). For external sources, distinguish the transactions by populating this column before collecting into Oracle Incentive Compensation:

- Order Booked: The order is processed when it is booked and its status changes to booked.
- Invoice*:* The invoice is processed when posted to Oracle General Ledger. After it is posted, no changes can be made to the invoice.
- Payment*:* Payment is received in Oracle Receivables.
- Take Back: When the invoice due date grace period is exceeded, the outstanding amount of compensation credited for this sale is taken back.

- Credit and Debit Memo: An invoice is fully or partially reversed (credit) or increased (debit) and posted to Oracle General Ledger.
- Give Back: A payment is received for a take back.
- Manual Adjustment: An adjustment is made.
- Writeoff: A sale is written off the books for a variety of reasons and posted to Oracle General Ledger.

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

Note: The application does not check to see whether the resource(s) credited on the original invoice is the same resource(s) on the revenue reducing transaction. Therefore, it is possible to reduce a resource's commission on transactions for which he or she did not receive sales credit previously.

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

1.2.6 Revenue Classes

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

After defining your organization's revenue classes, you assign one or more revenue classes to a plan element and assign the plan element(s) to a compensation plan.

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

- Your sales organization can have customer account teams, where salespeople only receive compensation for sales to their assigned set of accounts. In this case, each customer account can be a separate Oracle Incentive Compensation revenue class.

- Your company can organize its sales strategy around expansion into new markets, where each new market can be a separate revenue class.
- Your company can use product–based incentive compensation, paying compensation only for sales made in a resource's assigned set of products.

For example, an organization awards compensation based on the types of products or services its salespeople sell. At the broadest level, the company sells PCs, peripherals, education services, consulting services, and support maintenance services. While some types of salespeople, such as resellers, are authorized to sell only a subset of this offering, the company awards compensation to some of its salespeople for all types of products and services. Thus, for the company, each product or service category is an Oracle Incentive Compensation revenue class.

1.2.7 Hierarchies

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

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

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

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

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

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

1.2.8 Classification Rules

Classification rules are used by Oracle Incentive Compensation to determine how transactions are classified as they enter the application from a feeder system. Each rule contains one or more conditions. These conditions specify the characteristics a transaction must have to be classified into a given revenue class.

Each rule is associated with a revenue class. During classification, the revenue class is assigned to a transaction when it passes all conditions in the rule. The transaction attribute value expresses each condition.

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

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

1.2.9 Classification Rules Hierarchy

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

- The Rules Hierarchy
- Comparing Transaction Attributes with Revenue Classes Classification Rules
- Multiple-Condition Rules
- Changes to Revenue Classification

The Rules Hierarchy

The rules hierarchy determines the order in which the rules are evaluated. After a match is made, the application removes the transactions from the classification phase. Rules are evaluated from top to bottom and from right to left in the rules hierarchy.

When you define classification rules, notice the common conditions among the classification rules. For economy of expression and ease of maintenance, assign the common conditions once to the parent of rules that share the same conditions. For example, the Apples and Strawberries are in the same hierarchy (Red Fruit) and

share the condition Color=red. This condition is specified once in the application for the parent rule of the two rules that differentiate apples and strawberries.

Comparing Transaction Attributes with Revenue Classes Classification Rules

When a compensation transaction passes a rule (all conditions are true), the application then compares the children of that rule, working left to right, until it finds a match. Then it looks at the children of that rule, and so on, and stops if it cannot find a match in the children. It returns the revenue class of the last matching rule. After the classification process, the matching revenue class' name is marked on each transaction as an additional attribute.

Multiple-Condition Rules

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

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

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

Changes to Revenue Classification

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

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

1.2.10 Compensation Groups

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

- Purpose of Compensation Groups
- Credit Sharing

Purpose of Compensation Groups

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

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

If a manager has two salespeople in his or her group and three more salespeople in a compensation group below him or her in the hierarchy, then transactions from the salespeople in the lower group will roll up to the manager and also to the two salespeople in the manager's group.

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

A resource can have the same role in multiple groups, or multiple roles in the same compensation group. In either case, sales commission can be calculated with no problem. However, if a resource is in multiple compensation groups with different roles, and another resource's transactions are set to roll up to him along multiple paths, the application may not be able to process the commissions correctly. See Credit Sharing or Phases of Calculation for more information on credit rollups.

Credit Sharing

You can allocate sales credit for a commission transaction:

- To one or more of a resource's managers in an organizational hierarchy. This type of credit allocation is called a rollup, because the application rolls credit up within the sales organization.
- When transactions are processed, the manager(s) automatically receive all sales credit applied toward subordinate salespeople, provided that they have the same revenue classes as their subordinates. Therefore, the manager need not be named on the transaction.
- To peers of a resource. To enable Oracle Incentive Compensation to process a single transaction that credits more than one resource for a single transaction, each transaction that is fed from feeder system(s) must identify all the salespeople to be credited. Therefore, the system(s) must allow the user to create orders and/or invoices with many transaction lines, each line crediting a resource.

  Salespeople need not be members of the same Compensation Group to share credit for the same transaction.

1.2.11 Data Collection

You can also read about:

- Listing Notification
- Creating Compensation Transactions
- Updating Compensation Transactions

The Collections function of Oracle Incentive Compensation is responsible for collecting compensation transactions from different feeder systems, including Accounts Receivable, Order Management, and external sources, and storing them in an API table (CN_COMM_LINES_API). The compensation transactions subsequently can be imported from this API table into Oracle Incentive Compensation.

A compensation transaction is a record which identifies a compensation event (such as the sale of an item). The main attributes of a transaction are the:

- Type of compensation event
  - Order
  - Invoice
  - Payment
  - Takeback

  - Giveback
  - Credit and Debit Memo
  - Manual
  - Writeoff
- Identity of the person who is directly credited for the event
- Value of the transaction
- Processed date of the transaction

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

When compensation transactions are loaded into Oracle Incentive Compensation, they are stored in the CN_COMMISSION_HEADERS table. The columns in this table are direct equivalents of columns with the same names in CN_COMM_LINES_API.

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

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

For example, assume that a Transaction Source is an Order database and that each order consists of an Order Header containing general information about the order,

plus a set of Order Lines where each Line represents an ordered item. This information is stored in an Order Header table (L_ORDER_HEADERS) and an Order Line table (L_ORDER_LINES). In the Order system it is possible for a number of salespeople to receive credit for each Order Line. There is therefore also a Sales Credits table (L_SALES_CREDITS) to hold this information.

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

Listing Notification

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

Creating Compensation Transactions

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

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

Updating Compensation Transactions

Suppose that you need to include the resource's territory identifier into each compensation transaction but this information is stored in a separate L_ TERRITORIES table. The key of this table is Salesrep_ID. There are two ways that this information can be pulled into the compensation transaction.

- The first way would be to add a join to this table in the query that creates compensation transactions, thus making it a **Direct Mapping** table. This is a valid approach, but not always practical. For example, if not every resource has territory information, then you have to know how to make the join to this table an Outer Join, without which no compensation transactions will build for salespeople without territories. If you need your compensation transaction to contain 10 informational fields, all of which are sourced from different tables, the Collection Create query would have to join all these tables together, resulting in a query that is difficult to maintain and does not improve performance.
- You can set up Collections to delay populating territory identifier fields until after the initial creation of the compensation transaction. After the compensation transaction has been created and inserted into CN_COMM_LINES_API, the territory identifier field is populated by a series of update statements. For example:

  UPDATE cn_comm_lines_api api SET attribute1 =

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

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

1.2.12 Calculation

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

- Types of Calculation
- Phases of Calculation
- Unprocessed and Failure Statuses
- Calculation Process

Types of Calculation

- Commission Incentive: Transaction based compensation.
- Bonus Incentive: Compensation based on aggregated transactions.

Phases of Calculation

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

- **Revert:** This feature restores the transactions within your specified parameters back to their original unprocessed state. When a full calculation is performed, the application deletes any system-generated (rollup) transactions and reverts the status of transactions to unprocessed.
- **Classification phase:** The application checks the revenue classification rules that have been defined for the affected transactions, and determines if the transactions were successfully classified. Using the classification rules you defined, the application is able to determine a unique revenue class for each transaction.
- **Rollup phase:** Oracle Incentive Compensation runs a process to determine all salespeople who should receive credit for this transaction based on the rollup date, and the salespeople hierarchy effective for that date. For every credit receiver, the application creates a new system-generated transaction for each manager entitled to a rollup credit.
- **Population phase:** Oracle Incentive Compensation identifies the appropriate plan elements that are associated with the revenue classes that have been matched with each transaction. The application updates each transaction with the plan element information.
- **Calculation Phase:** Based on the information gathered, Oracle Incentive Compensation performs calculation on all transactions for salespeople during the specified period.

Unprocessed and Failure Statuses

The following statuses can occur when a transaction has not been processed or if there is a failure during one of the calculation phases.

- **Unprocessed:** The transaction has not been processed. The application displays a status for unprocessed transactions in transaction status.
- **Failed Classification:** Indicates that the transaction did not have a matching revenue class. Be sure that you have defined and synchronized revenue classification rules before further investigation.
- **Failed Population:** The transaction did not match the quota rules for the credited resource. Although the transaction had a matching revenue class, the credit resource did not have the revenue class assigned to his or her plan element.
- **Failed Calculation:** The transaction failed to be calculated. Oracle Incentive Compensation indicates a failed status for transactions that have failed the calculation phase in the transaction status. Check your calculation rules, ensure

that your calculation expressions, rate tables (if applicable), plan elements, and compensation plans are valid.

Calculation Process

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

For example, a new transaction is collected and all salespeople affected by that transaction are recorded in the log. Other examples of events include changes made to rate tables, compensation plans, and classification rules. The log also records the point where calculation needs to restart.

When you perform an incremental calculation, the application calculates everything in the notify log. For better performance, use the incremental calculation for your normal calculation needs.

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

1.2.13 Payment

In Oracle Incentive Compensation, payment is a multistep process. Payment in Oracle Incentive Compensation is made by creating payruns. The application does not actually pay people, but a list is created, which is then sent to Payroll.

Create a payrun using Transaction > Payment. You can view and adjust the payment amount for each transaction, for each resource (Transaction > Payment > Payrun Details). Select a resource on the Payrun Details page to view or adjust the payment for that person.

When ready to pay, go to Requests > Payment, click the Submit Request link, and search for the payrun, and Pay Payrun from the list.

1.3 Oracle Incentive Compensation Integrations

Oracle Incentive Compensation integrates with other applications in the Oracle e-Business Suite to optimize the powerful functions of the product. Interface programs systematically link two or more systems to each other. With Oracle Incentive Compensation and custom interfaces, you can accomplish some of the critical tasks of an incentive compensation process:

- Collect sales transaction data from Oracle Receivables, Oracle Order Management, and other legacy sources
- Pay supplier contact type resources using Oracle Accounts Payable
- Integrate with Oracle Payroll for employee type resources
- Generate reports related to compensation and other useful sales benchmarks.
- Use Oracle Sales Online for Income Planner and resource self service needs

Using Oracle App Foundation Resource Manager module, you can:

- Maintain sales roles and compensation groups
- Maintain resource information

As a customization, you can create multiple interfaces, referred to as application programing interfaces (APIs), to bring transactions into Oracle Incentive Compensation and to send transactions out to other systems. Oracle Incentive Compensation transactions can originate from a sales order, a customer billing, a customer payment, or other business functions.

1.3.1 Overview

Oracle Incentive Compensation exchanges information with other products within the Oracle e-Business Suite. Transactions, the raw material that fuels Oracle Incentive Compensation, are collected from the two standard transaction sources, Oracle Receivables and Oracle Order Management, or from any legacy system through open APIs.

Oracle Receivables and Oracle Order Management are out-of-the-box collection packages that provide sales transaction information that forms the basis for calculating incentive compensation.

Examples of the types of transaction data Oracle Receivables can provide include:

- Invoices
- Credit and debit memos
- Payment postings
- Write-off postings
- Claw-back (Take-back) postings, which are generated when an invoice due date goes beyond the set grace period. The credit for the sale is deducted from the resource's sales credit.

- Give-back postings which are generated when a past due invoice that has been deducted from the resource's sales credit is paid. The resource receives the credit.
- Revenue Adjustment postings

From **Oracle Order Management**, you can collect booked orders and adjustments to booked orders. In release 11*i* of Oracle Applications, Order Management replaces the Order Entry system interface for collecting order information. Oracle Incentive Compensation, as well as all other applications in the Oracle e-Business Suite, must use the Oracle Capture module to interface to Order Management.

Resource Manager is the common source for resource definition, and the ability of Oracle Incentive Compensation to read Resource Manager directly eliminates the need to create commonly used definitions and relationships in multiple applications. Use Resource Manager to:

- Create resources (salespeople)
- Create sales roles and assign salespeople to them
- Create compensation groups, the basis of a sales hierarchy
- Create the sales credit rollup hierarchy

In addition to these traditional sources of information, release 11*i* of Oracle Incentive Compensation provides two-way integration to applications such as Oracle Sales Online, and other applications within the e-Business Suite.

Oracle Sales Online provides a sales performance and compensation forecasting tool for sales representatives and managers, based on current compensation plans. It is also a means for monitoring sales force performance through self-service compensation reports, the Year-to-Date Commission Summary, the Quota Performance Report, and a set of pre-seeded Discoverer worksheets. Salespeople can view their compensation summary and break down their commissions by deal, product line, period, adjustments, or transactions. They can also use Sales Online to view projected compensation based on opportunities they enter into the system or commit to the forecast.

Compensation information is also made available to Oracle Sales Intelligence.

1.3.2 Oracle Sales Online

Perform the following procedure to enable access to the Compensation tab in Oracle Sales Online.

Prerequisites

System Administrator responsibility is required. This procedure is performed in the Forms version of Oracle Incentive Compensation.

Steps

1. In the System Administrator Navigator, select Security.
2. Expand the Security menu by double-clicking on Security.
3. Double-click User.
4. Double-click Define.
5. Enter the user name in the User Name field. Start the search by pressing Control and F11 together.
6. Assign Oracle Sales Online user responsibility to the user.
7. In Resource Manager, assign the role type of Sales to the user with a manager or member role.
8. Assign a group usage of Sales and Telesales for the group to which the user belongs.
9. Save.

Year to Date Summary

This report is an overview of a resource's achievements, commission and bonus earnings and advances or draws.

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

Prerequisites

You must have access to Oracle Incentive Compensation through Oracle Sales Online.

Steps

1. Click the Compensation tab and click the Year to Date Summary subtab.
2. Select a credit type from the drop-down list. Functional Currency is the default setting.

3. Select a reporting currency from the drop-down list. Functional Currency is the default setting.
4. Select a fiscal year from the drop-down list.
5. Click **Apply**.

Planning

Planning allows both managers and salespeople to provide feedback about the estimated sales amount that they feel is achievable.

Prerequisites

A compensation plan must already be created.

Steps

1. Click the Compensation tab and click the Planning subtab.

   The My Compensation Groups page appears.
2. Select an organization from the drop-down list.
3. Select an effective date. You can click the calendar icon to open a pop-up calendar.
4. Any compensation groups within the parameters is displayed below.

Guidelines

For more information, see Incentive Planning in Chapter 3.

Compensation Plan

The Compensation tab > Compensation Plan subtab in Oracle Sales Online can be used by:

- A resource to accept a compensation plan.
- A manager to distribute compensation plans for salespeople in his or her hierarchy.

This subtab is divided into two areas: My Compensation Plans and My Salespeople.

If salespeople have access to Oracle Sales Online, they can submit their estimate of their own Quota and either accept or reject their Compensation Plans when the Plans are distributed to them by their manager using Oracle Sales Online.

The My Quota Estimate page allows salespeople, through Oracle Sales Online, to communicate to management what they think their new quota should be for the next compensation plan cycle. The manager and the manager's manager can view the quota estimate by logging on to Oracle Sales Online, and then take it into consideration when allocating the final quota. To submit a quota estimate, perform the following procedure.

Navigation

Oracle Sales Online - Compensation > My Compensation Plans > My Quota Estimate

Prerequisites

Resource access to Oracle Sales Online.

Steps

1. Click the Compensation tab.
2. Enter a quota estimate against each quota component and under the Quota from Field column.
3. To erase an estimate, click **Restore** and the application will retrieve the last saved estimate.

Click **Update** to save.

As a manager, you can see compensation plans for which you are responsible and also the resources to whom the plans can be assigned. You can then distribute compensation plans in the My Salespeople area. To distribute compensation plans, perform the following procedure.

Navigation

Oracle Sales Online - Compensation > My Compensation Plans > Distribute Plans

Prerequisites

Resource access to Oracle Sales Online.

Steps

1. In the Distribute column, check the check box for each plan you want to distribute.
2. Click **Distribute**.

Income Planner

Income Planner enables salespeople to plan their sales volumes to reach their commission earning goals. A resource can enter a Commission Forecast number and see the amount of commission he or she will earn, based on their compensation plan. Click the Compensation tab in Oracle Sales Online to access Income Planner.

To use Income Planner in Oracle Sales Online, you must have assigned a forecast input expression and a forecast output expression to the formula used in your compensation plan. When you create a formula, you can assign two input expressions and two output expressions. You can assign a regular input expression for production and a forecast input expression for Income Planner. You can do the same for the output expression.

Note: Income Planner does not project income on bonus plan elements. Forecast expressions cannot be assigned to a bonus formula.

To enable Income Planner in Oracle Sales Online, perform the following procedures in Oracle Incentive Compensation.

Steps

To create Forecast expressions, do the following:

1. Click the Incentive tab and click the Expression subtab.

   The Calculation Expression page appears.

2. Click **Create** to open a blank page.
3. Enter a name for the input formula.
4. In the Details area, enter Forecast Expressions from the Type drop down list.
5. In the Expression Block, select your Expression fields. Forecast Amount MUST be one of the elements selected as part of your expression if it is to be used in Oracle Sales Online.
6. Click **Update** to save your input expression.
7. Repeat steps 2 through 6 to create an output expression.

   Note: The output expression must contain Rate Table Result as the first element selected and Forecast Amount should appear in the expression as well.

8. Click **Update** to save your output expression.

To assign your Forecast expressions to the formula in your plan element, do the following:

1. Click the Formula subtab in the Incentive tab.
2. Select the formula you want from the table or use the search parameters to search by name, type, or status.

   The Formula Definition page appears.
3. Click the Expressions link to open the Expressions page.
4. In the Input area, select your input forecast expression from the drop down list.
5. In the Output area, select your output forecast expression from the drop down list.
6. Click **Update** to save your work.
7. Perform this series of steps for each formula in your compensation plan.
8. When making revisions to a saved page, click **Restore** to return to the previously saved version.

Guidelines

For example, a resource's compensation is based on a revenue quota and the rate table tiers relate to achievement as a percentage of the quota. Because the forecast results are hypothetical figures, the forecast formula does not affect the actual achievement result. In this case, suppose the input forecast formula is Forecast amount/TARGET and the output forecast formula is Rate Table Result*Forecast amount. The input formula expresses the proportion of the forecast amount to the quota, and the output formula applies a commission rate to the forecast amount. The commission rate chosen depends on the resource's achievements to date as compared to the commission rate tiers.

A forecast amount based on each plan element is displayed if the Interest Type from Oracle Sales is mapped to the plan element.

A resource can forecast commission only for periods for which commission has not yet been calculated.

Reports

Users of Oracle Sales Online can click the Reports subtab of the Compensation tab to see three Oracle Incentive Compensation reports:

- Year to Date Summary

  The Year to Date Summary is an overview of a resource's achievements, commission and bonus earnings and advances or draws. This report is

accessible by default by the Manager, Salesperson, Incentive Compensation Payment, and Incentive Compensation Super User responsibilities.

- Quota Performance

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

- Commission Statement

  This report shows transaction details broken down by period for a resource. It is configurable and you can hide or show selected columns. You can use search parameters to make the report specific to your needs.

Top Performers Bin

The Top Performers bin in Oracle Sales Online enables you to monitor the performance of your direct reports and indirect reports in a number of ways. You can:

- View total payments by quarter.
- Drill down to the top performers reports.
- Show reports for direct and indirect salespeople in the same organization or across organizations.
- Show Year to Date as well as quarterly information.
- View payments and earnings in the currency you select.
- View the payments and earnings for the accounting calendar by manager.

To set up the Top Performers bin on your Oracle Sales Online home page, perform the following procedure.

Steps

1. Log in to Oracle Sales Online.
2. Click the Profile icon in the upper right.

   A side panel menu opens.
3. Under Sales Online, click the Home Page link.

   The Home Page Preferences page appears.

4. In the Narrow Bin Preferences area, any bins that have already been set up are displayed. If no bins have been set up yet, the columns are contracted.
5. Click **Add New Rows**.
6. The Narrow Bin Preferences area expands and fields become available in the Bin Name column.
7. Select a bin number in the Bin Number column.

   This controls the order the bins are displayed on the Home page. This is a required field. If this is the only bin on the Home page, select 1.
8. In the Bin Name column, select Top Performers from the drop-down list.
9. Click **Update**. A confirmation message appears at the top of the page.
10. Click the Home tab.

    The Top Performers bin is displayed in the upper left part of the page.
11. You can edit the parameters of the Top Performers bin. Click **Edit** in the bin itself or during setup steps 7 through 9 above.

    The Top Performers Parameters page appears. Select appropriate scaling from the drop-down list.

Forecast Hierarchy Drilldown to Year to Date Summary

You can drill down to the Year to Date Summary from the Forecast page in Oracle Sales Online. Perform the following procedure to do this:

Steps

1. Click the Forecast tab.

   The Forecast page appears.
2. In the Subordinate Forecasts area, click the icon in the Compensation column to the far right of the table.
3. The Year to Date Summary page appears.

1.3.3 Oracle Resource Manager

Resource Manager is used to maintain roles, resources, the sales credit rollup hierarchy, and the incentive planning hierarchy.

Defining Roles

A Role may encompass one or more job descriptions and job titles. Use Roles to assign jobs to resources, resource groups and resource teams. Oracle Resource Manager is delivered with pre-defined Roles for all Oracle App modules. Use this procedure to define additional custom Roles for your enterprise.

Prerequisites

Make sure that a Role Type exists with which you can associate the new Role.

Steps

1. In the CRM Resource Manager responsibility, navigate to **Setup > Role**s.

   The Roles window displays fields you can use to define a role.

2. Enter your values in the Code and Name fields. Choose a Role Type from the list of values. For Incentive Compensation choose Sales Compensation.

3. Select the Active box to make the Role active. Select one or more of the job title boxes–Manager, Member, Admin, Lead–to associate the Role to job titles.

4. Use one or more of the Job lines to describe jobs associated with the Role.

5. Select File > Save to complete the Role definition.

Guidelines

Do not change a role type or delete a role if it is already assigned to any resources. This can cause corrupted data in the system. Only the member flag and manager flag can be updated.

1.3.4 Oracle Payables

Oracle Payables recognizes salespeople that are outside the company for payment only if they are activated as Suppliers through Oracle Purchasing. They are then paid with invoices, not through the normal payroll system. Full-time, regular employees are paid through Payroll. Please refer to Oracle Payroll documentation.

When a payrun has been processed (Paid status against the payrun name), the Salespeople Sub-ledgers are updated to reflect the amounts paid in the appropriate accounts and balances. When the payrun is paid, the payrun details are sent to the Oracle Payable Invoices Interface table.

The following two tables show the columns that map to the invoice interface in Oracle Payables:

AP_INVOICES_INTERFACE	Populated with
INVOICE_ID	AP_INVOICES_INTERFACE_S.NEXTVAL
INVOICE_NUM	CNPD.COMMISSION_LINE_ID
INVOICE_DATE	CN_PAYRUNS.PAY_DATE
VENDOR_ID	FND_USER.SUPPLIER_ID
VENDOR_SITE_ID	PO_VENDOR_SITES.VENDOR_SITE_ID
INVOICE_AMOUNT	CN_PAYMENT_TRANSACTIONS
INVOICE_CURRENCY_CODE	FUNCTIONAL CURRENCY CODE
PAYMENT_CURRENCY_CODE	REP CURRENCY CODE
SOURCE	"OSC" (NEW quick code of type SOURCE)

AP_INVOICE_LINES_INTERFACE	Populated with
INVOICE_ID	Same value as entered for AP_INVOICES_ INTERFACE
INVOICE_LINE_ID	AP_INVOICE_LINES_INTERFACE_S.NEXTVAL
LINE_NUMBER	CNPD.COMMISSION_LINE_ID
LINE_TYPE_LOOKUP_CODE	ITEM/ TAX / MISCELLANEOUS
AMOUNT	CNPD

The Liability Account will also be mapped to the Oracle Payable Interface. This will be done using the account generator, accessible via the Ruleset Form or liability account information entered at the plan element or revenue class level.

1.4 What's New

This document describes functionality to be delivered in the Oracle E-Business Suite 11.5.9 release. If you are implementing this product prior to the release, using product minipacks or family packs, some new functionality may be dependent on integration with other Oracle products. Please consult MetaLink for relevant product patches and documentation.

No new features have been added to this release of Oracle Incentive Compensation.

2

Overview of Using Oracle Incentive Compensation

This chapter provides an overview of the user interface and the major tasks you can perform using Oracle Incentive Compensation. Sections in this chapter include:

- Section 2.1, "Accessing Oracle Incentive Compensation"
- Section 2.2, "Navigation"
- Section 2.3, "How Oracle Incentive Compensation Relates to the E-Business Suite"
- Section 2.4, "Summary of Oracle Incentive Compensation Tasks"

2.1 Accessing Oracle Incentive Compensation

Starting with the 11.5.6 release of Oracle Incentive Compensation 11*i*, an HTML user interface replaces the Forms user interface used in previous releases (see Section 2.2.1, "HTML Navigation").

This change improves integration of Oracle Incentive Compensation with other Oracle products, and puts it in line with the consistent look and feel of other HTML based Oracle applications. Users upgrading from pre-11.5.6 releases of Oracle Incentive Compensation will notice that the HTML interface reduces the number of steps and drilldowns required to perform some functions. The Forms Navigator, icons, "View By" drop-down lists, and hierarchies have been replaced by a row of nine tabs, using subtabs and side panel menus to display finer levels of detail.

Listed below are the nine tabs in Oracle Incentive Compensation. Explanations of each tab follow the list.

The Home Tab

The Incentive Tab

The Modeling Tab

The Resource Tab

The Quota Tab

The Transaction Tab

The Requests Tab

The Product Tab

The Administration Tab

2.1.1 The Home Tab

The Home tab is the starting point for using Oracle Incentive Compensation. The text on it can be configured.

2.1.2 The Incentive Tab

The Incentive tab is where compensation plans are built, viewed, and activated. There are seven subtabs. See Chapter 3, "Incentive Planning" for using the Agreement and Activation subtabs, and see Chapter 6, "Building Compensation Plans" for details on using the remaining five subtabs.

The first subtab, Agreement, is used in Incentive Planning. It opens to an Agreements search page. Click the link in the Name column of search results to go to the Sales Role Detail page, where you can define the agreement for the role.

The Activation subtab is where agreement definitions from Incentive Planning are activated into the Commissions module of Oracle Incentive Compensation: Role assignment, compensation plan assignment, plan element assignment, formula and rate table assignment, and effective date assignment.

The Plan subtab is where you can assign plan elements and sales roles. Below the subtab level you can view plan details, assign plan elements and sales roles, and view the list of salespeople using the compensation plan.

The Element subtab is where you view and create plan elements. Drill down on a plan element on the opening page to go to the Plan Element Details page, where you can assign formulas and revenue classes.

The Formula subtab is where you create formulas from input expressions, output expressions, and rate tables.

The Rate subtab is where you can create rate dimensions and rate tables, and define commission rates.

The Expression subtab is where you create expressions to be used in formulas.

2.1.3 The Modeling Tab

The Modeling tab contains compensation planning and modeling features. A compensation analyst can create different commission scenarios and compare the commissions earned by each compensation plan. The most appropriate compensation plan can then be activated for use with the commissions module.

The three subtabs in the Modeling tab are Agreement, Comparison, and Performance. All three subtabs open to a search page and then display summary pages that show various agreement versions.

The Agreement subtab is where the agreements are defined. Quota and on-target earnings are also defined in the Agreement tab. Analysis of earnings payouts occurs in the other two Modeling tab subtabs.

The Comparison tab displays in graphs and tabs the payouts earned in each version of a plan.

The Performance tab shows Estimated Achievement and Estimated Payout fields along with other plan version information. The analyst must input a revenue amount to evaluate what the commissions will be.

Agreement versions are created in the Agreement subtab and can be activated to final agreements from the Comparison subtab or Performance subtab. See Chapter 4, "Modeling Agreements" for detailed information.

2.1.4 The Resource Tab

Use the Resource tab to manage information about resources. The Resource tab contains four subtabs, including Planning, Resources, Role, and Group. See Chapter 7, "Assigning Compensation Plans, Pay Groups, and Payment Plans" for more information.

The Planning subtab is used by Incentive Planning and enables the assignment of roles to resources for a specific group. It displays current assignments and allows earnings to be customized as defined by the agreement to the role.

The Resources subtab displays all resource assignments such as roles, compensation plan, plan elements, customized quotas and rates, pay groups, payment plans, and compensation summaries.

The Role subtab is where you can search for a role and then assign compensation plans to it.

The Group subtab enables a view of compensation groups to which a logged in user is a member. It also displays details about those groups. Click a group name on the Groups page, and then you can view details and a hierarchy by clicking links on a side panel menu.

2.1.5 The Quota Tab

The Quota tab is where you use Incentive Planning to distribute quota from a sales manager to directs and down to street level salespeople. The five subtabs are Allocate, Approve, Distribute, Activate, and Report, which brings includes ten Incentive Planning reports. See Chapter 3, "Incentive Planning" for a complete explanation.

The Allocate subtab is where you allocate quota to resources. Sales projections can be spread from top-to-bottom as the page displays managers and direct reports. The manager's ratio of his or her quota to the allocated quota of the reports is calculated and displayed here.

The Approve subtab is where a quota, after it is allocated to a resource, becomes a generated contract and is submitted to the contract approver for approval. The approver receives notification that a contract has been submitted and must approve or reject it.

The Distribute subtab enables you to distribute approved contracts by using the Distribute column.

The Activate subtab updates the quota and rates agreed upon by the resources and moves it into the commission module of Oracle Incentive Compensation.

The Report subtab gives access to the ten Incentive Planning reports.

2.1.6 The Transaction Tab

The Transaction tab contains eight subtabs: Collect, Import/Export, Adjust, Load, Calculate, Notification Log, Payment, and Report.

Use the Collect subtab to view past collection submission records or to submit collection. The View Request Status page allows you to view the collection type, phase and status of the transactions collected, with a default of All in each. On the Submit Request page you can indicate a start period and end period, and submit a request for a new collection. On the Runtime Parameters page you can narrow the collection process by entering values for previously defined runtime parameters.

The Import/Export module gives users the ability to upload and download additional setups. You can import data into Oracle Incentive Compensation for hierarchies, classification rulesets, calculation expressions, and revenue classes. You can export data from Oracle Incentive Compensation for hierarchies and expressions

Use the Adjust subtab to correct errors in transactions or adjust sales credit assignment for transaction information in the CN_COMMISSION_HEADERS table. You can create a new transaction or load a transaction from the first page of the subtab.

Use the Load subtab to copy transactions from the Transaction Interface Table into Oracle Incentive Compensation. This must be performed before calculation can take place.

Use the Calculate subtab to run calculation processes. The opening page enables you to select a batch name or create a new batch by clicking the Create button.

Use the Notification Log subtab to view the Notify Log. The Notify Log automatically records every change in the system that affects calculation and lists what part of the calculation must be rerun as a result of an event.

Use the Payment subtab to create or view information on a payrun. A payrun pays members of a pay group for a particular pay period.

Use the Report subtab to refer to the eight Compensation reports.

2.1.7 The Requests Tab

The Requests tab is where you can make concurrent requests to perform collection, calculation, and payment. There are four subtabs: Collection, Transaction, Calculation, and Payment. These subtabs have redundancy with pages on the Transaction tab, particularly in the Collection and Calculation areas.

Use the Collection subtab to submit collections of clawbacks, invoices, orders, payments givebacks, and custom transaction sources. Three subcategories include View Request Status, Submit Request, and Runtime Parameter. See Chapter 8, "Collecting and Adjusting Transactions" for detailed information.

Use the Transaction subtab to identify all credit memos and payments that need to be split. The two links on this page are View Request Status and Submit Request.

Use the Calculation subtab to run calculation processes. The opening page enables you to select a batch name or create a new batch by clicking the Create button. See Chapter 9, "Calculating Compensation" for the complete process.

Click the Payment subtab and use the Payment Requests page to delete a payrun, create a worksheet, or pay a payrun. See Chapter 10, "Payment with Payruns" for details.

2.1.8 The Product Tab

The Product tab is used to manage products and their price lists. In a connection to Oracle Marketing, this tab is used to work with products or product bundles. Use of the tab in Oracle Incentive Compensation is optional.

Functions include:

- Searching, creating, or viewing details for a product or a product bundle in inventory
- Creating or viewing offers for a product or a product bundle
- Specifying products for a product bundle
- Modifying a product or product bundle
- Displaying, creating, or modifying price lists
- Other activities relating to marketing products and product bundles

The Product tab is accessed through Oracle Marketing. See the section, "Implementing the Product Tab" in the Oracle Marketing documentation.

2.1.9 The Administration Tab

The Administration tab is the home of many of the setup functions of Oracle Incentive Compensation. Administration tab functions mostly are those that are provided when Oracle Incentive Compensation is implemented, but are infrequently changed afterwards. See Chapter 12, "Administration" for details and processes.

The Administration tab has multiple subtabs, including General, Marketing, Partner, Sales, Incentive, and Collections, to enable administrative functions in different Oracle products. The Incentive subtab is the one that applies to Oracle Incentive Compensation.

Click the Incentive subtab to open a side panel menu with 22 selections. Their primary functions are listed below:

Parameters - View and set System Parameters.

Tables - Define tables from Accounts Receivable, Order Management, or an external source that are used in collecting and calculating transactions in Incentive Compensation.

External Table - Map external tables to destination tables in Oracle Incentive Compensation. Column mapping is performed here, too.

Accumulation Period - Change the status of accumulation periods.

Pay Periods - View essential information about pay periods that are set up for a particular calendar.

Interval Types - View and define interval types.

Revenue Class - Create or remove revenue classes and assign expense codes and liability codes.

Ruleset - Create and synchronize rulesets in the rules hierarchy.

Hierarchy - Display hierarchy types and create, remove, or edit them, and set the effective date intervals.

Credit Type - Set credit types.

Credit Conversion - Set conversion rates between credit types.

Collection - Define and Maintain Collection setup. There are six subheadings within this subtab, including Transaction Sources, Source Tables, Queries, Mapping, Actions, and Generate.

Pay Group - View, create, or remove pay groups.

Payment Plan - View payment plan data, with check boxes to indicate if compensation is recoverable or to be paid later.

Payroll - Map Oracle Incentive Compensation plan elements to Payroll Pay Elements. Remove or deactivate elements, or map input values.

Component - Display or remove Quota Components by name, description, type, unit/revenue, and computed flag.

Attainment - Add, delete, or edit existing attainment schedules by defining the specific levels of quota achievement.

Job Titles - Assign a Sales Role to a Job Title.

User Access - Set the access privilege of users with finance manager responsibility only.

Settings - Set the Transaction Calendar and write Contract Text for a compensation plan.

Seasonality - Set up a schedule to define the pattern of a product or service income by period in the form of proportions expressed in percentages of the year's total.

Rate Dimensions - View, edit, or create rate dimensions here that can be used when building rate tables for formulas.

2.2 Navigation

This release of Oracle Incentive Compensation 11*i* uses two different technology stacks: Java Server Pages (JSP) and Forms. Now, you can use an HTML based JSP user interface for all Oracle Incentive Compensation functions. However, in this release, you must use the Forms instance in some cases, for example, to access Resource Manager, General Ledger, or AOL to set profile options or set lookups.

2.2.1 HTML Navigation

The HTML user interface uses five levels of navigation: global icons, tabs, subtabs, and side panel menu (two levels). In general, HTML-based pages are easier to use and require fewer drilldowns to complete a task than the Forms interface used in earlier versions of Oracle Incentive Compensation.

When navigating in HTML, place your cursor over a tab or subtab, the arrow changes to a pointing hand. Click the tab or subtab to go to the new page.

HTML pages provide links to other pages. Links are shown as underlined text. Use a link the same way you use a tab or subtab:

1. Roll the cursor onto the link.
2. Click the left mouse button.

   The new page appears.

Many tabs and subtabs open with a brief search page. Enter search data in a field or use a list of values, click **Apply**, and a summary page appears. Continue to search using the search button, or move to the next group of rows by clicking the drop-down list and then selecting a range. In some cases, you can click the Next or Last links to see the following or final group of listing, or click the First or Previous links to view the first or previous listings. If there are hundreds of items listed, the drop-down lists enable easier selection.

HTML pages use a Quick Find search field, located at the top of the page just below the subtabs. Each subtab has a Quick Find, with a drop-down list and an Advanced Search link. Many pages provide a wildcard search and drop-down lists in the parameters area near the top of the page. A Go button is provided to initiate searches of lists of values. Many of the pages that display tables use Update, Restore, Create, and Clear buttons at the beginning and end of the display:

Update - Used to saving newly entered data

Restore - Returns the display to the original content before the last save

Create - Opens a new page on which to create new data

Clear - On a Create page, clears any data that has been entered prior to being saved

2.3 How Oracle Incentive Compensation Relates to the E-Business Suite

Oracle Incentive Compensation shares modules and exchanges information with other applications in the Oracle e-Business Suite.

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

Oracle Resource Manager provides information about salespeople, whether they are employees or non-employees, compensation group hierarchies, and roles. It is part of the Oracle App Foundation modules. In this release of Oracle Incentive Compensation, Oracle Order Management is a required patch. Oracle Incentive Compensation interacts with Human Resources information indirectly through Resource Manager.

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

Oracle Payables and Oracle Payroll are used to pay resources after compensation has been calculated.

Compensation information can be made available to Oracle Sales Intelligence.

2.4 Summary of Oracle Incentive Compensation Tasks

Use Oracle Incentive Compensation to perform the following types of tasks:

- Communicate with Resources While Planning Quota Distribution (Chapter 3)

- Distribute Quotas (Chapter 3)
- Generate Contracts (Chapter 3)

  See: Chapter 3, "Incentive Planning"
- Model Agreements (Chapter 4)

  See: Chapter 4, "Modeling Agreements"
- Create Resources, Roles, and Groups (Chapter 5)

  See: Chapter 5, "Creating Resources, Roles and Groups"
- Build Compensation Plans (Chapter 6)
- Create and Use Formulas (Chapter 6)
- Create Rate Tables and Rate Dimensions for Formulas (Chapter 6)
- Create Expressions for Formulas (Chapter 6)

  See: Chapter 6, "Building Compensation Plans"
- Assign Compensation Plans (Chapter 7)

  See: Chapter 7, "Assigning Compensation Plans, Pay Groups, and Payment Plans"
- Collect Transactions (Chapter 8)

  See: Chapter 8, "Collecting and Adjusting Transactions"
- Calculate Compensation (Chapter 9)

  See: Chapter 9, "Calculating Compensation"
- Pay Commission (Chapter 10)

  See: Chapter 10, "Payment with Payruns"
- Generate Reports (Chapter 11)

  See: Chapter 11, "Reports"
- Perform Setups (Chapter 12)

  See: Chapter 12, "Administration"

Part II

Incentive Planning

This part contains the following chapters:

- Chapter 3, "Incentive Planning"
- Chapter 4, "Modeling Agreements"

3

Incentive Planning

Sections in this chapter include:

- Section 3.1, "Overview of Incentive Planning"
- Section 3.2, "Incentive Planning Enhancements in this Release"
- Section 3.3, "Setting up Incentive Planning"
- Section 3.4, "Creating the Agreement"
- Section 3.5, "Allocating Quotas to Resources"
- Section 3.6, "Allocation Details - Quota and Pay Assignment"
- Section 3.7, "Approval, Distribution, and Activation"

3.1 Overview of Incentive Planning

Incentive Planning is a quota management, planning, and communication tool that improves and enhances the incentive compensation process. When used with the commissions module, it provides:

- Hierarchal Quota Distribution: Quota can be allocated from each level of sales manager to his or her direct reports, who then allocate it to their direct reports. Or, quota can be allocated by administrators: the Incentive Compensation Super User or Incentive Planning Analyst. A Finance Manager can allocate quota to anyone in the sales hierarchy to whom they have been given access.
- Contract Generation: HTML based compensation contracts can be generated and taken through management approvals before the resources accept them.
- Self Service Approvals: Incentive Planning Contract Approvers receive Workflow notification that contracts need to be reviewed and approved. They view the contracts in Workflow workbench and approve them. The managers of

the resources whose contracts are approved then receive e-mail notification that the contracts are approved. The managers then distribute the contracts to their directs. The resources then receive an e-mail notification from the system that their contracts are ready to be accepted. The resources then accept the plans by logging on to Oracle Sales Online. The entire process is recorded.

- Activation of Contracts: Contracts accepted by resources are pushed by the Incentive Planning Analyst or Incentive Compensation Super User into the standard Oracle Incentive Compensation commission processing system, where they become full fledged compensation plans.

Oracle Incentive Compensation contains ten reports that help managers keep track of contracts and resources. See Incentive Planning Reports in Section 11, "Reports" for more details.

Before a role is actually assigned to a resource in Incentive Planning, it can be modeled with agreement versions. Modeling enables incentive planners to experiment with different versions of compensation plans before assigning a final version to the sales field. For example, incentive planners could compare a plan that pays a single commission rate with a plan that determines the commission rate based on multiple tiers. In the second plan, the correct tier would be identified by input from a formula. For more information on modeling, see Chapter 4, "Modeling Agreements".

3.1.1 The Incentive Planning Process

Incentive Planning is a useful but optional process. Use it if you want to allocate quotas, generate contracts, and approve and activate compensation plans before any actual commissions are calculated.

Incentive Planning deals with agreements, which are the planning equivalent of compensation plans. After an agreement is activated, it becomes a normal compensation plan. Agreements are then assigned to resources and contracts are generated, which then go through an approval process before they are accepted by resources. The Incentive Planning Analyst then activates the resource's quota and rates into the Commission module for calculation.

To create compensation plans without using Incentive Planning, see Chapter 6, "Building Compensation Plans".

These are the major steps in the Incentive Planning Process. Some steps can be performed by any one of the following four responsibilities:

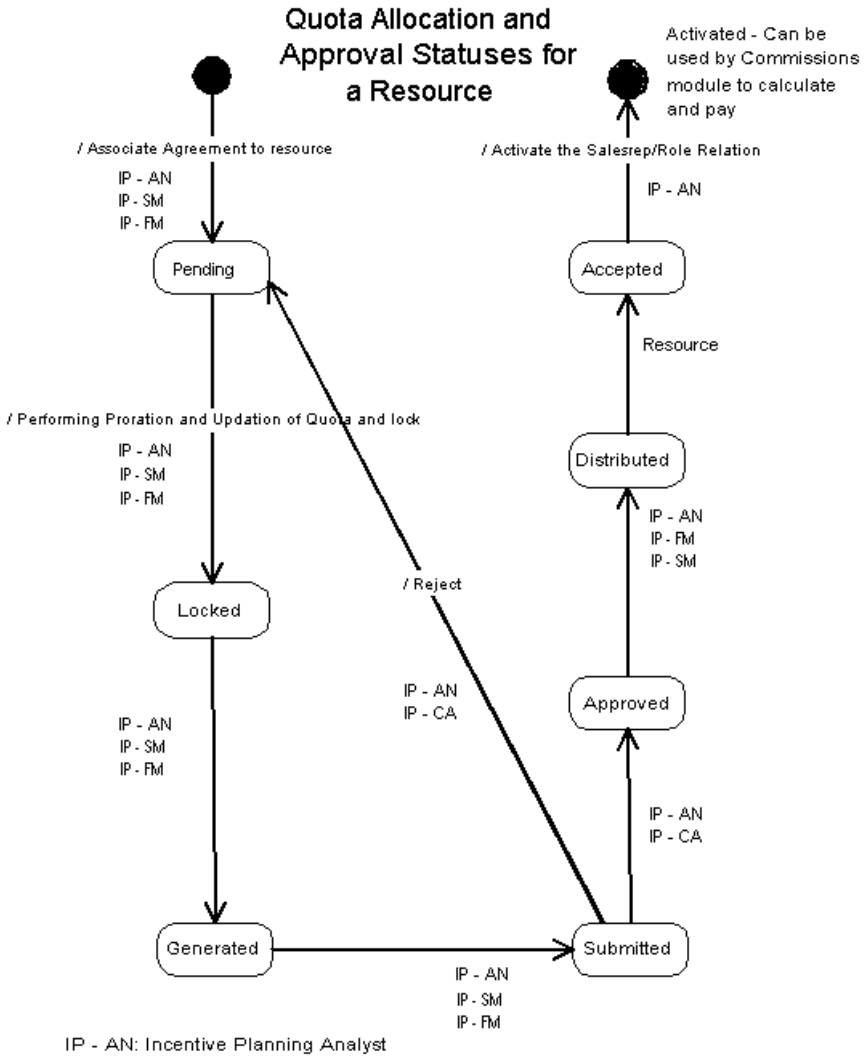
- Incentive Compensation Super User

- Incentive Planning Analyst
- Incentive Planning Manager
- Finance Manager

In referring to this group in the steps below, the term "four responsibilities" is used for brevity. Another responsibility, the Incentive Planning Contract Approver, has the specific task of reviewing and approving contracts.

1. The Incentive Planning Analyst or Incentive Compensation Super User creates an agreement, using components built in the Administration tab. The agreement is then assigned to a resource in the Incentive Planning Hierarchy.
2. Different versions of the agreement can be modeled and compared before they are allocated to a resource.
3. One of the four responsibilities allocates quota. Incentive Planning Managers can allocate quota to their directs, but Finance Managers can allocate quota to anyone in the hierarchy to whom they have update access. See Section 3.3.3, "Define User Access" for details on how access is given.
4. One of the four responsibilities locks the plan.
5. One of the four responsibilities generates the contract (plan) for a resource.
6. One of the four responsibilities submits the plan for approval by the Incentive Planning Contract Approver.
7. The Incentive Planning Contract Approver receives a workflow notification that the plan is generated and submitted for approval. The Approver reviews and approves it.
8. The Manager of the resource receives e-mail notification that the plan is approved. The manager then distributes it to the direct. Optionally, a manager can use Oracle Sales Online to distribute the plan.
9. The resource receives e-mail notification that the contract is ready for acceptance. The resource responds to the e-mail to accept it. The resource can also print out the contract at this time.
10. The Incentive Compensation Analyst activates the accepted contract. The accepted contract then becomes a compensation plan, ready to be used to calculate and pay commission.

See the diagram below for a flow chart of the quota allocation process.



IP - AN: Incentive Planning Analyst
IP - FM: Incentive Planning Finance Manager (for groups for which he/she has update access)
IP - CA : Incentive Planning Contract Approver
IP - SM: Incentive Planning Sales Manager (for groups in which he/she is Sales Manager)

3.1.2 Incentive Planning Scenario

To demonstrate how the Incentive Planning process works, this chapter uses a scenario, which is referred to through most of the chapter. In the scenario, a user with the Incentive Planning Analyst responsibility creates an agreement for Cameron Graham, a computer and sales service manager at Comco, a major computer manufacturer. The agreement contains different types of quota components, some of which use plan elements. The different plan elements contain calculation formulas and rate tables, which use different methods of rate calculation. Three of the components have on target earnings, and one plan element uses seasonality. The Agreement itself applies to an entire year, but is given to a resource for a specific date range. For Cameron Graham, the agreement is effective from March 1 to December 31, so the final amounts will be based on a proration factor. The details for the seven quota components are displayed in the Guidelines of Section 3.3.4, "Define Quota Components".

3.2 Incentive Planning Enhancements in this Release

This release of Oracle Incentive Compensation contains no Incentive Planning enhancements.

3.3 Setting up Incentive Planning

Before Incentive Planning can be fully utilized, you must perform certain setups on the Administration tab of Oracle Incentive Compensation. These steps put together the building blocks needed to create and allocate agreements during the Incentive Planning process. If these setups have already been performed, please move on to section 3.4.

3.3.1 Responsibilities and Responsibility Groups

Oracle Incentive Compensation uses responsibilities for Incentive Planning. For example, in Incentive Planning, an analyst creates agreements while a contract approver approves them. Some activities can be performed by multiple responsibilities. Because of their different job functions, users with one responsibility may see different tabs than those with another responsibility when they log into the application.

Some Incentive Planning responsibilities are seeded with the application, such as Incentive Planning Analyst, Incentive Planning Contract Approver, and Incentive Planning Manager. However, you can create your own responsibilities to meet your

business requirements. For example, you can create US Planning Analyst, Europe Planning Analyst, and Australia Planning Analyst, all with the same job function.

Whether the responsibilities are seeded or created by you, Oracle Incentive Compensation uses responsibility groups to assign access privileges to them. These groups determine which groups and resources the person assigned to the responsibility can work on. The four available responsibility groups are Super User, Finance Manager, Contract Approver, and Sales Manager. All seeded responsibilities are already placed in appropriate responsibility groups during installation of the application, but any new responsibility that you create for use in Incentive Planning must be assigned a responsibility group.

This can be done by setting the OSC: SFP Responsibility Group profile for the responsibility. A typical responsibility group setup is displayed below:

Responsibility	Responsibility Group
Incentive Planning Analyst	Super User
Incentive Planning Finance Manager	Finance Manager
Incentive Planning Contract Approver	Contract Approver
Incentive Planning Sales Manager	Sales Manager

Navigation

Forms Instance > Profile > System

Prerequisites

System Administrator responsibility is required.

Steps

1. Log in to the Forms instance.
2. Select the System Administrator responsibility.

   The Navigator - System Administrator window opens.
3. Double-click **Profile**.
4. Under Profile, double-click **System**.

   The Find System Profile Values window opens.
5. Check the Responsibility check box.

6. Enter Incentive in the Responsibility field. Click **Find**.

   The Responsibilities window opens.

7. Select Incentive Planning Analyst. Click **OK**.

8. In the Find System Profiles window, enter OSC%Resp% in the Profile field.

   The System Profile Values window opens.

9. In the Responsibility column, in the row for OSC:SFP Responsibility Group, select the access for the Super User responsibility from the list of values. Click **OK** in the list of values window.

10. Repeat steps 7 through 9 for each of the three other responsibilities as shown above.

11. Close the window.

3.3.2 Define Default Contract Text and other Settings

Use the Default Contract Text page to define the operating unit level default text that accompanies the Compensation Plan, and other sales role setup parameters needed by Incentive Planning. Individual agreements can override these operating unit level defaults, if needed.

Navigation

Administration > Incentive > Settings

Prerequisites

Incentive Compensation Super User or Incentive Planning Analyst responsibility is required.

Steps

1. Click the Administration tab and click the Incentive subtab.

2. Click **Settings** in the side panel Menu.

   The Settings page appears.

3. Optionally, select a Transaction calendar from the drop-down list if you plan to use a workday calendar.

   Five Day Week is the default value. You can set other transaction calendars at Administration > General > Transaction Calendar.

4. Enter the title of the contract in the Contract Title field.
5. Enter the Eligibility Rules in the Club Qualification text box.
6. Enter the Terms & Conditions of the Compensation Plan.
7. Enter the Approver's details in the Approver section.
8. If necessary, click **Restore** to retrieve the last saved set of information.
9. Click **Update** to save your work.

Guidelines

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

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

The contract text holds approximately 1000 characters.

3.3.3 Define User Access

If a Finance Manager responsibility is defined in an instance of Oracle Incentive Compensation, you must define which groups to which the Finance Manager will have access. Use the following procedure to do this. If no users with Finance Manager responsibility are defined, you can skip this step.

Navigation

Administration > Incentive > User Access

Prerequisites

Incentive Planning Analyst or Incentive Compensation Super User responsibility is required. Users must be assigned Incentive Planning Finance Manager responsibility to appear on the User Access screen.

Steps

1. On the Administration tab, click **Incentive**.
2. Click **User Access** on the side panel menu.

   The User Access page opens.

3. Select a User by clicking on the name.

   The User Access Details page opens.

4. On the User Access Details page, enter a compensation group in the Compensation Group column, or click **Go** to select one from the pop-up menu.
5. In the Organization column, select an organization from the drop-down list.
6. Select an access level of Update or View from the drop-down list. See Guidelines.
7. If necessary, click **Restore** to return to the most recently saved information
8. Click **Update** to save your changes.

Guidelines

If you assign a Finance Manager an access level of View, he or she can only view resource data for groups below and including the selected group. If you assign the Finance Manager an access level of Update for a group, he or she can also update the data for all people in that hierarchy except for the manager of the group at the root.

3.3.4 Define Quota Components

Components are parts of an agreement created in Incentive Planning, and are either fixed or variable. Fixed pay components correspond to fixed payouts, such as salary, which are the same for each pay period and are not based on quota attainment or revenue achievement. Payouts from variable pay components change depending on sales activity and are associated with commission.

Variable pay components can be based on a quota or be non quota based. Non quota based components have a commission payout that is not dependent upon quota attainment. For example, a non quota based component can be assigned that pays 5% of revenue achievement, regardless of quota.

See Guidelines for the table of quota components set up for this chapter's scenario.

Navigation

Administration > Incentive > Component

Prerequisites

None

Steps

1. Click the Administration tab and click the Incentive subtab.
2. In the side panel menu, click **Component**.

   The Quota Components page appears.
3. Use the search parameters to find an existing component.
   a. Enter one or more characters in the Name field to narrow your search. Or, leave the percent sign (%) to display all components matching the other parameters you select.
   b. Select one of four types from the Type drop-down list.
   c. Select Unit or Revenue from the Unit drop-down list.
   d. Click **Apply**. The page refreshes and displays a list of all components that match the search parameters.
4. To create a new component, enter a name in the first blank field in the Name column. This field is required.
5. Optionally, enter a short description of the component.
6. Select a component type from the Type drop-down list. This is a required field.
7. Select Unit or Revenue from the Unit column drop-down list. See Guidelines.
8. Check the Computed Flag check box if the value of the component is to be derived from a formula.
9. Click **Update** to save your work. If necessary, click **Restore** to return to the previously stored information.
10. If you want to delete a component, check the Remove check box and click **Update**.

Guidelines

If you want to derive the quota for a Component in an agreement from non-computed components in the same agreement, then check the Compute Flag check box. For example, in the following table, the percentages of two non-computed components, Laptops and Desktops, are used to compute the value of the Total Computers component. This computed component formula is different from the calculation formulas used in the agreement, such as SFP RQFA or SFP RQAP.

Unit means that a component is unit based. Units can be something like management by objective points (MBO), which are not be affected by currency conversions. Revenue means that the component's quota is based on a currency amount, such as First Year License Quota, which would be affected by currency conversions.

Scenario - Table of Quota Components

The table below shows the quota components set up for the Computer and Service Sales Manager role. The role is assigned to Cameron Graham, and his agreement will be customized when he is assigned his quota. Details of the calculation formulas and rate tables are shown following this table.

Quota Component	Type	Seq.	OTE	Season -ality	Calc. Formula	Rate Table	Rate Calc. Type	Plan Element Name	Computed Comp Formula
Salary	Fixed	1	$50,000	NA	NA	NA	NA	NA	NA
Travel Allowance	Fixed	2	$5,000	NA	NA	NA	NA	NA	NA
Laptops	Variable Quota Based (Revenue)	3	NA	NA	NA	NA	NA	NA	NA
Desktops	Variable Quota Based (Revenue)	4	NA	Holiday	NA	NA	NA	NA	NA
Support Services	Variable Quota Based (Revenue)	5	NA	NA	SFP RQFA	Support	Anchors Step	CSM Support Services	NA
Bonus	Variable Non Quota Based (Revenue)	6	NA	NA	SFP RQFA	Bonus	Manual	CSM Bonus	NA
Total Computers	Variable Quota Based (Revenue) - Computed Component	7	$45,000	NA	SFP RQAP	Total Computers	Anchors Line	CSM Total Computers	100%* Laptops + 100%* Desktops

These are the two formulas used in the scenario, including the input and output expressions, performance measure, and split. The SFP RQAP formula is used to calculate the Total Quota, and the SFP RQFA formula is used for the Support Services and Bonus components.

Formula	Input Expression	Output Expression	Performance Measure	Split
SFP RQAP	Transaction Amount/Target	Transaction Amount * Rate Result	Transaction Amount	Non Proportional
SFP RQFA	Transaction Amount/Target	Rate Result	Transaction Amount	No Split

Note: When you create formulas to be used in Incentive Planning, you must check the Planning and Cumulative check boxes.

These are the three rate tables used in the scenario:

3.3.4.1 Support Rate Table

The Support rate table is used to calculate commission for the Support Services component. It is referred to as an Amount Amount rate table, because the rate dimension tiers and the commissions are both measured in dollar amounts, rather than percentages.

This Amount Amount Rate Table uses a rate dimension with a low tier range (From) and high tier range (To), and displays the commission rate if achievement falls in the range between them.

From (Amount)	To (Amount)	Commission Rate (Amount)
0	30,000	1,000
30,000	50,000	2,000
50,000	100,000	4,000
100,000	900,000	5,500

3.3.4.2 Total Computers Rate Table

The Total Computers rate table is used to calculate commission for the Total Quota component. It is called a Percent Percent rate table, because both the tier ranges and commissions are measured in percentages, not in dollar amounts.

This Percent Percent Rate Table uses a dimension with a low tier range (From), a high tier range (To) and displays the commission rate if achievement falls in the range between then.

From (Percent)	To (Percent)	Commission Rate (Percent)
0	25	0.5
25	50	1.0
50	75	1.5
75	100	2.0
100	999	2.5

3.3.4.3 Bonus Rate Table

The Bonus rate table is used to calculate Bonus commission. It is called a Percent Amount rate table, because the dimension rate tier ranges are measured in percentages but the commissions are measured in amounts.

This Percent Amount Rate Table uses a dimension with a low tier range (From), a high tier range (To) and the commission rate if achievement falls in the range between them.

From (Percent)	To (Percent)	Commission Rate (Amount)
0	15	1000
15	50	2000
50	85	3000
85	100	4000
100	999	5000

3.3.5 Define Attainment Schedule

The Attainment Schedule is used in the Compensation Contract to display earnings for each level of quota attainment for quota based variable components. If quota based variable components are not used in an agreement, this step can be skipped, because an attainment table does not appear in the contract.

Attainment schedules are created in the Administration tab, and can be reused for multiple agreements. You select a previously defined attainment schedule while defining a sales role.

To create an attainment schedule, perform the following procedure.

Navigation

Administration > Incentive > Attainment

Prerequisites

Incentive Planning Analyst or Super User responsibility is required.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click **Attainment** in the side panel menu.

   The Attainment Schedule Summary page appears.
3. Enter the name of the attainment schedule you want to create in the blank field in the Attain Schedule Name column.
4. Click **Update**.
5. Click the new name from the Attainment Schedule Summary.

   The Define Attainment Schedule page opens.
6. Enter the desired percentages in the blank fields.

   Each percentage corresponds to a quota attainment level.
7. If you need more than two fields, click **Update** and two more blank fields will appear under the saved ones.
8. Repeat step 6 (and step 7, if necessary) until your attainment schedule is complete.
9. Click **Update** to save.

Guidelines

To delete an attainment schedule, check the Remove check box and click **Update**. You cannot delete an attainment schedule that is already assigned to an agreement. To change the name of an attainment schedule, create a new schedule with the same percentages, assign it to the role, and remove the old schedule.

Scenario - Attainment Schedule

The 200% Attainment Schedule is used in Cameron Graham's agreement. It looks like this:

Percent
0
50
100
150
200

3.3.6 Seasonality Schedules

Seasonality schedules show the pattern of a product or service income (or cost/expense) in the form of proportions expressed in percentages of the year's total. Seasonality schedules can be derived from historical data, but that is not required in Oracle Incentive Compensation. See the example in the Guidelines.

Seasonality schedules can be assigned to components in multiple agreements, and agreements can use multiple seasonality schedules for different components. If seasonality schedules are not assigned, an even distribution of seasonality is assumed by default, where each period's quota is the same amount for the entire year.

Seasonality schedules can only be assigned to variable non computed components.

Seasonality schedules make it possible to weight a quota. For example, if a resource works for only the last six months of the fiscal year, with the default seasonality of even distribution each month, the amounts for the variable non computed elements in their compensation plan are exactly half the annual total for the sales role. If, however, seasonality weighted the last two months of the fiscal year with a larger quota, the annual amount of variable non computed compensation is more than 50 percent of a full year's total.

To create new seasonality schedules, see Section 12.22, "Seasonality Schedules".

Scenario - Seasonality

The table below shows twelve monthly periods and the historical data of sales volume for Comco's sales force for 2002. The percentage of annual sales volume for each month is shown in the right-hand column as Sales Seasonality.

Period	Sales Fiscal Year 2002	Sales Seasonality Fiscal Year 2002
January	3,800	0.40%
February	9,500	1.00%
March	19,000	2.00%
April	28,500	3.00%
May	47,500	5.00%
June	9,500	1.00%
July	7,600	0.80%
August	7,600	0.80%
September	9,500	1.00%
October	95,000	10.00%
November	237,500	25.00%
December	475,000	50.00%
TOTAL	**950,000**	**100.00%**

Based on this historical data, the actual sales seasonality for Fiscal Year 2002 is used to plan for Comco's Fiscal Year 2003 sales goals by applying the Fiscal Year 2002 seasonality *percentages* to the Fiscal Year 2003 annual total of $1,000,000 (a 5.26% increase). These percentages are used in Cameron Graham's seasonality when calculating his quota for Desktops. The 2003 Comco sales quota is shown in the table below.

Period	Sales Seasonality Fiscal Year 2002	Sales Quota for Fiscal Year 2003
January	0.40%	4,000
February	1.00%	10,000
March	2.00%	20,000
April	3.00%	30,000

Period	Sales Seasonality Fiscal Year 2002	Sales Quota for Fiscal Year 2003
May	5.00%	50,000
June	1.00%	10,000
July	0.80%	8,000
August	0.80%	8,000
September	1.00%	10,000
October	10.00%	100,000
November	25.00%	250,000
December	50.00%	500,000
TOTAL	**100.00%**	**1,000,000**

3.3.7 Assign Job Titles to Roles

Job titles are defined in Oracle Human Resources. Oracle Incentive Planning uses these job titles to assign roles to resources. A role is not assigned directly to a resource in Incentive Planning.

Perform the following procedure to assign roles in Oracle Incentive Compensation to Job Titles.

Navigation

Administration > Incentive > Job Titles

Prerequisites

Incentive Planning Analyst or Incentive Compensation Super User responsibility is required. Jobs must be defined in HR. Resources must be set up in Oracle Resource Manager.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click **Job Titles** in the side panel menu.

   The Job Titles page appears.
3. Use the search parameters at the top of the page to search for a job title by name or by job code. Click **Go** to display the search results.

4. Click the link in the Job Titles column to go to the Resource Details - Job Titles page.

   This page displays any roles that are already assigned to the job title.

5. To add a role, enter it in the Role column. You can click **Go** to open a pop-up window listing roles from which to select.

6. Enter a start date and end date. Click the calendar icon to open a pop-up calendar. A start date is mandatory; the end date is optional.

7. Click **Update** to save your work. If you are editing a role assignment, you can click **Restore** to return to the previously saved version.

Guidelines

If you are using Oracle Human Resources Management System, the job title information here is read from there. If you are not using HRMS, please refer to Oracle Resource Manager for more information.

If a resource is in two different groups with two different roles at the same time, you must assign the job titles and then prorate, lock, submit, and generate contract for each role separately. The subsequent approval, distribution, and acceptance, and activation stages must be performed for each contract as well.

3.4 Creating the Agreement

Use the following sections to create agreements. In section 3.5, you use the agreements to allocate quota to resources.

The My Quota Estimate page, accessed by resources through Oracle Sales Online, lets resources communicate to management what they project their revenue achievement could be for the duration of their plan. The manager and the manager's manager can view the quota estimate on the Quota Allocation Details and Quota Pay and Assignment pages, and then take it into consideration when allocating the final quota.

3.4.1 Defining a Sales Role

The first step in creating agreements for resources is to define a sales role, because an agreement is tied to a role. The sales role of type Sales Compensation is created in Oracle Resource Manager using Forms. A role describes a set of resources who share a common compensation structure, for example, Salesperson, Consultant, or

Regional Sales Manager. After a role is created, you define an agreement for it in Incentive Planning.

Use the following procedure to define the details of a sales role.

Navigation

Incentive > Agreement

Prerequisites

Incentive Planning Analyst or Incentive Compensation Super User responsibility is required. Sales Roles must already be created in Oracle Resource Manager. Rate tables, components, and attainment schedules must be created. See Chapter 6, "Building Compensation Plans" for steps for creating rate tables and formulas.

Steps

1. Click the Incentive tab.

   The Agreements page appears. It is the first page of the Agreement subtab.

2. Select a sales role name. Use the search parameter at the top of the page to search if needed. Enter all or part of the sales role name before the percent sign and click **Apply** to use the search parameter. Click the sales role to go to the Sales Role Detail page.

3. If desired, copy the fields from an existing role by selecting a role from the drop-down list. Click **Apply**.

4. The On Target Earning field, which is read-only, displays the Total Earnings if the resource assigned this role achieves 100% of quota. It is derived from information entered in the Fixed Pay Amount and Commission at 100% Attainment fields on this page.

5. Use the Rounding Factor field if you want to round the assigned quota. For example, input 1000 if assigned quota is to be rounded up to the nearest 1000.

6. In the Quota Minimum and Quota Maximum fields, enter the range of quota figures that this role should have.

7. Optionally, enter the Plan Level to indicate the position of the role in the sales hierarchy. For example, a street level resource will be assigned to Level 1. This step is used only for reporting.

8. Select an Attainment Schedule from the Attain Schedule drop-down list that is applicable to the compensation plan for this role.

Attainment schedules are defined on the Administration > Incentive > Attainment. See Section 3.3.5, "Define Attainment Schedule".

9. The currency code is displayed as a read-only field.
10. Check the Club Eligible check box if this role is entitled to Club participation on achieving Club rules.
11. Select Fixed Pay Components and then enter numbers against each component to indicate the sequence that it is to appear in the Assign Quota and My Quota Estimate windows.
12. Enter a fixed pay amount for each fixed component. (For example, if the fixed salary of a resource is 50,000, then enter 50,000 against the fixed salary component).
13. Select Variable Pay, Non Computed Components as in step 12:
    a. Enter the name of the component. Click **Go** to open a pop-up list.
    b. Enter the sequential order of display in the Sequence column.
    c. In the % of Total Quota column, enter the percentage of the quota that you want this component to represent in the compensation plan. This must be entered for the quota to be distributed.
    d. Enter the amount of commission at 100% of attainment.
    e. Select a seasonality schedule. Click **Go** to open a pop-up list from which to make your selection. The default seasonality schedule is even.
    f. Select a calculation formula by clicking **Go** and selecting it from the pop-up list.
    g. Select a rate table from the drop-down list.
    h. Select a rate calculation method:
    - Anchors - Anchors are used to customize the minimum or maximum that can be earned at each tier of the rate table you selected. When you select this method, an Anchors link appears in the Details column.
    - Manual - The rates are directly defined without anchors.
    - Single Rate - The rate table has only one tier, and the rate is determined by dividing On Target Earnings by Quota.
14. Select Variable Pay Computed Components and enter the sequential order of display. The selections are the same as the Non Computed Components in step 14, except that seasonality is not used but formulas are.

15. Select Variable Pay Non Quota Components. Click **Go** to open a pop-up list. Then, perform the following:
    a. Enter the sequential order of display.
    b. Enter the calculation formula. Click **Go** to open a pop-up list from which to make your selection.
    c. Select a rate table from the drop-down list. The rate table must have only one dimension.
16. The sections for variable components in steps 14, 15, and 16 also contain fields for Details and Plan Element Name.
    a. If you selected a calculation method of Anchors, an Anchors link appears in the Details column. Click the link to go to the Agreement Details page, which displays the anchor settings.
    b. Enter a plan element name if this quota component is to be activated later as a plan element.
17. Enter the name of the compensation plan in the Map to Compensation Plan field to create the compensation plan with that name during activation.
18. Enter a start date and end date for the compensation plan mapping.
19. Click **Update** to save, or **Restore** to return to the previously saved information.
20. On the Sales Role Detail page, in the Variable Pay, Computed Components area, click **Anchors** in the Details column.

    The Agreement Details page appears.
21. Select a calculation method, Line or Step, from the Anchor Rate Calculation Method drop-down list (See Guidelines).
22. In the Rate Range area, enter the Minimum Rate and Maximum Rate for each tier of the Rate Table (optional).
23. In the Multi-Tier Rate Table Anchors area, enter the Percent of Attainment in the first column. This is displayed based on the rate dimension definition. You can change only the first and last values in this column (See Guidelines).
24. In the drop-down list of the Anchor Type column, select the method of commission calculation to be used. Choose Amount if you are entering the commission earnings amount for each attainment/achievement level. If you want to use the percentage of quota, select Percent in the Anchor Type column and enter the percentage of quota for each attainment level. See Guidelines for more explanation.

25. Click **Update** to save new information.

26. If necessary, click **Restore** to retrieve the last saved set of information.

Guidelines

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

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

The Attainment Schedule is used in the Compensation Contract where earnings for each level of quota attainment are displayed.

Oracle Incentive Compensation automatically accounts for seasonality of components when it calculates prorated annual quotas.

There are two methods of Anchor Rate calculation, Line and Step. These methods are used to fill in the Commission rates for the rate tables created in the Administration part of Oracle Incentive Compensation.

Step calculation simply uses the amounts in the anchor (expected commission column), with no calculation. When attainment reaches the percent in the tier, the commission amount shown in the tier is paid. This method is simple to calculate, but it tends to pay resources less, because it holds their commission at the same rate until they reach the next threshold on the rate table.

The Line method calculates commission on a sliding scale, with commission depending on the exact rate in each separate tier of the rate table. This method pays resources a calculated amount at any point on the rate table. This means that with each sales transaction, a resource's percent changes, normally moving to a higher rate as achievement grows.

Here is an example of how Line and Step calculation work:

Step 1. Create a rate dimension in the administration part of Oracle Incentive Compensation:

Rate
0-25%

Rate
25-50%
50-75%
75-100%
100-999%

Step 2. Assign the rate dimension to a rate table. Here the dimension type is percent and the rate type is amount:

From	To	Expected Commission
0	25%	To be calculated
25%	50%	To be calculated
50%	75%	To be calculated
75%	100%	To be calculated
100%	999%	To be calculated

Step 3. Assign this rate table to a component in Incentive Planning and define the anchors as follows:

% of Attainment	Type	Expected Commission
0%	Amount	0
25%	Amount	100,000
50%	Amount	150,000
75%	Amount	180,000
100%	Amount	200,000
999%	Amount	200,000

Step 4. If the anchor method calculation is Step calculation, the commission rates for the rate table are:

From	To	Commission Rate
0	25%	0
25%	50%	100,000
50%	75%	150,000
75%	100%	180,000
100%	999%	200,000

Step 5. If the anchor calculation method is Line calculation, commission rates for the rate table will be calculated as follows (TQ = 20,000 total quota):

1st Tier (0 - 25%)

100,000 - 0/(25% - 0%) TQ

100,000/25% * 20,000 = 20

2nd Tier (25% - 50%)

(150,000 - 100,000)/50% - 25%) TQ

50,000/25%*TQ = 10

3rd Tier (50% - 75%)

(180,000 - 150,000)/(75% - 50%) TQ

30,000/25% *TQ = 6

4th Tier (75% - 100%)

(200,000 - 180,000)/(100% - 75%) TQ

20,000/25% *TQ = 4

5th Tier (100% - 999%)

(200,000 - 200,000)/(999% - 100%) TQ = 0

Note: Real data is set up so that the commission rates increase from tier to tier.

Step calculation can be used only for the amount rate type. It cannot be used with a percent rate type.

Anchors are used only to calculate the commission rates for the rate table. After activation from Incentive Planning to the Commissions module, these rates can

be seen in Resource > Resources, which are customized rates for the specific resource.

If the step calculation method is used in Incentive Planning, the rate table in step 4 will be used to calculation commission. If the line calculation method is used, then the rate table in step 5 will be used to calculation commission.

In step 3 above, if the rate dimension for a rate table is defined as:

0 - 25%

20 - 50%

50 - 100%

then when this rate table is assigned to a compensation plan in Incentive Planning, the multi-tier rate table percent of attainment column is displayed as:

0%

25%

50%

100%

You can change only the 0% and 100% values.

Note: If, during setup, you use a currency that is different from the operating unit's functional currency (for example, for setting On Target Earnings, a quota, and so on), then you should use a rounding factor of 0.01 or lower (0.001, 0.0001) to disable the effects of rounding.

3.4.2 Activating a Sales Role

To Activate the *sales role*, perform the following procedure:

Prerequisites

Log in as Incentive Compensation Super User or Incentive Planning Analyst responsibility.

Steps

1. Click the Incentive tab.

   The Agreements page appears.

2. Click the Activation subtab.

The Role Activation page appears.

3. Enter all or part of a role name in the Name field.
4. Select a status from the drop-down list. Selections include Created, Pushed, and Updated.
5. Click **Apply** to list the agreements.
6. Check the Activate check box next to the agreement that you want to activate.
7. Click **Update**.

Note: To activate all agreements, click the Activate All button at the bottom of the page.

To activate the *resource*, perform the following procedure:

1. Click the Quota tab and click the Activate subtab.

   The Resource Search page appears.
2. Using the search parameters, locate the resource that you wish to activate.
3. Click the name in the Resource Name column.

   The Compensation Plan Activate page appears.
4. Click the check box in the Activate column.
5. Click **Activate**.

Note: To activate all resources, click the Activate All button at the bottom of the page.

3.4.3 Computed Component Formulas

Use this page to define a formula for a computed component. This formula is used to compute the computed component's quota from the quotas of other components.

Navigation

Incentive > Agreement > Sales Role Detail > Edit hyperlink

Prerequisites

Components must be selected on Sales Role Detail page.

Steps

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

Guidelines

The percentages entered against each component selected are multiplied with the quota value of each component. The results of all multiplication are added together.

Use a computed component formula when you want the Total Quota to reflect the totals of individual quota components.

For example, a resource sells two types of products: computers and printers. The Total quota is based on the quota for computers (a variable pay non computed component) with a quota for printers variable pay computed component). The result of these calculations is then used as the Total Quota Component formula:

Total Quota = 100% Computers + 100% Printers

The quotas for each component must be known before the Total Quota component calculation can be made.

Total Quota is used to add up quota that has been allocated to plans at every level of the sales force planning hierarchy.

3.4.4 Allocating a Role to a Resource

In order for a resource to be assigned an agreement in Incentive Planning, a role must be allocated to the resource. Perform the following procedure to allocate a role to a resource.

Navigation

Resource > Planning > Resource Details - Main

Prerequisites

You must be logged in as a responsibility that has been assigned to a Salesforce Planning responsibility group. The sales role must already be created in Resource Manager. The sales role details must already be created in the Agreement subtab of the Incentive tab.

Steps

1. Click the Resource tab.

   The Resource Search page on the Planning subtab appears.

2. Use the Resource Search page to search for a resource. Enter four or more characters in the Name or Employee Number field and click **Apply**.

   The Resource Search Results page appears.

3. Click the name of the resource you need.

   The Resource Details - Main page appears.

4. Optionally, click the Resource Name link in the parameters to go to a Details page for the resource.

5. The Compensation Group field includes a pop-up list. If a resource belongs to more than one group you can click **Go** to see the listing, choose the one you need, and click **Apply**.

6. Enter four or more characters in the Job Title field and click **Go** next to the blank field in the Job Title column. You can also click **Go** without entering the characters and then search by Sales Role or Job Title in the pop-up box.

7. Select a job title from the list.

   The job title field populates, along with fields assigned to it: Job Code, Discretionary Job Title, and Role. **Note**: If you assign the job title of Manager to the resource, an entry for the resource will also appear in the Managers area of the page.

8. Enter a Start Date and End Date for the job title. You can use the calendar icon to select dates from a pop-up calendar. These fields are required.

9. Select an organization from the Organization drop-down list. This field is required.

10. Check the Customized check box if you plan to customize the role for this resource. **Note:** If the Customized check box is checked, subsequent changes to the agreement may not affect this resource. If you plan to make changes to the contract text for the resource, be sure to leave the Customized check box unchecked.

11. The On Target Earnings field is populated when the Job Title is assigned. Click the link in this column to go to the On Target Earnings page.

12. Check the Overlay check box if you want the role to be an overlay.

13. Check the Club Eligible check box if the role includes club eligibility.
14. Click **Update** to save the new Job Title row. Optionally, click **Restore** to return to the previously saved version of the page.
15. The On Target Earning link is now visible. Click the link to view the Resource Details - On Target Earnings page.
16. The Plan Status column now displays Pending. This changes to Issued after the agreement is accepted by the resource.

Scenario - Proration factors

Because Cameron's plan starts 01-March-2003 and not 01-January-2003, he is only on the plan for ten of the 12 months of the year. Five of the seven quota components are calculated when a role is assigned to a resource. can be prorated by simply applying a 10/12 proration factor, or 0.83333333333333333333333333. These components include:

- Salary (fixed)
- Travel Allowance (fixed)
- Laptops (variable quota based - revenue)
- Support Services (variable quota based - revenue)
- Bonus (variable non quota based - revenue)

Proration of the Desktops component is made more complicated by the Holiday seasonality that weights sales volume to the fourth quarter of the year. The months of January and February are not in Cameron's agreement, but they account for only 1.4% of the total annual quota, so the proration factor is 0.986, not 0.83333333333333 like most of the other components.

3.4.5 Customizing On Target Earnings and Anchors for Individual Resources

On Target Earnings and Anchors are used when you define a role, but they can also be customized for individual resources. The advantage of using anchors for individual resources is the same as it is for a role. It allows you to use the same rate table to pay different resources slightly different amounts. For example, you can pay a higher commission percentage to your more experienced salespeople.

Use the following procedure to customize target earnings and anchors for individual resources.

Navigation

Resource > Planning > Resource Details - Main

Prerequisites

The sales role must already be created in Resource Manager. The sales role details must already be created in the Agreement subtab of the Incentive tab. Rate tables must be created, and must be assigned to the component to which you want to apply anchor values.

Steps

1. Click the Resource tab.

   The Resource Search page appears on the Planning subtab.

2. Use the Resource Search page to search for a resource.

   The Resource Search Results page appears.

3. Click the name of the resource you need.

   The Resource Details - Main page appears.

4. Click the amount in the On Target Earnings column.

   The Resource Details - On Target Earnings page appears.

5. Enter revised amounts in the fields for the Fixed and Variable Amount fields.

6. To customize anchors, click **Anchor** in the Details column in the Variable, Quota Based area.

   The Resource Details - Customized Anchors page appears.

7. In the Rate Schedule Detail section, enter the commission rate range for each tier of the Rate Table.

8. In the Quota Anchors Detail section, select Amount if entering the commission earnings amount for each attainment/achievement level. For Percentages, select percentage and enter the percentage for each attainment level (percentage of quota). See Guidelines for more explanation.

9. To view rate tables for variable non-quota elements, click the Rate link in the Details column of the Variable, Non-Quota area.

10. If you are editing previously created information, you can click **Restore** to retrieve the last saved set of information.

11. Click **Update** to save your work.

Guidelines

In the anchor table below, at 0% achievement of quota, the variable pay is zero. At 25% of quota, the variable pay is 5,000. At 50% of quota achievement, the variable pay is increased to 12,000. At the 100% level of quota achievement, the variable pay is 20,000. Any achievements over 200% of quota are capped by entering the same value as the previous tier (no additional variable pay) against the highest rate tier. Changing any of the numbers in the right-hand column increases or reduces the amount paid to an individual resource.

Anchor	Type	Pay
0	Amount	0
25	Amount	5,000
50	Amount	12,000
100	Amount	20,000
200	Amount	50,000
9999	Amount	50,000

3.5 Allocating Quotas to Resources

After agreements are complete, they are allocated to resources. Depending on whether the allocation is done by the sales manager or by an administrator, Super User or Analyst, Quota can be allocated by any of the four responsibilities (see Section 3.1.1, "The Incentive Planning Process").

The Quota Allocation Details page is where you perform the actual allocation of quota to your directs. Navigate down the hierarchy of Compensation Groups to view your directs' allocation of quota to their own directs (hierarchy column), if applicable.

There are several options for allocating quotas. You may distribute your quota evenly by selecting Even (Distribute Quota field) and clicking **Distribute**. Alternatively, you can allocate the minimum quota by Sales Role by selecting Minimum. You can allocate to each resource a quota amount equal to the manager's quota by selecting Equal. Or, you can directly allocate a quota number without distribution.

Navigation

Quota > Allocate

Prerequisites

The resource must be defined in Resource Manager, assigned a role, and placed in a compensation group.

Steps

1. Click the Quota tab.

   The My Compensation Groups page appears.

2. Enter a group name in the Group Name field. Or, use a wildcard with the percent sign (%) after it.

   If you leave the single percent sign (%) in the field, all compensation groups display when you click **Submit**.

3. Enter an effective date. Today's date is the default setting.

4. Click **Submit**. The My Compensation Groups page appears. Alternatively, click **Clear** to change your entries.

5. Click the Compensation Group for which you wish to view details.

   The Quota Allocation Details page appears.

6. Do an initial distribution of quota by using the Distribute Quota field at the bottom of the page. To enter quota figures individually for each of your directs, click the hyperlink in the Final Prorated Quota column.

7. To produce a compensation plan that you can view after you have updated the quota that you have allocated to your directs, click **Generate**.

   The quota must be locked before it is allocated.

8. After the agreement is the way you want it, click **Generate** to generate a contract. The Generate button becomes a Submit button.

9. Click **Submit** to submit it to the Incentive Planning Contract Approver. The Contract Approver can then view and approve the draft Contract with the locked quota.

10. Optionally, you can create a vacancy or position to be filled by a new resource. To do this, click **Add Vacancy**. See Guidelines.

    The Add To-Be-Hired page appears.

    a. Enter a name for the resource to be hired in the To-Be-Hired Name field. If that is unknown, use the default alphanumeric name supplied by the application.

b. Enter a start date and an end date. The dates must be in the future or an error message is generated (see Guidelines).

c. Click **Add To-Be-Hired**.

d. The Resource Details - Main page appears.

e. Enter at least four characters in the Job Title field and click **Go**. If there is more than one selection available, select the one you want.

The Job Code, Discretionary Job Title, and Role fields populate automatically.

f. Enter start and end dates. These fields are required. Click the calendar icons to open a date selection calendar.

g. Select a predefined organization from the Organization drop-down list. This field is required. If you do not select an organization, a message displays when you click **Update** asking you to populate all required fields.

h. Click **Update**.

Guidelines

The draft Contract is made up of the agreement with Terms and Conditions added at the end.

In step 6, Distribute Quota will work only if the % of Total Quota is given for the components in the Sales Role Detail page for the resource.

Add a vacancy if you want your quota distribution to include a resource who is not yet hired. Dates that you enter to add a vacancy must be in the future. For example, on June 1, 2003, you cannot use a start dates of January 1, 2003 and an end date of May 31, 2003.

In the read-only Overassignment fields:

- Direct Level is the total quota of a manager's directs expressed as a percentage of the manager's own quota.
- Street Level is the total quota of the resources at the lowest level of the hierarchy (subordinate to the manager's Compensation Group) expressed as a percentage of the manager's own quota.

Once the draft Contract is approved, a manager can distribute the Contract to his or her directs. Your directs then view their new Contracts and can either accept or print them.

The approval status of the Contract is displayed in the Plan Status column. Click the link in the Plan Status column to view the Compensation Plan History page.

3.6 Allocation Details - Quota and Pay Assignment

The Allocation Details - Quota and Pay Assignment page provides information to any of the four responsibilities (see Section 3.1.1, "The Incentive Planning Process") to view, adjust, and assign a quota to a resource. Variable pay components are displayed. After assigning an annual-equivalent quota, press the Prorate button and the application automatically prorates the computed amounts based on the seasonality schedule assigned to components in the agreement and the workday calendar. The seasonality schedule and workday calendar are defined on the Administration tab. You can override the system generated prorated amounts.

Only variable pay, non-computed components have their assigned quotas prorated based on seasonality schedules and the associated workday calendar. Fixed components default to even seasonality and do not use the workday calendar.

You can see any quota entered by the resource by using the Planning subtab on the Compensation tab in Oracle Sales Online, and any direct or street overassignments that might affect the resource's quota.

The Allocation Details - Quota and Pay Assignment page is divided into two sections, Quota and Variable Pay. The quota components in the upper table can be changed and prorated, while for the variable pay components below, you can only change the final prorated amount.

All of this information enables any of the four responsibilities to assign a final prorated quota to the resource.

Navigation

Resource > Planning > Allocation Details - Quota and Pay Assignment

Prerequisites

The resource must already be created in resource manager and assigned a quota.

Steps

1. The Upper section of the Allocation Details - Quota and Pay Assignment page displays read-only information about the resource.
2. In the Parameters section, you can check the Overlay check box to exclude the resource's quota from overassignment percentage calculations.

3. Check the Customize Quota and Pay check box if the final prorated quota and pay has been customized for the resource (see Guidelines).
4. In the Quota area, the names of the quota components and variable pay components are listed in the first column of the upper and lower tables of the page. You can adjust the annual quota in the Annual Quota field next to any listed component.

   If you make any adjustments to the annual quota, click **Prorate** to display the revised prorated quota in the Computed Prorated Quota field.
5. In the Quota from Field field is the data that was previously submitted by the resource using the Compensation tab in Oracle Sales Online. Optionally, use the data to evaluate and determine the final prorated quota.
6. The Final Prorated Quota area contains three columns, Amount, Direct Overassign and Street Overassign. In the Amount field, set the final prorated quota for the resource based on the information displayed in the previous columns. The two overassignment columns automatically display any overassignments that have been assigned to the resource.
7. In the Variable Pay area, the already allocated annual amount is listed, with an automatically computed prorated amount. You can adjust the final prorated amount, changing it from the automatically generated prorated amount to another amount that you choose.
8. In the Club Attainment area, view or select the final club eligibility amount for each plan element.
9. Click **Update** to save any revised amounts on the page.
10. Click **Lock** to freeze the agreement before submitting it to the Contract Approver.
11. Optionally, click **Back to Main Allocation Details Page** to return to the Quota Allocation Details page.

Guidelines

If you check the Customized Quota and Pay check box, the amount that you entered in the Final Prorated Quota field for the resource is stored, and is not prorated automatically if the annual quota is changed at a later time. For example, if you assign an annual quota of $1,000,000 to a plan that lasts for six months, the prorated amount is $500,000. If you then assign a final prorated quota of $550,000 to a resource and check the Customized Quota and Pay check box, the $550,000 remains, even if you change the annual quota for the plan to $1,500,000 afterwards.

If you did not check the check box, the final prorated quota would change to $750,000 when you changed the annual quota and pressed the Prorate button.

Scenario - Calculating the Proration Factor for Total Computers Component

The Total Computers component is calculated, so it cannot be determined until the Laptops and Desktops proration is performed on the Allocation Details - Quota and Pay Assignment page. Cameron Graham is given a quota of $100,000 for Laptops and $100,000 for Desktops, for a total of $200,000. Because of proration, the final quota figures for 2003 come out differently. To get the prorated amount for Laptops, multiply $100,000 by 10/12, or 0.83333333333333333, which totals $83,333.33. For Desktops, because seasonality is a factor, you multiply $100,000 by 0.986, for a total of $98,600. Adding these two amounts together comes to $181,933.33.

To prorate the Total Computers quota component, you must add the two prorated amounts together and determine the proration factor by dividing the $181,933.33 aggregated prorated total by the annual total of $200,000. This calculation yields a Total Computers proration factor or 0.90966665. This proration factor gives a fair way to compute exactly how to prorate the $45,000 on target earnings for the Total Computers quota component, based on both computer quota components, even when they are each calculated differently. The final prorated for the Total Computers quota component is $40,935 (45,000 * 0.90966665).

The rates for the Support Services, Total Quota, and Bonus quota components are calculated using formulas and rate tables. Cameron is assigned the Computer and Service Sales Manager role, but anchors are used to customize his commission.

Scenario - Rate Calculation for Support Services Component

The Support Services component uses Formula SFP RQFA:

Input Expression: Transaction Amount/Target

Output Expression: Rate Result

Performance Measure: Transaction Amount

Split: No Split

This formula uses the Amount Amount Rate Table and a rate calculation type of Anchors Step. See Section 3.3.4.1, "Support Rate Table" for details.

These are the anchor values for the rate range. If a number is entered in the Minimum Rate column, that number is used for commission if the calculated value

falls below 500. Anchors override calculated amounts, and depending on how they are set, can pay the resource more or less than the calculated value.

From	To	Minimum Rate	Maximum Rate	Comments
0	30,000	500	NA	NA
30,000	50,000	NA	NA	NA
50,000	100,000	NA	NA	NA
100,000	900,000	4,500	NA	NA

Below are anchor values for multi-tier rate table anchors. The third and fourth column show commissions. Column four is based on this calculation:

Prorated Commissions = Proration Factor * Expected Commission

% Attainment	Anchor Type	Expected	Prorated
0	Amount	5,000	0.8333333333333333 * 5,000 = 4,166.67
30,000	Amount	10,000	0.833333333333333 * 10,000 = 8,333.33
50,000	Amount	20,000	0.833333333333333 * 20,000 = 16,666.67
100,000	Amount	25,000	0.833333333333333 * 25,000 = 20,833.33
900,000	Amount	30,000	0.833333333333333 * 30,000 = 25,000

This quota component uses step anchors, which work in this way. Using the first tier, 0 - 30,000, as an example, the value is the prorated amount on the 0th tier.

< 30,000 4,166.67

Anchor values for multi-tier rate table anchors are as follows, based on the fourth column of the above table. **Note:** Prorated commissions are not displayed on the screen.

The values for the next tiers are:

30,000 - 50,000 = 8,333.33 (value read from 30,000)

50,000 - 100,000 = 16,666.67 (value read from 50,000)

100,000 - 900,000 = 20,833.33 (value read from 100,000)

With step calculation, the resource receives the lower commission on the tier, and only reaches the next level when he or she reaches the next anchor.

Scenario - Rate Calculation for Total Quota Component

The Total Quota component uses Formula SFP RQAP:

Input Expression: Transaction Amount/Target

Output Expression: Transaction Amount * Rate Result

Performance Measure: Transaction Amount

Split: Non Proportional

This formula uses the Percent Percent Rate Table and a rate calculation type of Anchors Line. See Section 3.3.4.2, "Total Computers Rate Table" for details.

These are the anchor values for the rate range. If a number is entered in the Minimum Rate column, that number is used for commission if the calculated value falls below 500. Anchors override calculated amounts, and depending on how they are set, can pay the resource more or less than the calculated value.

From	To	Minimum Rate	Maximum Rate	Comments
0	25%	NA	0	Maximum rate of 0 means the resource will not make money at this low level of achievement.
25%	50%	NA	NA	No anchors means the resource earns the .5% from the standard rate table.
50%	75%	1	NA	This anchor means the resource earns at least 1%.
75%	100%	NA	NA	NA
100%	999%	3	NA	The resource is guaranteed 3% for achieving above 100 percent of quota. This is higher than the rate table commission percent.

Below are anchor values for multi-tier rate table anchors. Because the anchor types are percent, you need to calculate the amounts. The value given for Total Quota (at 100% Attainment) = 45,000

% Attainment	Anchor Type	Expected Commission	Expected Commission (Amount)	Prorated Commissions
0	Percent	0.0	= 0.0 * 45,000 = 0.0	= 0.0 * 0.90966665 = 0.0
25	Percent	2.5	= 2.5% * 45,000 = 0.025 * 45,000 = 1,125	= 1,125 * 0.90966665 = 1,023.37498125
50	Percent	4.5	= 4.5% * 45,000 = 0.045 * 45,000 = 2,025	= 2,025 * 0.90966665 = 1,842.07496625
75	Percent	5.5	= 5.5% * 45,000 = 0.055 * 45,000 = 2,475	= 2,475 * 0.90966665 = 2,251.42495875
100	Percent	8.5	= 8.5% * 45,000 = 0.085 * 45,000 = 3,825	= 3,825 * 0.90966665 = 3,479.47493625
200	Percent	11.5	= 11.5% * 45,000 = 0.115 * 45,000 = 5,175	= 5,175 * 0.90966665 = 4,707.52491375

The calculated prorated commissions are the ones that are used for calculation of commissions.

This is an example for the first tier:

= (1,023.37498125 - 0.0)/[(25-0)/100) * 181,933.33]

= 1,023.37498125/(0.25 * 181,933.33)

= 1,023.37498125/45,483.3325

= 2.225%

However, because the maximum rate is set at 0% in the anchors table, the commission rate is 0% for this tier.

These are the calculations for the fourth tier ((75% - 100%):

= (3,479.4793625 - 2,251.42495875)/[((100-75)/100) 8 181,933.33

= 1,228.0499775/(0.25 * 181,933.33)

= 1,228.0499775/45,483.3325

= 2.7%

Scenario - Rate Calculation for Bonus (Variable Non Quota Based Component)

The Bonus component uses Formula SFP RQFA:

Input Expression: Transaction Amount/Target

Output Expression: Rate Result

Performance Measure: Transaction Amount

Split: No Split

This calculation uses the Percent Amount rate table. See Section 3.3.4.3, "Bonus Rate Table" for details.

Because the resource's rates are not customized and the rate calculation type is Manual, in this case you simply read the values from the rate table you have created.

3.7 Approval, Distribution, and Activation

After an agreement has been created, it must be approved, distributed, and finally, activated to become a true compensation plan that can pay commissions to a resource. This is performed on three subtabs of the Quota tab: Approve, Distribute, and Activate.

To approve, distribute, or activate a compensation plan, see the sections below:

Section 3.7.1, "Approving Contracts"

Section 3.7.2, "Distributing Contracts"

Section 3.7.4, "Activating Compensation Plans".

3.7.1 Approving Contracts

The Incentive Planning Contract Approver, Incentive Planning Analyst, or Incentive Compensation Super User uses the Contract Approval page to view details of any plans to be approved. The report identifies the resource by Name, Job Title, Employee #, Organization, and Sales Role. The Start Date and End Date columns show effective dates of the contract. On Target Earnings columns are shown as a total and broken down into fixed and variable pay. The Assigned Quota and Club Eligible columns are displayed for reference, and if the employee is an overlay it is noted. The Name, Sales Role, and Plan Status columns can be clicked to open other pages.

Navigation

Quota > Approve

Prerequisite

The plan must be at least in Submitted status.

Steps

1. Click the Quota tab and click the Approve subtab.

   The Resource Search page appears.

2. Enter one or more search parameters and click **Apply**.

   The Resource Search Results page appears.

3. Click a name in the Resource Name column.

   The Contract Approval page appears.

4. In the Action column, select No Action, Approve, or Reject from the drop-down list.

5. Click **Update** to make changes permanent.

6. Click **Approve All** to approve listed contracts.

7. If necessary, click **Restore** to return to the previously saved version.

Guidelines

If a resource belongs to more than one group and has multiple roles at the same time, you must approve the contract for each role separately.

Viewing the Contract

To view the contract, click the link in the Sales Role column of the Quota Allocation Details, Contract Approval, Distribute Contract, or Compensation Plan Activate pages of the Quota tab.

This view page displays a completed contract, including all quota rates and expected payouts at different quota attainment levels. The Terms and Conditions are also part of the contract. If the plan has already been approved and accepted, approval and acceptance information are displayed.

If a contract has only a single non-quota-based element, the quota box at the top of the page displays only the single flat rate of the plan.

Attainment levels are displayed for quota-based plans. If the plan has only non-quota-based elements, attainment levels are not shown.

The compensation plan page is a view-only document, so no changes can be made to it.

Compensation Plan History

The Plan Status column on the Contract Approval page shows the current status of the plan. To view a history of all of the actions taken on a contract, click the link in the Plan Status column. The Compensation Plan History page appears.

This page is a log of changes in the status of a resource's compensation plan. The changes are date-stamped, and the identity of the person or role who performed the action that changed the status is noted.

On the Compensation Plan History page, if the plan has been accepted, the word *Accepted* in the New Status column becomes a link. Click the link to go to a page displaying the saved version of the accepted contract.

For users with Incentive Planning Analyst or Incentive Compensation Super User responsibility, the Name and Role Name at the top of the page are hyperlinks to more detailed information.

3.7.2 Distributing Contracts

Contracts can be distributed in two ways. Typically, a resource's manager receives e-mail notification that the contracts are approved. The manager then distributes the contract by logging in to Oracle Sales Online as the Sales Online Manager responsibility.

Alternatively, the Incentive Compensation Super User, Incentive Planning Analyst, and Finance Manager responsibilities can use the Compensation Plan Processing page in Oracle Incentive Compensation to distribute any approved plan to which they have been given access. That procedure is detailed below.

From the Distribute Contract page, you can access other pages. Click the link in the Name column to go to the Quota Modeling Summary. Click the link in the Sales Role column to go to view the compensation plan details. Click the link in the Plan Status column to go to the Compensation Plan History page.

Navigation

Quota > Distribute

Prerequisite

There must be an approved plan to distribute.

Steps

1. Click the Quota tab and the Distribute subtab.
2. The Resource Search page appears.
3. Enter the name of the resource, or up to four characters, including wildcards (%) and click **Apply**.

   The Resources Search Results page lists any resources located in the search.
4. Click a link in the Name column.

   The Distribute Contract page appears.
5. Check the check box in the Distribute column next to the plans that you want to distribute. Optionally, click **Distribute All** to distribute all contracts.
6. Click **Distribute**.

   After a plan is distributed, the listing disappears from the Distribute Contract page.
7. Optionally, click **Restore** to return to the previously saved version.

Guidelines

If a resource belongs to more than one group and has multiple roles at the same time, you must distribute the contract for each role separately.

3.7.3 Resources Accept Plans Using Oracle Sales Online

Resources can log on to Oracle Sales Online and accept their Compensation Plans. To do this, perform the following procedure:

Navigation

Log in to Oracle Sales Online > Compensation > Compensation Plan

Prerequisite

Resource must be assigned Sales Online User responsibility.

Steps

1. Click the Compensation tab and click the Compensation Plan subtab.

   The plan status is Issued.
2. Click the Sales Role link to go to the Contract page.

3. Review the contract and click **Accept** to accept the contract.

   The plan status changes to Accepted.

4. Click the Printable button to print out a hard copy.

Guidelines

If a resource belongs to more than one group and has multiple roles at the same time, he or she must accept the contract for each role separately.

3.7.4 Activating Compensation Plans

Activation is the final stage in the Incentive Planning process. This is where an Incentive Planning Analyst or Incentive Compensation Super User uses the Compensation Plan Activate page to activate the plan into the Commissions module for calculation. Activation turns the proposed plan into a complete compensation plan.

From the Compensation Plan Activate page, you can access other pages. Click the link in the Name column to go to the Quota Modeling Summary. Click the link in the Sales Role column to go to view the compensation plan details. Click the link in the Plan Status column to go to the Compensation Plan History page.

Navigation

Quota > Activate

Prerequisite

Incentive Planning Analyst or Incentive Compensation Super User responsibility is required. There must be an approved plan to activate.

Steps

1. Click the Quota tab and the Activate subtab.
2. The Resource Search page appears.
3. Enter the name of the resource, or up to four characters, including wildcards (%) and click **Apply**.

   The Resource Search Results page appears now lists any resources located in the search.

4. Click a link in the Name column.

   The Compensation Plan Activate page appears.

5. Check the check box in the Activate column next to plans you want to activate. Optionally, click **Activate All** to activate all of the compensation plans.
6. Click **Activate**.

   The status in the Plan Activate Status column changes to Activated.
7. Optionally, click **Restore** to return to the previously saved version.

Guidelines

If a resource belongs to more than one group and has multiple roles at the same time, you must activate the contract for each role separately.

In the event that you activate a compensation plan by mistake or decide that you don't want to use it, return to the Quota Allocation Details page, unlock the agreement, and start the process over.

3.7.5 Regoaling

Regoaling enables managers to change the quota or variable pay of a resource's compensation plan at any time. These changes could be required because of:

- A change in business circumstances
- A resource is receiving too much commission
- A resource is receiving too little commission
- A resource receives a promotion to a new role with a new goal

Regoaling can only be used if a plan is already accepted and activated.

Navigation

Resource > Planning

Prerequisites

Log in as an Incentive Planning Analyst, Incentive Compensation Super User or Sales Manager responsibility.

Steps

1. Click the Resource tab.

   The Resource Search page on the Planning subtab appears automatically.
2. Use parameters to search for the resource.

3. Click the Resource name on the Resource Search Results page.

   The Resource Details - Main page appears.

4. Select the Adjust Quota button.

5. Click **Update**.

   The Resource Details - Quota Adjustment page appears.

6. Select the button next to an existing role to adjust it, or select the button next to the blank row to enter information for a new role.

   If you are regoaling an existing role, enter start and end dates for the new quota. Be sure to set the end date an old quota the day before the start of a new one.

7. Click the link to Quota Allocation Details.

   The Allocation Details - Quota and Pay Assignment page appears.

8. Click **Prorate**.

9. Adjust any prorated amount that you want to manually. This is good for rounding amounts to even numbers.

   When you change the amounts manually, it changes the proration factor, which changes the On Target Earnings (OTE) as well.

10. After you have made any changes you want to make, click **Update** to save them.

11. Click **Lock**.

12. Click **Generate**.

    The Generate button then becomes the Submit button.

13. Click **Submit** to submit the plan to the Contract Approver.

14. Click the Single Tier Rate link to go to the Allocation Details - Rate page.

15. Check the Standard Rate button if you want to calculate based on the computed figures. Click the Effective Rate button if you want to base calculations on previous achievements.

Guidelines

Effective rates are prorated using the previous rates and the new rates from the regoaling.

4

Modeling Agreements

Sections in this chapter include:

- Section 4.1, "Overview of Modeling Agreements"
- Section 4.2, "Modeling Enhancements"
- Section 4.3, "Creating an Agreement Version"
- Section 4.4, "Assigning Details to an Agreement Version"
- Section 4.5, "Allocating Quotas to Quota Based Components"
- Section 4.6, "Comparing Agreement Version Contracts"
- Section 4.7, "What-If Scenarios"

4.1 Overview of Modeling Agreements

Before a role is actually assigned to a resource in Incentive Planning, it can be modeled with agreement versions, also referred to as models. Modeling enables incentive planners to experiment with different versions of compensation plans before assigning a final version to the sales field, which now becomes the actual assigned agreement. For example, incentive planners could compare a plan that pays a single commission rate with a plan that determines the commission rate based on multiple tiers.

The Modeling tab contains three subtabs: Agreement, Comparison, and Performance. The Agreement subtab lets you create and view agreements and assign quotas to the various agreement versions. The Comparison subtab enables you to compare different versions of an agreement by displaying the payout of each compensation plan at predefined levels of quota attainment. The Performance subtab is where you can compare versions based on estimated achievement in what-if scenarios.

Agreement versions are created in the Agreement subtab and can be activated to an actual role in Incentive Planning or the commissions module of Oracle Incentive Compensation from the Comparison subtab or Performance subtab.

In modeling, you can change information, such as quota amounts or rate table amounts for a component, and the application automatically recalculates compensation, regardless of where you are in the modeling process. You do not need to unlock and regenerate agreements. This means that you can try as many different versions and amounts as you want to until you have the agreement that you need.

4.1.1 The Modeling Process

The modeling process follows these steps:

1. Multiple agreement versions are created for a role.
2. Each agreement version is assigned details, such as an attainment schedule, quota components, formulas, rate tables, anchors, and on target earnings. **Note:** To compare more than one model, all models should use the same attainment schedule.
3. Quotas are assigned to the quota components of each agreement version.
4. A contract is generated for each agreement version.
5. What-if scenarios are run for each agreement version.
6. The agreement versions and what-if scenarios are compared.
7. The analyst activates an agreement version to a role in Incentive Planning.

4.1.2 The Lifecycle of an Agreement Version

Agreement versions pass through a series of states as they are processed. The statuses, in order, are:

1. New: A name and description have been entered for the agreement version, but no details have been assigned.
2. Pending: The agreement version has been assigned details such as quota components, formulas, rate tables, anchor values, and so on. An agreement version in Pending status can be updated.
3. Generated: Quotas have been assigned to an agreement version that was in pending status and rates for the quota components have been generated. A what-if scenario can be can be set for agreement versions in Generated status.

4. Modeled: After a what-if scenario has been saved and the estimated payout is automatically calculated, the status of the agreement version changes to Modeled. The what-if scenario can be changed as long as the agreement version has not been activated.
5. Activated: All details of the agreement version are assigned to the actual role in Incentive Planning.

4.2 Modeling Enhancements

There are no changes to the Modeling functionality in this release.

4.3 Creating an Agreement Version

The Model Create page is used to create a new agreement version.

Navigation

Modeling > Agreement > Create

Prerequisites

An Incentive Compensation Super User or Incentive Planning Analyst must create a sales compensation role in Resource Manager.

Steps

1. Click the Modeling tab. The Agreement Version Summary page appears.
2. In the search parameters, query for the role for which you are creating the agreement version. Enter a name or four or more characters and click **Go** to search.
3. Click **Create**. The Model Create page appears.
4. Enter a Version Name. This is a required field.
5. Enter a Version Description. This is a required field.
6. Enter a Start Date and End Date. Click the calendar icon to open a pop-up calendar. This is a required field.
7. Click **Create** to save your new version.
8. Repeat steps 3 through 7 to create as many versions for the role as you need.

4.4 Assigning Details to an Agreement Version

The Agreement Version Summary page is the starting point for working with agreement versions. For each role that is queried on the Summary page, the high-level details, such as on-target-earnings, total quota, name, version, start date, end date, and status are displayed.

Click the link in the Total Quota column to go the Assign Quota to Version page, where you can assign or view quota amounts.

Click the View link in the Plan column to see the version of the modeled compensation plan that was defined on the Agreement Version Details page. It displays the agreement components, including rate tables and commission amounts for each attainment level.

The version name is a hyperlink that brings you to the Agreement Version Details page. It is here that you can define the compensation plan and how commissions will be calculated. You can copy another version of an agreement. This saves time if the new version you are creating differs in a minor way from another version.

Navigation

Modeling > Agreement

Prerequisites

Incentive Compensation Super User or Incentive Planning Analyst responsibility is required. Roles must be created in Resource Manager. Attainment schedules must be defined.

Steps

1. Click the Modeling tab.

   The Agreement subtab appears automatically.

1. Search for an agreement by entering all or at least four letters of a role name in the Role Name field. Click **Go** to open a pop-up list. Click your selection on the list.
2. Click **Apply**.

   A list of role versions is displayed.
3. To assign details to a version, click the link the Version Name column.

   The Agreement Version Details page is displayed.

4. If you want to copy another agreement version, select it from the Copy Version drop-down list. This list displays all role model versions that have the same start date and end date as the initial model.
5. Click **Apply**.
6. Enter an amount for On Target Earnings.
7. Enter a rounding factor for calculation. The default is 1.00, but a lower setting may be better under certain circumstances. See Guidelines.
8. Enter a Quota Minimum figure and a Quota Maximum, if there is one.
9. Select a Plan Level. This indicates the level in the resource hierarchy. Level 1 is the street level.
10. Select an attainment schedule from the Attain Schedule drop-down list. Attainment schedules are defined in the Administration tab.
11. Check the Club Eligible check box if the agreement includes club benefits at a certain level of achievement.
12. Click **Update** to save your work.

Now, Enter components for the agreement version in the five sections following. Fixed components are not calculated, so they require fewer fields of information. The components can be sequenced by placing numbers into the Sequence column starting at 1. This determines the order in which the components will appear on the generated contract. In each section, you can remove components by checking the **Remove** check box. The component will be deleted when you click **Submit**.

For all sections, click **Go** to open a pop-up list. Click your selection to enter it into the field. Also, you can click **Update** to save or **Restore** to return to the previously saved version at each section. To add rows to a section, enter the number in the Add Rows field and click **Update**.

1. In the Fixed Pay components section, enter the amount in the Fixed Pay Amount field.
2. In the Variable Pay, Non Computed Components section:
    a. Enter an amount in the % of Total Quota field to indicate the importance of a particular component in the resource's compensation.
    b. Enter the commission amount at 100% attainment. This is the amount that will be paid out if the resource meets all of his or her sales goals.
    c. If you need to use a calculation formula, select it from the list. Click **Go** to open a pop-up list of selections.

d. If you selected a calculation formula, select a rate table from the drop-down list.

e. Anchors are also part of a calculated component. You can disable them by checking the Disable Anchors check box if you want to assign rates directly. Click **Anchors** in the Details column to go to the Resource Details - Customized Anchors page where you can customize anchors for this specific agreement version.

f. To use a plan element, enter it in the Plan Element Name field.

3. For Variable Pay, Computed components, enter information in the fields in the same way as you did for Non Computed components. The only difference is that because the amounts are computed, a formula is required, and it can be edited. To make changes in the formula, click **Edit** in the Edit Formula column. This takes you to the Computed Component Formula page.

4. The Variable Pay, Non Quota Components area has fewer fields, but you can select calculation formula and rate table fields.

5. After the agreement version is approved and activated, it can be moved into a compensation plan. To indicate the name of the future compensation plan, in the Map to Compensation Plan area, enter the compensation plan name, along with start and end dates.

Guidelines

In Incentive Planning, if you set up a different currency from the operating unit's functional currency (for example, for setting On Target Earnings, a quota, and so on), then you should disable the rounding effect by setting the rounding factor to 0.01 or lower. This setting implies that the quota is not rounded in rate calculation and contract generation. More information is available in Chapter 3, Incentive Planning.

4.5 Allocating Quotas to Quota Based Components

Quotas can be assigned to quota based components of an agreement version that is in the Pending, Generated, or Modeled state. Quota based and non-quota based variable quota components can have rate table assignments. Commission rates are calculated by the system if the agreement details setups require calculation. Assigning quotas automatically generates rates for all of the agreement version’s associated quota components and changes the agreement version’s status to Generated.

Quota based and non-quota based variable quota components can have rate tables assigned to them. Rate information must be populated into Incentive Planning.

To allocate quotas to components, perform the following procedure:

Navigation

Modeling > Agreement > Query for Role > Click figure in Total Quota column > Assign Quota to Version

Prerequisites

The agreement version must be in Pending state or later, but cannot be already activated.

Steps

1. Click the Modeling tab. The Agreement Version Summary page appears.
2. Query for a role in the search parameter. Enter a name or four or more characters and click **Go** to search.
3. Click the amount link in the Total Quota column. The Assign Quota to version page appears.

   The page displays the sales role, version name, version start date and version end date.
4. Enter amounts in the blank fields in the Amount column. The Total rows are automatically populated by the application.
5. When you are satisfied with the quota, click **Update** to save it.

4.6 Comparing Agreement Version Contracts

Use the Agreement Version Comparison page to compare two or more agreement version contracts; The system calculates the payouts at each level of quota attainment based on the attainment schedule assigned to each version. The application displays graphically and tabularly the payouts at each attainment level for each version. Then, you can activate the one that best suits your requirements. **Note:** For information on setting up the graphs, see *Oracle Sales Online Implementation Guide*, Chapter 4, Setting Up Charts.

Agreement version contracts can be compared more accurately if they have the same attainment schedule. Comparison results are in the form of a table showing total compensation for each attainment point on the attainment schedule and in a

line graph with %Attainment on the X axis and Total Compensation on the Y axis and in a bar graph. All models must use the same attainment schedule.

You can also use the Agreement Version Comparison page to view the agreement details of a single agreement.

Navigation

Modeling > Comparison

Prerequisites

Agreement versions must already be created and be in the Generated state.

Steps

1. Click the Modeling tab and the Comparison subtab. The Agreement Version Summary page appears.
2. Select a role name.
   a. Click **Go** to open a pop-up list.
   b. Select a role.
   c. Click **Apply**.

      The agreement versions are displayed.
3. In the Select column, check the check boxes for the agreement versions you want to compare.
4. Click **Compare**.

   The Agreement Version Comparison page appears and displays the generated payouts at different levels of attainment graphically and tabularly. Changes to the agreement (setups and quotas) can be made from the Comparison page. The following steps detail the specific changes that can be made to an agreement that will have an effect on payouts.
5. Click the numbers in the Assigned Quota column to go to the Assigned Quota to Version page. The amounts for each component can be changed. Click **Update** to save any changes.
6. To change anchor values, click **Modify** in the Anchors column to go to the Resource Details - Customized Anchors page.
7. Click **Apply** on the Agreement Version Comparison page to see the results of your modifications.

If the planning analyst can determine which version best meets the company objectives, he or she can activate a version so that it is eligible for use to assign to the sales field. This can be performed on the Agreement Version Comparison page or the Agreement Version Summary page that is under the Modeling > Comparison subtab. Otherwise, the analyst can take advantage of the Performance functionality.

8. After you have compared the versions, click the Comparison subtab to return to the Agreement Version Comparison page.
9. If you want to activate one of the versions, in the Select column, check the check box next to the version you want to activate.
10. Click **Activate**.

    In the Activation Status column, Not Activated changes to Activated.
11. If necessary, before clicking Activate, click **Restore** to return to the previous information. You cannot undo an activation, however.

4.7 What-If Scenarios

In a what-if scenario, you enter values for variables used in the formula and obtain an expected income figure. Inputs can be estimated achievements (amount or quantity) or other variables used in the formula, such as payment amount.

The Performance subtab estimates the payouts for each compensation plan based on a revenue value that is entered by the planning analyst. This estimated payout differs from the values calculated during Comparison. Performance values are entered by the planning analyst while the Comparison values are obtained by the attainment schedules defined at the agreement version levels. Ideally, the Performance values are those not present in the attainment values. Otherwise, the payout will be the same as the payout displayed in the Comparison tab.

To create scenarios, perform the following procedure.

Navigation

Modeling > Performance

Prerequisites

Agreement versions must already be created and be in the Generated state.

Steps

1. Click the Modeling tab and the click Performance subtab.

   The Agreement Version Summary page appears. It looks like the Agreement Version Summary pages for the Agreement and Comparison subtabs, but it includes an Estimated Payout column and a Scenario column.

2. Select a role name.

   a. Click **Go** to open a pop-up list.

   b. Select a role.

   c. Click **Apply**.

      The agreement versions are displayed.

3. Click a name in the Version Name column to go to the Estimated Achievements page.

   a. Change the amount/units for estimated achievements for any variable component. The assigned quota amounts are already populated to the left for reference.

   b. Click **Update** to save your changes and return to the Agreement Version Summary page.

4. As before, to compare performance between versions, check the check box in the Select column for each version you want to compare.

5. Click **View Performance**.

   The Agreement Version Comparison page appears.

6. Click the numbers in the Assigned Quota column to go to the Assigned Quota to Version page. The amounts for each component can be changed. Click **Update** to save any changes.

7. To change the anchors, click **Modify** in the Anchors column.

   The Resource Details - Customized Anchors page appears.

8. Click a number in the Estimated Achievements column to go to the Estimated Achievements page (see step 3 previous).

9. Click **Apply** on the Agreement Version Comparison page to see the results of your modifications.

   If the planning analyst can determine which version best meets the company objectives, he or she can activate a version so that it is eligible for use to assign

to the sales field. This can be performed on the Agreement Version Comparison page or the Agreement Version Summary page that is under the Modeling > Comparison subtab. Otherwise, the analyst can take advantage of the Performance functionality.

Guidelines

The pop-up window on the Agreement Version Comparison page allows you to change the total quota amount. Click **Apply** to recalculate the Estimated Payout. The Payment Amount in the pop-up window, however, is not used in the calculation of Estimated Payout and can be ignored.

Part III

Resources and Compensation Plans

This part contains the following chapters:

- Chapter 5, "Creating Resources, Roles and Groups"
- Chapter 6, "Building Compensation Plans"
- Chapter 7, "Assigning Compensation Plans, Pay Groups, and Payment Plans"

5

Creating Resources, Roles and Groups

Sections in this chapter include:

- Section 5.1, "Introduction to Creating Resources, Roles, and Groups"

5.1 Introduction to Creating Resources, Roles, and Groups

Before anyone can be paid compensation in Oracle Incentive Compensation, they must exist as a resource in Resource Manager. In addition, a resource is assigned a role and a compensation group, which are also created in Resource Manager. For complete steps to perform these processes, refer to appropriate sections of the *Oracle CRM Application Foundation Implementation Guide* (Implementing Resource Manager) or *Oracle CRM Foundation Concepts and Procedures* (Understanding Resource Manager).

5.1.1 Set Up Resources for Team Compensation

You can use Resource Manager to define resource teams that are recognized by Oracle Incentive Compensation when calculating compensation amounts for members of a team.

A transaction typically is associated with a single resource (especially if Oracle Order Management is the transaction source). If the resource on the transaction is a member of a team, then Oracle Incentive Compensation automatically calculates compensation for every member of the team. For example, assume Steve is a member of a team consisting of Steve, John, and Bill. A transaction for $100 is collected into OIC. Steve is entitled to 100% credit for this transaction, but because he is also a member of a team, OIC automatically gives 100% credit to John and Bill as well.

However, even though team members all receive credit for the transaction, the sales credit rolls up a sales hierarchy only on the original transaction. For example, if Steve, John, and Bill all report to Bob, Bob receives only $100 sales credit (from Steve). If Steve reports to Bob but John and Bill report to Sally, only Bob receives rollup sales credit. Even if Steve, John, and Bill each have different managers, only Bob receives the rollup sales credit.

Refer to the *Oracle CRM Application Foundation Implementation Guide* for the specific steps necessary for creating a team and adding resources to it.

6

Building Compensation Plans

Sections in this chapter include:

- Section 6.1, "Overview of Building Compensation Plans"
- Section 6.2, "Enhancements to Building Compensation Plans"
- Section 6.3, "Defining Calculation Expressions"
- Section 6.4, "Defining Rate Dimensions"
- Section 6.5, "Defining Rate Tables"
- Section 6.6, "Defining Formulas"
- Section 6.7, "Defining Plan Elements"
- Section 6.8, "Defining Compensation Plans"

6.1 Overview of Building Compensation Plans

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

A compensation plan is built from plan elements and is assigned an effective start date and an effective end date. The plan can then be assigned to multiple sales roles. Compensation plans can be defined directly in Oracle Incentive Compensation or can be activated from an approved and accepted agreement from the Incentive Planning area of Oracle Incentive Compensation.

All modular components used in the system can be configured and reused in different combinations. Taking full advantage of this capability simplifies system

configuration as well as administration. For example, from a relatively small library of plan elements, you can configure many compensation plans.

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

- Revenue Classes are used to classify a bundle of classification rules that establishes the event eligible for compensation and the basis of calculation.
- Formulas determine how the compensation will be calculated.
- Rate Tables are the part of a formula that determines the rate at which achievements are commissioned. Rate dimensions are the structural part of a rate table to which values are added.
- Calculation expressions are interchangeable, reusable parts that are used in input and output expressions of formulas, expression-based rate dimensions, and performance measures.

To build a compensation plan, start at the smallest pieces and work up to larger ones. That means that you build compensation plans in this order:

1. Create calculation expressions and rate dimensions
2. Create rate tables using rate dimensions
3. Build formulas out of expressions and rate tables
4. Set up revenue classes
5. Make plan elements containing formulas and revenue classes
6. Build a compensation plan from plan elements

6.2 Enhancements to Building Compensation Plans

There are no compensation plan enhancements in this release.

6.3 Defining Calculation Expressions

Calculation expressions are interchangeable, reusable parts that are used in input and output expressions of formulas, expression-based rate dimensions, and performance measures.

There are 100 user definable column attributes. You can use these calculation expressions as performance measures, input expressions, output expressions, or rate table dimensions. You can even embed one calculation expression within another.

As part of the definition process you can select columns from a list of table columns on the Expressions subtab of the Incentive tab to create expressions. Once they have been saved the expressions can be assigned and reassigned to any number of formulas.

When defining a formula, you select a valid expression from a drop-down list at each of the areas for input, output, and performance measure on the Expressions page.

Sequencing plan elements in a compensation plan can assure that calculations are performed in the order you need.

6.3.1 Input Expressions

Input expressions tell Oracle Incentive Compensation what to evaluate from the transactions and how to match the results to the corresponding rate table. Think of the input expression as a sorter for all incoming transactions for Oracle Incentive Compensation. An example input expression looks like this:

(TRANSACTION_AMOUNT*EVENT_FACTOR)/TARGET

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

This is an example of a rate table:

Transaction Amount	Commission
$0 - $100	4%
$100 - $500	5%
$500 - $99,999	6%

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

1. Customer X

2. Transaction Amount $100
3. Product Z

Oracle Incentive Compensation, using the input expression created matches the above transaction of $100 with the rate table and determines that 5% will be paid on this order.

6.3.2 Output Expressions

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

In this example above, business users determined that the resources will be paid based on the rate table result, transaction amount, and a constant uplift/accelerator factor of 1.035. Users will need to tell Oracle Incentive Compensation in which columns this information resides and then apply the calculations.

Example of an output expression:

Rate Table Result * (TRANSACTION_AMOUNT * PAYMENT_FACTOR)

Using the above output expression, multiply 5% with the transaction amount ($100), event factor of 100% and 1.035 for the payment accelerator or payment uplift. The 4% is multiplied by the result of the sum in the brackets. If the payment factor is 1.05, then the result or commission is $5.25 ($100 x 4% x 1.05 = $5.25).

6.3.3 Performance Measures

A performance measure can be an accumulation of transaction values that are captured by the plan element to which it is assigned. Performance measures serve as a mechanism to gather cumulative information by plan element and group them for use in reports that compare achievements to quota, goal and performance measure.

An example of a performance measure is revenue. You can select and define the columns where revenue information for transactions is held. As transactions are entered and collected for the assigned plan element, the transaction values are accumulated. An example performance measure is:

TRANSACTION_AMOUNT

Note: Performance measures must use numeric expressions to work correctly. In a formula, if no performance measure is assigned, the application uses the first input expression. If that expression evaluates to string values, the calculation will fail.

Therefore, it is important when using an input expression that is not numeric to assign a numeric performance measure.

Use the following procedure to define calculation expressions.

Navigation

Incentive > Expression

Prerequisites

Table and column mapping is complete.

Steps

1. Click the Incentive tab and click the Expression subtab.

   The Calculation Expressions page displays a list of already created calculation expressions.

2. To create a new calculation expression, click **Create**.

   The Calculation Expressions page appears.

3. Enter a unique name for the expression. This is a required field.

4. Optionally, provide a description for the expression.

5. The status of the expression in the read-only field is Invalid until it is saved.

6. Select a Type from the drop-down list. The seven selections represent groups of calculation elements, such as expressions, formulas, and SQL functions. Only the calculation elements in that selection are displayed in the Calculation Values box below.

7. In the Calculation Values box, select the column to be used in the expression.

8. Click the right shuttle box arrow in the center to move the element into the Expression box. You can click the left shuttle box arrow to remove an entry from the Expression box.

9. If your expression requires it, select an operand from the row below the Expression box. It appears immediately in the Expression box without using the right arrow button.

10. Optionally, numeric constants or string values can be added to an expression. Enter the numeric value or string value in the Constant field and click the right arrow button to move it to the Expression box. As above, click the left arrow button to remove an entry from the Expression box.

11. To use values from another plan element or to create an interdependent plan element, enter the name of the plan element in the Plan Element field. See Section 6.7.4, "Interdependent Plan Elements".
12. Select from the list of metrics next to the Plan Element field. Use the right shuttle box arrow to add the plan element and metric to the expression. See Guidelines.
13. Add elements and operands until the desired expression has been created.
14. Click **Update** to save and compile your expression. Optionally, click **Restore** to return to the previously saved information.

    The status of the expression should read Valid if it has compiled properly.
15. The usage of the expression is also displayed after the expression is saved. The usage rules determine where the expression may be applied.

Guidelines

A Bonus calculation expression cannot include an element from the table cn_srp_period_quotas or any table that is mapped to this table. A Bonus calculation expression cannot be used as an embedded formula and cannot be mixed with a commission type formula. See Bonus Formulas for more information.

User table names are listed under External Elements. You join an external table to an internal table by mapping them using Administration > External Tables.

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

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

- CN_COMMISSION_HEADERS
- CN_COMMISSION_LINES
- CN_SRP_QUOTA_ASSIGNS
- CN_SRP_PERIOD_QUOTAS
- CN_QUOTAS

A rate dimension calculation expression can only be defined from the following tables:

- CN_SRP_PERIOD_QUOTAS

- CN_SRP_PAN_ASSIGNS
- CN_SRP_QUOTA_ASSIGNS
- CN_SALESREPS

An output expression cannot contain both ITD_TARGET and ITD_PAYMENT.

Plan element metrics are stored for each resource in the database, and are not necessarily defined in the user interface. Most of the selections relate to accumulation of commission in a plan element over a period--period to date (PTD)--or an interval other than the period--interval to date or ITD. For example, a plan element can use a period of a month but also an interval of a quarter, and accumulation of commission for either interval or period can be used in another expression to calculate a bonus. This can be set on the Calculation Expressions page using the Plan Element field and the metrics drop-down list next to it.

The ten choices in the drop-down list are:

- COMMISSION_PAID_ITD: Commission paid interval to date
- COMMISSION_PAID_PTD: Commission paid period to date
- INPUT_ACHIEVED_ITD: Input achieved interval to date
- INPUT_ACHIEVED_PTD: Input achieved period to date
- ITD_PAYMENT: Interval to date payment
- ITD_TARGET: Interval to date target
- PERF_ACHIEVED_ITD: Performance measure achievement interval to date
- PERF_ACHIEVED_PTD: Performance measure achievement period to date
- PERIOD_PAYMENT: Payment made for the period
- TARGET_AMOUNT: Target amount

The 100 attributes defined on this page are descriptive flexfields. For more information on flexfields, see *Oracle Incentive Compensation Implementation Guide*, Appendix A, or the *Oracle Applications Flexfields Guide*.

6.4 Defining Rate Dimensions

Rate dimensions define the tiers that are used in a rate table to calculate commission percentages. There are four kinds of rate dimensions:

- Amount: The rate dimension is defined in quantities.

Units Sold	Commission %
1-100	2
100-250	4
250-99999999999	6

- Percent: The rate dimension is defined in percentages.

Percent of Quota	Commission %
0-25	0
25-75	1
75-100	3

- Expression: The rate dimension uses previously defined expressions.

Percent of Target	Commission %
0 - 0.25 * ITD Target	5
0.25 * ITD Target - 0.75 * ITD Target	10
0.75 * ITD Target - Target	15

- String: The rate dimension uses alphanumeric data.

State	Commission %
California	5%
Oregon	4%
Washington	7%

These values comprise the ranges from which compensation is calculated in a rate table.

You can select Amount or Percent dimensions on the Dimensions page from a drop-down list.

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

The calculation module has been modified to support accumulation across multiple dimensions when a multidimensional rate table is assigned to a plan element.

With this release, the calculation module also provides users the ability to specify one dimension in a multi-dimensional rate table for which they would like the rates to be split.

In the following example, three dimensions are used to calculate various commission rates: License Revenue (percent of quota), State, and Product. The formula first compares transaction revenue with the first dimension, License Revenue. Next, the formula compares transaction location with the second dimension, State. Finally, the formula compares product identification with the third dimension, Product.

A dimension contains rate tiers to establish different levels of achievement to be compensated at different rates. In this example, two dimensions have two tiers and one has three, but any number can be defined.

The License Revenue dimension:

0-100

100-9,999

The State dimension:

Arizona

California

Oregon

The Product dimension:

PCs

Peripherals

Together, there are 12 possible combinations, and each one can be assigned a different commission rate.

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 are assigned to roles that are assigned 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.

The following table shows four columns of a Dimension and Rates Example. Columns are License Revenue, State, Product, and Rate. Product is chosen as the base dimension. There are 6 possibilities for each of the two tiers in the License Revenue dimension, including all combinations with the other two dimensions.

License Revenue	State	Product	Rate
0-100	Arizona	PCs	1%
0-100	Arizona	Peripherals	5%
0-100	California	PCs	1.5%
0-100	California	Peripherals	4.5%
0-100	Oregon	PCs	1.25%
0-100	Oregon	Peripherals	6.25%
100-9,999	Arizona	PCs	4%
100-9,999	Arizona	Peripherals	8%
100-9,999	California	PCs	4.5%
100-9,999	California	Peripherals	7.5%
100-9,999	Oregon	PCs	4.25%
100-9,999	Oregon	Peripherals	9.25%

Navigation

Incentive > Rate

Prerequisites

For an expression type dimension, the expressions must already be defined.

Steps

1. Click the Incentive tab and click the Rate subtab.

   The Rate Tables page appears.

2. Click the name of the rate table for which you want to create or edit a dimension.

The Rate Table Details page appears.

3. In the Dimension area, click **Details** next to any already created dimensions to open the Dimensions page. It contains the rate tiers assigned to the dimension.
4. To create a new dimension, click **Create**.

   The Dimension page opens. The fields are blank.
5. On the Dimensions page, for a new dimension, enter a name in the Name field. If you are editing an existing dimension, be sure the field contains the name of the dimension on which you want to work.
6. Select or verify the type from the drop-down list.
7. Optionally, enter a description.
8. In the Rate Tiers area, enter numbers in the From and To columns to create rate tiers. Follow the sequence, and do not leave any gaps between the tiers.
9. If you want to add a tier, use the blank fields at the bottom of the table.
10. To delete a tier, click the Remove check box next to the tier and click **Update**.
11. If necessary, click **Restore** to return to the previously saved information.
12. Click **Update** to save your work.
13. Click **Back** to return to the Rate Table Details menu, where you can assign the dimension you created to the rate table.

Guidelines

You can also define rate dimensions at Administration > Incentive > Rate Dimensions. See Section 12.23, "Rate Dimensions" for more information.

If the application is unable to find a match in a string dimension in a rate table, the application picks the last rate value by default. For example, suppose that in the example above, a transaction has dimension values of 10,000, Iowa, and Service. No matches occur, and the rate table result is 9.25%, the last value in the Rate column.

If you do not want non-matching transactions to receive commission, add "OTHER" as the last string value to each string dimension with a corresponding commission rate of 0, for example.

Another method of dealing with non-matching transactions is to use classification rules. Transactions with attributes that do not match your classification rules will have a failed classification status. You can correct these failed transactions'

attributes by changing their values and maintain a record of the adjustment through the manual adjustments window.

6.5 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.

The Rate subtab contains a side panel menu that provides links to several pages. After you have chosen a rate table, click the links to see the following:

- Summary: Lists all rate tables that have been created
- Detail: Displays details of the rate table you selected
- Commission Rates: Displays the commission rates for the selected rate table
- Formulas: Displays the formulas to which the rate table is assigned
- Plan Elements: Displays the plan elements in which the rate table is used

Amount type rate tables base compensation on amount of sales volume. Percent type rate tables are based on percentage of goal achieved.

To define rate tables, perform the following procedure:

Navigation

Incentive > Rate

Prerequisites

None.

Steps

1. Click the Incentive tab and click the Rate subtab.

   The Rate Tables page appears

2. Click **Create**.

   The Rate Table Details page appears.

3. In the Name field, enter a unique name for the rate table.
4. Select a Rate Table type, either Amount or Percent, from the drop-down list.

5. Click **Update** to save your work.
6. To add an already created dimension to the rate table, on the Rate Table Details page, enter four or more characters in the Dimension Name field and click **Go** to open a pop-up list. See Guidelines.
7. Select a rate dimension from the list.
8. To assign or change commission rates, click the Commission Rates link to go to the Rate Table Details - Commission Rates page.
9. To create a new dimension, on the Rate Schedule Detail page, click **Create**.

   The Dimensions page appears.
10. After you have assigned the dimensions you need to the rate table, click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.

Guidelines

If a rate schedule is already assigned to a formula or plan element, it cannot be deleted and the commission type cannot be updated. Dimension assignments cannot be changed. An error message displays if you attempt to delete or change a rate schedule that is already assigned.

Note: If you have string-based dimensions in a rate table, you must assign the same table or one of similar structure to the formula in the plan element. If you do not do this, the generated formula package assumes that all of the inputs evaluate to numeric values, and an error message and XCALC status results.

Note: There can be no gaps in a rate table. If one dimension tier is 1-25%, the next tier must start at 25%. If a transaction matches the amount or percent that is the top of one tier and the bottom of the next higher tier, it is calculated using the higher tier. For example, using the percentage rate table below, a transaction that matches 50% exactly is paid at the 3% rate.

Percentage of Target	Commission
1-25%	1%
25-50%	2%
50-75%	3%
75-100%	4%

6.6 Defining Formulas

Oracle Incentive Compensation offers complete flexibility to create formulas for calculating compensation. Some formulas can be embedded in another formula definition or in a plan element definition. You can save an incomplete formula and return to complete it later.

Any expressions that you use in a formula must be created before you define a formula. Expressions can be repeated in your formula and can be reused in other formulas as well. See the Guidelines section of Defining Calculation Expressions for more information on the types of calculation expressions that you can use for commission and bonus formulas.

Any column from any table can be part of your formula, as long as the Calculation Value check box for the column is selected in Columns and Tables.

To create formulas, perform the following procedure.

Navigation

Incentive > Formula

Prerequisites

Expressions must be created first.

Steps

1. Click the Incentive tab and click the Formula subtab.

   The Formulas page appears.

2. Click **Create** to create a new formula.

   The Formula Definition page appears.

3. In the General area, enter a unique name and a description for your formula. The Name field is required.

4. Enter Commission or Bonus from the Type drop-down list. This field is required. (See Guidelines)

5. In the Rules area, select Individually or Grouped by Interval from the Apply Transactions drop-down list. This field is required. (See Guidelines)

6. Make a selection from the Split drop-down list: No Split, Proportional, or Non-Proportional. This field is required. (See Guidelines)

7. Check the Cumulative check box if you want to aggregate the transactions. (See Guidelines).
8. Check the Interval To Date check box if you want to base the calculation on a period different from the plan element interval. (See Guidelines)
9. Check the Planning check box if this formula is used for plan modeling purposes.
10. Click **Generate** to save your work. You can click **Update** to save changes, or Restore to return to the previously saved information.

    The Formula Package Name is displayed.
11. Click the Expressions link on the side panel menu.

    The Expressions page appears.
12. In the Input area, select an expression from the drop-down list to represent your formula input. You can use more than one input expression, but the number of input expressions must equal the number of dimensions in the rate table that you select later.
13. Assign a forecast, if desired. You must assign a forecast input expression in order for resources to use Income Planner in Oracle Sales Online.
14. If you selected Proportional or Non-Proportional in the Split drop-down list on the Formula Definition page (step 6), a Split Flag button appears on the Expressions page. Click this button next to the expression of the formula for which you want to use the split. You cannot split more than one expression in a formula.
15. If you checked the Cumulative check box on the Formula Definition page (in step 7), a Cumulative Flag check box appears on the Expressions page. Check the check box for any expression that you want to be aggregated.
16. Click the eraser icon in the Remove column to delete an expression from the formula.
17. In the Output area, select an expression from the drop-down list.
18. As with the input expression, you can select a forecast from the drop-down list. A forecast output expression is required for a resource to use Income Planner in Oracle Sales Online.
19. In the Performance Measure area, select an expression from the drop-down list. The performance measure, as well as the quota, is used in reports for comparison with achievement.

20. Click **Update** to save your work. If you saved the expression before, you can click **Restore** before you click **Update** to return to the previously saved version.
21. Click the Rate Tables link on the side panel menu to assign a rate table to the formula.

    The Rate Tables page appears.
22. Click **Go** in the first blank field in the Name column to open a pop-up box. Select a rate table and click it.
23. Enter an effective start date and end date. You can view the rate table details and rates by clicking **Rate Table Details**.
24. Click the Detail link on the side panel menu and click **Generate**. If you have successfully created the formula, the status field above the Generate button will change from Incomplete to Complete.
25. Click **Update** to save.

Guidelines

A Bonus Formula is a type of Formula where there are no links or references to transactions. See the Guidelines section of Defining Calculation Expressions for more information. Also see Bonus Formulas.

Split tiers if you want portions of the full amount paid at each rate up to the top qualifying rate. Use a Non-Proportional split for percent based rate tables and a Proportional split for amount based rate tables.

For example, a percent based rate table shows 0-1000 at 1%, 1000-2000 at 2%. There are two transactions: Transaction 1 is 200, transaction 2 is 1,300. Transaction 1 is a simple calculation applied entirely to the first tier, paying 2. The second transaction uses both tiers. If you select No Split in the drop-down list, 2% is applied to the entire transaction amount of 1,300, for a total commission of 26. If you select Non-Proportional in the drop-down list, the first 1,000 of the transaction is applied to the first tier (1%) and the remaining 300 is applied to the second tier (2%). This generates commission of 16 (1000 * 1% + 300 * 2%). Splitting tiers in this example reduces the commission amount by keeping most of the calculation in the lower-paying first tier.

Use Proportional splits to do the same thing with amount rate tables. For example, an amount rate table shows 0–1000 at 100, 1000–2000 at 200. Applying the same transactions as you used in the previous example, commission for first transaction is 20 because 200 is one fifth of the first rate tier and one fifth of the 100 rate is 20. For the second transaction amount of 1300, the total commission is the total of the

first rate tier amount (100), and .3 of the second tier [(1300–1000)/(2000–1000)], which pays 60 (.300 * 200). The total commission for the second transaction is 160.

Select the Cumulative check box if transactions are required to be aggregated in total. The rate applied will be determined by the transactions-total achieved to date within the interval. You must check the Cumulative check box if you are using Group by Interval for a formula.

With the Cumulative check box selected, the first transaction commission is the same, but the second transaction, is calculated using the entire cumulative amount of 1500. That means the total is 100 for the first tier (1.000 * 100) and 100 for the second tier (.500 * 200), for a transaction commission total of 200.

Note: For the Cumulative or Split functions, you can use percent, amount, or expression type rate dimensions. You cannot use string dimensions.

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

Note: Performance measures must use numeric expressions to work correctly. In a formula, if no performance measure is assigned, the application uses the first (*) input expression. If that expression evaluates to string values, the calculation will fail. Therefore, it is important when using an input expression that is not numeric to assign a numeric performance measure.

Dependency Notes

Commission Formulas

1. Individual Option for Transactions can be used with any Accumulate/Interval to Date option.
    a. By default Interval to Date and Accumulate options must be used together. You cannot select Interval to Date by itself. Split options are selectable (each is mutually exclusive).
    b. Accumulate can be selected by itself. Split options are selectable (each is mutually exclusive).
2. Group by Interval for Transactions can only be used with Accumulate. Split options are selectable (each is mutually exclusive).

Bonus Formulas

Bonus formulas calculate only against Individual transaction options. Split options are selectable (each is mutually exclusive).

To perform Bonus type calculation, you must create a view in SQL, register the view in the apps schema, and map the customized views column to the original table.

Use interval to date quotas and fixed amounts if:

- Quotas are set each period
- Quotas are set cumulatively within the interval
- Performance to date is to be compared to the quota to date

6.7 Defining Plan Elements

A **plan element** is part of a compensation plan. It specifies the conditions a resource must meet to be eligible for compensation, and it determines how the compensation is calculated. You can assign multiple plan elements to a compensation plan and you can assign a plan element to multiple compensation plans.

The first two parts of this section cover Creating a Plan Element and Changing Plan Element Details.

6.7.1 Creating a Plan Element

The following steps explain how to create a plan element using the Plan Element Details page. Use the following procedure to create a plan element.

Navigation

Incentive > Element > Create

Prerequisites

If the plan element includes a formula, then the formula must exist, its status must be complete, and it must be valid and generated (see Section 6.6, "Defining Formulas").

If the plan element includes a rate table, then the rate table must exist (see Section 6.5, "Defining Rate Tables").

If the plan element includes a revenue class, then the revenue class must exist (see Section 12.8, "Revenue Class").

Steps

1. Click the Incentive tab and click the Element subtab.

   The Plan Elements page appears.

2. Click **Create**. The Plan Element Details page appears, with blank fields.

3. Enter a Name and Description for the new plan element at the top of the page.

   The Name field is required. The Description field can help you correctly identify plan element with similar names when you are building a compensation plan.

4. Select None, Bonus, or Quota from the Quota Group drop-down list.

   This selection affects how the plan element is displayed in the Year to Date Summary report. See Guidelines.

5. Select a Payment Group from the drop-down list. The default is Standard. This field is required. See Guidelines.

6. Enter a start date for the plan element. This field is required.

7. Optionally, enter an end date.

   Note: This setting affects how variables are distributed. See Section 6.7.3, "Distributing Variables" for more information.

8. In the Parameters area, select an incentive type from the drop-down list. This field is required.

   Selections include Commission and Bonus, which are calculated differently. See Guidelines.

9. Select an Interval Type from the drop-down list. This field is required.

   Interval Type affects the length of time during which transactions are accumulated for meeting sales goals. See Guidelines.

10. Select a Credit Type from the drop-down list. This field is required.

    The credit type is normally the preset functional currency, but it can be any type that you define in the application.

11. Select Formula or External from the Formula Type drop-down list. This field is required. Each formula type requires a different action:

    - Formula: Enter four or more characters (including wildcards) in the Choose Formula field and click Go. Select a formula from the pop-up box. See Guidelines.

- External: Enter a PL/SQL package name in the Package Name field. This enables the application to find the external formula. See the Note in Guidelines.

12. Optionally, identify a liability account.

    a. Enter four or more characters in the Liability Account field and click **Go.**

    b. In the Code Combination window, select the desired liability account.

    Liability accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified liability account. See Guidelines.

13. Optionally, identify an expense account.

    a. Enter four or more characters in the Expense Account field and click **Go.**

    b. From the Code Combination window, select the desired expense account.

    Expense accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified expense account. See Guidelines.

14. Check the Eligible for Payee Assignment check box if you want to assign the payment to someone other than the resource receiving the sales credit.

    This functionality may be used in various scenarios. One such case is if the credit receiver leaves the company and a new resource takes over an account.

15. In the Variables area, enter an optional Target, Goal, or Fixed Amount. The Sum Revenue Classes check box lets you choose to combine the amounts from all revenue classes assigned to the plan element to meet a target or goal.

16. Click **Create** to save your work.

Guidelines

The Quota Group drop-down list contains three choices. If you select:

- None: The plan element name does not display in the Year to Date Summary.
- Bonus: The plan element displays in the Bonus category of the Year to Date Summary.
- Quota: The plan element name displays in the Quota category of the Year to Date Summary.

The Payment Group setting enables you to assign multiple payment plans to a resource as long as they are in different payment groups for a specific date range. The payment group codes are customizable; the default setting is Standard.

In step 8, the formulas are based on the commission incentive type of a compensation plan. Bonus incentives are additional compensation based on aggregated transactions. **Note:** On the Plan Element Details page, the Choose Formula list of values displays only formulas that match the incentive type value selected in the Incentive Type drop-down list.

In step 9, the drop-down displays the commonly used intervals of Period (month), Quarter, and Year. However, you can define a custom interval on the Administration tab (Administration > Incentive > Interval). After a compensation plan has been assigned to a sales role, in order to change the interval, you must remove the plan assignment, change the plan element's interval, then reassign the compensation plan.

In step 11, if you choose an external formula type, you must enter the name of the PL/SQL package in the Package Name field. If you select a formula type of Formula, be sure to select a formula with a status of Complete.

Note: You can use an **external formula** in a plan element in this release of Oracle Incentive Compensation. External formulas are similar to system generated formulas, except that they contain customized material. This means that when you upgrade the application, any changes that were made are not automatically applied to the external formula, so they must be applied manually.

To use an external formula in a plan element, select External Formula type in the Formula Type field and enter the name of the PL/SQL package in the Package Name field.

To create an external formula, perform the following steps:

- Start with a system generated formula that resembles your desired formula as closely as possible.
- In the PL/SQL code, rename the formula, changing the name in every place it appears.
- Change the formula number to Null.
- Add customization as required.

See Appendix C, "External Formula Code Examples".

6.7.2 Changing Plan Element Details

You can make changes to an existing plan element, using the Plan Element Details page. Many of the fields on this page appear the same as when you are creating a new plan element, but the page contains a side panel menu from which you can select revenue classes, rate tables, and compensation plans. It also contains a Distribute button. These are discussed later in this section.

Use the following procedure to change a plan element.

Navigation

Incentive > Element

Prerequisites

If the plan element includes a formula, then the formula must exist (see Section 6.6, "Defining Formulas").

If the plan element includes a rate table, then the rate table must exist (see Section 6.5, "Defining Rate Tables").

If the plan element includes a revenue class, then the revenue class must exist (see Section 12.8, "Revenue Class").

Steps

1. Click the Incentive tab and click the Element subtab.

   The Plan Elements page appears.

2. Click a hyperlinked plan element name in the Name column.

   The Plan Element Details page appears.

3. You can change the plan element name and the description if necessary.

4. You can change the start date and end dates of the plan element. The Start Date field is required, but the End Date field is optional.

   Note: This setting affects how variables are distributed. See Section 6.7.3, "Distributing Variables" for more information.

5. You can change the Quota category from Quota Group drop-down list. See Guidelines.

6. You can change the Interval Type from the drop-down list. This field is required. See Guidelines.

7. You should not change the credit type of a plan element after it has been used in a compensation plan. This field is required.
8. You can change the Formula Type by selecting Formula or External from the drop-down list. If you change to a new formula type, perform the appropriate steps:
   - Formula: Select formula from the Choose Formula drop-down list.
   - External: Enter a PL/SQL package name in the Package Name field. This enables the application to find the external formula. See the Note in Guidelines.
9. Optionally, if Accounts Payable integration is enabled, identify an expense account, or change an existing one.
   a. Enter four or more characters in the Expense Account field and click **Go.**
   b. From the Code Combination window, select the desired expense account.

   Expense accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified expense account. See Guidelines.
10. Optionally, identify a liability account or change an existing one.
    a. Enter four or more characters in the Liability Account field and click **Go.**
    b. In the Code Combination window, select the desired liability account.

    Liability accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified liability account.
11. Check the Eligible for Payee Assignment check box if you want to assign the payment to someone other than the resource receiving the sales credit.

    This functionality may be used in various scenarios. One such case is if the credit receiver leaves the company and a new resource takes over an account.
12. In the Variables area, you can enter or change an optional Target, Goal, or Fixed Amount. The Sum Revenue Classes check box lets you choose to combine the amounts from all revenue classes assigned to the plan element to meet a target or goal.
13. Optionally, click the Copy Plan Element button to create a new duplicated plan element from the current plan element.
14. Click Distribute to distribute any target, goal, or fixed amount from step 14 to all periods in the defined interval.

The Plan Element Details - Distribute Variables page displays. See Section 6.7.3, "Distributing Variables" to continue this process.

15. Click **Update** to save your work. If necessary, can click **Restore** instead to return to the previously saved information.

Guidelines

In step 6, the Quota Group drop-down list contains three choices. If you select:

- None: The plan element name does not display in the Year to Date Summary.
- Bonus: The plan element displays in the Bonus category of the Year to Date Summary.
- Quota: The plan element name displays in the Quota category of the Year to Date Summary.

Formulas are based on the commission incentive type of a compensation plan. Bonus incentives are additional compensation based on aggregated transactions. **Note:** On the Plan Element Details page, the Formula list of values displays only formulas that match the incentive type value selected in the Incentive Type drop-down list.

In step 8, commonly used intervals are Period (month), Quarter, and Year, but you can define a custom interval on the Administration tab (Administration > Incentive > Interval). After a compensation plan has been assigned to a sales role, you can change the interval type of the plan element. 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.

In step 10, if you choose an external formula type, you must enter the name of the PL/SQL package in the Package Name field. If you select a formula type of Formula, be sure to select a formula with a status of Complete.

6.7.3 Distributing Variables

You can distribute variables that are set up on the Plan Element Details page to all periods in the interval. The distribution is based on the Calendar that is specified in the System Parameters.

When you distribute variables on the Plan Element Details - Distribute Variables page, the amounts that you defined on the Plan Element Details page are applied evenly, with the specified amount duplicated in each interval. For example, if you

set a target of $5,000 for a period, $5,000 is displayed for each month on the Distribute Variables page when you distribute the target.

On the Plan Element Details - Distribute Variables page, you can select a view of Period, Quarter, or Year. When you apply a different view, the amounts change to reflect this. For example, if you set a target of $5,000, that amount is displayed for each period in the Period view. If you select and apply a Quarter view, each quarter shows $15,000. A Year view shows $60,000 for the entire year.

After the amounts are evenly distributed, you can change them manually for a period to reflect variations in expected sales or seasonality.

Prerequisites

Variables must already be defined on the Plan Element Details page.

Steps

1. Click the Incentive tab, and click the Element subtab.

   The Plan Elements page appears.

2. Click a hyperlink in the Name column.

   The Plan Element Details page appears.

3. Click the Distribute button.

   The Plan Element Details - Distribute Variables page appears.

4. Select an interval from the View drop-down list. Selections include Period, Quarter, and Year.

   Note: Regardless of the view, variables are distributed equally to each period.

5. Click **Apply**. The display changes to show the intervals selected in step 1.

6. To distribute variables, click **Distribute Target**.

   The amounts are equally distributed to each period, duplicating the amount set in the Variables area of the Plan Element Details page.

7. Add or make adjustments to any Quota, Fixed Amount, or Goal as needed.

8. Click **Update** to save your changes. Or, click **Restore** to return to the previously stored information.

Guidelines

If you do not enter an End Date on the Plan Element Details page, the application automatically distributes the variables for all remaining periods defined in the predefined Calendar for the application.

If the plan element uses a partial year, then the distributed amounts are prorated. For example, if the periods start with April, and the target amount for each period is $5,000, then the quarterly view will show as $15,000 each, but the Year view will be $45,000.

6.7.4 Interdependent Plan Elements

Interdependent plan elements use the calculated totals of one plan element to calculate for commission for another plan element.

To set up an interdependent plan element, you must create an expression that accesses specific plan element totals. This is performed on the Calculation Expressions page (Incentive > Expression).

To set up an independent plan element, perform the following procedure to create the input expression you need for it. See Section 6.3, "Defining Calculation Expressions" for more details on creating expressions.

Navigation

Incentive > Expression

Prerequisites

To be used in an input expression, a plan element must already be created.

Steps

1. Click the Incentive tab and click the Expression subtab.

   The Calculation Expression page appears.

2. Click **Create**.

   The Calculation Expressions page with blank fields appears.

3. Enter a unique name for the expression. This is a required field.
4. Optionally, provide a description for the expression.
5. Optionally, select a type from the Type drop-down list. The six selections represent groups of calculation elements, such as expressions, formulas, and

SQL functions. The choices for your selection are displayed in the Calculation Values box.

6. Optionally, select the column you want to use in the expression from the Calculation Values box.

   Perform optional steps 5 and 6 only if you are using transaction data from calculation expressions and mixing the plan element total with transaction data.

7. Click the right shuttle box arrow to move the element from the Calculation Values box into the Expression box.

   If you change your mind, you can click the left shuttle box arrow to remove an entry from the Expression box.

8. If your expression requires it, select an operand from the row below the Expression box. It appears immediately in the Expression box without using the right shuttle box arrow.

   Again, to remove an item from the Expression box, click the left shuttle box arrow.

9. Optionally, numeric constants or string values can be added to an expression. Enter the numeric value or string value desired and click the right shuttle box arrow to move it to the Expression box. As above, click the left arrow button to remove an entry from the Expression box.

10. Enter the name of the plan element in the Plan Element field. Type it in or enter four or more characters and click **Go** to search through existing plan elements.

11. Select an accumulated plan element total from the drop-down list next to the plan element field.

12. Click the right shuttle box arrow to move the plan element and total into the Expression box.

13. Click **Update** to save the expression. If you have previously saved the expression, click **Restore** to return to the previously saved information.

After you have created the interdependent plan elements, build a compensation plan using the plan elements. Use the expression as the input expression of the formula of a new plan element. See Section 6.8.1, "Compensation Plan Details" for steps to creating a compensation plan on the Compensation Plan Details page.

The new plan element you create calculates commission based on totals from the plan element that you built into the expression.

Example

A sales manager wants a resource to receive an additional $1,000 bonus if she sells 100% of her target for a certain product. Because the bonus requires knowledge from the plan element for this product, you must create an interdependent plan element. These are the steps the compensation analyst performs to create an interdependent plan element in the resource's compensation plan.

First, the compensation analyst creates a commission plan element that includes the input and output expressions and a rate table to calculate commission. This plan element pays the regular commission on the product and aggregates credits and the target.

Secondly, the compensation analyst creates the plan element that pays the bonus if 100 percent of the target of the first plan element is met. This requires a formula that utilizes an input expression that references the achievement of the first commissions plan element. This input expression divides the accumulated total from the first plan element by the ITD_Target total, which determines the achievement.

Finally, the plan elements must be sequenced in the final compensation plan so that the transactions are collected and calculated for the commission plan element first. That way, the total from all of the transactions for the first (commission) plan element can be used accurately in the input expression of the second (bonus) plan element.

If, after all transactions are collected and calculated, the result of the expression in the bonus plan element is 100 percent or greater, then the resource receives her $1,000 bonus credit.

6.7.5 Assigning Revenue Classes to a Plan Element

Revenue classes are user-defined categories of business revenue used to determine whether sales credit is applied toward a compensation payment. Plan elements contain revenue classes because resources are given certain categories or specific products or services to sell. To assign a revenue class to a plan element, perform the following procedure.

Navigation

Incentive > Element > Plan Element Details > Revenue Classes

Prerequisites

Revenue classes must already be defined on the Administration tab. Plan element details have been defined in the Plan Element Details page.

To assign revenue classes to a plan element, perform the following procedure:

Steps

1. Click the Incentive tab and click the Element subtab.

   The Plan Elements summary page appears.

2. In the Name column, click the name of the plan element to which you want to assign a revenue class.

   The Plan Element Details page appears.

3. In the side panel menu, click Revenue Classes.

   Revenue Classes page appears.

4. Select a revenue class by clicking **Go** next to the first empty field in the Revenue Class column under any previously assigned revenue classes.

   A pop-up window appears listing all available revenue classes.

5. Select a revenue class by clicking it.

6. Assign a quota to the plan element for the selected revenue class and enter it in the Quota column.

7. Assign a fixed amount to the revenue class for this plan element.

8. Assign a goal in the Goal column for this plan element.

9. If necessary, click **Restore** to return to the previously saved version.

10. Click **Update** to save your work.

11. Click **Details** in the Details column to go to the Plan Element Details page with sections for Accelerators and Transaction Factors. See Section 6.7.7, "Accelerators and Transaction Factors" for detailed procedures.

6.7.6 Assigning Rate Tables to a Plan Element

Rate Tables are essential to calculation commission with a plan element. To assign a rate table to a plan element, perform the following procedure.

Navigation

Incentive > Element > Plan Element Details > Rate Tables

Steps

1. Click the Incentive tab and the Element subtab.

   The Plan Elements summary page appears.

2. In the Name column, click the name of the plan element to which you want to assign a rate table.

   The Plan Element Details page appears.

3. In the side panel menu, click Rate Tables.

   Rate Tables page appears.

4. Enter a rate table name in the Name column. Click **Go** to open a pop-up list, from which you can select a rate table.

5. Enter an effective start date and end date. The start date field is required.

6. You can view the commission rates on the Rate Table Detail - Commission Rates page by clicking **Details** in the Details column.

7. Enter a child formula from the drop-down list if desired. Use the same steps as you used for the Parent Rate Table section. See Guidelines.

8. Click **Apply**.

9. Click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.

Guidelines

Child rate tables are referenced within embedded formulas. The following example illustrates how child rate tables are used.

First, you create the formula to be embedded, and then create the formula that is referenced by the plan element, which includes the embedded formula within it. Assume that you want to calculate commissions based on percentage of quota, but only for transactions where the sales credit is greater than $1,000. First you must create an expression to determine if the sales credit is greater than $1000. The expression looks like this:

Commission.Headers.TRANSACTION_AMOUNT/1000

Use this expression as the input expression for the embedded formula. If the result is greater than 1, then you know that the sales credit is greater than $1000.

Next, configure an amount rate table with two tiers (one tier for values less than 1 and one tier for values greater than 1):

Amount	Rate
0-1	0
1-999,999,999	1

In this example, the first tier with an amount of less than 1 has a rate of 0, and in the second tier, anything greater than one has a rate of 1.

Create an output expression that references the rate table result. Select Others from the Type drop-down list and click Rate Table Result.

Next, you need to configure the embedded formula out of the input expression, rate table, and output expression you have just created. It will be referenced by the other formula.

Now you can configure the formula that will be referenced by your plan element. First, configure an expression to reference the formula that you just created. This expression looks like this:

Commission Headers.TRANSACTION_AMOUNT/(SRP Period Quota.TARGET_AMOUNT*<embedded formula>).

Next, create the rate table for your formula, as follows:

Percent	Rate
0-100%	3%
100-9999%	4%

Finally, create an output expression that multiplies your rate table result by the transaction amount:

Rate Table Result*Transaction_Amount

When you build this formula, use the expressions and the rate table you have just created. Then, when you configure your plan element, reference the second formula that you created.

When you save the plan element, the rate tables associated with the formula and with the embedded formula are both associated with the plan element. When you view the rate tables associated with the plan element on the Incentive > Element > Rate Tables page, the Parent Rate Table section shows the rate table that was created for the second formula, while the Child Rate Tables section displays the rate table associated with the embedded formula. Because it is possible to create multiple

embedded formulas, OIC provides a drop-down menu that enables you to select any one of the embedded formulas that you may have configured.

6.7.7 Accelerators and Transaction Factors

In a plan element, you can modify the incentive amounts by using payment and quota accelerators, as well as transaction factors and other factors. You define the effective period for these temporary changes by assigning a Start Date and an End Date. Accelerators increase compensation during that time period, and can be used as incentives for salespeople. Transaction factors stage sales credit over the live of a sale.

6.7.7.1 Accelerators

For each revenue class, at plan element level, you can define incentives known as accelerators. Oracle Incentive Compensation provides you with two types of accelerators:

- Payment factor: Increases the resource's commission payment without affecting the level of quota achievement
- Quota factor: Increases a resource's quota credit without affecting the payment

When you want to provide an incentive without affecting a resource's quota achievement, you can define a payment factor. The payment factor is a percentage factor multiplied against the net sales credit, resulting in compensation credit. The application then applies the compensation rate to this compensation credit to calculate the compensation. Thus, a payment factor results in a higher compensation amount but no higher quota achievement.

For example, a payment factor of 200% has been put onto the revenue class of LIC-DB compensation plans for field salespeople to promote sales of this type of license. When Salesrep A sells something with the revenue class of LIC-DB, the application takes the transaction amount and calculates the amount of sales credit due to Salesrep A. As an example, the net sales credit is $1,000. The payment factor of 200% is multiplied against this amount to get to the total compensation amount due to Salesrep A, which is $2,000.

How the Accelerators and transaction factors are used depends on how your calculation expression is defined. For example, a common input expression that complements a percentage rate table is as follows:

EVENT_FACTOR* QUOTA_FACTOR*TRANSACTION_AMOUNT/TARGET.

A typical output expression looks like this:

Rate_ Result* TRANSACTION_AMOUNT* EVENT_FACTOR* PAYMENT_ FACTOR.

A quota factor enables a resource to reach higher levels of quota achievement more quickly, resulting in higher compensation payments. This is because Oracle Incentive Compensation uses quota achievement to determine which rate to use.

The payment factor or a quota factor is a percentage expressed as a whole number.

If there is no payment factor or quota factor, calculation defaults to 100%, which means to multiply the calculated payment amount by 1. A factor of 200% (entered as 200) means to multiply the commission amount by 200% or a factor of 2 (as in the above examples).

If you enter a value for a payment or quota factor of less than 100, Oracle Incentive Compensation reduces the incremental credit to the commission payment amount for payment factors or the current quota performance level for quota factors.

Payment factors work only when they are used in the calculation *output* expression assigned to the formula. For example:

(Rate Table Result*Transaction_Amount)*Payment_Factor

Quota factors work only when they are used by the calculation *input* expression assigned to the formula. For example:

(Transaction_Amount*Quota_Factor)/Target

Payment factors can only be used when the Apply Txn Type is set to Individually as they apply to each individual revenue class. Payment factors have no meaning if the Apply Txn Type is set to Group by Interval.

6.7.7.2 Transaction Factors

Transaction factors help you stage **sales credit** over the life of a sale, assigning percentages of the transaction amount to important events tin the sales process, including Invoice, Order, and Payment.

Transaction factors must add up to 100% in total. For example, you can have 50% of the commission calculated upon order, 20% calculated at invoice value and the final 30% calculated upon payment.

Other factors are used to indicate if any activity related to a sale, such as a credit memo or order return, should be credited at a percentage other than 100 percent. These items include Clawbacks, Credit Memo, Deposit, Debit Memo, Giveback, Manual Transaction, Payment Plan, Payment Plan Recovery, Order Return, Upgrade, and Write-off.

Unlike transaction factors, other factors are each calculated separately, and do not need to total 100%. Each can be over or under 100%. For example, you can set the other factor of Order Return to be credited at 80%, or clawbacks at 110% to match your business procedures.

To assign accelerators or transaction factors, perform the following procedure:

Prerequisites

Revenue classes must already be created.

Steps

1. Click the Incentive tab and click the Element subtab.

   The Plan Elements main page appears.

2. Select a plan element by clicking the link in the Name column.

   The Plan Element Details page appears.

3. Click the Revenue Classes link in the side panel menu.

   The Revenue Classes page appears.

4. Click the Details link.

   The Plan Element Details page appears.

5. In the Accelerators area, enter a start date and end date for each accelerator. Start Date is a required field.

   Click the calendar icons to the right of each field to open a date selection pop-up window.

6. Enter numbers in the Payment% and Quota% fields to show the amount of acceleration you want to assign. The default is 100, which is the full amount. Entries can be above or below 100.

7. For already created accelerators, you can check the check box in the Remove column and when you click **Update**, the accelerator is deleted.

8. As you create an accelerator, you can click the eraser icon in the Remove column to clear the fields in that row before you click **Update** to save.

9. If necessary, click **Restore** to return to the previously saved information.

10. Click **Update** to save your work.

11. In the Transaction Factors area, enter numbers in the Factor% fields to stage the payment of commission.

    If there are more transaction factors than can be seen at one time, use the drop-down list at the bottom of the area to scroll through them.

12. In the Other Factors area, assign any changes you want to make to the listed events. The default entry for each Factor% column is 100.

    If there are more other factors than can be seen at one time, use the drop-down list at the bottom of the area to scroll through them.

13. Click **Update** to save your work. If necessary, click **Restore** to return to the previously stored information.

6.8 Defining Compensation Plans

A compensation plan is built from plan elements. After the plan is assigned an effective start date and an effective end date, it can be assigned to multiple sales roles.

In this release of Oracle Incentive Compensation, the Plan subtab contains five links:

- Summary: This page lists all defined compensation plans. It contains a Create button to go to another page to create new compensation plans.
- Detail: When you click a link in the Name column of the Summary page, the Compensation Plan Details page appears.
- Plan Elements: Click this link to assign plan elements to the compensation plan or view plan elements that are already assigned.
- Sales Roles: Click this link to assign the plan to a sales role or to see the sales roles to which the plan is currently assigned.
- Salespeople Assigned: Click this link to view to whom the compensation plan is currently assigned.

Prerequisites

Plan elements must be created.

Steps

1. Click the Incentive tab and click the Plan subtab.

The Compensation Plan page appears.

2. To view or change details for an already created compensation plan, click the plan name in the Name column to go to the Compensation Plan Details page.
3. You can use the search field at the top of the page. Select a saved search from the drop-down list, or click **Personalize** to create a new search.
4. To create a new compensation plan, click **Create**. This takes you to a blank Compensation Plan Details page.
5. Check the Remove check box to delete a compensation plan. It will be removed with you click **Update**.
6. If you are updating an existing compensation plan, you can click **Restore** to return to the previously saved information.
7. Click **Update** to save your work.

6.8.1 Compensation Plan Details

The Compensation Plan Details page is where you can make changes to an established compensation plan or create a new plan. If you have arrived at this page by clicking the name of the plan on the Compensation Plan page, some fields will be filled in already. If you clicked **Create**, the fields are blank. To create a new compensation plan, perform the following procedure:

Navigation

Incentive > Plan > Click name link or click Create

Steps

1. In the Name field, assign a unique name to the new compensation plan.
2. Enter an objective description for this plan based on the associated sales role. The description is used as part of a contract for the resource.
3. Assign a start date and end date to the plan. Click the calendar icon to open a pop-up calendar.
4. Check the Allow Revenue Class Overlap check box if the plan elements assigned to the plan have overlapping revenue classes.

   Use this option when you need to compensate a resource more than once for a transaction. For example, you may have a quota type plan element as well as a

bonus based on achieving revenue targets, both of which have the same revenue classes.

5. In the Context Value field, enter a flexfield value if needed. Click **Go** to open a pop-up selection box.

   For more information on flexfields, see *Oracle Incentive Compensation Implementation Guide*, Appendix A, or the *Oracle Applications Flexfields Guide.*

6. If you are updating an existing plan, you can click **Restore** to return to the previously saved information.

7. Click **Update** to save your work.

8. Click **Plan Elements** to go to the Compensation Plan Details - Assign Plan Elements page.

9. To open the list of compensation plan names for the Name field, enter search parameters and Click **Go**. This opens a pop-up list of available plan elements. Click your selection.

10. Enter a sequence number in the sequence column. This tells the application the order in which to process the plan elements. See Guidelines.

11. You can remove a plan element by checking the Remove check box and clicking **Update**.

12. If you are updating an existing compensation plan, you can click **Restore** to return to the previously saved information.

13. When you are finished, click **Update** to save the plan element assignment. The Description, Start Date and End Date fields will populate automatically.

14. Optionally, you can click **Details** next to any plan element to review the plan element details.

15. After the plan elements are assigned and saved, click **General** to return to the Compensation Plan Details page.

16. Click **Validate** to ensure that you have entered the plan information correctly. If everything is correct, the status in the Status field changes from Incomplete to Complete. See Guidelines.

17. To assign the compensation plan to a sales role, see Chapter 7, Assigning Compensation Plans.

Guidelines

For easy identification, define plan names by job titles or area of sales you are compensating.

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

When you change a compensation plan, the changes propagate to the salespeople assigned to the plans. For customized plans, the resource receives all changes except the customized changes.

In step 9, sequencing is important when one plan element relies on the calculation results of another plan element. For example, with independent plan elements, the dependent plan element requires that the necessary plan element be calculated first so that the most up-to-date data is present. See Section 6.7.4, "Interdependent Plan Elements".

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 and uplift factors assigned, with 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 met, then the Status field shows **Complete**. If the Status field displays **Incomplete**, the plan cannot be used to calculate compensation.

6.8.2 Salespeople Assigned

When you click this link in the side panel menu, the Compensation Plan Details - Salespeople Assigned page shows the resources currently assigned to a

compensation plan. Start dates are displayed, along with any end dates, which are optional.

Prerequisites

A compensation plan must be selected on the Compensation Plan Summary page.

Steps

1. Click a resource name in the Name column for more details about the resource on the Resource Details page.
2. You can click the Plan Name link at the top to return to the Plan Details page.

7

Assigning Compensation Plans, Pay Groups, and Payment Plans

Sections in this chapter include:

- Section 7.1, "Overview of Assigning Compensation Plans, Pay Groups, and Payment Plans"
- Section 7.2, "Enhancements to Assigning Compensation Plans, Pay Groups, and Payment Plans"
- Section 7.3, "Assigning a Compensation Plan to a Role"
- Section 7.4, "Assigning a Role to a Resource"
- Section 7.5, "Customizing a Compensation Plan for a Resource"
- Section 7.6, "Assigning a Pay Group to a Resource"
- Section 7.7, "Assigning a Payment Plan to a Resource"
- Section 7.8, "Regoaling"

7.1 Overview of Assigning Compensation Plans, Pay Groups, and Payment Plans

This process begins with assigning of a compensation plan to a sales role. You can then assign a compensation plan to the role by using the Incentive tab or the Resource tab. Resources are assigned a role in Resource Manager in order to receive compensation. After a resource is assigned a role, you can customize the plan elements of the compensation plan for the individual resource.

In addition to a compensation plan, a resource must be assigned to a pay group. This defines the frequency of payments. Optionally, you can assign a payment plan

to a resource. Payment plans are used to set up advance or deferred payments and to define minimum and maximum payments.

Regoaling is a process that enables managers to change the quota or variable pay of a resource's compensation plan at any time, for a variety of business reasons.

7.2 Enhancements to Assigning Compensation Plans, Pay Groups, and Payment Plans

There are no enhancements to Assigning Compensation Plans, Pay Groups, and Payment Plans in this release.

7.3 Assigning a Compensation Plan to a Role

A **sales role** describes a set of salespeople who share a common compensation structure, for example, marketer, broker, and sales manager. Sales roles are created in Oracle Resource Manager.

After you have created a compensation plan, you can assign it to multiple sales roles. A compensation plan must be assigned to a sales role in order for the resources assigned to the role to receive compensation. Perform either of the following procedures to assign a sales role to a compensation plan.

There are two ways to connect a compensation plan to a role. You can either assign the role to the compensation plan on the Incentive tab > Plan subtab, or on the Resource tab > Resources subtab.

7.3.1 Method 1: Using the Incentive Tab

To assign a compensation plan to a role using the Incentive tab, perform the following procedure.

Navigation

Incentive > Plan

Prerequisites

Sales roles are defined using Oracle Resource Manager and have the Oracle Incentive Compensation role type. A valid compensation plan must already be created.

Super User responsibility is required.

Steps

1. Click the Incentive tab and click the Plan Subtab.

   The Compensation Plan page opens.

2. In the Name column, click the compensation plan that you want to assign. Click **Search** or use a saved search for quick access to a list of plans.

   The Compensation Plan Details page appears.

3. Click **Sales Roles** to go to the Sales Roles page.

   The sales roles already assigned to the compensation plan are listed.

4. Click **Go** next to the first blank name field to open pop-up list of sales roles.

5. Select a sales role and click it.

6. Enter a start date and an end date for the role. If desired, use the calendar icons to open pop-up calendars.

7. Enter additional sales roles in the blank rows provided.

8. As you work, you can click the eraser icon at the left to clear information in a specific row.

9. To delete a sales role, check the Remove check box. The sales role is deleted the next time Update is clicked.

10. If you are updating a compensation plan assignment, you can click **Restore** to return to the previously saved information.

11. Click **Update** to save your work. If the sales role has a description, it will be displayed.

Guidelines

Resources who are assigned a role must also be assigned a pay group (see Section 7.6, "Assigning a Pay Group to a Resource").

After you assign the compensation plan to a role, you can verify the assignment for a specific resource on the Compensation Plans page (Resource > Resources > Compensation Plan). A role that is assigned a compensation plan is assigned to multiple resources. Search for any of the resources from the Resources subtab of the Resource tab and navigate to the Compensation Plan page corresponding to that resource.

If the particular resource has a valid pay group assignment, you can see the compensation plan details for the resource. If the resource does not have a pay

group assignment, you will not be able to view the compensation plan details. This message displays:

> The table below lists the compensation plans assigned to that resource for the duration that has a valid pay group assignment.

7.3.2 Method 2: Using the Resource Tab

To assign a compensation plan to a role on the Resource tab, perform the following procedure:

Navigation

Resource > Role

Prerequisites

Sales roles are defined using Oracle Resource Manager and have the Oracle Incentive Compensation role type. A valid compensation plan must already be created.

Super User responsibility is required.

Steps

1. On the Role page, click a sales role to view it.

   The Assign Compensation Plans page is displayed. Any plans already assigned are listed.

2. To assign a new compensation plan, enter the name in the Compensation Plan Name column of the first blank row. You can enter search parameters and click **Go** to open a pop-up list.

   Only compensation plans with Complete status may be used.

3. Select a start date and an end date to define the effective period for the compensation plan to be assigned to this sales role. Click the calendar icon to open a pop-up calendar.

4. If you want to remove a compensation plan, check the Remove check box.

5. If necessary, click **Restore** to return to the previously saved information.

6. Click **Update** to save your changes.

Guidelines

The date range used to assign a compensation plan to a sales role must be within the start and end dates of the compensation plan itself. Resources who are assigned a role must also be assigned a pay group. See Guidelines for Section 7.3.1, "Method 1: Using the Incentive Tab".

7.4 Assigning a Role to a Resource

Resources are assigned to Roles in Resource Manager. Refer to appropriate sections of the *Oracle CRM Foundation Implementation Guide* (Defining Dynamic Groups) or *Oracle CRM Foundation Concepts and Procedures* (Understanding Resource Manager). Or, Refer to *Oracle CRM Application Foundation Implementation Guide* (See: Implementation Tasks for Resource Manager).

7.5 Customizing a Compensation Plan for a Resource

Sometimes, you want to make changes to the plan elements of a compensation plan for a specific resource. You can do this on the Resource Details - Compensation Plans page.

From this page you can access the Plan Element Details page. On that page, you can customize and distribute variables (Target, Goal, and Fixed Amount).

To view information about a resource's compensation plan and make some changes to customize it, perform the following procedure.

Navigation

Resource > Resources > Compensation Plan

Prerequisites

None

Steps

1. Click the Resource tab and click the Resources subtab.

   The Resource Advanced Search page appears.

2. Enter search parameters into at least one field on the page.
3. Click **Search**.

The Employees page appears. It lists any resource that were found by the search. If you see the resource you need, click the link in the Preferred Name column and the Details page appears for the resource. If no listings appear, try different search parameters.

4. Click Compensation Plan in the side panel menu.

   The Resource Detail - Compensation Plans page appears.

5. Select the resource's role in the Role Name list of values.

6. Click **Apply**.

7. Click the compensation plan Name link to display the plan elements.

   The Plan Elements area lists the name as well as basic information about the plan elements.

8. Check the check box in the **Customized Flag column** next to the plan element that you want to customize for the resource.

   Note: 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 automatically inherited by the resource. If you check the check box, the contents of the customized plan element are not affected by any changes you make to the plan element at the role level.

9. Click the plan element name in the Name column**.**

   The Plan Element Details page displays.

10. The Plan Element Details page displays four fields of read only information at the top relating to the resource.

    - Name
    - Description (of the plan element)
    - Start Date
    - End Date

    Note: This information is read-only because it was previously entered on the Plan Element Details page (Incentive > Element).

11. The Parameters area lists five fields relating to the plan element details. These fields include:

    - Incentive Type: Commission or Bonus
    - Interval Type: Period, Quarter, Year, or custom

- Credit Type: Functional Currency (default) or custom
- Formula: The name of the formula if the formula type is Formula.
- Eligible for Payee Assignment check box.

12. If you want to customize variables for a resource, add them in the Variables area.
13. Check the Sum Amounts for Revenue Classes to add the amounts from all revenue classes together when you distribute the target, fixed amount, or goal.
14. To distribute the variables equally to each period of the resource's compensation plan, click **Distribute** at the top or bottom of the page.

    This takes you to the Resource Details - Distribute Variables page.
15. You can select an interval from the View drop-down list. Selections include Period, Quarter, and Year.

    Note: Regardless of the view, variables are distributed equally to each period.
16. Click **Apply**. The display changes to show the intervals selected in step 1.
17. To distribute variables, click **Distribute Variables**.

    The amounts are equally distributed to each period, duplicating the amount set in the Variables area of the Plan Element Details page. Note: See Guidelines of Section 6.7.3, "Distributing Variables" for more information.
18. Click **Update** to save any changes you made on the Plan Element Details page.

7.6 Assigning a Pay Group to a Resource

A **pay group** defines the length of eligibility and frequency of payments, such as monthly or semi-monthly, for the resources who are assigned to the pay group. A resource must be assigned to a pay group to receive compensation.

For information on defining pay groups, see Section 12.14, "Pay Groups".

To assign a pay group to a resource, perform the following procedure.

Navigation

Resource > Resources > Pay Groups

Prerequisites

The pay group must be defined in Administration > Incentive > Pay Group. A valid resource has been selected from the Employees page that is generated from an advanced search request.

Steps

1. In the Name field, enter the name of the pay group to be assigned. Click the flashlight icon to open a pop-up list. Click the pay group name to select it.
2. Enter a start date and an end date. Click the calendar icons to open a pop-up calendar.
3. If necessary, click **Restore** to return to the previously saved information.
4. Click **Update** to save the pay group assignment.

Guidelines

A resource cannot have more than one pay group assigned at a time.

Pay groups can be assigned to multiple resources at the same time and you can start and end pay group assignments by individual resource at any time within the duration of the pay group.

When you assign a pay group to a resource, the application automatically checks to see if there are any conflicts between the start and end dates of the pay group and the start and end dates for every resource to which the pay group has been assigned. For example, if you define a pay group starting Jan 1 and ending on Mar 31 and you have assigned it to a resource, the application will not let you change the end date for the pay group assignment beyond Mar 31.

Pay group assignment is necessary for a resource to be paid, and is also required in order for the compensation plan that is assigned to the role to appear when you query for the compensation plan assignment using the Resource tab.

7.7 Assigning a Payment Plan to a Resource

Payment plans are used to set up advance or deferred payments and to define minimum and maximum payments. They are optional.

See Section 12.15, "Payment Plan" for information on defining payment plans.

To assign a payment plan to a resource, perform the following procedure.

Navigation

Resource > Resources > Payment Plans

Prerequisites

The payment plan must be defined in Administration > Payment Plan.

Steps

1. On the Assign Payment Plans page, review the resource's payment plan information.
2. To assign a new payment plan, enter it in the Name column of the first blank row. You can click the flashlight icon to open a pop-up list. Select the plan from the list and click it.
3. Enter a start date in the next column. You can click the calendar icon to open a calendar. Enter the date and it will appear in the Start Date field. This field is required.
4. Optionally, enter an end date in the End Date column.
5. If you want to pay the resource either a minimum or maximum amount regardless of commissions earned, then enter the amount in the Minimum or Maximum column.
6. The Recoverable, Pay Later, Recoverable Interval, and Pay Against Commission fields display read-only information about the payment plan as it was created in the Administration tab.
7. If necessary, click **Restore** to return to the previously saved information.
8. Click **Update** to save your work.

7.8 Regoaling

Regoaling enables managers to change the quota or variable pay of a resource's compensation plan at any time. These changes could be required because of:

- A change in business circumstances
- A resource is receiving too much commission
- A resource is receiving too little commission
- A resource receives a promotion to a new role with a new goal

Regoaling can only be used if a plan is already accepted and activated.

Regoaling uses seasonality and workday calendar features to calculate the exact amount to be paid. Seasonality allows planners to assign different quotas to each month to accommodate business cycles, and the workday calendar lets planners count each workday of each month, accounting for holidays and weekends. Seasonality and workday calendar can only be used on variable non-computed components, such as Licenses and salary.

For example, a resource's compensation plan has effective dates of January 1 to December 31. The resource can receive a new compensation plan on the 24th of July and the exact amount of compensation can be calculated for the rest of the year, based on the quotas assigned to August through December and on the exact number of work days remaining in July.

Prerequisites

Log in as an Incentive Compensation Super User or Sales Manager responsibility.

The resource must be activated. The *OSC: Use Work Day Calendar* profile must be set up in Forms. The transaction calendar must be set up in General Ledger and selected from the drop-down list in Administration > Incentive > Settings. Seasonality must be set up in Administration > Incentive > Seasonality.

Steps

1. Click the Resource tab. The Resource Search page on the Planning subtab appears automatically.
2. Use parameters to search for the resource.
3. Click the Resource name on the Resource Search Results page.

   The Resource Details - Main page appears.
4. Click the Adjust Quota button.
5. Click **Update**.

   The Resource Details - Quota Adjustment page appears.
6. Click the button next to an existing role to adjust it, or click the button next to the blank row to enter information for a new role.
   - If you are regoaling an existing role, enter start and end dates for the new quota. Be sure to set the end date of an old quota the day before the start of a new quota.

- You can end date a role and then assign a new role to a resource. Or, a resource can keep the same role but move to new group or you can assign the resource a new role in a new group.

7. Click the link to Quota Allocation Details.

   The Allocation Details - Quota and Pay Assignment page appears.

8. Click **Prorate**.

9. Adjust any prorated amount that you want to manually. This is good for rounding amounts to even numbers.

   When you change the amounts manually, it changes the proration factor, which changes the On Target Earnings (OTE) as well.

10. After you have made any changes you want to make, click **Update** to save them.

11. Click **Lock**.

12. Click **Generate**.

    The Generate button then becomes the Submit button.

13. Click **Submit** to submit the plan to the Contract Approver.

14. Click the Single Tier Rate link to go to the Allocation Details - Rate page.

15. Check the Standard Rate button if you want to calculate based on the computed figures. Click the Effective Rate button if you want to base calculations on previous achievements.

16. Click **Generate Effective Rate**.

Approving the Plan

After the plan is submitted to the Contract Approver, it needs to be approved by someone with the responsibility of Contract Approver or Incentive Compensation Super User. This is the procedure:

Steps

1. Click the Quota tab and click the Approve subtab.

   The Resource Search page appears.

2. Enter search parameters and click **Go**.

   The Resource Search Results page appears.

3. Click the resource name link to go to the Contract Approval Page.
4. Select Approve in the drop-down list in the Action column next to contracts you want to approve. You can also click **Approve All** to approve all of the submitted contracts at once.
5. Click **Distribute**.

A manager can distribute a plan by using My Salespeople in Oracle Sales Online.

Resource Accepts the Plan

After the compensation plan has been distributed, the resource must log into Oracle Sales Online to accept the plan, using the following procedure:

Steps

1. Click the Compensation tab and click the Compensation Plan subtab.

   The plan status is Issued.
2. Click the Rate link to go to the Contract page.
3. Review the contract and click **Accept** to accept the contract.

   The plan status changes to Accepted.
4. Click the Printable button to print out a hard copy.

Activating the Sales Role

To activate the sales role, perform the following procedure:

Prerequisites

Log in as Incentive Compensation Super User responsibility. The compensation plan must already be accepted by the resource.

Steps

1. Click the Incentive tab and click the Activation subtab.

   The Role Activation page appears.
2. Check the Activate check box.
3. Click **Update**.
4. To activate all plans, click **Activate All**.

To activate the resource, perform the following procedure:

1. Click the Quota tab and click the Activate subtab.
2. Enter parameters in the Salespeople Search page to find the resource you need. The Salespeople Found page appears.
3. Click the name in the Salespeople Name column.

   The Compensation Plan Activate page appears.
4. Click the check box in the Activate column.
5. Click **Activate**.

Part IV

Collection, Calculation, Payment, and Reports

This part contains the following chapters:

- Chapter 8, "Collecting and Adjusting Transactions"
- Chapter 9, "Calculating Compensation"
- Chapter 10, "Payment with Payruns"
- Section 11, "Reports"

8

Collecting and Adjusting Transactions

Sections in this chapter include:

- Section 8.1, "Overview of Collecting Transactions"
- Section 8.2, "Enhancements to Collecting and Adjusting Transactions"
- Section 8.3, "Open Collections"
- Section 8.4, "Standard Collection"
- Section 8.5, "Submitting a Collection Request"
- Section 8.6, "Collecting Adjustments"
- Section 8.7, "Imports and Exports"
- Section 8.8, "Adjusting Transactions"
- Section 8.9, "Loading Transactions"
- Section 8.10, "Using the Transaction Interface"

8.1 Overview of Collecting Transactions

The Collections function of Oracle Incentive Compensation collects the transactions it needs to calculate commission for your resources. It allows the collection of data from different data sources, such as Oracle Receivables and Oracle Order Management, based on the configuration and mapping defined between the source tables and destination tables, which are in CN_COMM_LINES_API.

Collections allows you to collect compensation transactions from the Oracle Receivables and Oracle Order Management applications out of the box. These seeded sources are known as Standard Transaction Sources, and they are shipped

with the application. You can read about how to set up mapping to these sources for your classification needs in section 8.3.

You can also create your own Transaction Sources from the database tables of any legacy application. This is called Open Collections, and is covered in section 8.2.

Data is collected on a periodic basis by submitting a concurrent request. The concurrent request uses the mapping and rules that are defined to determine what data to collect and how to collect it. See section 8.4 for steps to submitting a concurrent request for collection.

A compensation transaction is a record that identifies a compensation event (such as the sale of an item). It is the smallest unit of data on which a compensation payment can be calculated. Each transaction comprises several attributes, for example, the resource's name, the amount of the sale, the sale date, the product type, and so on. Some of the attributes can be user-defined during Implementation.

The main attributes of a transaction are the:

- Type of compensation event
  - Order
  - Invoice
  - Payment
  - Takeback - The amount of sales credit that the application takes back from the resource when an invoice due date grace period is exceeded. (Also known as a clawback).
  - Giveback - The payment received for a takeback.
  - Credit and Debit Memo - Generated when an invoice is fully or partially reversed and posted to Oracle General Ledger.
  - Manual
  - Writeoff
- Identity of the person who is directly credited for the event
- Value of the transaction

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

8.2 Enhancements to Collecting and Adjusting Transactions

There are no changes to the Collecting and Adjusting functionality in this release.

8.3 Open Collections

Open collections allows you to collect data from any legacy system. For example, you can use a homegrown Order Management system that is the source of sales credits that need to be calculated to pay compensation to your sales force.

These are the setups that need to be done to collect data from this system.

1. Identify the header tables and line tables in the legacy system. You need to define either synonyms or views in the apps schema to point to these tables.
2. Register the tables in Oracle Incentive Compensation using the Administration > Incentive > Tables page.
3. Define a new transaction source.
4. Identify the source tables from which the transactions are to be built.
5. Define the Notification and Collection Queries.
6. Define Runtime Parameters.
7. Define the mapping from the source system into an API table in Oracle Incentive Compensation (CN_COMMISSION_LINES). Mapping is the way to specify how data from the source tables are used to populate the destination fields in the compensation transaction.
8. Define any optional collection actions, including setting user codes or defining filters. User codes can be set up at three stages of collection:
   - Pre-notification
   - Post-notification
   - Post-collection
9. Test generate a collection package (PL/SQL package) and correct errors if any.
10. Review and generate the collection package.

The end result of setting up Collections for a particular Transaction Source is a PL/SQL package that is stored in the applications database. The Collect procedure within this package builds compensation transactions from the Transaction Source

and stores them in CN_COMM_LINES_API. The Collect procedure executes the listing notification and the creation and updating of compensation transactions.

8.3.1 Identifying the Header and Line Tables

When you use a transaction source other than the two standard transaction sources, you must decide from which source tables you want to collect the transactions. The source of transaction lines will be the Line table. You can also use a Header table to collect other information that you need to calculate compensation, such as an employee number.

8.3.2 Registering the Tables

Use the Tables page to set up the tables that are used in collecting and calculating transactions in Incentive Compensation. Tables must be defined before they can be used in collection or calculation. After you register a table, it can be selected from the drop-down list in the Identifying Source Tables procedure (section 8.2.4). See Administration > Incentive > Tables in Chapter 12 for information on defining the columns in those tables.

To register a table, perform the following procedure.

Navigation

Administration > Incentive > Tables

Prerequisites

Tables, views, or synonyms must exist in the database.

Steps

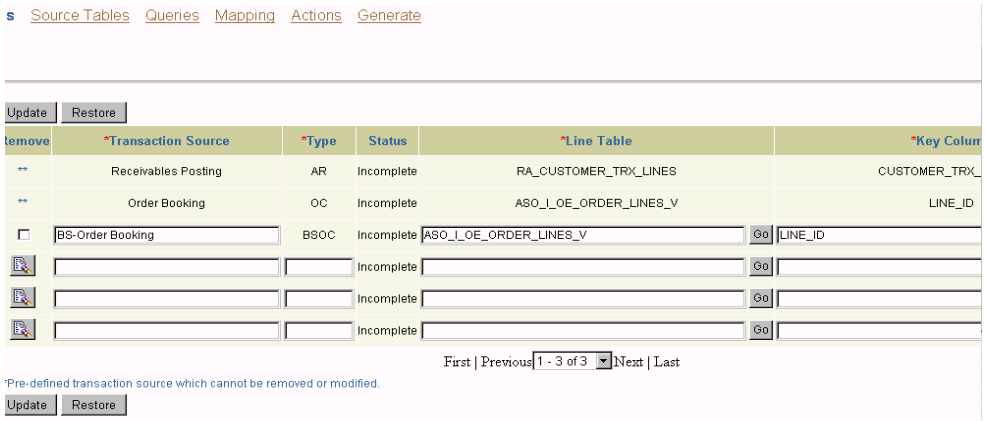
1. Click the Administration tab and click the Incentive subtab.
2. Click the Tables link in the side panel menu.

   The Tables page appears.
3. Optionally, enter search parameters by Schema, Table Name, or User Name. Click **Apply**.
4. Enter a Schema in the Schema field. Click **Go** to open a pop-up list from which to select a name.
5. Enter a Table Name from which you want to collect data. Use the pop-up list if necessary.

6. Enter a User Name.
7. Enter a description if desired.
8. In the Usage column, select Collection from the drop-down list.
9. Click **Update** to save your work.
10. If necessary, click **Restore** to return to the previously stored information.

8.3.3 Defining a New Transaction Source

When using open collections, you must tell Oracle Incentive Compensation from which transaction source you will obtain the data for processing commissions. Use the Collection - Transaction Sources page to set up.



The table on the Transaction Sources page contains five columns:

- **Transaction Source Name**: User-defined and changeable, and may include legacy sources
- **Type**: The short name of the Transaction Source. User-defined, must be unique and cannot be changed once defined. See Guidelines for restrictions.
- **Status**: Complete/Incomplete. This tells you whether the Collection package has been generated for the Transaction Source since the latest setup changes were made.
- **Line Table**: The primary source table of the Transaction Source
- **Key Column**: The unique primary key of the line table

In the Transaction Source area, perform the following procedure to set up a custom transaction source.

Navigation

Administration > Incentive > Collection > Transaction Sources

Prerequisites

Tables must be set up already in the transaction source.

Steps

1. Click Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collections - Transaction Sources page appears.
3. Enter the name of the transaction source in the first empty field in the Transaction Source column.
4. Enter a type, in the same format but not identical to the standard transaction sources, which are AR (Accounts Receivable) and OC (Oracle Order Capture). See Guidelines for restrictions.
5. Enter the Line Table name. Click **Go** to open a pop-up list from which to select a line table name. Click your selection to enter it into the field.
6. Select a Key Column for the table. Click **Go** to open a pop-up list.
7. Click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.
8. To remove a transaction source, check the remove check box and click **Update**.

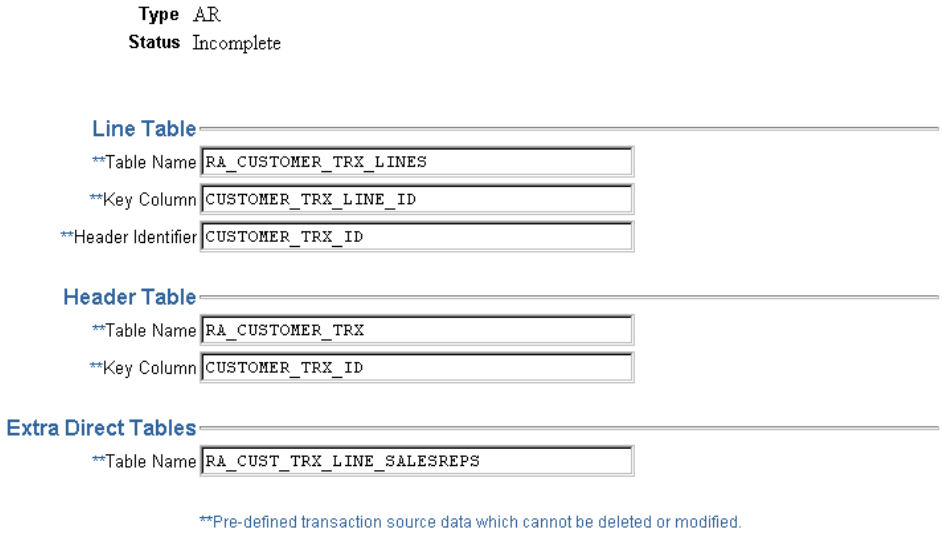
Guidelines

When creating a new transaction source, the Type (for example, the short name of the transaction source) has the following restrictions:

- It cannot be empty.
- It must be unique.
- It cannot be the same type as any existing seeded transaction source, such as OC - Order Booking, or AR - Receivables.
- It cannot be the same as the type of existing receivables events, such as INV, PMT, CBK, WO, or RAM.

8.3.4 Identifying Source Tables

After the Transaction source has been defined, you need to specify all the tables which are used during the creation of compensation transactions--the Direct Mapping tables. The Collection - Source Tables page is used for this purpose. For the Receivables Posting and Order Booking selections, all the transaction source data is predefined and cannot be deleted or modified. However, for custom transaction sources, the Line Table and Key column are required, which were defined in section 8.2.3 when creating a new transaction source. The Line table contains the line items against which compensation is to be paid. The Key column is the field in the table which uniquely identifies each line.



To define source tables for custom transaction sources, perform the following procedure.

Navigation

Administration > Incentive > Collection > Source Tables

Prerequisites

Tables must be registered in the Tables subtab before they can be used.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collections - Transaction Sources page appears.
3. Click the Source Tables link.

   The Collection - Source Tables page appears.
4. Select a transaction source from the drop-down list.
5. Click **Apply**.

   The Type and Status fields populate, and any tables that are already defined for this transaction source populate in the fields below.
6. Enter information into the Line Table and Header Table areas.
7. Enter any extra direct tables in the Extra Direct Tables area below.
8. Click **Update** to save your changes. Click **Restore** to return to the previously saved information.

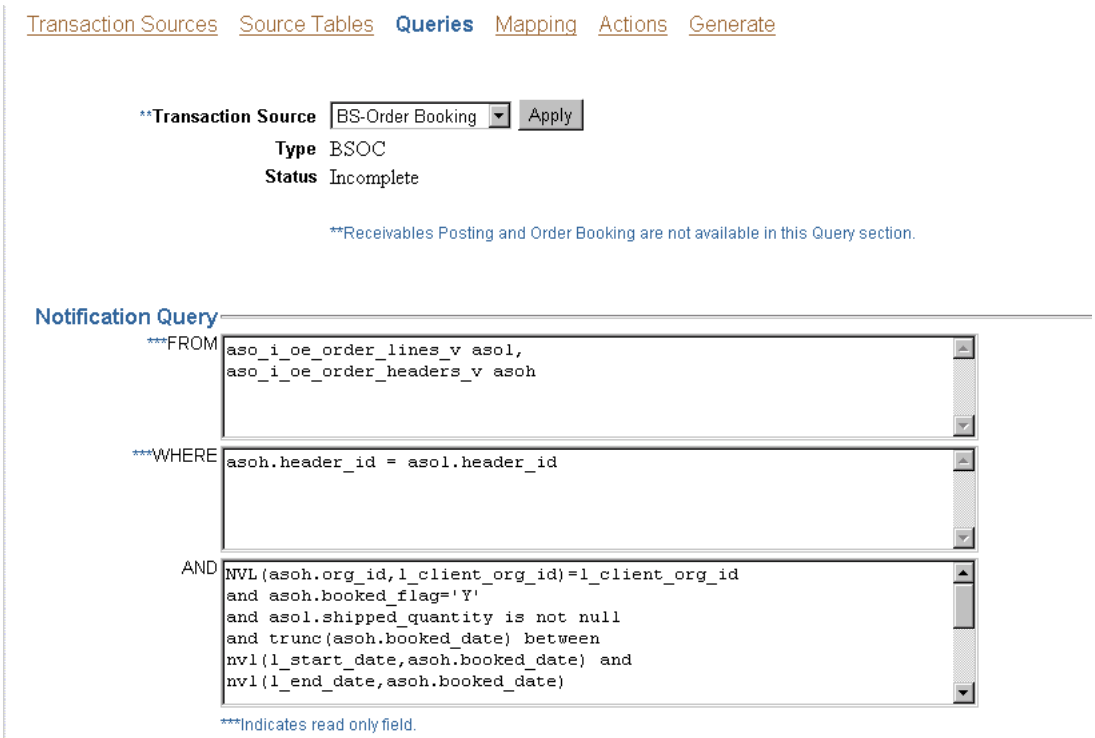
Guidelines

Extra direct tables are used to attach additional information to the transactions so that they can be calculated. This table information should exist for all of the resources and may indicate Territory, Organization, or some other distinguishing feature.

If you specify an optional Header table, you must specify a Key column for it and in the Line Table Header Identifier you must specify the field in the line record which allows it to be joined to the Key column of the Header table.

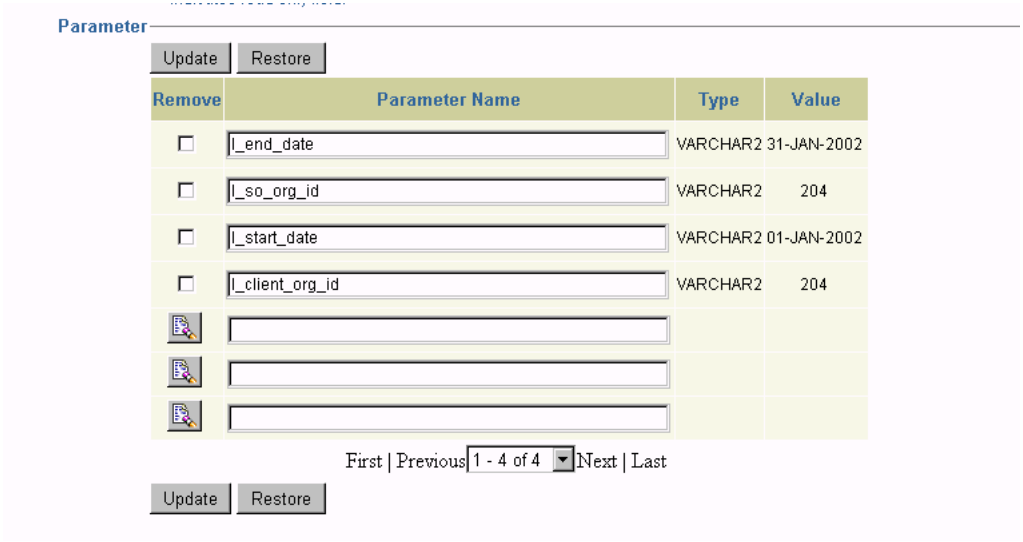
8.3.5 Defining Notification and Collection Queries and Runtime Parameters

Use the Queries page to define a custom source from which to collect to Oracle Incentive Compensation. For standard integration with Oracle Accounts Receivable and Oracle Order Capture, you cannot edit the query conditions.

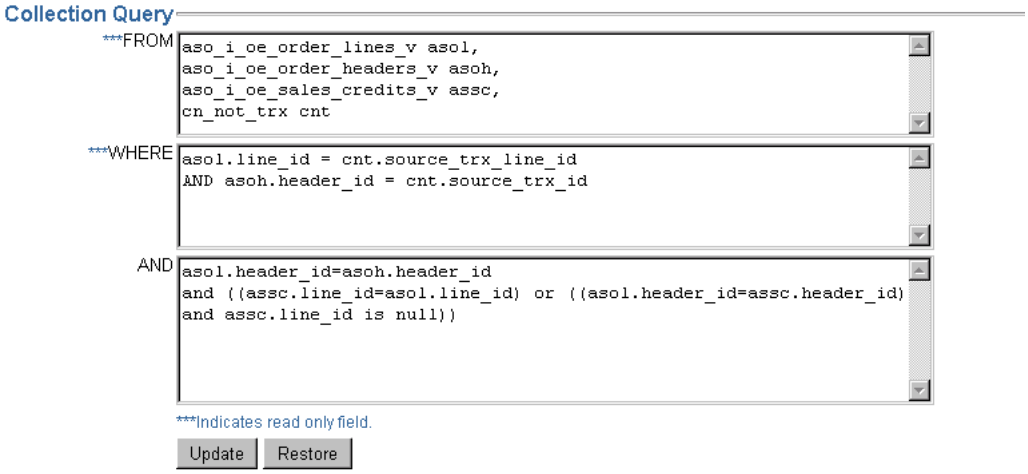


The Notification Query shows the exact query which will be used to create the Notification list of line-level transactions which are eligible for compensation. The query joins together the mandatory Line table and the optional Header table. The optional Header table area is provided on the Source Tables page because many times users want to restrict the collection using an AND clause, which makes the Header table necessary.

The AND area is the only place where you can make changes; the FROM and WHERE sections are read-only. They were defined earlier in during source table definition. The AND area links the tables together and creates the exact conditions for collecting the transactions needed for complete calculation.



The Parameters subsection of the Notification Query section allows you to narrow your focus, for example, by start date and end date, if you are using a custom transaction source. The parameters are registered here on the Queries page during the collection setup process but the specific values are entered on the Transaction tab during the collection submission process. This allows you to change the values of the parameters whenever you need to without having to regenerate the collection package. For example, if one of the parameters is the name of a month, then each month you can change it on the Transaction tab while leaving the collection setup alone.



The Collection Query area lists the exact tables and rows from those tables that you need to perform a collection. These tables in the FROM clause include the Line table, the (optional) Header table, and all of the tables listed as Extra Direct Tables on the Source Tables page. The WHERE clause already contains the necessary join information to get the right rows from the Line and Header tables. You must complete the WHERE clause for any Extra Direct tables.

Perform the following procedure to change or enter new parameters.

Navigation

Administration > Incentive > Collection > Queries

Prerequisites

The Queries page is only accessible for nonstandard collection sources.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collection - Transaction Sources page appears.
3. Click the Queries link.

   The Collection - Queries page appears.

4. Select the transaction source from the drop-down list.

   Click **Apply**.

5. Enter the name of the parameter in the field.

6. Click **Update**.

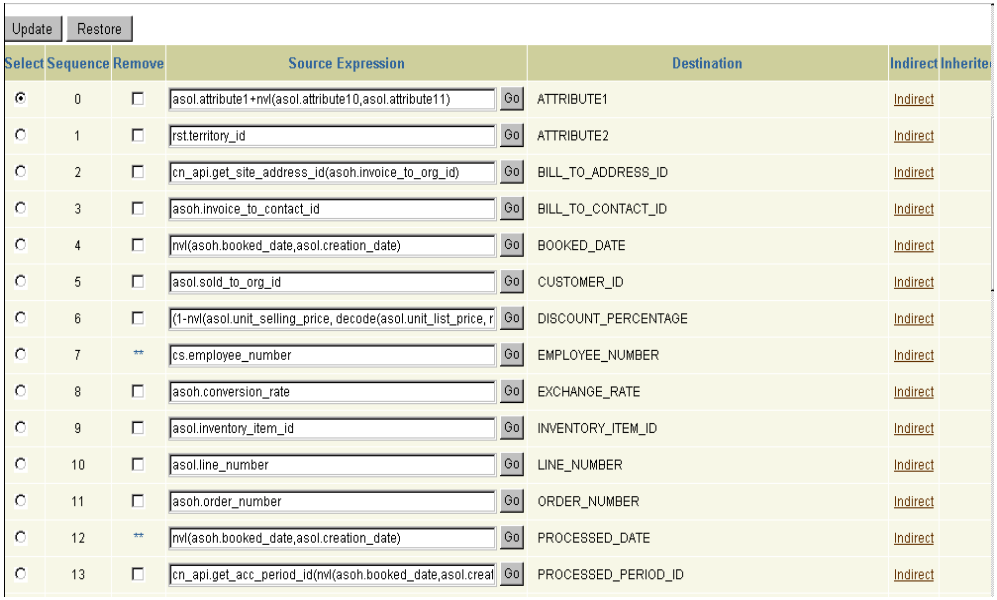
   The Type field populates.

7. While entering data, click the eraser icon to clear the field. If you want to return to the previously stored information, click **Restore**.

When entering any information in either Query section, click **Update** to save it or **Restore** to return to the previously saved material.

8.3.6 Defining Mapping

Use the Mapping page to specify what data is used to fill each of the destination columns when a compensation record is collected from the Transaction Source.



Some of the Source Expression and Destination fields are prepopulated with the mandatory mappings required to perform collection to the CN_COMM_LINES_ API. Some mandatory columns include Employee_Number, Transaction_Amount,

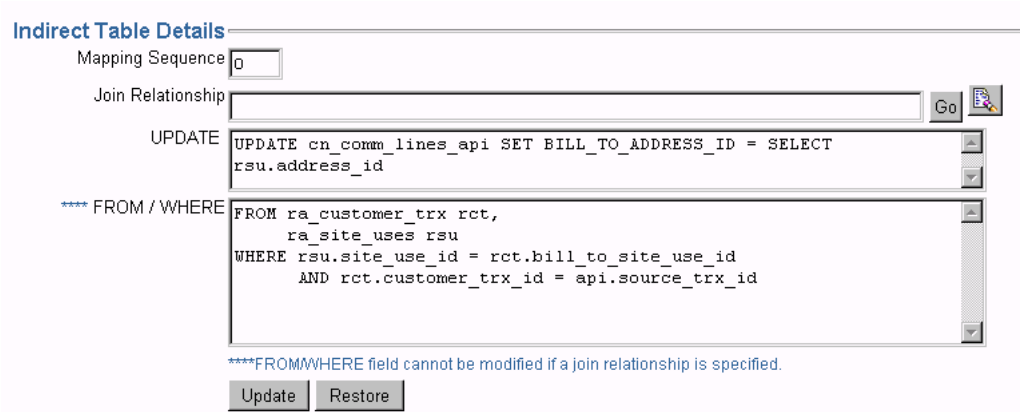
Transaction_Type, and Source_Doc_Type. Some mandatory mappings cannot be removed but permit you to select the source expression, and some have both the source expression and the destination column defined and cannot be changed. You cannot generate a collection package if any of the required mappings contains a blank source expression field.

The contents of a source expression can be more than just a column name. It can contain an expression formed from one or more of the following items. An example for each is shown in parentheses.

- a null value (NULL)
- literal value ('My Text')
- a column name (booked_date)
- a table name with a column name (l_order_headers.booked_date)
- a table alias with a column name (loh10000.booked_date)
- a SQL function NVL(lol10001.ordered_quantity, 0)
- a user function my_function(loh10000.booked_date,lsc10002.salesrep_id)

Mapping can be direct or indirect. Direct mapping uses source data from one or more of the tables in the From clause of the Collection Query. It is part of the Collection Creation query, so to define a direct mapping you simply type the appropriate SQL expression into the Source Expression field.

Indirect mapping is more complex, and uses From and Where clauses in an UPDATE statement. UPDATE statements are run after the main collection process has completed. Indirect mapping is used under special circumstances, for example, when you want to collect from a table that affects only some of the resources for whom you are collecting transactions.



There are two types of indirect mapping, free-form and relationship. With free-form mapping, you must manually type the exact FROM/WHERE clause in the FROM/WHERE box in the Indirect Table Details section on the Mapping page. A relationship indirect mapping requires that you set up a relationship on the External Table page first and then select it in the Join Relationship field of the Indirect Table Details section. The relationship type of indirect mapping is more restrictive, in that you can only define simple equivalence joins (=). Free-form mapping can include other tests, such as OR, BETWEEN, <, and so on. Relationship indirect mappings also only allow a join to a single indirect table.

However, the benefits of relationship mapping are that it is simpler to set up, can be reused in multiple mappings, and is easier to maintain.

To map data on the Mapping page, perform the following procedure.

Navigation

Administration > Incentive > Collection > Mapping

Prerequisites

Tables must exist in the transaction Source and the destination. For relationship indirect mapping, a Join relationship must be set on the External Tables page of the Administration tab for any tables you plan to use.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

The Collection - Transaction Sources page appears.

3. Click the Mapping link.

   The Collection - Mapping page appears.

4. Enter a source expression in the Source Expression field.

5. Enter a destination. Click **Go** to open a pop-up list. In the Select box, enter search parameters and click **Go**. Select from the list. See Guidelines.

6. If you want to perform indirect mapping, after you have set up the source expression and destination, click **Indirect** to open the Indirect Mapping Details area at the bottom of the page.

7. For a relationship mapping, enter a join relationship or click **Go** and select one from the pop-up list.

   You must have set up the join relationship in advance.

8. For a freeform mapping, enter the From/Where clause.

9. Click **Update**.

   The Update field and sequence field populate automatically.

10. Click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.

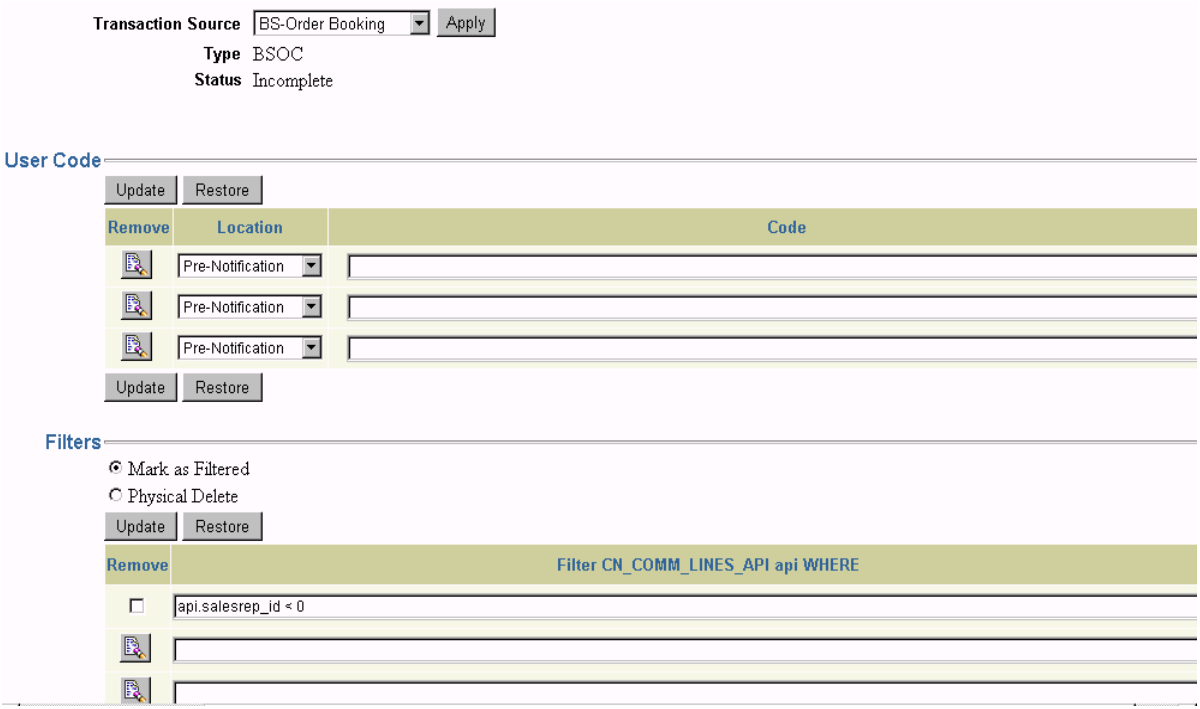
Guidelines

The API table in Oracle Incentive Compensation contains 100 seeded attributes that you can use for direct or indirect mapping, for example, Attribute 1, Attribute 2...Attribute 99.

In the inherited column, if === is displayed, the mapping is standard. If it has been changed, the display will look like this: =x=. Click **Inherit** to restore the original standard setup.

8.3.7 Defining Pre-Notification, Post-Notification, and Post-Collection Actions

The Actions page allows you to change the Collection processing for the transaction source in two ways--the addition of user code blocks and the specification of transaction filters (For Filters see Section 8.3.8, "Defining Filters").



User code blocks are single or multiple PL/SQL statements (functions and procedures) that you can insert at defined points in the Collect procedure. You can insert user code blocks into the cn_comm_lines_api_all table. User code blocks can be inserted at three locations:

- Pre-Notification: at the beginning of the Notification query
- Post-Notification: between running the Notification and Collection queries
- Post-Collection: after the Collection query has been run

To create a User Code Block, perform the following procedure.

Navigation

Administration > Incentive > Collection > Actions

Prerequisites

None.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collection - Transaction Sources page appears.
3. Click the Actions link.

   The Collection - Actions page appears.
4. Select a location for the user code block from the Location drop-down list.
5. Enter the code in the Code field.

   The code can run up to approximately 2,000 characters.
6. If necessary, click **Restore** to return to the previously saved information.
7. Click **Update** to save your changes.

8.3.8 Defining Filters

Transaction filters are especially relevant to Receivables and Order Management, because you cannot change the collection query for those standard transaction sources. In fact, you cannot access the Queries page for a standard transaction source at all. Filters allow you to define criteria to remove unwanted transactions. For example if you want to filter out any transaction under $100, you enter this text on a line in the Filters section:

```
api.transaction_amount < 100
```

There are two methods of filtering from which to select:

- Mark as Filtered: transaction will appear in CN_COMM_LINES_API but be marked as filtered.
- Physically Delete: transaction will be deleted from CN_COMM_LINES_API.

Deleting the transactions helps keep the table at a more efficient size, so it is the recommended option.

To create a filter, perform the following procedure.

Navigation

Administration > Incentive > Collection > Actions

Prerequisites

None.

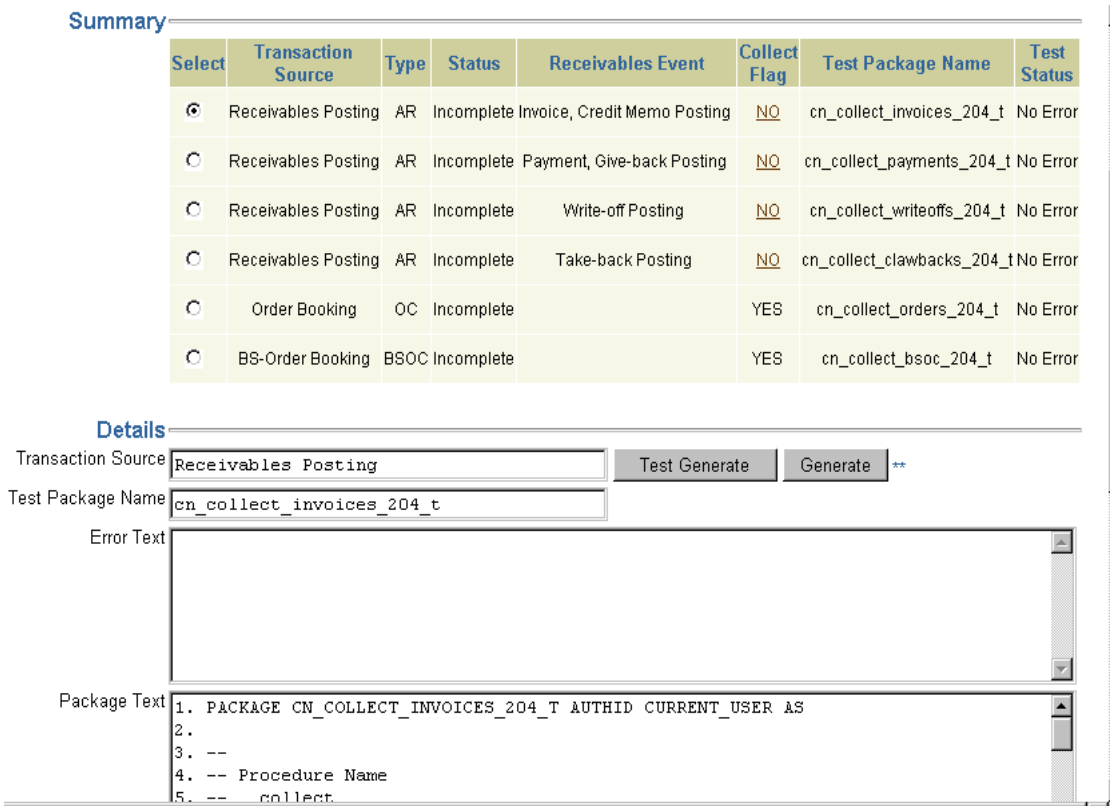
Steps

1. Click Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collection - Transaction Sources page appears.
3. Click the Actions link.
4. Select the method of filtering by clicking a radio button.
5. Enter the text of the action you want in the Filters area of the page.
6. If necessary, click **Restore** to return to the previously saved information.
7. Click **Update** to save your work.

8.3.9 Generate and Test Generate

After the setup is complete, use this page to generate a collections package. The page contains two sections, Summary and Details.



The information about each transaction source in the Summary section of the Generate page is as follows.

- **Transaction Source**: The name of the transaction source
- **Type**: The short name of the transaction source
- **Status**: Complete / Incomplete. This tells you whether or not the Collection package has been generated for the Transaction Source since the latest setup changes were made.
- **Receivable Event**: Events of the Oracle Receivables. This column is only relevant to the Receivables Posting transaction source.
- **Collect Flag**: This flag indicates whether or not to generate the package for the corresponding Receivable Events. For a non-Receivable Transaction Source, the value is always YES.

- **Test Package Name**: This is the test version of the package. To distinguish it from the actual package, the package name of the test version always ends with "_t"
- **Test Status**: This field shows if there is an error in the test package. Click the Error link to see the error message in the Details Section.

The Details section in the lower part of the page lists the detailed test result of the selected transaction source, including Transaction Source, Test Package Name, Error Text, and Package Text. It also contains two buttons--Test Generate and Generate.

A generated package replaces the existing version of the package, so in order to be sure it is correct, you can create a test version of the package by clicking **Test Generate** in the Details section for the transaction source you want to collect.

The Details section displays the lines where the errors are so you can fix them. Mistakes are often due to invalid SQL that has been entered on the Queries or Mapping pages or in a User Code Block.

The Package Text section of the Details area lets you review the entire generated package to be sure it is working the way you intended it to work. If everything looks fine, you can click Generate to finish the job.

Navigation

Administration > Incentive > Collection > Generate

Prerequisites

Collections setup must be complete.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Collection link in the side panel menu.

   The Collection - Transaction Sources page appears.
3. Click the Generate link.

   The Collection - Generate page appears.
4. In the Summary area, click the button in the Select column next to the transaction source for which you want to run a test generation.
5. Click **Test Generate**.

   A test version is generated.

6. If Error appears in the Test Status column, click it to open the details area below the Summary area.

   The Error Text and entire Package text are displayed.

7. Fix the errors and rerun the test generation until you are satisfied with the result.

8. You can click **Yes** or **No** in the Collect Flag to return to the Transaction Sources page and verify it or change it.

Click **Generate** to generate the actual Collection package.

8.4 Standard Collection

As mentioned in section 8.1, Oracle Incentive Compensation is delivered with two predefined transaction sources which allow the collection of data from Oracle Receivables and Oracle Order Management. Collection from these two seeded transaction sources is known as Standard Collection.

Standard Collection uses the same concepts as explained in Section 8.2, Open Collections. However, for ease of use, some of the setups are shipped with the product. These setups, source tables and queries, cannot be modified for Order Management or Oracle Receivables.

Use the Collection - Transaction Sources page to determine which Receivables events you want to generate transactions. The two standard transaction sources are already built into the table as Receivables Posting and Order Booking.

As a convenience, Oracle Incentive Compensation groups five separate transaction sources into the Receivables Posting transaction source. In the Receivables Event area you can select which receivables events you want to be collected. By excluding transactions that you do not need, you can save time in the collection process. The default value for each event is No.

To set these events to collect data, perform the following:

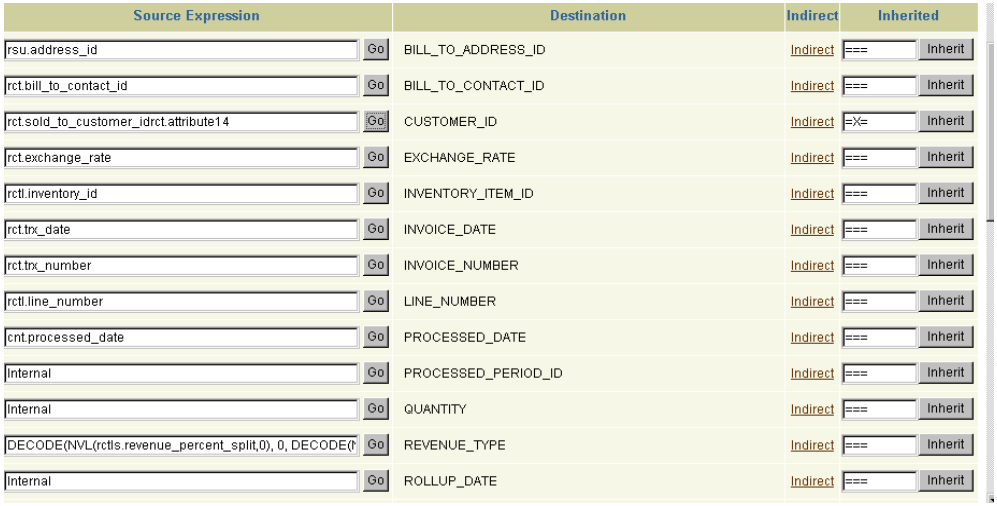
1. Check the check box in the Collect Column next to the event for which you want to collect.

2. Click **Update** to save your change. If necessary, click **Restore** to return to the previously saved information.

8.4.1 How Direct and Indirect Mapping can Be Modified

Both of the standard transaction sources are delivered with a set of mappings to populate the important columns in CN_COMM_LINES_API. You are allowed to change source values for these mappings and also to create new mappings of your own. See: Section 8.3.6, "Defining Mapping".

In the partial view of the Mapping page below, note the Inherited column on the right side. When you first display the Mapping page for a standard transaction source, this column displays === for every mapping. This tells you that the mapping is a standard one and has not been changed. If you change the value in either the source, relationship, or FROM/WHERE field for a standard mapping, the Inherited column changes to display =x=, as seen in the third row in the example below. If you want to revert a mapping to its original standard setup, click the Inherit button. The Source Expression, Relationship and FROM/WHERE fields change back to their original values and the Inherited field reverts to ===. If you create any new mappings, the Inherited column is blank for these rows and the Inherit button has no effect.



Source Expression		Destination	Indirect	Inherited	
rsu.address_id	Go	BILL_TO_ADDRESS_ID	Indirect	===	Inherit
rct.bill_to_contact_id	Go	BILL_TO_CONTACT_ID	Indirect	===	Inherit
rct.sold_to_customer_idrct.attribute14	Go	CUSTOMER_ID	Indirect	=X=	Inherit
rct.exchange_rate	Go	EXCHANGE_RATE	Indirect	===	Inherit
rctl.inventory_id	Go	INVENTORY_ITEM_ID	Indirect	===	Inherit
rct.trx_date	Go	INVOICE_DATE	Indirect	===	Inherit
rct.trx_number	Go	INVOICE_NUMBER	Indirect	===	Inherit
rctl.line_number	Go	LINE_NUMBER	Indirect	===	Inherit
cnt.processed_date	Go	PROCESSED_DATE	Indirect	===	Inherit
Internal	Go	PROCESSED_PERIOD_ID	Indirect	===	Inherit
Internal	Go	QUANTITY	Indirect	===	Inherit
DECODE(NVL(rctls.revenue_percent_split,0), 0, DECODE(N	Go	REVENUE_TYPE	Indirect	===	Inherit
Internal	Go	ROLLUP_DATE	Indirect	===	Inherit

8.4.2 Special Features

Oracle Receivables

The predefined Receivables data source is slightly different from any other data source because it really represents five transaction sources which have been

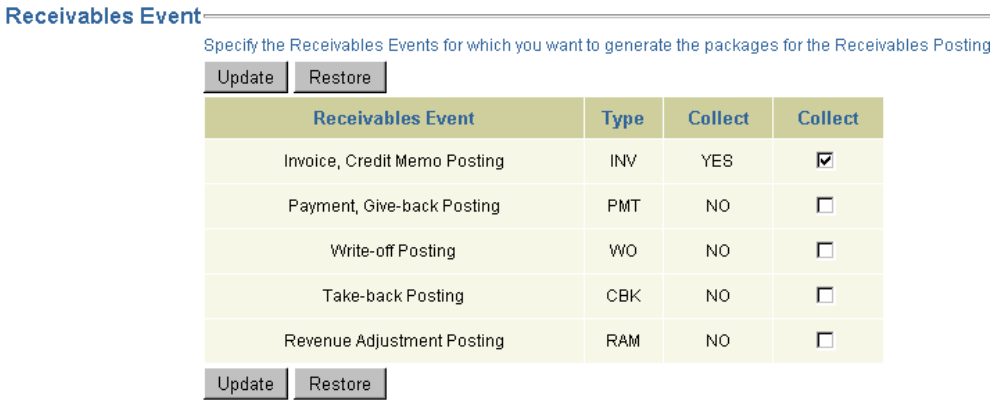
combined into one, so that they can share a set of mappings. The five sources are referred to as Receivables Events and are as follows:

- Invoices, Credit Memos, and Debit Memos
- Take-backs (once an invoice due date goes beyond the set grace period, the credit for the sale is deducted from the resource's sales credit)
- Payments and Givebacks (a giveback is a past due invoice that had been taken back but has now been paid)
- Writeoffs
- Revenue Adjustment Posting

These events occur when the relevant transaction is posted to the Oracle General Ledger application.

The transaction collection queries for these events are all based around the same core set of Receivables source tables, but the tables are joined together in different ways so five different transactions sources would normally be required. The five have been combined into a single transaction source so that you only set up the mappings that you want once and they are applied to the collection of compensation transactions for all five events.

When you click the Generate button for the Receivables transaction source, five packages are generated--one for each of the Receivables events. This generation takes five times as long as for any other transaction source. However, you may not be interest in all of those events. You can restrict the generation to only those packages for the events that you require. Use the Collection - Transaction Source page (Administration > Incentive > Collection) to select for which Receivables events you want to generate transactions.



Use this table at the bottom of the Collection - Transaction Source page to select the events in which you are interested. In the above screen shot, only Invoice, Credit Memo Posting is selected. When the Generate button is clicked, the full package will be generated for the collection of invoices, credit memos, and debit memos. For the other four events (Writeoffs, and so on), simple stub packages will be generated, which speeds up the Generation process.

Each Receivables event has a dedicated concurrent program. Each of these requires two parameters: a Start Period and End Period. The parameter entry is supported by a list of values. The concurrent programs are:

- Collect Invoices
- Collect Clawbacks
- Collect Payments and Givebacks
- Collect Writeoffs
- Collect Revenue Adjustments

Oracle Order Management

Compared with Receivables, the Order Management transaction source behaves more like the user-defined transaction sources that were defined earlier.

There is a single collection package which is called by a dedicated concurrent program--Collect Orders. The concurrent program requires two parameters: Start Period and End Period. The parameter entry is supported by a list of values.

Order information can be, and often is, changed after the order has been set to the status of Booked. Such changes, known as adjustments, can be automatically applied to transactions which have already been collected. If a change is made to any line on an order, then all of the sales credits (compensation transactions) for that line are considered to be changed.

There are two possible scenarios:

1. The compensation transactions have been collected but have not been loaded into Oracle Incentive Compensation.
2. The compensation transactions have been collected and also loaded into Oracle Incentive Compensation.

In scenario 1, the transactions have only got as far as the CN_COMM_LINES_API table. In this case the original transactions are marked OBSOLETE and they will be re-collected into CN_COMM_LINES_API with their new values the next time Collect Orders is run.

In scenario 2, the transactions are already loaded into the application in CN_COMMISSION_HEADERS and may already have been used to calculate commission for a resource. This requires a different approach. The original transactions in CN_COMMISSION_HEADERS are marked FROZEN. For each of these a reversing transaction is also created in CN_COMM_LINES_API. This is a duplicate of the FROZEN line, but with an opposite polarity (usually meaning it becomes negative) on the transaction amount. This transaction has the effect of reversing out the original. Finally, as in scenario 1, the compensation transactions for this line will be re-collected into CN_COMM_LINES_API with their new values the next time Collect Orders is run.

Each time Collect Orders is run, the list of unprocessed updated Order Lines must first be processed. This can take a long time. To avoid this, when running Collect Orders it is a good idea to process this list of updated order lines at regular intervals, perhaps daily. Use the Order Update Notification concurrent program to do this.

The list of updates to Orders is maintained for Oracle Incentive Compensation by the Order Capture application. This, however, only occurs if Order Capture has been informed of this requirement. Order Capture just acts as an interface here. The transactions actually originate in Oracle Order Management.

You must register Oracle Incentive Compensation with Order Capture in the Forms instance as follows:

1. Switch responsibility to Oracle Order Capture.

2. Open the Lookups form.
3. Display the ASO_ORDER_FEEDBACK_CRM_APPS lookup type.
4. If it is not already there, create a row with code CN, meaning Incentive Compensation, and check the Enabled check box. Save this row.

8.5 Submitting a Collection Request

After performing all of the setups on Administration > Incentive > Collect, you actually run the package to collect transactions that you created in the Collection - Generate page. Collection Submission has three parts, represented by three pages:

- Runtime Parameter
- Submit Request
- View Request Status and Logs

8.5.1 Runtime Parameters

Runtime parameters are used to narrow the range of transactions collected in a collection package if you are using a custom transaction source. For example, a start date and end date can be defined. The parameters are defined on the Queries page in the setup process. See Section 8.3.5, "Defining Notification and Collection Queries and Runtime Parameters" for details. Runtime parameters are not provided during the collection setup, but are instead entered during the collection submission process. This allows you to change the values without regenerating the collection package.

Navigation

Transaction > Collect > Collection Submission - Runtime Parameter

Prerequisites

Parameters must already be created in the Collection setup process.

Steps

1. Select the parameter you want to change.
2. Enter a value in the Runtime Parameters field.
3. If necessary, click **Restore** to return to the previously saved information.
4. Click **Update** to save your changes.

8.5.2 Submit a Request

To submit a transaction collection request, perform the following procedure.

Navigation

Transaction > Collect > Submit Request

Prerequisites

The collection setup must be completed and the collection package must have been generated successfully.

Steps

1. Click the Transaction tab. The Collect subtab page opens automatically. Click the Submit Request link. The Collection Submission - Submit Request page appears.
2. In the Collection Type field, select a collection type from the drop-down list. The collection types include:
   - Collect Clawbacks
   - Collect Custom Transaction Source
   - Collect Invoices
   - Collect Orders
   - Collect Payments and Givebacks
   - Collect Revenue Adjustments
   - Collect Writeoffs
3. Click **Apply**.

   Note: If you select Collect Custom Transaction Source, the parameter changes to Transaction Source. Specify the custom transaction source on which you want to run collection and skip to step 5.
4. Select Start Period and End Period from the drop-down lists.
5. Click **Submit Request.**

   A confirmation window appears.
6. Click **OK** to submit the request. Click **Cancel** to return to the current page.

If you clicked **OK**, the requested data is displayed below the search parameter fields.

7. Click **Refresh Data** periodically to monitor the progress of the collection submission.

Guidelines

The Collect Orders collection type collects data from Oracle Order Management. The Collect Custom Transaction Sources collection type collects data from external sources. The other events collect data from Oracle Receivables.

The Process Log page shows the details of the processing of a request.

8.5.3 Viewing the Request Status and Logs

Data must be collected from the mapped tables into Oracle Incentive Compensation before calculation for payment can occur. Use this procedure to view the status of the collection submission.

Navigation

Transaction > Collect > View Request Status

Prerequisites

None.

Steps

1. Click the Transaction tab. In the Collect subtab the Collection Submission - View Request page appears automatically.
2. Select the type of collection event you want from the Collection Type drop-down list. The list includes:
   - All
   - Clawbacks
   - Custom Transaction Source
   - Invoices
   - Orders
   - Payments and Givebacks
   - Revenue Adjustments

- Writeoffs

3. Select one of five options from the Phase drop-down list:
   - All
   - Completed
   - Inactive
   - Pending
   - Running
4. Select one of 18 statuses in the Status drop-down list.
   - All
   - @@Normal
   - @Normal
   - @Waiting
   - Cancelled
   - Disabled
   - Error
   - No Manager
   - Normal
   - On Hold
   - Paused
   - Resuming
   - Scheduled
   - Standby
   - Suspended
   - Terminated
   - Terminating
   - Waiting
   - Warning
5. Optionally, enter a search string in the Request ID field.

6. Click **Apply** to view a list of collection submissions.
7. Click **View Log** in the Log column to go to the Process Log.

8.6 Collecting Adjustments

8.6.1 Collecting Adjustments for Order Transactions

Order information can be, and often is, changed after the Order has been set to the status of Booked. Such changes, known as adjustments, can be automatically applied to transactions, which have already been collected. If a change is made to any Line on an Order then all of the Sales Credits (Compensation Transactions) for that line are considered to be changed. See Section 8.4.2, "Special Features" for a complete explanation.

8.6.2 Collecting Adjustments for Custom Transaction Sources

You can cope with adjustments to transactions in your custom Transaction Sources in the same way as standard Collections from Order Capture does. All you need to do is to call a Collections API, identifying the transaction that has been changed.

If you specified a Header Table on your Source Tables tab then you need to pass the unique identifiers of both the Header record and the Line record of the changed transaction. Otherwise only the identifier of the Line record is required.

Suppose that Collections has already been run for October 2001 transactions in our example legacy system. We have also imported those transactions into OIC. Now a change is made to one of the orders for that month. The ID of the Order Header is 1001 and the ID of the Order Line is 1234. To notify OIC of this change you make the following call:

```
CN_NOTIFICATION_PUB.Create_Notification
  ( p_api_version     => 1.0,
    x_return_status   => l_return_status, -- OUT parameter
    x_msg_count       => l_msg_count,     -- OUT parameter
    x_msg_data        => l_msg_data,      -- OUT parameter
    p_line_id         => 1234,            -- Line Table Id
    p_source_doc_type => 'LEG',           -- Transaction Source Type
    p_adjusted_flag   => 'Y',             -- Adjustment(not new record)
    p_header_id       => 1001,            -- Header Table Identifier
    p_org_id          => your_org_id,     -- Operating Unit (optional)
    x_loading_status  => l_loading_status -- OUT parameter
    );
```

The next time Collections is run for this Transaction Source, reversing transactions will be created to nullify all of the sales credits associated with this transaction line. All of the sales credits will then be collected again with the new values in. This reversal and re-collection of the October transaction will occur even if you specify that you want to collect only November transactions this time.

Note: to understand the p_org_id parameter, you need to first understand the Oracle Applications 'Multi-org' strategy, which allows data for multiple operating units to exist, partitioned from each other, within a single database. Discussion of Multi-org is beyond the scope of this document. If you don't understand this concept then please consult the appropriate documentation before trying to understand the rest of this paragraph. If your procedure which calls CN_ NOTIFICATION_PUB.Create_Notification is running in a database session where the Org-Id has been set, and your procedure is only dealing with transactions for this Org-Id, then you can omit the p_org_id parameter. In any other situation (for example where you have a single procedure or database trigger which detects updates to transactions from multiple Org-Ids) you must specify the correct value of p_org_id for the transaction when you call Create_Notification.

8.6.3 Collecting Adjustments for AR - RAM

Oracle Incentive Compensation allows you to make transaction adjustments one time, in Oracle Receivables using RAM (Revenue Adjustment Module), and collect the adjustments into Oracle Incentive Compensation. This eliminates the need to make corresponding manual adjustments in Oracle Incentive Compensation to reflect the RAM adjustments.

Use the receivables event, Revenue Adjustment Posting, to collect the revenue adjustment. You need to enable this event during the collection setup process, generate the collection package, and submit the concurrent request Collect Revenue Adjustments to collect the adjustments.

Submit the Collect Invoice concurrent request to collect your invoice transactions from Oracle Receivables. After collecting the invoice transactions, you can subsequently run Collect Revenue Adjustments on a regular basis to collect any adjustments that has been made on the transactions since the last collection. Oracle Incentive Compensation compares the time of the adjustments with the time of last run of collection and determines which adjustments should be included.

During the process of Revenue Adjustments Collection, you can control whether the manual adjustments that have been made on the Oracle Incentive Compensation side should be negated or not. To do so, use the profile OSC: Negate During

Revenue Adjustments Collection. There are two possible values for the profile as follows:

- Yes: Revenue Adjustments Collection negates the corresponding transactions that have been collected before and then re-collects them from Oracle Receivables with the new RAM adjustments. Any manual adjustment that has been done in Oracle Incentive Compensation against the original collected transactions is negated. This option ensures the data integrity from Oracle Receivables; however, you lose the manual adjustments made in Oracle Incentive Compensation side if any.
- No: Revenue Adjustments Collection does not negate any corresponding transactions that have been collected before. Only the new RAM adjustment transactions are collected. This option preserves your manual adjustments, which have been done on the collected transactions, but it may result in the loss of the data integrity. In certain cases, the data in Oracle Incentive Compensation may need to be manually synchronized with the data in Oracle Receivables.

Navigation

To set up and generate the package:

Administration > Incentive > Collection

To submit the concurrent request:

Transaction > Collect > Submit Request > Collect Revenue Adjustments

Prerequisites

- The collection setup must be completed and the collection package for Revenue Adjustment Posting event must have been generated successfully.
- The invoice transactions have been collected into Oracle Incentive Compensation.
- The adjustments have been done in Revenue Adjustment Module in Oracle Receivables (Receivables Responsibility > Control > Accounting > Revenue Accounting).

Steps

1. Click the Transaction tab.

   The Collection subtab page opens automatically.

2. Click the Submit Request link.

The Collection Submission - Submit Request page appears.

3. In Collection Type field, select 'Collect Revenue Adjustments' from the drop down list
4. Click **Apply**
5. Select a Start Period and End Period from the drop-down list.

   These parameters provided here indicate the period during which the RAM adjustments were made, not the period that the transaction's processed date belongs to.
6. Click Submit Request.

   A confirmation window appears.
7. Click **OK** to submit the request. Click Cancel to return to the current page.
8. Click Refresh Data periodically to monitor the progress of the submission.

8.7 Imports and Exports

You can import a batch of transactions from an external source rather than importing them one at a time. You can create an Import transaction on the Imports Definition page. You can also export transactions to a .csv file using the Export Definition page.

The import process begins with data files in .csv file format that are imported from an external source. These files are mapped to the target table columns in Oracle Incentive Compensation, where they are stored using a stored mapping or a new mapping that you create. At this time the status of the data is NEW.

After you review the setting, you can cancel the import process, which will set the status of the data to Cancelled.

If you do not cancel the process but proceed, you submit the data, which transfers it from the data file to the CN_IMP_LINES table. The data then has a status of Stage. If this process fails, the status is Failed at Staging.

After the data is staged, the application runs the concurrent program, which transfers data from CN_IMP_LINES to the destination table. While the data is waiting for the concurrent program to start, its status is Scheduled.

If the import process succeeds, the status of the data changes to Completed. You can then view the Process Log (see Section 8.7.6, "Process Log") or Import Report to confirm that everything is the way you want it.

If the import process fails, however, the status changes to Failed at Importing. At this point you can either view the Process Log or Import Report, or view and download the failed records using the Failed Records page (see Section 8.7.7, "Failed Records". After you have corrected the records that caused the import failure, you can resubmit them for import.

Begin the import process on the Import Definition page, which is Step 1 of the Imports Wizard. It walks you through the process of importing transactions. The process continues on to Step 2: Import Header Mapping, Step 3: Review, and Confirmation pages. Required fields are marked with an asterisk (*).

Warning: When you import transactions using the Import Wizard, it does not check for duplicate records. There is no way of determining whether a transaction is a duplicate transaction that should not be reloaded or simply a transaction that is identical to a previous one. Two identical transactions can be loaded as valid separate transactions.

Notes: The profile option of OSC: Import Control File Directory must be set to $CN_TOP/bin. Be sure that the $CN_TOP/bin exists on the Concurrent Manager tier and that write privileges are enabled. After you change the setting of a profile option, you must bounce the server to reset it.

8.7.1 Defining Imports

Navigation

Transaction > Import/Export

Prerequisites

The source file must have data delimited in one of the formats recognized by the Transaction API (comma, double quote, single quote, semicolon, space, or tab).

A transaction must already exist.

Steps

1. Click the Transactions tab and click the Import/Export subtab.

   The Imports Definition page appears.

2. Enter an import type. Select from Transaction API, Hierarchy, Expressions, Rules, or Revenue Classes.

3. Enter a name for the import process. The Name field is required and must be unique.

4. Optionally, enter a description in the Description field.
5. Click the Client or Server button to define your data source. If your source data file location is from a Client, click **Go** to open a pop-up box and select the file name from the list.
6. Select the column delimiter from the drop-down list (see Prerequisites for complete list). Comma is the default.
7. Select how you want your fields to be enclosed from the drop-down list. Double Quotation is the default.
8. Check the File Header Exists check box if there is a header on the source file. Mapping begins at the first column, so it is important to specify if your source file has a header.
9. Click **Next** to proceed to Step 2: Import Header Mapping.

Guidelines

Note: If the source file is created using Excel and saved with a .csv file extension, the data will automatically be delimited with commas by Excel. If you want to update the source file and remove any rows, select the row(s) and use Edit > Clear > All to remove the data. This will clear the data and the delimiters. Manually deleting each cell will not clear the delimiters. Failure to do so may cause the import to fail. This issue may also arise when using other spreadsheet applications.

The number of fields throughout the .csv file must remain the same. For example, if the header contains ten fields, all imported data must also have ten fields. Any blank spaces after the ten fields are seen by the application as additional fields. If data is imported with any additional fields in it, the import will fail.

The table below shows an acceptable format for transaction data. It is a very brief example of data that would work for a transaction API format.

Name	Revenue Type	Processed Date	Transaction Amount	Item ID	State
Randy Roth	Revenue	31-Mar-01	250	AS72111	CA
Suzanne Chalmers	Revenue	31-Mar-01	250	AS72111	WA
Azid Hakim	Revenue	31-Mar-01	250	AS72111	OR

A problem can occur when you try to import a revenue class that has a name that contains more than 30 characters. A revenue class name has a maximum length of

30 characters, whether it is created or imported. To fix the problem, shorten any revenue class names that are longer than 30 characters and rerun the import.

8.7.2 Mapping Source Fields to Target Fields

This page is Step 2 of the Imports Wizard. It is used to map source fields to target fields in the application. The process then continues on to Step 3: Review, and Confirmation pages. Required fields are marked with an asterisk (*).

You can map source fields to target fields for each import or you can load an existing mapping that you created previously. Using an existing mapping eliminates reentering information, which saves time and prevents entry errors. To use an existing mapping or to create a new mapping see the following steps.

Prerequisites

Source fields must be defined in the file to be imported.

Steps

1. Optionally, use the fields at the top of the page to load an existing mapping or save a new mapping.
   a. To load an existing mapping, enter four or more characters, including the percent sign wild card (%) and click **Go**.

      A Select box appears, listing all available previously defined mappings.

   b. Click the name of the mapping you want to use.

      The mapping appears in the areas below.

   c. To save a new mapping, after you have defined it, enter a unique name in the Save New Mapping field and click **Next**.

      The Import process moves to step 3.
2. To create a new mapping, click a source field in the first column to highlight it.
3. Click the target field in the second column. Target fields marked with an asterisk (*) are required.
4. Click the right arrow button to move the mapping to the third column.
5. View the Preview window to see what your mapping looks like.
6. Click **Next** to save and move to Step 3: Review.

8.7.3 Reviewing Your Mapping

Review is Step 3 of the Imports Wizard. It is used to review your mapping of source fields in a file to target fields in Oracle Incentive Compensation. The process then continues on to the Confirmation page. Required fields are marked with an asterisk (*).

Prerequisites

Source to target mapping must already be done.

Steps

1. Review the general information and mapping on the page.
2. If all the information is correct, click **Import**. The Confirmation page appears.
3. If the information is not correct, click **Cancel**, and then return to the Import Header Mapping page to make corrections.

8.7.4 Confirming your Mapping

The Confirmation page is Step 4 of the Imports Wizard. It confirms that your mapping of source fields in a file to target fields in Oracle Incentive Compensation has been submitted for processing.

Prerequisites

None.

Steps

1. Click **Finish** to go to the Imports Search page. You can check there to see if your import was successful.
2. If you want to perform another import, click **New Import**.

8.7.5 Import Details and Results

This page displays details of transactions that have been imported, including User Input Data File Names Server Side Data File Names, and an Import ID number. This information is useful for tracking the history of previous imports and for finding the location of the original Excel spreadsheet.

8.7.6 Process Log

This page enables viewing of the Process Log in five ways:

- All: Shows the complete process log.
- Brief: Shows Errors and Milestones (see below).
- Debugs only: Shows debug information only (which can be quite lengthy).
- Errors only: Shows errors only.
- Milestones only: Shows the status of the import process (such as Staged or Completed).

A problem can occur when you try to import a revenue class that has a name that contains more than 30 characters. A revenue class name has a maximum length of 30 characters, whether it is created or imported. To fix the problem, shorten any revenue class names that are longer than 30 characters and rerun the import.

8.7.7 Failed Records

Sometimes records fail during the import process. This occurs because the content or the organization of the record is incorrect. The Failed Records page displays any records that failed during the import process. The reasons for failure are shown at the end of each record.

To correct failed records and reimport them, perform the following procedure:

Prerequisites

None.

Steps

1. Click the Download to CSV File image icon to download the records to a .csv file.
2. Correct the data in the new .csv file.
3. Create a new import using the corrected .csv file to load the data into the application.

Guidelines

Correcting failed records individually is much more efficient than reimporting an entire file. That is because reimporting creates an entire new set of records in the database in addition to the old set.

8.7.8 Creating a Personalized Search for the Import/Export Page

Use this search page to configure the display that appears when you click the Import/Export subtab of the Transaction tab.

Navigation

Transaction > Import/Export > Personalize

Prerequisites

Import or export must have taken place to be displayed.

Steps

1. Click the Transaction tab and click the Import/Export subtab.

   The Import/Export page appears.

2. Click the Personalize button.

   The Search page for Import/Export appears.

3. In the Imports area, enter a name for the personalized search in the Name field.
4. Optionally, enter a description.
5. In the Operation field, select All, Import, or Export from the drop-down list. All is the default setting.
6. In the Type field, select an import type from the drop-down list. The choices are:
   - Expressions
   - Hierarchy
   - Revenue Classes
   - Rules
   - Transaction API
   - All (default)
7. In the Status field, select an import status from the drop-down list. The choices are:
   - All (default)
   - Completed

- Failed
- New
- Scheduled
- Staged

8. Enter a date in the Import Date field if you want to restrict your search to one specific day. Click the calendar icon to open a pop-up calendar from which you can select the date.
9. In the Display Options area, select which columns you want to display in your search.
   - Use the arrow shuttle boxes in the center of the display to move a highlighted column between the Available Columns group on the left and the Displayed Columns group on the right.
   - You can highlight multiple columns and move them over as a group using the arrow shuttle boxes.
   - Use the double arrow shuttle boxes to move everything from one side to the other.

   Note: In this release of Oracle Incentive Compensation, the columns in the Displayed Columns area cannot be moved to the Available Columns side.
10. The application allows for three levels of sorting. In the three fields on the left side, choose your sort parameters from the drop-down lists. The drop-down lists contain the columns in the Displayed Columns area. Select ascending or descending order for each sort parameter from the drop-down lists on the right side.
11. Enter the number of rows you want to have displayed per page. The default is 10.
12. If you want to save the search for later use, in the Save As area, give your search a unique name.
13. Click **Save** to save it, or **Save and Apply Search** to use the newly created and saved search immediately.

    Note: If you want the report to be the default that appears in the Saved Searches field, check the Default check box.
14. Click **Search** to display the Import/Export page configured for your search parameters.

Guidelines

If you want to modify a saved search, make the changes and click **Save**. You cannot modify a seeded search, but you can rename one and save it, and then apply the changes you need to it and resave the search.

8.7.9 Exporting Data

Just as data can be imported from .csv files, it can be exported from Oracle Incentive Compensation to a .csv file. To perform this export process, perform the following procedure.

Navigation

Transaction > Import/Export

Prerequisites

Data to be exported must already exist.

Steps

1. Click the Transaction tab and the Import/Export tab.

   The Export Definition page appears.

2. Select a type from the Type drop-down list. Types include Hierarchy and Expressions.

3. Assign a unique name to your export process.

4. Click **Next** to proceed to Export Header Mapping.

   This page is where you map source fields to mapped fields. You can use an existing mapping or create and save a new one.

5. Select a set of source fields in the Source Fields box.

6. Use the arrows in the middle of the page to move source fields into the mapped fields box on the right. Fields marked with an asterisk (*) are required.

7. Optionally, you can load an existing mapping instead of creating a new one. Click Go by the Load Existing Mapping field to select an existing mapping.

8. To save a mapping, enter it in the Save New Mapping field.

9. Click **Next** to proceed to the Review page.

This page is used to review your mapping of source fields in Oracle Incentive Compensation to target fields a file. The process then continues on to the Confirmation page. Required fields are marked with an asterisk (*).

10. On the Review page, verify that the general information and mapping on the page are correct.
    a. If all the information is correct, click **Export**. The Confirmation page appears.
    b. If the information is not correct, click **Cancel**, and then return to the Export Definition page to make corrections.
11. On the Confirmation page, click **Finish** to go to the Export Search page. You can check there to see if your import was successful.
12. If you want to perform another export, click **New Export.**

8.8 Adjusting Transactions

Use the Transactions page to review transactions and prepare to load them for calculation. Also, if a collected transaction contains errors in information or credit assignment, then it can be corrected on this page. To make preparations or corrections, perform the following procedure.

Navigation

Transaction > Adjust

Prerequisites

Incentive Compensation Super User or Incentive Compensation Commission Analyst responsibility is required.

The application has collected the transaction.

Steps

1. Click the Transaction tab and the Adjust subtab.

   The Transactions page appears.

2. In the Basic Search area, enter information in the fields as needed to find the transaction you need. You must enter at least four characters. Search parameters include:

- Resource Name: Enter all or part of the name and click **Go** to open a pop-up list. Select from the list.
- Resource Number: Enter the number.

  Note: If the number is less than four digits, enter percent signs after the number to bring the total to four digits.
- Processed Date From: Click the calendar icon to open a pop-up calendar.
- Processed Date To: Click the calendar icon to open a pop-up calendar.
- Invoice Number: Enter the invoice number if it is available.
- Order Number: Enter the order number if it is available.
- Calculation Status: Select **All** (the default) or one of five other choices from the drop-down list.

3. Click Apply.

   A list of transaction records appears.

4. At the top or the bottom of the page, click the appropriate button for the type of action you want to perform:

   - New Transaction

     Click this button to go the Create New Transaction page, where you can create a new manual transaction**.** See Section 8.8.1, "Create a New Transaction" following.
   - Load Transaction

     Click this button to go to the Load Transactions - Submit Request page. See Section 8.9, "Loading Transactions" following.
   - Move Credits

     Click this button to go to the Move Credits page, where you can move credit from the existing credited resource to a resource you specify. See Section 8.8.3, "Move Credits" following.
   - Deal Split

     Click this button to go to the Deal Split page, where you can split the sales credit for an entire deal, which may include more than one transaction. Note: This button appears only when you query a specific transaction. See Section 8.8.4, "Deal Split" following.

5. To adjust or split an individual transaction, click **Adjust** or **Split** in the Action column next to the transaction you want to adjust.
   a. If you click **Adjust**, the Transaction Details - Adjust page opens. See Section 8.8.5, "Adjust Transaction" following.
   b. If you click **Split**, the Transaction Details - Split Transaction page opens. See Section 8.8.6, "Split Transaction" following.
6. Perform the steps you need on the appropriate page.

Guidelines

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

8.8.1 Create a New Transaction

If any resource needs manual sales credit line adjustments, you can create a manual transaction for the effective date. To enter new transactions, perform the following procedure.

Navigation

Transaction > Adjust > New Transaction

Prerequisites

None

Steps

1. Enter the Resource Name and Resource Number. These are required fields. You can enter some or all of the name and click **Go** to open a pop-up list.

   Select the resource from the list and the fields on the page populate.
2. Enter a Processed Date. Click the calendar icon to open a pop-up calendar. This is a required field.
3. Enter a Revenue Type from the drop-down list.
4. Enter Invoice Number and Invoice Date, and Quantity if available or needed. The date fields have calendar icons available.
5. Enter Transaction Amount. This is a required field.

6. Optionally, enter the other fields that follow, as available. These fields are customizable. See Add a New Attribute to the Create New Transaction Page below.
7. Optionally, select from the Preprocessed Code drop-down list. The 16 selections enable you to skip one or more phases of calculation for this specific transaction. See Guidelines for details.
8. At the bottom of the page, enter a Reason. A drop-down list is available.
9. Enter comments, if any.
10. If necessary, click **Restore** to return to the previously saved information.
11. Click **Update** to save the transaction.

Guidelines

The Preprocessed Code drop-down list contains 16 combinations of skipping the four main phases of calculation: Classification, Population, Rollup, and Calculation. For a general explanation of the phases of calculation, see Section 9.1.3, "Phases of Calculation".

You can skip any of the following four phases, or a combination of the four. The following bullets describe examples of possible reasons for skipping a calculation phase and the dependencies that exist if you do skip the phase:

- Classification: If you want to specify a different revenue class for a transaction than the standard one, you may not want to classify it through the normal process. However, if you select Skip Classification, you must supply the revenue class information or the transaction will fail calculation.
- Population: If a resource is a member of multiple groups and has multiple plan elements, you may want to eliminate possible duplication of commission payments. In this case, you can skip the population phase for a transaction. However, you must specify the plan element and the role assignment for the resource for calculation to succeed.
- Rollup: If you want to keep commission credit from rolling up to managers for a specific transaction, you can select Skip Rollup to keep the credit with the direct resource only. However, if the Managerial Rollup check box on the System Parameters page is unchecked, rollups for all transactions are prevented, so in that case selecting this preprocessing code for a single transaction is unnecessary. There are no other dependencies on selecting Skip Rollup.

- Calculation: Calculation is normally not skipped, but the application provides the flexibility to choose it in case a business situation requires it in the future.

Two other options are available in the Preprocessed Code drop-down list:

- Skip all: No calculation is performed but the application records a transaction ID.
- Skip nothing: The application performs the normal calculation process.

All adjustments made when creating a new transaction must be loaded before they are available for calculation.

8.8.2 Add a New Attribute to the Create New Transaction Page

You can customize the attributes on the Create New Transaction page. This helps in setting up effective classification of transactions. To add an attribute to the Create New Transaction page, perform the following procedure.

Navigation

Administration > Incentive > Tables

Prerequisites

The CN_COMMISSION_HEADERS table must exist in the database.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Tables link in the side panel menu.

   The Tables page appears.
3. Use the search parameters to locate the CN_COMMISSION_HEADERS table.

   Enter CN in the Schema field or enter the entire table name in the Table field.
4. Click **Apply**.
5. Use the Next link to scroll through the CN tables until you reach the CN_COMMISSION_HEADERS table.
6. At the far right of the screen, click the Columns link.

   The Columns page appears.
7. Select Classification in the View drop-down list. Click **Apply**.

The currently assigned column names are listed.

8. Choose an unassigned Attribute field and double-click the name in the User Name column. Assign it the name of your new attribute, for example, Account Code.
9. Check the Value check box in the same row as the new user name for the column. This indicates to the application that you want to use the field for classification.
10. Click **Update**. A confirmation message appears.
11. To confirm the new field, return to the Create New Transaction page by clicking Transaction > Adjust > New Transaction.

8.8.3 Move Credits

Move Credits gives you the ability to mass adjust a group of transactions based on criteria selected in the parameters. Use the Move Credits function when the sales credit for a number of transactions has been erroneously assigned to a resource.

Navigation

Transaction > Adjust

Prerequisites

None

Steps

1. In the Receiving Resource Name area, enter the Resource Name and Resource Number. Click **Go** to open a pop-up list.
2. Enter a Customer Name and Customer Number, if available.
3. Enter your comments, if any.
4. If necessary, click **Restore** to return to the previously saved information
5. Click **Update** to save your work.
6. In the Attribute Columns area, enter any information that identifies your transaction.
7. If necessary, click **Restore** to return to the previously saved information
8. Click **Update** to save your work.

Guidelines

The feature maintains the history of the original transaction or transactions while displaying the corrected transactions.

All adjustments made with the above process must be loaded before they are available for calculation.

8.8.4 Deal Split

Use this page to divide up the sales credit on an entire deal. You must query a specific transaction by order number or invoice number to expose the Deal Split button on the Transactions page. Click the Deal Split button to open the Deal Split page.

Navigation

Transaction > Adjust

Prerequisites

None

Steps

1. In the Revenue Type column, select Revenue or Non Revenue from the drop-down list.
2. In the Resource Name field, enter a resource name. Click **Go** to open a pop-up Select page to search through existing resources.

   The resource number populates automatically.
3. Alternatively, enter a resource number in the Resource Number field. Click **Go** to open a pop-up Select page to search through existing resource numbers.

   The Resource name populates automatically.
4. Repeat steps 1 through 3 for each resource.
5. In the split field, enter a percentage for each resource. The numbers should add up to 100 percent.
6. Click **Update** to save. If you are making changes to an existing deal split, you can click **Restore** to return to the previously saved information.

Guidelines

Deal split is used only for order and invoice type transactions. You cannot perform a deal split for a manual type transaction with the order number or invoice number.

You cannot have only nonrevenue types in a deal split if the original transactions are of revenue type. A deal split with only nonrevenue types is possible only if the original transactions are of nonrevenue type.

All revenue transactions in a deal split must add up to 100%.

8.8.5 Adjust Transaction

Sometimes you need to adjust a transaction. To do so, perform the following procedure.

Navigation

Transaction > Adjust > Adjust

Prerequisites

Transaction must already exist. Transaction cannot be frozen.

Steps

1. Click the Transaction tab and click the Adjust subtab.
2. Use the search parameters at the top of the page to find the transaction that you want to adjust.
3. Click **Apply**.
4. The available transactions are displayed on the Transactions page.
5. Click the Adjust button next to the transaction that you want to adjust.

   The Transaction Details - Adjust page appears. Information about the transaction is displayed.
6. Enter any changes in the appropriate fields. You can use a calendar icon, drop-down list, text field, or click a Go button to open a pop-up list, as required.
7. In the Descriptive Flexfield area, enter a context value if needed.

   For more information on flexfields, see *Oracle Incentive Compensation Implementation Guide*, Appendix A, or the *Oracle Applications Flexfields Guide.*

8. At the bottom of the page, you can select one of four views from the drop-down list and click **Apply**:
   - Commission Lines: Use to check the transaction status, calculation status, commission amounts, in 16 columns of data.
   - Transaction History: Displays any changes that have been made to the transaction.
   - Customer Address: Displays customer's Ship To and Bill To information
   - User Notes: Enter a reason and comments to explain changes for future review.
9. The first three views are read-only text fields. The User Notes view displays a Reason drop-down list.
   a. Select a reason.
   b. Enter your comments.
10. Click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.

    Note: The Update and Restore buttons appear only in the User Notes View. Return to that view to save your work.

8.8.6 Split Transaction

Use the Split Transaction page to distribute sales credit in whole or in part between one resource and another or among a group of resources.

You can split sales credit for a transaction differently depending on the transaction split percentage of the transaction. This percentage is assigned to the transaction when it is created or as an adjustment. It is already part of the transaction before any splits are performed.

A transaction split percentage of 0% is the default setting. If the setting is 0 percent, then any amount can be used when you split sales credit.

If a transaction split percentage is assigned, any split must add up to that percentage. For transactions that have a transaction split percentage of 100 percent, the sales credit for split revenue transactions must equal 100%. If the transaction split percentage is another amount then the sales credit for the split revenue transactions must add up to that percentage. Nonrevenue sales credit does not have the 100% constraint of revenue credit.

See Examples below.

To split transactions, perform the following procedure.

Navigation

Transaction > Adjust > Split button

Prerequisites

Transaction must already exist

Steps

1. In the Revenue Type column, select Revenue or Non Revenue from the drop-down list.
2. In the Resource Name column, enter the name of resource with whom you want to split the credit. Click **Go** to open a pop-up list.
3. You can use the Resource Number if necessary. The Resource Number column populates automatically if you select a resource name.
4. Enter the percentage or amount of sales credit each person is to receive in either the Split % or Split Amount column. Note: If the original resource is still eligible for sales credit he or she must be specified as a credit receiver.

   When you enter a split percentage, the amount displays in the Split Amount column automatically.
5. Enter User Comments if you wish.
6. If necessary, click **Restore** to return to the previously stored information.
7. Click **Update** to save your work

Guidelines

All adjustments made with the above process must be loaded before they are available for calculation.

Examples

You want to split sales credit for John's transaction to Steve and Bill. If the transaction split percentage is 0%, then any split percentages are allowed. So, you can give 60% to Steve and 75% to Bill or 25% to Steve and 40% to Bill. Or, you can assign 100% to John and 5% to Steve and 5% to Bill. The percentage amount can add up to more than 100%.

If the transaction split percentage is set to 100%, you can give 75% to Steve and 25% to Bill, or 50% to both, but you cannot give 60% to Steve and 50% to Bill (110%) or 40% to Steve and 35% to Bill (75%). It must add up to 100%.

If you decide to split Steve's 75% from the previous example between Cameron and Dave, you can give 40% to Cameron and 35% to Dave, or 70% to Cameron and 5% to Dave, but whatever the percentages you choose, they must add up to the 75% transaction split percentage of Steve's original transaction.

8.9 Loading Transactions

After transactions are collected and adjusted, they must be loaded into Oracle Incentive Compensation tables for calculation and payment. To load transactions, perform the following procedure.

Navigation

Transaction > Load > Submit Request

Prerequisites

Transactions must be collected.

Steps

1. Click Transactions tab and Load subtab. The Load Transactions - Submit Request page appears.
2. In the Parameters area, enter Load Date From and To in the first two fields. Click the calendar icon to open a pop-up calendar. These are required fields.
3. Enter a Resource Name in the next field. Click **Go** to open a pop-up list.
4. Optionally, enter the Resource Number.
5. Select a Load Method from the drop-down list.
6. Check the Perform Classification and Rollup check box if you want to perform intelligent calculation for the transactions you are loading.
7. Click **Submit Request**.
8. Click **Refresh Data** to display updated information as the concurrent processing proceeds.

8.9.1 Viewing Transaction Requests

To view requests you have already loaded, perform the following procedure:

Prerequisites

Transactions must be collected.

Steps

1. Enter parameters to narrow your search.
   - To select a Submission Date, click the calendar icon to open a pop-up calendar.
   - Use the drop-down list to select a Phase. All is the default.
   - Use the drop-down list to select a Status. There are 19 choices, but All is the default.
   - Search by Request ID number if you have the number available.
2. Click **View Log** in the Log column to display the Process Log.

8.10 Using the Transaction Interface

Oracle Incentive Compensation supports use of a transaction interface to bring compensation transactions into the system. To process incentives, Oracle Incentive Compensation uses the CN_COMM_LINES_API table as a transaction interface for the following:

- Standard collection of sales credit transactions using out-of-box integration with Oracle Receivables (for Invoices/Credit Memos/Payments and so on) and Oracle Order Management (for Booked Orders).
- Collection from custom sources of data using the standard collection feature.
- Uploading transactions directly into the CN_COMM_LINES_API table using SQL*LOADER, SQL, PL/SQL routines, and so on, for processing Incentives.
- Importing data from a spreadsheet (see Section 8.7.1, "Defining Imports" and following pages).

The table below provides a detailed description of key attributes of the CN_COMM_LINES_API table. See the *Oracle Incentive Compensation 11.5.6 TRM* for more detailed information on each column.

Column	Data Type	Description
COMM_LINES_API_ID	NUMBER(15)	This is the unique identifier of the table and must be populated with a value. If using the SQL* LOADER then use the the sequenceCN_ COMM_LINES_API_ S.next val.
PROCESSED_DATE	DATE	The date the transaction needs to be processed for commission calculation. This is a mandatory column.
TRANSACTION_ AMOUNT	NUMBER	The transaction amount that needs to be used as a basis for arriving at the commission value. This is a mandatory column.
TRX_TYPE	VARCHAR2(30)	The type of the transaction. It can have any one of the following values: CBK: Claw Back (or Take Back) CM: Credit Memo GBK: Give Back INV: Invoice MAN: Manual Adjustment ORD: Booked Orders PMT: Payment Received WO: Write Off This is a mandatory column.

Column	Data Type	Description
EMPLOYEE_NUMBER	VARCHAR2(30)	The resource that is receiving credit for the transaction. If using the SQL*LOADER option or the spreadsheet, the value needs to be Salesrep Number as defined in Resource Manager. Please refer to Resource Manager documentation for more information on how to define a resource.
OBJECT_VERSION_ NUMBER	NUMBER	Sequential number which is set at 1 on insert and incremented on update. Used by APIs to ensure that the current record is passed. This is a mandatory column. When you upload a transaction directly into the API, the value must be set to 1.
SALESREP_ID	NUMBER(15)	This value is populated by standard collection programs of the application. Custom and nonstandard processes should not populate a SALESREP_ID value. The EMPLOYEE_ NUMBER column should be used instead.

Column	Data Type	Description
LOAD_STATUS	VARCHAR2(30)	This denotes the status of the transaction after the Transaction Interface Loader process is run to load transactions from the API table to the CN_COMMISSION_HEADERS table. Here are two important status values: UNLOADED: Status of new transactions when they are first loaded into the API table. It also denotes transactions that have not been picked up for loading into the CN_COMMISSION_HEADERS table. LOADED: The transaction is successfully loaded into the CN_COMMISSION_HEADERS table. See Validation Checks and Resolution Method for more details and the rest of the LOAD_STATUS values.
TRANSACTION_CURRENCY_CODE	VARCHAR2(15)	The currency code of transaction amount that comes with the transaction, for example, USD. The value must correspond to the currency code as defined in GL-Currencies. See the GL-Currencies form to confirm. See **Note:** in Exchange Rates following.

Column	Data Type	Description
EXCHANGE_RATE	NUMBER	The exchange rate that needs to be applied to determine the actual amount of the transaction. Ideally, this matches what is defined in the GL-Daily Rates table. **Note:** Transaction_ Currency_Code and Exchange_Rate are not mandatory. If these two values are left as Null the application assumes that the currency_code matches the functional currency and that no exchange rate will be applied. However, if you populate TRANSACTION_ CURRENCY_CODE with currency that is *not* the functional Currency, you must populate EXCHANGE_RATE. This is done automatically using the GL rates with using the Transaction screen. If done using SQL, you can populate whatever exchange rate you want.
ADJUST_STATUS	VARCHAR2(10)	The adjustment status of the transaction. It is automatically updated on the Adjustments screen when the system makes adjustments. This is a system-generated field and should not be populated with any value.

Column	Data Type	Description
ORG_ID	NUMBER	Needs to be populated with the specific org for which the transactions are being loaded for Incentives calculation. If the implementation is multi-org, then it is a mandatory column. If the implementation is not multi-org, then the column can have null value.
ROLLUP_DATE	DATE	The date the transactions must use to roll up the sales credit using the compensation group hierarchy. If this column is null, the date value in the PROCESSED_DATE column will be set for this column. If you need this date to be different from the PROCESSED_ DATE you can set it to a different value.
REVENUE_TYPE	VARCHAR2(15)	This column denotes whether the transaction is of a Revenue or Nonrevenue sales credit type. For transactions collected directly from out-of-box integration with Oracle Order Management or Oracle Receivables, this column is populated automatically with the respective sales credit type defined in these source systems.

Column	Data Type	Description
ATTRIBUTE1 - ATTRIBUTE100	VARCHAR2(240)	These are the descriptive flexfield columns on the transaction. They can be populated with values to be used in defining classification rules or for defining expressions to be used in formulas, rate tables, and so on.

8.10.1 Validation Checks and Resolution Method

The transaction interface loader process starts by collecting transactions from the API based on the parameters provided by the user and looking at transactions in the API that have the following load_status:

UNLOADED: Status of the transaction when it is first loaded into the API table. It also denotes that it has not been picked up for loading into the CN_COMMISSION_HEADERS table.

ERROR - PRIOR ADJUSTMENT: This means that the value of the profile OSC: Prior Adjustment has been set to No and the transaction processed_date has a column value that is less than the last processed transaction processed_date. To resolve this, perform the following:

1. Make sure to set the profile OSC: Prior Adjustment to Yes so that the system can process prior period adjustments.
2. If the profile OSC: Prior Adjustment is set to No, change the processed_date on the transaction to be greater than the date for which calculation was last run.

ERROR - TRX_TYPE: This means that the trx_type column value of the transaction is not a system recognized transaction type. The possible values for this column are Claw Back, Credit Memo, Give Back, Invoice, Manual Adjustment, Booked Orders, Payment Received, or Write Off. To resolve this, fix the trx_type value on the transaction.

ERROR - REVENUE CLASS: This means that the revenue_class_id column value provided on the transaction is not defined in the system. To resolve this, make sure that the revenue_class_id value populated on the transaction refers to the revenue class defined in the system.

ERROR - NO EXCH RATE GIVEN: This means that the transaction currency is different from the functional currency defined for the system and the value of the

exchange_rate column is not populated. To resolve this, populate the exchange_rate column with a value on the transaction.

ERROR - INCORRECT CONV GIVEN: This means that no value has been given to the transaction_currency_code column and the exchange_rate column but the value of the transaction_amount is not equal to acctd_transaction_amount. To resolve this, make sure that the transaction's transaction_amount column is not a functional currency based value, and then provide values for the transaction_currency_code and exchange_rate columns. This error should not occur if you are using SQL*LOADER or importing a spreadsheet. This is because the acctd_transaction_amount is not required in those cases.

ERROR - CANNOT CONV/DEFAULT: This is a catch-all bucket in case the process cannot do currency conversion of transaction_amount column of the transaction. Possibly the currency code has not been defined.

SALESREP ERROR: This means that the process did not find any resources defined in the system for the given employee_number column value or salesrep_id column value. To resolve this, perform the following procedure:

1. Make sure the employee_number or salesrep_id column is populated with a value in the API table. If you are using SQL*LOADER or a spreadsheet, only employee_number needs to be entered.
2. Make sure the employee_number or salesrep_id on the transaction is defined in the system and active for the processed_date of the transaction.

PERIOD ERROR: This means that the given processed_date column value on the transaction does not fall within the accumulation period start date and end date that is defined in the system. To resolve this, perform the following procedure:

1. Provide a value for the column processed_date on the transaction for which the accumulation period start date and end date are defined in the system and also Open.
2. Verify that the accumulation period start date and end date are defined in the system to include the processed_date column value on the transaction.

For example, if periods are defined as follows:

Jan-02 (1-Jan-02 to 31-Jan-02)

Feb-02 (1-Feb-02 to 28-Feb-02)

A transaction that is processed for 2-March-02 will create a period error message.

The transaction interface loader process does not pick up transactions in the API that have the following load_status:

OBSOLETE: This means the transaction has been adjusted prior to the transaction interface loader being run and cannot be uploaded into the system.

FILTERED: This means that as part of Standard collections, the post collection process is defined to filter this transaction, therefore that it cannot be loaded into the system.

LOADED: This means the transaction is already successfully loaded from the table CN_COMM_LINES_API into the transaction table CN_COMMISSION_HEADERS. See Validation Checks and Resolution Method for more details.

Additional Note

The profile OSC: Reset Error Transactions allows you to decide whether or not to attempt to load the unloaded transactions which failed to load in prior attempts. The default value for this profile is No. When this profile is set to Yes, the transaction interface loader attempts to load the transactions that failed to load in prior loads.

If API transaction data are populated through Collection or created through Maintain Transaction, the data is always valid. Invalid data, in most cases, are introduced into the API table by a direct upload into the API table from an external source.

For example, suppose that the invalid salesrep_id, invalid employee_number or both columns are null. For such invalid transactions, the loader sets the Load_Status to SALESREP ERROR or PERIOD ERROR, respectively. To fix this problem, correct the data and then turn on the OSC: Reset Error Transactions profile so that these error transactions can be picked up again in the next run of the load process. Because this is an expensive operation, the profile should be set to Yes only if errors have indeed been fixed in the transactions that could not be loaded.

9

Calculating Compensation

Sections in this chapter include:

- Section 9.1, "Overview of Calculating Compensation"
- Section 9.2, "Calculation Enhancements in this Release"
- Section 9.3, "Preparing for Calculation"
- Section 9.4, "Submitting Calculation"
- Section 9.5, "Using Incremental Calculation"

9.1 Overview of Calculating Compensation

Calculation is a process used by Oracle Incentive Compensation to calculate commission and bonus plans for resources. This overview section explains:

Section 9.1.1, "Two Types of Calculation"

Section 9.1.2, "Two Methods of Calculation"

Section 9.1.3, "Phases of Calculation"

Section 9.1.4, "Unprocessed and Failure Statuses"

Section 9.1.5, "The Calculation Process"

9.1.1 Two Types of Calculation

Oracle Incentive Compensation calculates compensation based on two types, Commission and Bonus. Commission calculation is calculated based on transactions applied to formulas in a compensation plan. A Bonus formula is a type of formula where there are no links or references to transactions.

9.1.2 Two Methods of Calculation

Oracle Incentive Compensation performs calculation in two ways: nonincremental or incremental.

Nonincremental Calculation

Nonincremental Calculation calculates all transactions in a period, and it is the default setting. Calculating all transactions is necessary if any major changes have been made to the sales transactions database. For example, if a node or root is added or deleted in the classification hierarchy or the effective periods of that hierarchy, you need to recalculate every transaction. However, calculating the entire set of transactions can take a long time.

Incremental Calculation

Incremental Calculation enables the calculation engine of Oracle Incentive Compensation to process only transactions that are affected by a change. When you run Incremental Calculation, the application uses the Notify Log, which tracks all changes made in the system since the last calculation. See Section 9.5, "Using Incremental Calculation", for more detail on this calculation method.

9.1.3 Phases of Calculation

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

- **Preprocessing:** The application determines which transactions are to be calculated and performs validation. For example, it checks the resources to be sure that they all have compensation plans with active dates and are assigned to a pay group.
- **Revert:** This feature restores the transactions within your specified parameters back to their original unprocessed state. When a nonincremental calculation is performed, the application deletes any system-generated (rollup) transactions and reverts the status of transactions to Unprocessed. This way the new calculation starts with no data left over from a previous calculation.
- **Classification phase:** The application checks the revenue classification rules that have been defined against the affected transaction attribute values. If a match is found, a unique revenue class is assigned for each transaction. The status of matched transactions is Classified.
- **Rollup phase:** Oracle Incentive Compensation runs a process to determine all resources who should receive credit for a transaction based on the rollup date and the resource hierarchy effective for that date. For every credit receiver, the

application creates a new system-generated transaction for each manager entitled to a rollup credit. The lines are marked as Rolled Up.

- **Population phase:** Oracle Incentive Compensation identifies the appropriate plan elements that are associated with the revenue classes that have been matched with each transaction. The application updates each transaction with the plan element information. The status after this phase succeeds is Populate.
- **Calculation Phase:** Based on the information gathered, Oracle Incentive Compensation performs calculation on all transactions that have passed the Population phase for resources specified for the period. It totals the credit for the transaction, checks against the accumulated quota figure to determine the rate tier, calculates the final commission amount, and updates the commission due amount. The transaction status is then displayed as Calculated.

9.1.4 Unprocessed and Failure Statuses

The following statuses can occur when a transaction has not been processed or if there is a failure during one of the calculation phases.

- **Unprocessed:** The transaction has not been processed or has been returned to unprocessed state after a revert phase. The application displays a status for unprocessed transactions in transaction status. If you receive an Unprocessed status, make sure that the Ruleset is synchronized. Or, if there are invalid classification rules packages, attempt to recompile them manually. The most common reason for a classification rules package to remain INVALID is because of the column_datatype of the attribute column being used to classify a transaction. For example, if an attribute column or a mapped column has a datatype of CHAR, (as defined in the Tables and Columns form) and a rule uses a number as its value, a conflict occurs. This conflict will allow the Classification Ruleset to Synchronize, but will prevent the classification rules package from compiling.
- **Failed Classification:** Transactions that do not match a predefined revenue classification rule receive the Failed Classification status. This could be a result of not defining or synchronizing the revenue classification rules before running the calculation process. A primary cause of Failed Classification status is that the transaction attributes do not satisfy the very top classification rule in the hierarchy. Another cause of failed classification is that the processing date is outside the dates defined for the Classification Ruleset. Check the dates of failed transactions on the Unprocessed Transactions report (Navigation: Transaction > Report). Transactions that fail classification receive a status of XCLS.

- **Failed Rollup:** If a resource is not in the hierarchy in a compensation group, the rollup fails, and a transaction status of XROLL is displayed.
- **Failed Population:** Population fails if a transaction does not match the quota rules for the credited resource. Population also fails if a transaction has a matching revenue class, but the credit resource does not have the revenue class assigned to his or her plan element. Transactions that fail population are marked as XPOP.
- **Failed Calculation:** Oracle Incentive Compensation indicates a failed status for transactions that have failed the calculation phase in the transaction status. Check your calculation rules, and be sure that your calculation expressions, rate tables (if applicable), plan elements, and compensation plans are all valid. Transactions that fail calculation are marked XCALC.

9.1.5 The Calculation Process

The process of calculation comprises three main sections, as follows.

The Rollup Phase

During the Rollup phase, Oracle Incentive Compensation runs a process to determine all resources who should receive credit for a transaction based on the rollup date, and the resource hierarchy effective for that date. For every credit receiver, Oracle Incentive Compensation creates a new system-generated transaction and the lines are marked as Rolled Up.

Rollup will fail if a resource is not in the hierarchy in a compensation group. A transaction status of XROLL will be displayed.

Multiple resources can receive credit for the same commission transaction. For example, a sales manager may receive sales credit for his subordinate's transactions. If you choose to compensate multiple resources for the same commission transaction, you must organize your compensation groups into a hierarchy to specify the relationships among the credit receivers in your sales force.

When transactions are processed with a hierarchy in effect, resources in parent positions automatically receive all of the sales credit applied toward resources in child positions that report to them, regardless of revenue classes. This roll-up credit is also called indirect credit.

When Oracle Incentive Compensation allocates sales credit to multiple credit receivers, each person receiving credit for the transaction receives 100% of the sales credit.

For example, in a hierarchy, three salespeople report to a manager; the manager reports to a director. The first resource receives $10,000 for an invoiced transaction, the second receives $5,000 for a different transaction, and the third resource receives $7,000 for another transaction. Each resource receives sales credit for the individual transaction that results from their work. However, if Entire Hierarchy is checked for rollup, the salespeople's manager receives $22,000 in indirect rollup sales credit.

In addition to the three invoices mentioned, a fourth invoice gives the manager $15,000 in direct sales credit. The salespeople reporting to the manager do not receive any credit.

The manager's boss, the director, is at the top of the rollup hierarchy. The director receives a total of $37,000 in indirect rollup sales credit, including both the Manager's direct $15,000 credit and the $22,000 total for the three salespeople that rolls up to him through the manager.

The Population Phase

During the Population phase, Oracle Incentive Compensation identifies the appropriate plan elements that are associated with the resource's compensation plan that have been allocated to the transactions. The application attempts to match transactions with the Plan Elements for the credited resources and if the match is successful, the transaction is populated.

The application performs the following checks during the Population phase. It

- Identifies the pay period
- Identifies the plan element and assigned Sales Role and Compensation Plan (based on Plan Element to Revenue Class Mapping)
- Uses the Revenue Class Hierarchy (traversing the hierarchy upwards to determine the most general revenue class)
- Handles revenue class overlap (The system generates a duplicate transaction line record for any transaction that is associated with more than one Plan Element due to revenue class overlap.)
- Handles multiple roots (The system creates a system-generated duplicate transaction line record for any transaction that is associated with more than one sales role.)
- Fails population. If the transaction does not find a matching revenue class in the compensation plan for the credited resource then no commission can be calculated. Oracle Incentive Compensation displays a status of Failed Population (XPOP) in the transaction status column.

What to Do if Population Fails

1. Check if there is a role and in turn there is a compensation plan assigned to the resource on the date of the XPOP transaction. If there is no role or compensation plan assignment and this is not intended, then assign the appropriate role and compensation plan to the resource.
2. If there is a compensation plan assigned to the resource, check whether the compensation plan has a COMPLETE status.
3. If compensation plan is complete, then check whether any of its plan elements effective on the date of the transaction has a matching revenue class with the transaction's revenue class. Whether there is a revenue class match is determined by the revenue class hierarchy. If the revenue class on the plan element is a parent revenue class of the revenue class of the transaction, it is a match.
4. If there is a revenue class match, then check and make sure that the involved revenue classes do exist in the revenue class hierarchy. If not, add them to the revenue class hierarchy.
5. After the above setup is validated, run calculation again.

The Calculation Phase

During the Calculation Phase, Oracle Incentive Compensation performs the calculation on all transactions for resources specified for the period. It totals the credit for the transaction, checks against the accumulated quota figure to determine the rate tier, calculates the final commissionable amount, and updates the commission due amount. Oracle Incentive Compensation displays a status for calculated transactions in the transaction status column.

Failed Calculation: If transactions failed to be calculated, Oracle Incentive Compensation displays a status of XCALC for those transactions.

9.2 Calculation Enhancements in this Release

There are no calculation enhancements in this release.

9.3 Preparing for Calculation

Before you run a compensation calculation, you must make sure that calculation is possible for the salespeople chosen. You must verify the following things before attempting to calculate compensation payments:

- Make sure that all salespeople needing to be compensated have a valid compensation plan assigned to them and are assigned to a pay group.
- Make sure that the period for which you are calculating is open (this can only be done if the current accumulation period status is either Never Opened, Future Enterable, or Closed). To open a period, navigate to Administration > Incentive > Accumulation Period.
- You must have defined your classification rules and synchronized your classification ruleset.
- The revenue class hierarchy must be defined and set in the system parameters window.

9.3.1 Rollup Summarized Transactions

The rollup summarization process results in huge reductions in the number of transactions that need to be processed, which improves performance substantially.

Without the Rollup Summarization feature turned on, the collection process replicates base transactions to every resource in the rollup hierarchy. This means that in a rollup hierarchy that is five levels deep with five base reps all rolling up to the same set of managers, all transactions from the five base reps are replicated to every manager. As an example, if each of the five base reps has ten transactions, there is a total of 50 base transactions. After rollups, including all transactions for each resource to their manager, there are 250 transactions, as shown below:

10 transactions x 5 levels deep x 5 base reps = 250

However, if the Rollup Summarized Transactions feature is activated, then the following occurs:

Before Rollup:

Total base transactions = 50 in CN_Commission_Headers (same as before)

Total summarized transactions = 5 in CN_Commission_Headers (one for each base resource)

After Rollup:

Total number of transactions = 5 x 5 = 25 (five summarized transactions are rolled up to each of the five managers)

You can summarize transactions if they share common definitions. The default set of definitions includes the following fields:

- direct_salesrep_id

- processed_period_id
- processed_date
- rollup_date
- comp_group_id
- revenue_class_id
- trx_type

Any transactions that match in these seven fields will be aggregated and processed together. Therefore, it is very important to verify that your aggregated calculations create the same result as when they are calculated separately. Some formulas can generate different amounts of commission if aggregated transactions are used.

The following examples show a situation where aggregation does not affect calculations and a situation where it does:

Example 1: Aggregation Yields same Result as Individual Transactions

The formula uses these settings:

- Cumulative Flag: Yes
- Non-proportional Flag: Yes
- Apply Transactions Individually
- Input: transaction_amount
- Output: rate*transaction_amount

Rate Table below shows two columns and two rows, with 0-100 at 1% and 100-500 at 3%:

Transaction Amount	Commission
0-100	1%
100-500	3%

There are two transactions:

1. Transaction Amount of 90

2. Transaction Amount of 20

Without aggregation, the calculation proceeds as follows:

For the first transaction, the input of 90 falls into the first tier of the rate table, and is compensated at 1%. Commission is 90 * 1% = 0.9.

For the second transaction, the input is 90+20=110, because the cumulative flag is selected. This puts the transaction into the second tier. Because there is a non-proportional split, the commission is 10 * 1% + 10 * 3% = 0.4.

The total commission for both transactions is 0.9 + 0.4 = 1.3.

If the aggregation profile is turned on, there will be one aggregated transaction with a transaction amount of 110. The calculation process proceeds like this:

The input is 110. Because there is a non-proportional split, the commission is 100 * 1% + 10 *3% = 1.3. The aggregated transactions yield the same result as the individual transactions.

Example 2: Aggregation Yields a Different Result

This example uses the same transactions, but the formula is not cumulative. Because of this, the calculation result of an aggregated transaction is different from the total of the individual transactions.

Commission is calculated as follows:

Transaction Amount is 90 * 1% = .09

Transaction Amount is 20 * 1% = .02

The total commission for both transactions is 0.9 + 0.2 = 1.1.

If aggregation is turned on for these non-cumulative transactions, there will be one aggregated transaction of 110. The calculations are as follows:

Aggregated Transaction 100 * 1% + 10 * 3% = 1.3 (with a non-proportional split).

In this case, the commission derived from the aggregated transaction is different from the commission derived from individual transactions.

Two Profile Options

Two profile options control Rollup Summarized Transactions.

- Roll summarized transactions: This profile option sets up the application to aggregate matching transactions. Set Yes or No; the default is No
- Customized summarization: This profile option works only if the first profile is set to Yes. This profile tells the application whether you are using default or customized summarization code. Set Yes or No; the default is no. See

Appendix B, Customized Summarization Code Examples, for examples of the code you need to set this up.

Note: After you change the setting of a profile option, you must bounce the server to reset it.

9.3.2 Accumulation and Splits in Multidimensional Rate Tables

Under some circumstances, commission must be derived from multiple aggregated values. One way to accomplish this is to use multiple aggregated values in a formula and to split rate tiers in multidimensional rate tables.

When you assign expressions to a cumulative formula, you can specify for each expression whether it is cumulative or not. If you want to split rate table tiers when calculating commission, you can select one dimension upon which to perform the split.

There is no limit as to how many expressions can be cumulative, however you can specify only one dimension to be split in any formula that is used in a multidimensional rate table. Any more splits would render the calculation process meaningless.

Generic Example of Accumulation Along Multiple Dimensions

Suppose we have the following rate table.

Quantity	0-80%	80-90%	90-999%
0-100	1%	1.5%	2%
100-200	1.5%	2%	2.5%
200-1000	2%	2.5%	3%

The first dimension measures the total quantity of the sales and the second dimension measures the percentage achievement of the total transaction amount against the target.

Assume the following formula is used:

- Name: Formula 1
- Type: Commission/Apply individual transaction
- Cumulative: Yes
- ITD: No

- Split: No split
- Input1: quantity (cumulative: Yes)
- Input2: transaction_amount/target (cumulative: Yes)
- Output: RateResult * transaction_amount

Suppose you have the following transactions.

Transaction ID	Quantity	Transaction Amount
1	50	1000
2	100	2500
3	500	4000

The target for the example resource is 5000.

The commission will be calculated in the following way. For the first transaction, the cumulative total from input1 is 50 and the cumulative total from input2 is 1000 / 5000 = 20%. Comparing the two cumulative values against the rate table, the rate is 1%. Now apply this rate to the current transaction's transaction amount and you get 1000 * 1% = 10.

For the second transaction, the cumulative total from input1 is 150 (adding 100 to the previous total of 50 from transaction1) and the cumulative total from input2 is 20% + 2500 / 5000 = 70%. Comparing these two cumulative values against the rate table, we find the rate to be 1.5%. Apply this rate to the current transaction's transaction amount and you get 2500 * 1.5% = 37.5.

For the third transaction, the cumulative total from input1 is 650 (adding 500 to the previous total of 150 from transaction1) and the cumulative total from input2 is 70% + 4000 / 5000 = 150%. Comparing these two cumulative values against the rate table, the rate is 3%. Apply this rate to the current transaction's transaction amount and you get 4000 * 3% = 120.

The total commission for all these three transactions will be 10 + 37.5 + 120 = 167.5.

Note that both input values are accumulated and the cumulative totals are used to look up the rate from the rate table.

Generic Example of Split in a Multi-dimensional Rate Table

Suppose we have the following rate table.

Quantity	0-80%	80-90%	90-999%
0-100	1%	1.5%	2%
100-200	1.5%	2%	2.5%
200-1000	2%	2.5%	3%

The first dimension measures the total quantity of the sales and the second dimension measures the percentage achievement of the total transaction amount against the target.

Assume the following formula is used:

- Name: Formula 1
- Type: Commission/Apply individual transaction
- Cumulative: Yes
- ITD: Yes
- Split: Non-proportional split
- Input1: quantity (cumulative: Yes/Split: Non-proportional split)
- Input2: transaction_amount/target (cumulative: Yes)
- Output: RateResult * quantity

Note that split is performed on the first dimension which corresponds to the first input. Suppose you have the following transactions.

Transaction ID	Quantity	Transaction Amount
1	50	1000
2	100	2500
3	500	4000

The target for the example resource is 5000.

The commission is calculated in the following way. For the first transaction, the cumulative total from input1 is 50 and the cumulative total from input2 is 1000 / 5000 = 20%. Since 20% matches the first column in the rate table, you use the rates in the first column while splitting the quantity total along the first dimension. Since 50

is completely within the first tier of the first dimension, all of it is compensated at the rate of 1, thus yielding a commission of 50 * 1 = 50.

For the second transaction, the cumulative total from input1 is 150 (adding 100 to the previous total of 50 from transaction1) and the cumulative total from input2 is 20% + 2500 / 5000 = 70%. Since 70% still matches the first column in the rate table, you use the rates in the first column while splitting the quantity total along the first dimension. The first 100 out of the total of 150 is paid at the rate of 1 and the remaining 50 that falls in the second tier is compensated at a rate of 1.5. Therefore, the commission is 100 * 1 + 50 * 1.5 = 175. Since it is ITD calculation, we need to subtract the previous payout. So, the commission is 175 - 50 = 125.

For the third transaction, the cumulative total from input1 is 650 (adding 500 to the previous total of 150 from transaction1) and the cumulative total from input2 is 70% + 4000 / 5000 = 150%. Since 150% matches the third column in the rate table, you use the rates in the third column while splitting the quantity total along the first dimension. So, the first 100 gets paid at a rate of 2, the next 100 gets paid at a rate of 2.5 and the remaining 450 gets paid at a rate of 3. The total is 100 * 2 + 100 * 2.5 + 450 * 3 = 1800. Subtracting the previous payouts, the commission is 1800 - 125 - 50 = 1625.

Note that only the dimension marked to perform a split is traversed while splitting the total amount. The other dimension(s) is only used to determine which set of rates are used in computing the commission.

9.4 Submitting Calculation

You can calculate compensation for all resources who have valid compensation plans, for all resources in the notify log file, or for resources you specify. The Calculation Submission page displays a summary of all of the calculations that you have submitted. You can click the link in the Batch Name column or use the search parameters at the top to narrow your search to selected batch names. Or, click **Create** to go to another detail page, where you can create a new calculation submission.

Calculation can be run as often as necessary until the transactions have gone through the payment process.

You can select calculation for Commission or Bonus. Commission calculation is normally used in compensation plans for paying resources commission based on sales transactions, while bonus calculation pays additional compensation based on achievement of a specific target or goal.

Use the following procedure to run or create a batch for calculation. To create a new batch, start at step 1. To use a previously defined batch, click the link in the Batch Name column and begin at step 8.

Navigation

Transaction > Calculate

Prerequisites

Transactions must already be collected and loaded.

Steps

1. Click the Transaction tab and click the Calculate subtab.

   The Calculation Submission page appears.

2. Click **Create**. A new page appears, with blank fields.
3. Enter a batch name in the Batch Name field or click a link on the page in the Batch Name column.
4. Select the beginning and end dates of the transactions to be calculated. You can click the calendar icon to open a pop-up calendar.
5. From the drop-down list, select the type of calculation to be submitted, either Commission or Bonus. At this stage, the calculation status is Incomplete.
6. If necessary, click **Restore** to clear the fields to reenter information.
7. Click **Next**.

   Another page, also called Calculation Submission, appears, with the information you entered displayed and new choices to make.

8. Select one of three options from the Resource Option drop-down list:
   - All Resources: Calculates commission for everyone
   - Resources Specified by You: Calculates commission for a selected group
   - Resources in Notify Log: Calculates commission for resources affected by recent changes to their compensation plans, as recorded in the Notify Log

The following steps apply to batches that you have just created or previously created batches.

9. Check any of the three check boxes as needed:

- Entire Hierarchy
- Concurrent Calculation
- Incremental Calculation

See Guidelines for more information.

10. Select an interval type of Commission or Bonus from the drop-down list.

    For bonus calculation you must use one of the four seeded interval types: Period, Quarter, Year, and All. Commission calculation can use other interval types as defined separately on the Administration tab.

11. If necessary, click **Restore** to return to the previously saved information.

12. Click **Previous** to view the previous Calculation Submission page.

13. Click **Next** to proceed with submitting the calculation.

    If you selected All Resources or Resources in Notify Log in the Resource Option field previously, the page that displays now will include the information you entered along with a Calculate button. Click it to initiate the calculation process.

    If you selected Resources Specified by You previously, the page that displays includes a fields to enter the specific resources for whom you want to submit a calculation.

To enter specific resources for calculation, perform the following procedure.

Steps

1. Enter four or more characters (or wildcards) in the Name field and click **Go**. Click a name and it displays in the Name field, and the employee number appears in the Number field.

2. Enter all resources for whom you want to submit calculation. If you need to create more blank rows, enter the number of the additional rows you need in the No of additional reps field and click **Update**. The additional rows appear.

3. When you have finished entering names, click **Next** to continue calculation submission.

4. On this page, the resources you selected are displayed at the bottom. To submit the calculation, click **Calculate**.

5. If the calculation was successful, the Status field now shows Completed and a message confirms this in the upper left of the page.

Note: To verify that the calculation was processed correctly, you can go to the Year to Date Summary for the corresponding fiscal year (Transaction > Report > Year to Date Summary). Search for the resource name and select the correct fiscal year.

6. If the calculation was unsuccessful, click Previous.

   The Calculation Summary page appears.

7. Click **Process Log** in the Process Log column.

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

Guidelines

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.
- In progress: The calculation is still in the processing of running.

Transactions with process dates that fall within the dates you specify are included in the calculation.

If you have made a change that affects the calculation, for example, to a rate table, then the application lists in the Notify Log all resources and periods that are affected by the change. Select Resources in Notify Log to calculate all the resources affected by the changes made.

Following is an explanation of the sort parameters:

- Entire Hierarchy: Selecting this option submits calculation for resources on the entire hierarchy. You cannot use this with the All Resources resource option. If you selected Resources Specified by You or Resources in Notify Log, be sure that this option check box is unchecked.
- 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 request ID number in case you want to check the status of the process later on. If a batch runner fails during concurrent calculation, the application

automatically cancels other running and pending batch runners. If you deselect this option, then calculation is performed online.

- Incremental Calculation: Use incremental calculations for most or all of your calculations. This option calculates only newly added transactions. This option also calculates the compensation for resources who are affected by events that happened since the previous calculation.

9.4.1 Resubmitting Calculation

If calculation fails, you can resubmit calculation from the point of failure rather than having to start from the beginning. Calculation can fail at any phase in the process:

- Revert
- Classification
- Rollup
- Population, or
- Calculation

If you resubmit calculation, calculation resumes starting with the failed phase.

To perform calculation resubmission, perform the following procedure:

Navigation

Transaction > Calculate

Prerequisites

Transactions must be collected and loaded.

Steps

1. Click the Transaction tab and the Calculate subtab.

   The Calculation Submission page appears.

2. In the search parameters, query for the batch by name or select Failed from the Calculation Status drop-down list to list all failed batches.
3. Click **Apply**.
4. Click the batch name in the Batch Name column.
5. Click **Calculate**.

Calculation begins from the failed phase.

9.5 Using Incremental Calculation

If you have a large volume of transactions to process, it can save time to process only those transactions that have been affected by some change. Incremental calculation marks all predefined transaction events in a notification log table known as the Notify Log. By marking all pre-defined transaction events in the Notify Log, Oracle Incentive Compensation enables Incremental calculation only for the resources that require it.

In the Notify Log table, the REVERT_TO_STATE columns tell the calculation engine to what state the transactions need to be reverted. In nonincremental calculation, transactions are completely deleted and returned to the Unprocessed state. But in incremental calculation, the calculation engine can selectively skip various phases of calculation for individual transactions.

The Notify Log records changes related to five phases of calculation (see Section 9.1.3, "Phases of Calculation"):

- Revert
- Classification
- Rollup
- Population
- Calculation

Any changes occurring to the following elements could cause the need for recalculation:

- System Parameters
- Classification Rules
- Revenue Class Hierarchy
- Dimensions used in classification rules
- Formulas
- Rate Tables
- Plan Elements
    - Start date, end date

  - Revenue classes
  - Transaction factors
- Compensation Plans
- Role plan assignment
- Resource role assignment
- Resource level plan element change
- Interval number
- New transactions

To use Incremental Calculation you must check the Incremental Calculation check box on the Calculation Submission page when running the calculation. To enable the Notify Log functionality you must set the profile option OSC: Mark Events to Y. **Note:** After you change the setting of a profile option, you must bounce the server to reset it.

If you normally use Incremental Calculation for every calculation you do not need to deselect the Incremental Calculation check box. The Notify Log keeps track of changes and if a Nonincremental Calculation is required it will do this automatically. You can check the Notify Log to see if it will run for all sales people to get an indication of how long the calculation will take. However, making entries into the Notify Log can impact performance so it is advisable to deselect the Incremental Calculation check box for the first time when you are expecting to make major changes to the classification rules or revenue class hierarchy.

Oracle Incentive Compensation can track notifications to the following four levels:

- **Resource Level**: If an event causes re-calculation for multiple periods, then the mark event creates an entry for a resource with a Null period and specifies the date range.
- **Resource/Period Level**: A resource usually has one entry per period with a status of Incomplete in the Notify Log table. If the event causes a change to all resources, then instead of adding an entry for all the resources, there is a global entry, which tracks all resources for a period.
- **Resource/Period/Start Date Level**: If an event causes the change at the specific date level within a period, notification can track at specific date range level. This allows recalculation to be done for transactions falling within the specified date range instead of calculating for the entire period.

- **Resource/Period/Start Date/Plan Element Level**: This level is the most granular level that is captured, and it makes incremental calculation the most efficient. For the events that cause the REVERT_TO_STATE to go only to the Population phase, only the Calculation phase needs to be rerun. This makes sense if, for example, the transaction is being rerun only because of a change in the commission rate of a single plan element.

9.5.1 Revert_To_State

Revert_to_state determines the state to which all transactions will be reverted in the Revert phase of the Calculation. For example, if revert_to_state is 'ROLL, then all transactions created by Oracle Incentive Compensation after ROLL will be deleted and all source transactions (transactions not generated by the application) will have a transaction status of 'ROLL'. If a transaction has been reverted to ROLL, the Rollup phase of the Calculation will skip Rolling up the transactions with ROLL status.

Revert_to_State alone does not determine which calculation phases to skip. The Action column in the notification table, in conjunction with Revert_to_State, determines which calculation phases are executed.

If there are multiple entries in the notify log for the same period then the entry with the lowest revert_to_state will take precedence. For example, if an event creates an entry with Revert_to_State 'CALC' and 'ROLL' then the revert phase of the calculation reverts all the transactions for a resource to the 'ROLL' status, and will re-process the transactions from the Population phase.

Incremental calculation goes through all phases of the calculation, but the revert phase based on the Revert_to_State intelligently figures out to what state the different transactions for a resource need to be reverted. If the transactions are reverted to POP status, the Population phase of the calculation ignores all the transactions with the POP phase, which improves performance.

9.5.2 Action Column

Action is a column in the Notify Log which in conjunction with Revert_to_State, optimizes incremental calculation. For example, if a hierarchy change event results in adding a manager to a compensation group, then the update to the Notify Log adds an entry for the manager, with revert_to_state of 'ROLL' and an action of 'PULL'. When incremental calculation is submitted, the Rollup phase creates the Roll Up transactions instead of skipping the Rollup phase for the manager, because the Revert_to_State is 'ROLL'.

If the hierarchy change event results in the deletion of a resource or a manager from a compensation group, then the Notify Log has an entry for all the affected resources for the Revert_to_State as 'ROLL' and the Action as 'DELETE_SOURCE' or 'DELETE_ROLL_PULL' and so on. When Incremental Calculation is submitted, during the Revert phase of the calculation all the rolled up transactions are deleted because the Action is 'DELETE_SOURCE' or 'DELETE_ROLL_PULL' although the Revert_to_Status is 'ROLL'.

9.5.3 The Notify Log

The Notify Log automatically records every change in the system that affects calculation. The Notify Log lists what part of the calculation is affected and therefore must be rerun as a result of an event.

You must turn the OSC: Mark Events profile option to Y for every transaction event to be put into the Notify Log so that it is included in the next calculation phase. **Note:** After you change the setting of a profile option, you must bounce the server to reset it. For more information see Section 9.5, "Using Incremental Calculation".

For a list of all Mark Events, see Section 9.5.5, "All Mark Event List"

To view the Notify Log, perform the following procedure.

Navigation

Transaction > Notification Log

Prerequisites

Resources must exist. An event must have taken place.

Steps

1. To search, click **Search** to use the NotifyLogDefault parameters or any searches you have already saved. To create a custom search, click **Personalize** (see Customizing the Notify Log Search below).
2. Click any of the table headers that are links to sort the log on that particular column.
3. Use Previous and Next go move from the displayed rows to the ones before or after them.

9.5.4 Customizing the Notify Log Search

Because the Notify Log Summary page may contain hundreds of entries, it helps to be able to narrow down the search parameters. You can use the Search page in the Notification Log subtab to customize it to suit your needs.

Navigation

Transaction > Notification Log > Personalize

Prerequisites

None.

Steps

1. On the Search page, enter search parameters into the six fields in the Notify Log area. Parameters include:
   - Resource Name (text)
   - Employee Number (text)
   - Start Date (text or click the icon for a pop-up calendar)
   - End Date (text or click the icon for a pop-up calendar)
   - Revert to State (drop-down list with 14 options)
     - All (default)
     - No Calculation
     - Unprocessed
     - Calculated
     - Classified
     - Obsoleted
     - Payeed (sic)
     - Populated
     - Rolled Up
     - Failed Calculation
     - Failed Classification
     - Failed Payee (sic)

  - Failed Population
  - Failed Rollup
- Status (drop-down list with 5 options.)
  - All
  - Completed (default)
  - Failed
  - Incomplete
  - In Progress

2. In the Display Options area, select which columns you want to be displayed in the search results page.
3. Click a selection once in the Available Columns and then click the right arrow button in the center area to move the selection to the Displayed Columns list.

   You can also click an item in the Displayed Columns area and then click the left arrow to move it back to the Available Columns list. The double arrow buttons move the entire contents to the other side.
4. From the drop-down list, select which parameter you want to use first to sort the list.
5. Select Ascending or Descending from the drop-down list. Ascending is the default setting.
6. Select second and third level sort parameters, if needed. These parameters can be sorted in an ascending or descending order.
7. Select the number of rows to be displayed at a time.
8. In the Save As area, give a name to your custom search. You can also use the default by leaving the Default check box checked.
9. Click **Save** to save your search parameters. Or, click **Save and Apply Search** to go directly to searching**.**
10. Click **Search** to initiate a search process. Click **Restore** to return to the previously saved information.

9.5.5 All Mark Event List

Event Code	Meaning/Description
CHANGE_SYS_PARA_RC	Change revenue class hierarchy used and revert to 'ROLLED_UP'
CHANGE_SYS_PARA_SRP	Change sales person hierarchy and roll up flag, revert to 'CLASSIFIED'
CHANGE_CLS_RULES_DATE	change classification ruleset date range and revert to 'UNCLASSIFIED'
CHANGE_CLS_RULES	Change classification rules and revert to 'UNCLASSIFIED'
CHANGE_RC_HIER	Change revenue class hierarchy and revert to 'ROLLED_UP'
CHANGE_RC_HIER_DATE	Change revenue class hierarchy date range and revert to 'ROLLED_UP'
CHANGE_RC_HIER_DELETE	Delete revenue class hierarchy effective interval and revert to 'ROLLED_UP'
CHANGE_CLS_HIER	Change a hierarchy used in classification and revert to 'UNCLASSIFIED'
CHANGE_CLS_HIER_DATE	Change a hierarchy date range used in classification, revert to 'UNCLASSIFIED'
CHANGE_CLS_HIER_DELETE	Delete a hierarchy effective interval used in classification and revert to 'UNCLASSIFIED'
CHANGE_CP_HIER_ADD	Add an edge to compensation group hierarchy, revert to 'CALCULATED'
CHANGE_CP_HIER_DELETE	Delete an edge from compensation group hierarchy, revert to 'CALCULATED'
CHANGE_CP_HIER_DATE	Change date range of a compensation group hierarchy edge, revert to 'CALCULATED'
CHANGE_CP_ADD_SRP	Add a salesperson to a compensation group, revert to 'CALCULATED'
CHANGE_CP_ADD_MGR	Add a manager to a compensation group, revert to 'CALCULATED'
CHANGE_CP_DELETE_SRP	Delete a salesperson from a compensation group, revert to 'CALCULATED'

Event Code	Meaning/Description
CHANGE_CP_DELETE_MGR	Delete a manager from a compensation group, revert to 'CALCULATED'
CHANGE_CP_SRP_DATE	Change date range of a salesperson, revert to 'CALCULATED'
CHANGE_CP_MGR_DATE	Change date range of a manager, revert to 'CALCULATED'
CHANGE_FORMULA	Change a formula and revert to 'CALCULATED'
CHANGE_RT_TIERS	Change rate table tiers, revert to 'CALCULATED'
CHANGE_RT_INS_DEL	Insert or delete rate tiers, revert to 'CALCULATED'
CHANGE_QUOTA_DATE	Change plan element date range, revert to 'ROLLED_UP'
CHANGE_QUOTA_POP	Change plan element revenue class factors, revert to 'POPULATED'
CHANGE_QUOTA_UPLIFT_DATE	Change plan element uplift factors date range, revert to 'POPULATED'
CHANGE_QUOTA_CALC	Change plan element, revert to 'CALCULATED'
CHANGE_QUOTA_ROLL	Change plan element revenue class, revert to 'ROLLED_UP'
CHANGE_COMP_PLAN	Change compensation plan and revert to 'ROLLED_UP'
CHANGE_COMP_PLAN_OVERLAP_FLAG	Change compensation plan overlap flag and revert to 'ROLLED_UP'
CHANGE_SRP_ROLE_PLAN	Change role/plan or role/salesperson assignment, revert to 'ROLLED_UP'
CHANGE_SRP_ROLE_PLAN_DATE	Change date range role/plan/salesperson assignment, revert to 'ROLLED_UP'
CHANGE_SRP_QUOTA_PAYEE_DATE	Change date range of payee assignment, revert to 'POPULATED'
CHANGE_SRP_QUOTA_POP	Change salesperson's uplift factors or payee assignment, revert to 'POPULATED'
CHANGE_SRP_QUOTA_CALC	Change salesperson's plan element, revert to 'CALCULATED'
CHANGE_PERIOD_INTERVAL_NUMBER	Change a period's interval number, revert to 'CALCULATED'

Event Code	Meaning/Description
CHANGE_INSERT_TRX	Insert new transaction and no reversion but need recalculation
CHANGE_SRP_PAY_GROUP	Change pay group/salesperson assignment, revert to 'ROLLED_UP'
CHANGE_SRP_PAY_GROUP_DATE	Change date range of pay group/salesperson assignment, revert to 'ROLLED_UP'

10

Payment with Payruns

Sections in this chapter include:

- Section 10.1, "Overview of Payment with Payruns"
- Section 10.2, "Payment Enhancements"
- Section 10.3, "Using the Payrun Summary"
- Section 10.4, "Using the Worksheet Summary"
- Section 10.5, "Using the Payment Transactions Page"
- Section 10.6, "Approving Worksheets"
- Section 10.7, "Submitting a Payrun for Payment"

10.1 Overview of Payment with Payruns

After you have used Oracle Incentive Compensation to collect transactions and calculate commissions, the last step in the process is payment. The Oracle Incentive Compensation payrun process is much like that used in most companies. The Oracle Incentive Compensation Payment process considers the following:

- Who is paid
- Which transactions are paid
- How much is paid
- When payment occurs

10.1.1 Payment Setups and Relationships

In order for payment to pay a resource, several setups must be completed. The following defines the setups and relationships of the payment process.

Pay Group Assignment to a Resource

A pay group is an object that defines the frequency of payments, based on the calendar associated to the pay group. A resource must be assigned to a pay group in order to be paid commissions. The pay group places resources together that are on the same payment cycle.

Payment Analyst Hierarchy

This is a resource manager hierarchy that determines worksheet approval rollup and resource read/write security. The hierarchy is created using groups, roles, and resources that utilize the Sales Compensation Payment Analyst usage.

Payruns and Worksheets

Payruns are associated with pay groups and pay worksheets. When a payrun is associated with a pay group, it defines for which accumulation period, for example, Feb-03, Q4, and so on, the payrun is valid. At the same time, the pay group determines the resources who are eligible to be paid within the payrun. Pay worksheets are the individual worksheets for resources; they contain the payable commissions and adjustments for the resource.

Oracle Incentive Compensation does not actually produce paychecks. The application uses payruns to determine payment amounts. When a payrun is paid, the payment totals for resources are automatically transferred to Oracle Payroll or Oracle Payables, as long as the integration between Oracle Incentive Compensation and Oracle Payroll or Oracle Payables has been enabled. For external payment applications, you can feed the data to the application using a .csv file. Oracle Incentive Compensation saves payruns and their associated worksheets, which can be referenced as an audit trail.

10.1.2 Life of a Pay Worksheet

A resource is paid using a pay worksheet. This process proceeds as follows.

1. A payrun is created.
2. Pay worksheets are created within the payrun.

3. Pay analysts review worksheets for the resources assigned to them. This review includes making holds, manual commission adjustments, payment plans, and notes.
4. The analyst locks and submits the worksheets to the Pay Manager. The Pay Manager either approves or rejects the worksheets, adding notes in the process.
5. The worksheets are approved up through the payment analyst hierarchy. After all worksheets in the payrun have been approved, the payrun can be paid by the payment Super User.

The table below lists the steps for creating, approving, and paying a new payrun.

Step	OIC Page Used/Navigation
Manager assigns payment plan to resources (optional)	Payment Plan Resource > Resources > Payment Plans link
Super User creates a payrun	Create Payrun Transaction > Payment > Create Payrun button
Analyst views and adjusts payment worksheet details	Worksheet Summary Transaction > Payment > Click Analyst Payrun Total link Payment Transactions Transaction > Payment > Worksheet Summary > Click Total Worksheet Amount link
Analyst locks payment worksheet	Payment Transactions Transaction > Payment > Worksheet Summary > Click Total Worksheet Amount link
Analyst submits payment worksheet to manager	Worksheet Summary Transaction > Payment > Click Analyst Payrun Total link
Manager approves or rejects worksheet	Payrun Sign-Off Report Transaction > Payment > Click Signoff Report link
Super User runs a pay payrun request	Requests > Payment > Submit Requests

Step	OIC Page Used/Navigation
For external pay payment applications, Super User downloads payrun details to a.csv file, which can be opened by a spreadsheet application (optional)	Payrun Sign-Off Report Transaction > Payment > Click Signoff Report link > click download icon

10.1.3 Changes to Oracle Incentive Compensation 11*i* from Previous Releases

Prior to Release 11*i*, when a payrun was created, data was written to the CN_PAYMENT_API_ALL table. After it was populated, this table was used to move data into either the Oracle Payroll system or a third party payroll system.

Now, Oracle offers out-of-the-box integration with Oracle Payroll and Oracle Payables. However, for integration with a third party payroll system, you must download the data to a .csv file.

To download the .csv file, perform the following procedure:

Navigation

Transaction > Payment

Steps

1. Query the already created payrun that you want to download.
2. Click the Total amount link.

   The Payrun Details page appears.
3. Query the resource(s) for which you want the information.
4. Click the download icon next to the Restore button to save the data as a .csv file that can be opened in a spreadsheet program.

To get the resource payment detail information, perform the following procedure:

Navigation

Transaction > Payment

Steps

1. Query the already created payrun that you want to download.
2. Click the Total amount link.

   The Payrun Details page appears.

3. Query the resources for which you want the information.
4. Click the Total Amount link for the resource name you need.
5. Click the Commission Details link in the header of the Payment Transactions page.
6. Click the download button to download the commission details for the resource to a .csv file that can be opened in a spreadsheet program.

10.1.4 Prerequisites

In order for resources to receive payment, they must be assigned to a pay group and a compensation plan that are effective for the period for which the payrun is created. This is how Oracle Incentive Compensation determines if a resource is qualified to receive compensation.

To create a pay group, navigate to Administration > Incentive > Pay Group. See Section 12.14, "Pay Groups" for information on how to create a pay group.

To assign a resource to a pay group, navigate to Resource > Resources, enter the name of the resource, and click Pay Groups in the left-hand menu. See Section 7.6, "Assigning a Pay Group to a Resource" to assign a pay group to a resource.

The resource optionally can be assigned a payment plan, which is used to control how much of the resource's earnings are paid in each payrun. Some payment plans contain minimum or maximum amounts per pay period. Minimum amounts are used to pay resources compensation during periods in which they do not earn substantial commissions, and maximum amounts are used to reduce payment when a resource earns more commission than they can be paid.

Minimum amounts may be recoverable or nonrecoverable. Recoverable payments need to be paid back, but nonrecoverable payments do not. The payback by the resource can be scheduled and limited in various ways. Overpayments can be carried forward or waived with the Pay Later feature.

To create a payment plan, navigate to Administration > Incentive > Payment Plan. See Chapter 12, Section 12.15, "Payment Plan" for steps to this process. Assign the payment plan to the resource in the same way you assigned the pay group. Navigate to Resource > Resources, enter the name of the resource, and click Payment Plans in the left-hand menu.

All calculations for all resources for which you want to pay commission must be completed for the appropriate date range before you can start the payrun process. Calculation creates the commission amounts for transactions and updates the commission due amounts. The Payment process then uses these amounts to

populate the payment amount for each resource. If any adjustments are made later, they will be resolved the next time a payrun is run.

You can set up the application to pay by transaction or by summary. If you select Pay By Transaction, each transaction appears as a separate line on the pay worksheets. Pay by Summary aggregates the transactions at the plan element level. You control the process by setting the Pay By Transaction profile option to Yes or to No.

Each method has advantages and disadvantages. Pay by Summary is easier and faster, because the number of lines in the payrun is much smaller. However, paying by summary gives you less granularity if you plan to hold transactions for payment later. Whether you decide to pay by Summary or by Transaction, you should carefully consider which one works best with your business processes before selecting a setting during implementation. Then, for optimum performance, you should not change the setting.

The Payment Administrative Hierarchy must be set up in order to pay a payrun. See Section 10.2.4, "Payment Administrative Hierarchy and Payrun Sign-Off Report" for details.

10.2 Payment Enhancements

This release of Oracle Incentive Compensation contains improvements to functionality released in previous versions.

10.2.1 Automated Posting

In previous releases of Oracle Incentive Compensation, you had to perform posting after calculation was complete and before processing any payment. Posting transfers the calculation data from the calculation tables to the posting tables. Then, payment uses the posting tables as input for payruns and worksheets.

In this release, posting is done automatically when the worksheets are created. Because the process is automatic, you have the option of paying commissions individually or by summarizing the transactions. When you create a payrun that pays by individual transaction, a posting line is created for each transaction. This allows you to maintain transaction line details for each commission line. However, if you elect to summarize transactions, the application automatically aggregates the transactions by plan element and other factors when it posts them. Summarizing transactions speeds the processing of a large volume of transactions in situations where you do not need to pay by individual transaction.

10.2.2 Lock Payment Worksheets

The Worksheet Summary page replaces the Payrun Details page that was used in releases 11.5.6 and 11.5.7. It enables you to lock, unlock, and submit payment worksheets. The Worksheet Summary contains summary data of worksheet details, detailed search parameters, and links to five other pages. See Section 10.4, "Using the Worksheet Summary" for more information and steps for using this new page. When a worksheet on "Locked" status, no updating can be made without unlocking the worksheet. The unlock action applies a username and timestamp to the worksheet, creating an audit trail.

10.2.3 Add and Track Comments on Payment Worksheets

The Worksheet Summary includes a link to the Analyst Notes page. The comments are intended to be used as a means of communication between payment analysts. As the worksheet gets submitted to pay managers for approval, the reason for the adjustments are documented. Users can add or review notes associated with a payment worksheet. Audit information on this page makes it easier to track changes and make adjustments. Individual notes on this page are limited to 4,000 characters each. Additional system generated messages also appear in the Analyst Notes, such as holds, waives, adjustments, and refreshes. See Section 10.5, "Using the Payment Transactions Page" for more information.

10.2.4 Payment Administrative Hierarchy and Payrun Sign-Off Report

The pay worksheet lifecycle, as defined in section 10.1, is as follows. An analyst reviews the pay worksheets for his resources that are assigned to him. He makes any adjustment, adds note to the worksheet explaining the adjustments, and when satisfied, he locks the worksheet and submits it for approval by his manager. His manager must approve the worksheet as should her manager until the worksheet moves all the way to the top of the chain to the Super User.

Before the payrun can be paid, all worksheets must be in the approved status. The approval hierarchy is created in Resource Manager. It defines who possesses approval and the ability to edit the analyst worksheets. As with any Resource Manager hierarchy, it is built utilizing groups, roles, and resources. The group usage necessary to build the hierarchies is the Sales Compensation Payment Analyst.

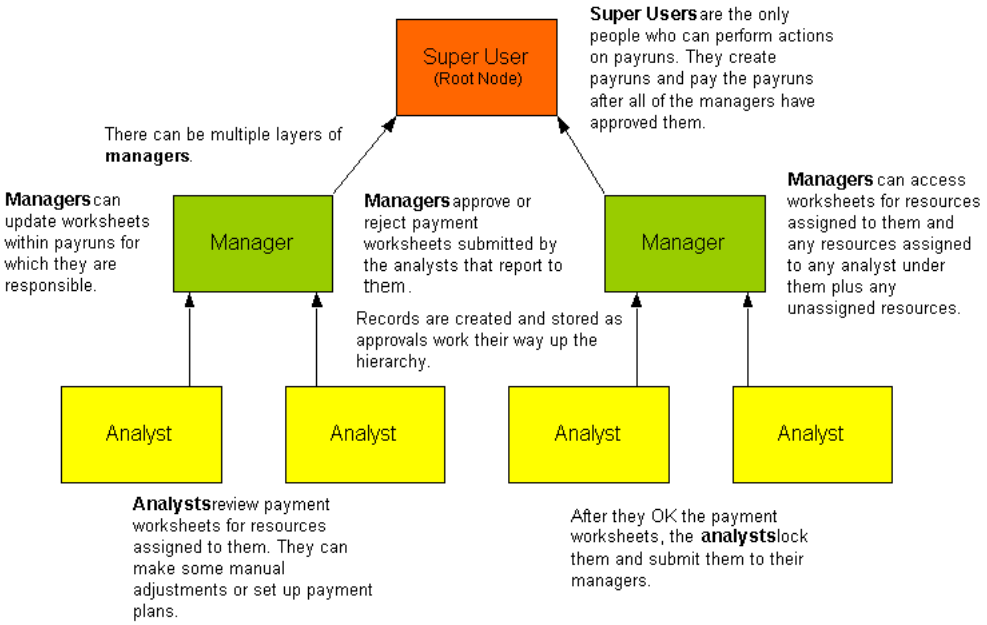
Oracle Incentive Compensation uses a Payment Administrative Hierarchy to define the relationship between analysts, payment managers, and the Super User. An analyst must possess a role within this hierarchy in order to access the payment hierarchy.

At the top of the hierarchy, at the root node, is the Super User. Super Users are the only people who can perform actions on payruns. These actions are: create, delete, freeze, unfreeze, refresh, and pay.

Analysts can only access worksheets for resources assigned to them and for resources not assigned to any analyst (unassigned resources). Managers can access worksheets for resources assigned to them, resources assigned to any analyst beneath them in the pay hierarchy, and any unassigned resources.

The Payrun Sign-Off Report is used by managers to approve or reject a payment worksheet that has been submitted by their analysts. The report is customizable to display as much resource compensation information as needed. See Section 10.6, "Approving Worksheets" for details on the steps used by a hierarchy to approve a payrun. The diagram below illustrates a payment hierarchy.

Payment Administrative Hierarchy



10.2.4.1 Permitted Payment Actions for Unpaid and Paid Payruns

The two tables below display the actions that are permitted for the Super User, Manager, and Analyst for unpaid and paid payruns. If the responsibility is allowed to perform the activity for an Unpaid payrun, a letter U appears in the column

beside the activity. If the responsibility has the ability to perform the activity on a Paid payrun, a letter P appears in the column beside the activity. Note that when a payrun is paid, the responsibilities can access it but not update it, so many activities can no longer be performed.

Action	Activity	Super User	Manager	Analyst
Payruns	Access	U, P	U, P	U, P
Payruns	Create	U		
Payruns	Freeze	U		
Payruns	Unfreeze	U		
Payruns	Remove	U		
Payruns	Refresh	U		
Payruns	Pay Payrun	U		
Payruns	Payrun Status	U	U	U
Worksheets - Assigned	Access	U, P	U, P	U, P
Worksheets - Assigned	Create	U	U	U
Worksheets - Assigned	Lock	U	U	U
Worksheets - Assigned	Unlock	U	U	U
Worksheets - Assigned	Remove	U	U	U
Worksheets - Assigned	Refresh	U	U	U
Worksheets - Assigned	Hold Trx	U	U	U
Worksheets - Assigned	Waive Recovery	U	U	U
Worksheets - Assigned	Add Payment Plan	U	U	U
Worksheets - Assigned	Commission Adjustment	U	U	U
Worksheets - Assigned	Manual Pay Adjustment	U	U	U
Worksheets - Assigned	Add Analyst Note	U	U	U
Worksheets - Assigned	View Notes History	U, P	U, P	U, P
Worksheets - Assigned	Update History Notes	U	U	U
Worksheets - Assigned	Worksheet Status	U, P	U, P	U, P
Worksheets - Assigned	Current Earnings Due Report	U	U	U

Action	Activity	Super User	Manager	Analyst
Worksheets - Assigned	Download	U, P	U, P	U, P
Worksheets - Assigned	Add Unassigned Resources	U	U	U
Worksheets - Assigned to Analysts	Access	U, P	U, P	
Worksheets - Assigned to Analysts	Create	U	U	
Worksheets - Assigned to Analysts	Lock	U	U	
Worksheets - Assigned to Analysts	Unlock	U	U	
Worksheets - Assigned to Analysts	Remove	U	U	
Worksheets - Assigned to Analysts	Refresh	U	U	
Worksheets - Assigned to Analysts	Hold Trx	U	U	
Worksheets - Assigned to Analysts	Waive Recovery	U	U	
Worksheets - Assigned to Analysts	Add Payment Plan	U	U	
Worksheets - Assigned to Analysts	Commission Adjustment	U	U	
Worksheets - Assigned to Analysts	Manual Pay Adjustment	U	U	
Worksheets - Assigned to Analysts	Add Analyst Note	U	U	
Worksheets - Assigned to Analysts	View Notes History	U, P	U, P	
Worksheets - Assigned to Analysts	Update History Notes	U	U	
Worksheets - Assigned to Analysts	Worksheet Status	U, P	U, P	
Worksheets - Assigned to Analysts	Current Earnings Due Report	U, P	U, P	

Action	Activity	Super User	Manager	Analyst
Worksheets - Assigned to Analysts	Download	U, P	U, P	
Worksheets - Assigned to Analysts	Add Unassigned Resources	U	U	
Signoff Report	Access	U, P	U, P	
Signoff Report	Approve	U	U	
Signoff Report	Reject	U	U	
Signoff Report	Hold Trx	U	U	
Signoff Report	Waive Recovery	U	U	
Signoff Report	Add Payment Plan	U	U	
Signoff Report	Commission Adjustment	U	U	
Signoff Report	Manual Pay Adjustment	U	U	
Signoff Report	Add Analyst Note	U	U	
Signoff Report	View Notes History	U, P	U, P	
Signoff Report	Update History Notes	U	U	
Signoff Report	Worksheet Status	U, P	U, P	
Signoff Report	Download	U, P	U, P	

10.2.5 Recoverable and Non-Recoverable Manual Payment Adjustments

A manual pay adjustment can be made to a pay worksheet. This is an additional amount that reduces or increases the total payment amount on the worksheet. The amount can be made recoverable during the next payrun that is created. The manual adjustment must be associated with a plan element so that the recoverable amount will be associated with a payment group code. This code identifies which earnings should be used for recovery. If the manual pay adjustment is not recoverable, it will not be owed by the resource at a later date and will not show up in the balances. To make an adjustment recoverable, check the 'Recoverable' check box on the manual pay adjustment line.

10.2.6 Payment Worksheet History Page

Click the link in the Worksheet Status column on the Worksheet Summary page to see the Payment Worksheet History page. This page displays all of the auditing

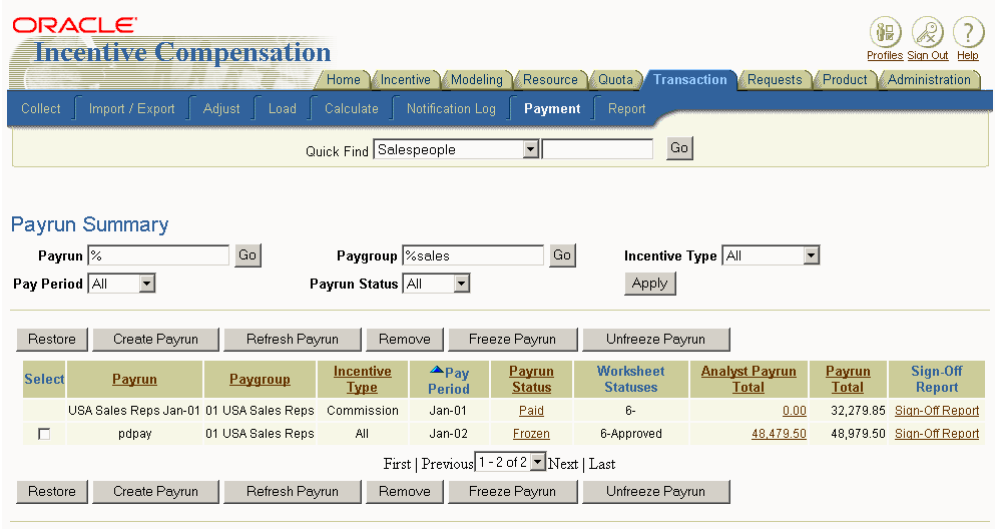
information related to worksheet activities. This information is useful for tracking changes made to payment worksheets. Columns include Status Change Date, New Status, and Updated By, which gives the name of the person who updated the worksheet.

10.2.7 Refresh Worksheet

In the previous versions of Oracle Incentive Compensation, the only way a worksheet could be refreshed with the latest commission data was if the worksheet was deleted. However, if the worksheet was deleted, all adjustments associated with the worksheet were lost. In this release, the worksheet indicates to the analyst that the commission data captured at the time of worksheet creation is not the most up-to-date data. The worksheet displays the earnings due (beginning balance + current period earnings) captured at the time of worksheet creation and the earnings due in the commissions module. These figures are known as Worksheet Earnings and Current Earnings Due, respectively. The analyst can chose to refresh the worksheet so that these values mirror each other. With the worksheet refresh, no adjustments, notes, history, or manual payment adjustments are deleted; they are only modified by the analyst manually. With the refresh, payment plan adjustments are recalculated.

10.3 Using the Payrun Summary

To view previous payruns or create a new one, navigate to Transaction > Payment. Use the search parameters on this page to list previous payruns. The results of your search are displayed as the Payrun Summary. From this page you can either click Create to open the Create Payrun page or drill down on an existing payrun to obtain more information on the Worksheet Summary page.



10.3.1 Creating a Payrun

Navigation

Transaction > Payment

Prerequisites

In order to be paid, a resource must be created in Resource Manager, be assigned to a pay group, and be assigned a payment plan.

Steps

1. Click the Transaction tab and the Payment subtab. The Payrun Summary page appears.
2. To create a new payrun, click **Create Payrun**.

   The Create Payrun page appears.
3. Enter a payrun name. This is a required field.
4. Select a pay group from the drop-down list.

   The drop-down list displays pay groups that have been created in the Administration tab. The pay periods are dependent upon the selected pay group. Only valid periods are displayed.

5. Select a pay period from the drop-down list. Pay periods are defined in the Administration tab.
6. Select a payment incentive type from the drop-down list. Choices are All, Bonus, or Commission. All is the default.
7. Select a Pay Date. Click the calendar icon to open a pop-up calendar. (See Guidelines)
8. Click **Update** to save the payrun. If necessary, click **Restore** to return to the previously saved information.

Guidelines

Only Super Users can take action on a payrun. Actions include: create, remove, refresh, freeze, unfreeze.

Create a separate payrun for each pay group. To set up pay groups, on the Administration tab

You can only have one open payrun per pay group at any one time. The application will not allow you to create a new payrun until the status of any previous payruns for the pay group is Paid.

You can only create payruns for the last period paid or a future period. Once you have paid a payrun for one period you cannot go back to the previous month to create a payrun for the pay group.

It is possible to have more than one payrun for the same pay group in the same period as long as you have paid the first one. This is known as an off-cycle payment.

If you do not select a Pay Date, the application automatically sets it to the last date in the pay period. The Pay Date is used to determine which pay element is assigned to each payment transaction.

10.3.2 View Existing Payruns

Navigation

Transaction > Payment

Prerequisites

None.

Steps

1. Click the Transaction Tab and the Payment subtab. The Payrun Summary page appears.
2. To list all payruns, click **Apply** in the search parameters section at the top of the page. Or, you can use the parameters to narrow your search. The Payrun and Pay Group parameters use a search feature, with a Go button. The other three parameters use a drop-down list of values from which to select. The parameters are:
   - Payrun: Enter the full name or partial name and click **Go**.
   - Pay Period: Select from the drop-down list. All pay periods that are already created in the Administration tab and are open are displayed. The default setting is All.
   - Pay Group: Like the Payrun parameter, use the full or partial name, or enter the percent sign (%) as a wild card. Enter at least four characters, and click **Go**. To be listed, the pay group must be defined in the Administration tab.
   - Payrun Status: Select All, Frozen, Paid, or Unpaid from the drop-down list. Payruns can be frozen only by the SuperUser. The default setting is All.
   - Incentive Type: Select All, Bonus, or Commission from the drop-down list. The default setting is All.
3. Click **Apply**. Any payruns that match the parameters you selected are displayed.
4. Verify payrun information by checking the first four columns. They display basic information that identifies the name of the payrun, the pay group that uses it, the incentive types (All, Bonus or Commission, and the pay period.
5. Click the link in the Payrun Status column to view the Payrun History page. There, status changes are listed by:
   - Status Change Date: Date the action was performed.
   - New Status: Unpaid, Locked, Submitted, Approved, or Paid
     - Unpaid: The worksheet is not approved yet or has been rejected by the manager.
     - Locked: The analyst has locked the worksheet after approving it to preserve the data.
     - Submitted: The analyst has submitted the worksheet to a manager for approval.

  - Approved: The worksheet is approved by the managers in the hierarchy and by the Super User.
  - Paid: The payrun is paid by the Super User.
- Updated By - Name of the person performing the status change.
- Note: The figure in the Payrun Status column does not display as a link if there is no Payrun History available. This can occur if the payrun was created before this release.

6. Look at the Worksheet Statuses column on the Payrun Summary page to see the quantity and status of worksheets that were in the payrun. This information helps managers see the progress of their reporting analysts, so they can contact the analysts to be sure they submit their worksheets in a timely manner.
7. Click the link in the Analysts Payrun Total column. The Worksheet Summary page appears. Many actions can be performed on this page. See Section 10.4, "Using the Worksheet Summary" for details.
8. The Payrun Total column displays the total amount for all payment worksheets for the payrun.

If the Payrun Summary shows approved worksheets in the Worksheet Statuses column, you can click **Signoff Report** to go to the Payrun Sign-Off Report page. This page supplies additional details about the payrun, and is used by managers approve or reject a payment worksheet. The Signoff Report column appears only for pay managers.

Guidelines

If you are logged in as a manager, the Analysts Payrun Total column displays the sum of the payments that roll up to you from resources assigned to you and from resources assigned to analysts assigned to you. The Payrun Total field displays the total amount of the payrun. If you are logged in as a Super User, the fields display identical amounts, because you are at the top of the hierarchy.

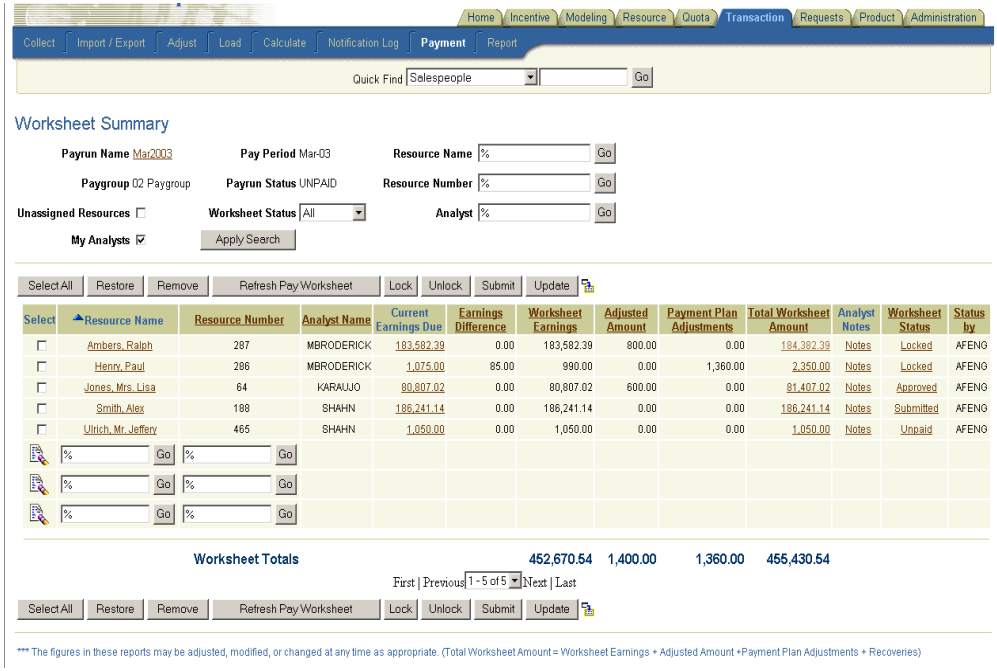
The Payrun Summary can be sorted in ascending or descending order on any column except Worksheet Status or Signoff Report.

Only Super Users can take action on a payrun. Actions include: create, remove, refresh, freeze, unfreeze.

The Worksheet Status column aggregates all worksheets in the user's hierarchy into four categories: Paid, locked, submitted, approved.

10.4 Using the Worksheet Summary

The Worksheet Summary contains many columns of useful information about resources' worksheets. On this page you can remove, refresh, lock, unlock, and submit payment worksheets. This view provides analysts and payment managers summary information about the breakdown of earnings for each worksheet. The enhanced search capability enables you to view all payment worksheets for a given payrun or narrow your search for a specific set of worksheets. But the worksheets that are available to a logged-in user are defined by the user's position in the payment hierarchy.



In addition, you can click five different links on this page to go to other pages for additional information. The table below shows the column that contains a link in the report and the page that appears when you click the link:

Click this Link	To Display this Page	Meaning
Resource Name	Details	The Details page lists data on the resource, including personal information, work location, and sales team details.
Current Earnings Due	Current Estimated Payout	The report breaks down the amount that is owed to the resource, displaying beginning balances and earnings.
Total Worksheet Amount	Payment Transactions	Use the Payment Transactions page to make adjustments in the payment amount for a transaction for a resource.
Analyst Notes	Analyst Notes	The Analyst leaves useful annotations here that explain reasons and comments for future reference by the analyst, manager, or Super User.
Worksheet Status	Payment Worksheet History	This page shows every status change made to the Payment Worksheet.

A resource may be assigned to an analyst, but it is not required. If a resource is assigned to an analyst, the analyst's name appears on the Worksheet Summary. A manager can view information only about resources assigned to the analysts who report to him or her, and can also view unassigned resources by checking the Unassigned Resources check box before clicking **Apply Search**.

After a search finds qualified resources, the worksheet displays earnings and adjustments. Original earnings and subsequent adjustments are shown, as well as the amount that would be paid according to the payment plan, including payment and recovery adjustments. The Total Worksheet Amount is the final payment figure, after all earnings and adjustments are considered.

To create a worksheet for a resource, the resource must already be assigned a role, a compensation plan, and a pay group.

To use the Worksheet Summary page, perform the following procedure:

Navigation

Transaction > Payment

Prerequisites

The payrun must already be created.

Steps

1. Use the search parameters at the top of the Worksheet Summary page to call up worksheet information.

   - Resource Name
   - Resource Number
   - Analyst
   - Worksheet Status: Select All, Approved, Locked, Submitted, or Unpaid from the drop-down list. All is the default.

   Note: Check the Unassigned Resources and My Analysts check boxes to generate a list all data for all of your analysts and unassigned resources when you click Apply Search.

2. Click **Apply Search**.
3. The search results are displayed below.
4. Optionally, click the download icon to download to Worksheet Summary to a .CSV file.
5. For unpaid payruns, create a new worksheet by entering a name or number into the fields for Resource Name and Resource number. Enter four or more characters and click **Go** to search for a resource name or number.
6. Click **Update**.
7. For paid payruns, you can click on five different links to display other pages (see preceding table).
8. Click the link in the Resource Name column to go to a Details page for the resource.

   The Details page lists data on the resource, including personal information, work location, and sales team details. In addition, the role type and group membership are shown. For role type and group you can click the Show History button to see separate reports.

9. Click the link in the Current Earnings Due column to go to the Current Estimated Payout page.

   This view-only page shows the total payment amount and all of the earnings made to determine the calculated earnings. This report is customizable by displaying specific columns for each quota group code. See section 10.5.1 for a list of the columns.

10. Click the amount in the Total Worksheet Amount column to go to the Payment Transactions page.

    On this page, you can view the individual transactions that are part of the payrun for the specific resource.

11. Click the link in the Analyst Notes column to go to the Analyst Notes page.

    This page enables the Analyst to leave useful annotations that explain reasons and comments for future reference by the analyst or others. A new row can be created on this page or on the worksheet summary page as well.

12. Click the link in the Worksheet Status column to go to the Payment Worksheet History page.

    This page shows every status change made to the Payment Worksheet. Status change dates are listed chronologically, along with the new status and the name of the person who updated the worksheet.

Guidelines

As a business process, a payrun can be populated with resource worksheets in two ways:

- The Super User runs a concurrent program that creates all the worksheets for the members of the pay group for the specified payrun. The concurrent program is found under the Requests tab > Payment subtab.
- The Analysts manually add their resources' worksheets.

You can sort the Worksheet Summary page on any column except for Current Earnings Due or Analyst Notes. You can sort in ascending or descending order.

To search for a resource that is not assigned to you but to an analyst who resides beneath you in the Sales Compensation Payment Analyst hierarchy, search by the resource name and check the My Analysts check box.

10.4.1 Current Estimated Payout Page

This view-only page appears when you click the Current Earnings Due link on the Worksheet Summary page. The report breaks down the total payment amount for the period for the resource. It displays the most current calculated earnings as the sum of the beginning balance and the current period earnings.

The page display takes into account whether the resource has multiple roles and displays the amounts correctly.

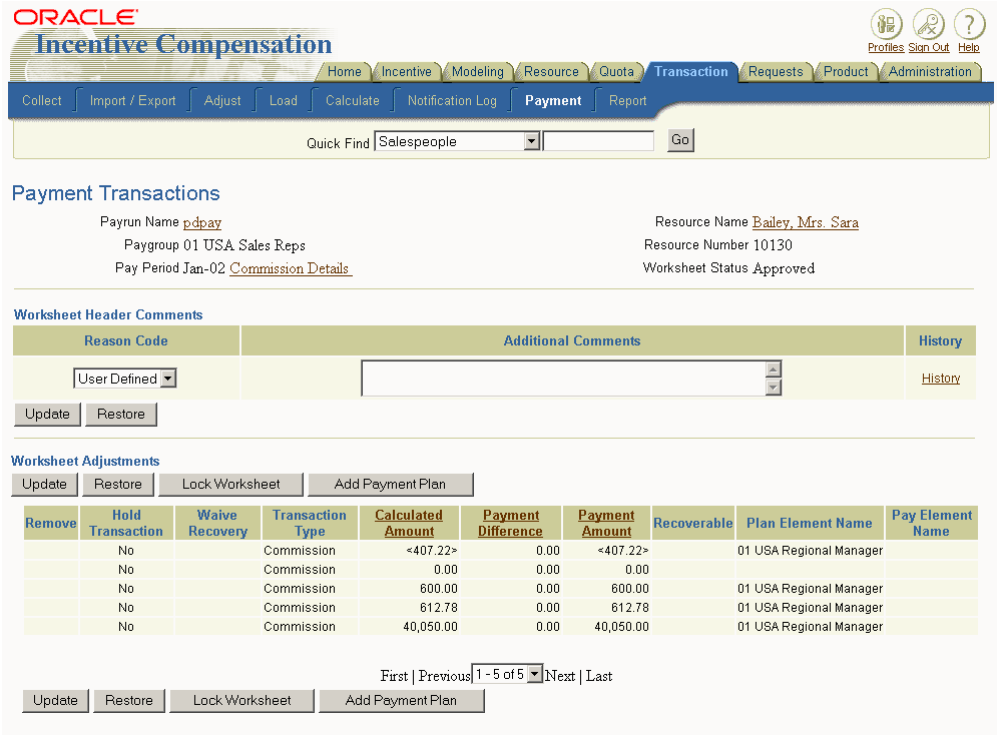
This report is customizable by displaying the following columns for each quota group code:

- **Percent Annual Quota, Period-to-Date**: Credit, Earnings, Target, Achievement
- **Year-to-Date:** Credit, Earnings, Target, Achievement.

Once a payrun has been paid, the Current Estimated Payout page becomes static; the values are frozen and captured at the time the payrun is paid.

10.5 Using the Payment Transactions Page

The Payment Transactions page displays the details of the total payment amount. It comprises earnings, beginning balances, payment plan totals, and recoveries. Use the Payment Transactions page to make adjustments in the payment amount for a transaction or to review the payment amounts for a resource. The page displays the transactions for a resource that are part of a pay worksheet, including Transaction Type, Calculated Amount, Payment Difference, and Payment Amount. You can view the history of the pay worksheet by clicking the link in the Worksheet Header Comments area under the History column.



Payments may need to be adjusted for one of the following reasons:

- You want to pay a different amount from what was calculated.
- You want to make a payment for a future transaction.
- The resource is receiving a bonus.
- Any other reason as indicated in the comments in the Analyst Notes.

Use the buttons in the Worksheet adjustments area to lock the worksheet or add a payment plan. This cannot be done, however, after the payrun has been paid.

The Payment Transaction page can be created, removed, refreshed, locked, unlocked, submitted, approved, and rejected.

Prerequisites

A payment worksheet must already be created. An analyst can work only on worksheets assigned to him or her or unassigned.

Steps

1. Enter comments into the Analyst Notes in the Worksheet Header Comments area.
   a. Select a reason code from the drop-down list.
   b. Add any additional comments in the Additional Comments field.
   c. Click the History link to see the Payment Worksheet History page.
2. Check the Hold Transaction check box to hold a transaction. This delays payment for the transaction to a future payrun.
3. Check the Waive Recovery check box to waive recovery for a transaction. This means that the resource does not have to pay back the payment for the transaction.
4. The Calculated Amount column displays the total amount calculated for the resource at the time calculation was run.
5. The Payment Difference column displays the difference between the Calculated Amount and Payment Amount, if any, for unpaid transactions. Values other than '0.00' indicate that the earnings captured by the worksheet are not the most current for the resource. A worksheet refresh obtains the most up-to-date commission data.
6. To create a manual pay adjustment, enter the amount into the Payment Amount column. Use the Waive Recovery check box to indicate if it is recoverable or non-recoverable.
7. The Plan Element Name and Pay Element Name fields show information that may be helpful when changing the payment amount.
8. Click **Update** to save any changes. Click Restore to return to the previously saved information.
9. Click the Lock Worksheet button to lock the data on the payment worksheet for the resource. This must be done to before submitting the worksheet for approval by the manager, or it can be done to keep the information from being changed.
10. Optionally, click **Add Payment Plan** to add a payment plan to the resource that will be in effect for the pay worksheet. You can then apply the payment play to the worksheet.

Guidelines

The Payment Transactions page can be sorted on three columns, in ascending or descending order:

- Calculated Amount: The amount determined by the application's calculation engine
- Payment Amount: A user defined adjusted amount that is recoverable
- Payment Difference: The difference between the calculated amount and the payment amount

The Payment Transactions page is a worksheet that displays all transactions for the resource, including Transaction Type, Calculated Amount, Payment Difference, and Payment Amount. Now, while looking at this information, you can add a payment plan if the payrun has not yet been paid.

You can hold a transaction or waive recovery for a transaction by checking the appropriate check box next to it. When you hold a transaction it is taken out of the payment worksheet and is not paid in the current payrun. It can be paid in a future payrun. A new feature allows you to create manual transactions that are recoverable or non-recoverable. See Section 10.2.5, "Recoverable and Non-Recoverable Manual Payment Adjustments". Check the Waive Recovery check box next to a manual transaction if it does not need to be paid back later by the resource.

The Payment Difference column displays the difference between the Calculated Amount and Payment Amount for unpaid transactions. Any changes to transactions will affect the total payment amount to the resource.

10.5.1 Payment Hold at the Transaction Level

10.5.1.1 Introduction

The ability to hold transactions from being paid has been enhanced in the 11.5.8 release of Oracle Incentive Compensation. In previous releases, transactions that were held in a payrun were automatically placed into the next payrun; there was no way to continue to hold a transaction from being paid. In 11.5.8, a transaction can remain in a held status in subsequent payruns until it is manually released from its hold status.

10.5.1.2 Explanation

During the payment interval of the commissions cycle, many adjustments can be made. One type of adjustment is a hold; payment on a specific transaction can be held so that it is not paid. Compensation analysts make payment holds under the discretionary review. Reasons for payment holds can be:

- Incorrect revenue recognition
- Credit holds
- Company policies, such as holding high commissions

After a transaction has been identified to not be paid within a payrun, it may take considerable time to remedy the issue. Therefore, a held transaction may need to span multiple payruns. With the new functionality that keeps held transactions in a held status until they are manually released, analysts do not have to worry about the transaction being paid.

The process of holding a transaction to prevent it from being paid remains the same as in previous releases of Oracle Incentive Compensation. The Hold check box on the Payment Transactions page must be checked and the database must be updated. The system-generated note is attached to the worksheet and the check box remains flagged until it is manually changed to release the hold. After a transaction is held, the amount is removed from the earnings and the worksheet total.

On the Worksheet Summary page, a new column called Held Amount has been added. This column displays the aggregated amount of held transactions from the current payrun, including any manual adjustments made specifically to held transactions in the Payment Amount field of the Payment Transactions page. As transactions are held and released, the total in the Held Amount column reflects the changes.

A held transaction affects the worksheet totals in many ways. First, the held amount is removed from the Worksheet Earnings column and is placed into the Held Amount column. If the transaction was adjusted before the hold was made, then the adjustment is removed from the Adjusted Amount column and is placed into the Held Amount column. Finally, the held amount is considered in payment plans only if the worksheet is refreshed or the payment plan is reapplied. When a held transaction is released from its hold, the reversal of the aggregate totals occurs.

After the payrun has been paid, all of the payrun information becomes static. The worksheet summary retains the Held Amount value along with the other standard summaries. However, the held transaction does not appear on the Payment Transactions page as it was not included in the payrun.

Oracle Incentive Compensation is set up to pay by transaction or until the held amount is not aggregated with earnings of the corresponding plan element.

In summary, the payment hold functionality in release 11.5.8 provides the ability to keep a transaction in a held status so that it is not paid. It is passed from payrun to payrun until it is manually released from the hold.

Basic Hold Example

This simple example uses two transactions to show what happens when one transaction is held and paid in a subsequent payrun. The example displays only the table columns that are relevant in the example.

In the January 03 payrun, there are two transactions with calculated amounts of $5 and $7. The Payment Transactions page displays the calculated amounts and the payment amounts as the same; the payment difference is 0. In the Held Transactions column, N = No and Y = Yes.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	5	0	5
2	N	7	0	7

The Worksheet Summary for this payrun shows the aggregated transactions, in the amount of $12 in the Current Earnings Due, Worksheet Earnings, and Total Worksheet Amount columns, as follows:

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Total Worksheet Amount
12	0	0	12	12

The payment analyst holds the second transaction, for $7, by checking the Hold check box next to it on the Payment Transactions page. The N in the Held Transaction column changes to Y.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	5	0	5

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
2	**Y**	7	0	7

The Worksheet Summary still displays $12 in the Current Earnings Due column, but also an amount of $7 in the Held Amount column, and the remaining $5 in the Worksheet Earnings and Total Worksheet Amount columns.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Total Worksheet Amount
12	0	7	5	5

The payrun is locked and paid. If you drill down on the Total Worksheet Amount for the Jan 03 payrun, the held transaction no longer appears on the Payment Transactions page.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	5	0	5

For the next payrun, February 03, there are no new transactions. However, the held, unpaid transaction appears on the Worksheet Summary in the Held Amount column.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Total Worksheet Amount
7	0	7	0	0

When you drill down on the total worksheet amount column, the held transaction displays on the Payment Transaction page.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
2	Y	7	0	7

If the hold on the transaction is released, the amount appears in the Calculated Amount and Payment Amount columns and is paid by the payrun. If the transaction is held, then the amount carries over to the next payrun and no payment on the transaction is made.

If you make an adjustment to a transaction and then hold the transaction, the amount of the adjustment is populated in the payment amount column when the hold is released and the transaction is paid in a payrun.

Adjust and Hold Example

In the example below, you can see what happens to the Worksheet Summary and the Payment Transactions pages when a payment analyst adjusts and then holds a transaction.

First, the payment analyst creates a payrun. This payrun has current earnings due of $5.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
5	0	0	5		5

The Payment Transactions page shows the two transactions that relate to this payrun.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	3	0	3
2	N	2	0	2

Now, the payment analyst makes an adjustment to transaction 2, adding $2. You can see the $2 added to the Adjusted Amount column in the Worksheet Summary and the Total Worksheet Amount is now $7.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
5	0		5	**2**	**7**

On the Payment Transactions page, for transaction 2 the Payment Difference column shows the added $2 and the Payment Amount column grows to $4.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	3	0	3
2	N	2	**2**	**4**

Now, the payment analyst holds transaction 2. The Worksheet Summary displays the held amount, and the worksheet earnings and total worksheet amount are reduced by that amount. The adjusted amount returns to 0.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
5	-2	**4**	**3**	**0**	**3**

On the Payment Transactions page, the N (No) in the Held Transactions column becomes Y (Yes).

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	3	0	3
2	**Y**	2	2	4

Now, when payrun 1 is paid, the total worksheet amount of $3 is paid. The held amount remains $4.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
5	-2	**4**	3	0	**3**

The Payment Transactions page now displays only transaction 1.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
1	N	3	0	3

The payment analyst creates a second payrun. There are no incremental earnings, so only the held transaction is displayed, in the Current Earnings Due and the Held Amount columns. The Total Worksheet Amount column displays 0, and there are no worksheet earnings.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
2	-2	**4**	**0**	0	**0**

The Payment Transactions page shows transaction 2, just as it was when it was held.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
2	Y	2	2	4

When the payment analyst releases the held transaction, the $4 moves from the Held Amount column to the Total Worksheet Amount column. The Worksheet Earnings and Adjusted Amount columns now show the original earnings and adjustment amounts.

Current Earnings Due	Earnings Difference	Held Amount	Worksheet Earnings	Adjusted Amount	Total Worksheet Amount
2	0	**0**	**2**	**2**	**4**

On the Payment Transactions page, the Y changes to N as the transaction is no longer held and is set to be paid.

Transaction	Held Transaction	Calculated Amount	Payment Difference	Payment Amount
2	N	2	2	4

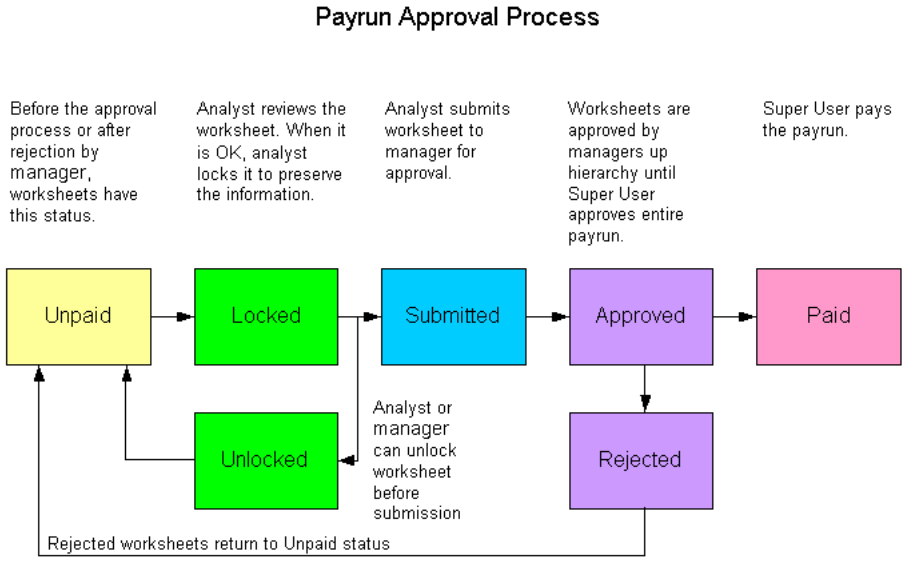
Note: The example works the same way even if the adjustment is made after the transaction is held, in reverse order from the example.

10.6 Approving Worksheets

After a payrun has been created, it must be approved by the Payment Administrative Hierarchy. As payment worksheet approvals work their way up the hierarchy, records are created and stored.

The table below lists four different Worksheet Status types, with a description of the meaning:

Worksheet Status	Description
Unpaid	Before a payment worksheet has been through the approval process, its status is Unpaid. A payment worksheets has this status when it is created.
Locked	After reviewing a payment worksheet and making any adjustments, the analyst locks it to prevent any changes before submitting it to the manager. If the analyst of the manager unlock a payment worksheet, the status resets to Unpaid.
Submitted	After the analyst submits a worksheet for approval by the manager, its status changes to Submitted. Payment worksheets must be locked by the analyst before they submit them.
Approved	The worksheet has been approved by the manager and has been submitted to his or her manager. The approval process continues until it reaches the Super User. The Super User pays the worksheet after all worksheets under them are approved.



10.6.1 The Payrun Sign-Off Report

The Payrun Sign-Off Report is used by managers to approve or reject worksheets that have been submitted by the analysts that report to them. The search parameters at the top can be personalized to set up targeted searches. The columns shown in the report can be customized to display only those the information that you need to approve the payment worksheets. For example, columns that display quota information about each resource can be added so it is easy to reference that information during the approval process.

To approve or reject payment worksheets, perform the following procedure.

Prerequisites

Payment worksheets must be submitted to the manager by the analyst.

Steps

1. Log in as an Incentive Compensation Analyst with manager responsibility (you have other analysts that report to you).
2. Click the Transaction tab and the Payment subtab. The Payrun Summary page appears.

3. Click **Signoff Report** in the Signoff Report column next to the payrun you want to work on. The Payrun Sign-Off Report page appears.

   Note: The Signoff Report link does not appear for any payruns that were created before this release.

4. Click **Select** next to the payment worksheets that you want to reject or approve. You can click **Select All** to select all of the worksheets.

5. Optionally, click the Analyst Notes link to see the Analyst Notes. Information in the notes may be useful in determining whether to reject or approve a worksheet.

6. Click **Reject** or **Approve**.

7. You can download the report to a .csv file by clicking the download icon to the right of the Approve button. The file can be opened in a spreadsheet program.

10.6.2 Creating a Customized Sign-Off Report Search

The Sign-Off Report is designed to be customized by you. After you have set it up the way you want it, every subsequent sign-off report will be in the same format.

Most of the selections on this page are optional. The required fields are marked with an asterisk in the application and are noted here.

To create a customized search for payrun signoff reports, perform the following steps.

Navigation

Transaction > Payment > Signoff Report link > Personalize

Steps

1. In the Payrun Sign-Off area, enter a payrun name in the Payrun Name field. To search, enter four or more characters, or use percent signs (%) as wildcards, and click **Go**. This is a required field.

2. Enter data in the Resource Name or Resource Number fields if you want to narrow your search to a specific resource.

3. Check the Unassigned Resources check box to specify that you want to search only for resources that are not assigned to any analyst.

4. Enter a name in the Analyst Name field if you want to search for payruns for a specific analyst. To search, enter four or more characters and click **Go**.

5. Check the My Analysts check box to set up your search for analysts that report to you.
6. Select from the Worksheet Status drop-down list to narrow your search by the status of the payrun worksheets:
   - All (default)
   - Locked
   - Approved
   - Unpaid
   - Submitted
7. Select a Quota Group from the list to search by quota group.
   - Quota
   - Bonus
   - All
8. The default credit type is Functional Currency. No other currency can be selected.
9. Select a reporting currency from the drop-down list. Any currency that is already defined in General Ledger is displayed.
10. Select scaling of numbers if desired. Choose from the drop-down list:
    - In Millions
    - In Hundreds of Thousands
    - In Tens of Thousands
    - In Thousands
    - In Hundreds
    - In Tens
    - No Scaling (default)
11. In the Display Options area, select which columns you want to display in your search. Use the arrow buttons in the center of the display to move a highlighted column between the Available group on the left to the Displayed Columns group on the right. Use the double arrows to move everything from one side to the other.

Note: There are six columns that must be displayed, and cannot be moved out of the Displayed Columns area. These are:

- Select
- Resource Name
- Resource Number
- Worksheet Earnings
- Total Payrun Amount
- Worksheet Status

12. Select how you want to sort the rows. The application allows for three levels of sorting. In the left hand three fields, choose your sort parameters from the drop-down lists. The drop-down lists contain the columns that are displayed in the Displayed Columns area above. Each sort parameter can be sorted by ascending or descending order by selecting it from the drop-down list to the right.
13. Enter the number of rows you want to have displayed per page. The default is 10. See Guidelines.
14. In the Save As area, give your search a unique name.
15. Check the Default check box if you want your new customized search to be the default selection on the Payrun Sign-Off Report page.
16. Click **Save** to save the customized search, or click Save and Apply Search to use the newly created and saved search immediately.

Guidelines

If you are creating a customized search, you can set the number of rows that you want to display in step 13. However, you *cannot* change the number of rows that are displayed in any saved search that is seeded data. In addition, the row display field on this page takes preference over any information listed on the General Preferences page (accessed by clicking the Profiles icon).

10.7 Submitting a Payrun for Payment

After all the worksheets have been approved by the entire payment administrative hierarchy, the Super User can submit the payrun for payment.

There are two methods for a Super User to submit a payrun for payment:

- Click the Pay Payrun button on the Sign-Off Report page. (**Note:** The button appears only for the Incentive Compensation Super User responsibility.)
- Use the Payment subtab on the Requests tab to create a concurrent request.

If you choose the second method, use the procedures below. The Payment subtab of the Requests tab contains two pages which enable you to view or submit payruns. Make selections from the drop-down menus to initiate your request.

10.7.1 View Requests

Use this page to view requests.

Prerequisites

Payrun must be approved by the Super User.

Steps

1. Click the Requests tab and click the Payment subtab. The Payment Requests - View Requests page appears.
2. Select from the drop-down lists in the search parameters to narrow your request:
   - Request Name. Selections include:
     - All (the default)
     - Pay Payrun
     - Delete Unpaid Payrun
     - Create Worksheet
   - Phase. Selections include:
     - All (the default)
     - Completed
     - Inactive
     - Pending
     - Running
   - Status. Selections include:
     - All (the default)

  - 18 other options, including Normal and Error
- Request ID. Enter the number of the request, or sort in request ID order.

3. Click **Apply**.

   Any records that match the search parameters are displayed, in reverse chronological order, with the most recent record at the top.

Guidelines

Information displayed includes:

- Request ID
- Request Name
- Phase
- Status
- Parameter
- Submission Date
- Requestor
- Priority
- Log (explanation of what happened)

This information is helpful in determining the status of your current payruns, and in planning new payruns.

10.7.2 Submit Requests

Use the Submit Requests link on the Payment Requests page to create a worksheet, pay a payrun or cancel an unpaid payrun.

Prerequisites

Payrun must be approved by the Super User.

Steps

1. Click the Requests tab and click the Payment subtab. The Payment Requests - Submit Request page appears.
2. In the Request Name field, select Create Worksheet, Pay Payrun, or Delete Unpaid Payrun from the drop-down list.

3. Select a payrun name from the drop-down list. All payruns that have been created in the Transaction tab are listed.
4. Click **Submit Request**.

   A new row appears at the top of the table, with a Request ID number in the first column.
5. Click **Refresh Data** to update the table to reflect any changes to the phase.

Guidelines

All worksheets in a payrun must be locked, approved, and submitted before a payrun can be paid.

10.8 Payment Review with Example

After calculation is complete, payruns are created using the Run Create Worksheets Concurrent Process. The payrun is opened and analysts begin reviewing the commission information for resources assigned to them. Analysts can drill down on the Current Earnings Due link on the Worksheet Summary to the Current Estimated Payout page. There, analysts can see the resource's overall performance to quickly verify that the overall earnings match what the resource is supposed to receive. On the Current Estimated Payout page, analysts review the resource's annual quota/target, YTD achievement, Period-to-Date data, and the earnings by quota or bonus.

If an analyst decides that some adjustments are necessary, he or she can make manual adjustments to the payment amount using the Payment Transactions page. These adjustments can be:

- Adjustments to earnings
- Manual pay adjustments
- Waived recoveries
- Held transactions
- Payment plan additions

While the payrun is open, commission recalculation may take place if some transaction adjustments were not loaded for the current or a prior period. To compensate for this, analysts can selectively refresh payment worksheets. This lets the analyst include changes for resources that need it while preserving the comments and manual adjustments that they have already made for the resource.

For example, a worksheet is created for a resource with a payment plan for $1,000. If the resource's earnings are $600, then the payment plan adds $400 to bring the total to $1,000. However, after transactions are recalculated for the resource, the earnings are reduced to $450. If the payment plan is reapplied during a refresh, the amount of the plan increases from $400 to $550 to compensate for the lost earnings and keep the total at $1,000. If the refresh is not applied, the original amounts remain unchanged.

In a similar scenario, a worksheet is created for a resource with a payment plan of $1,000. The earnings are $600 and the payment plan adds $400 to bring the total to $1,000. For this resource, a manual transaction of $200 is made. The transactions are recalculated and the total earnings are reduced to $450. In this case, the manual pay adjustment is added to the $450 earnings, so after the refresh, the payment plan amount is reduced to $350 so the total can be $1,000. Without the refresh, the original amounts stay the same.

The Payment Difference column on the Payment Transactions page makes it easy for analysts to see which resources have a payment difference because of a commission recalculation.

After the analysts are finished examining and verifying a resource's data, they can click Lock Worksheet to put the payment worksheet in Locked status. Then, they submit the worksheet for approval by their manager, which puts the payment worksheet in Submitted status. Locking the worksheet preserves the information on it in the event that the Payment Super User later performs a refresh at the payrun level. In that case, any locked worksheets are not refreshed. A worksheet can be unlocked by the analyst. This puts the worksheet in Unlocked

The manager uses the Payrun Sign-Off Report to review all of the details pertaining to the worksheet and then approve it of reject it, adding comments if desired. When a manager rejects a payment worksheet, it returns to Unpaid status. Any comments added during the approval process are maintained for future reference. If

When all the worksheets for the payrun are approved by all levels of managers, the Super User submits a Pay Payrun. The payrun status then changes to Paid. If the Super User freezes the payrun, no changes can be made to the worksheets by analysts.

11

Reports

Sections in this chapter include:

- Section 11.1, "Overview of Oracle Incentive Compensation Reports"
  - Section 11.1.1, "Road Map of Reports from Version to Version"
- Section 11.2, "Reports Enhancements in this Release"
- Section 11.3, "Incentive Planning Reports"
  - Section 11.3.1, "Quota Modeling Summary"
  - Section 11.3.2, "Average Quota Report"
  - Section 11.3.3, "Quota Overassignment Report"
  - Section 11.3.4, "Quota Range Report"
  - Section 11.3.5, "Compensation Contract Status Report"
  - Section 11.3.6, "Overlay Report"
  - Section 11.3.7, "Vacancy Report"
  - Section 11.3.8, "Transition Report"
  - Section 11.3.9, "Plan Activation Status Report"
  - Section 11.3.10, "Role to Compensation Plan Mapping Report"
- Section 11.4, "Compensation Reports"
  - Section 11.4.1, "Year To Date Summary"
  - Section 11.4.2, "Transaction Details Report"
  - Section 11.4.3, "Compensation Group Hierarchy Report"
  - Section 11.4.4, "Classification Rules Report"

- Section 11.4.5, "Commission Summary Report"
- Section 11.4.6, "Quota Performance Report"
- Section 11.4.7, "Commission Statement"
- Section 11.4.8, "Unprocessed Transactions"
- Section 11.5, "Configuring Reports"
- Section 11.6, "Discoverer Workbooks"

11.1 Overview of Oracle Incentive Compensation Reports

Oracle Incentive Compensation provides two sets of reports. These assist in planning compensation and in monitoring the processing of transactions. The reports are located on the Report subtabs of the Quota and Transaction tabs.

The table below describes the changes that have been made to the reports from the 3i to the 11.5.9 releases.

11.1.1 Road Map of Reports from Version to Version

In the table below, Yes means the report was available for the release; No means the report was not available.

Release	3i	11.5.3	11.5.4	11.5.5	11.5.6	11.5.7	11.5.9*	Notes
Yes means Report is available	-	-	-	-	-	-	-	*11.5.8 reports are the same as 11.5.9.
Planning Reports (Quota tab)	-	-	-	-	-	-	-	-
Quota Model Summary	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Quota Modeling Summary in 11.5.6
Average Quota Summary	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Started in 11.5.3.
Quota Overassignment Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Overassign Quota Summary in 11.5.6

Release	3i	11.5.3	11.5.4	11.5.5	11.5.6	11.5.7	11.5.9*	Notes
Quota Range Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Quota Range Summary in 11.5.6
Compensation Contract Status	No	No	No	**Yes**	**Yes**	**Yes**	**Yes**	Started in 11.5.5.
Overlay Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Overlay Summary in 11.5.6
Vacancy Summary	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from To-Be-Hired Summary in 11.5.6
Transition Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Transitional Salespeople Report in 11.5.6
Plan Activation Status Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Plan Generation Status in 11.5.4 and Plan Status in 11.5.5
Role To Compensation Plan Mapping Report	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Changed from Role to Plan Mapping in 11.5.4
Salesperson Plan Assignments	**Yes**	No	No	No	No	No	No	Replaced by Role to Plan Mapping Report in 11*i*.
Compensation Reports (Transaction tab)	-	-	-	-	-	-	-	-
Compensation Summary	No	**Yes**	No	No	No	No	No	Replaced in 11.5.4 by Year-To-Date Summary.
Compensation Details	No	**Yes**	No	No	No	No	No	Replaced in 11.5.4 by Year-To-Date Summary.
Compensation Details (Fiscal View)	No	**Yes**	No	No	No	No	No	Replaced in 11.5.4 by Year-To-Date Summary
Year to Date Summary	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Replaced 6i Compensation Summary, Compensation Details, Compensation Details (Fiscal View) in 11.5.4
Adjustments	No	**Yes**	No	No	No	No	No	Replaced by Transaction Details report in 11.5.4

Release	3i	11.5.3	11.5.4	11.5.5	11.5.6	11.5.7	11.5.9*	Notes
Transaction Details	No	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Replaced Adjustments report in 11.5.4
Compensation Group Hierarchy	No	**Yes**	No	**Yes**	**Yes**	**Yes**	**Yes**	Replaced by Hierarchy report in 11.5.4. HTML version introduced in 11.5.5
Salespeople Hierarchy	No	**Yes**	No	No	No	No	No	Replaced by Hierarchy report in 11.5.4
Hierarchy	**Yes**	No	**Yes**	No	No	No	No	Replaced Compensation Group Hierarchy and Salespeople Hierarchy reports in 11.5.4
Classification Rules	**Yes**	**Yes**	No	**Yes**	**Yes**	**Yes**	**Yes**	6i report decommissioned in 11.5.4. HTML report introduced in 11.5.5
Payrun Listing	**Yes**	**Yes**	No	No	No	No	No	After 11.5.3, information available on Payrun Details page in application
Payrun Details	No	**Yes**	No	No	No	No	No	After 11.5.3, information available on Payrun Details page in application
Analyst Consolidated Summary	No	**Yes**	No	No	No	No	No	Replaced by Commission Summary in 11.5.4
Commission Summary	**Yes**	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Replaced Analyst Consolidated Summary in 11.5.4
Quota Performance	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	6i report in 11.5.3 replaced by HTML report of same name in 11.5.4
Commission Statement	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Appears in all releases.
Performance Details	No	**Yes**	No	No	No	No	No	6i report decommissioned after 11.5.3
Blind Ranking	No	**Yes**	No	No	No	No	No	6i report decommissioned after 11.5.3
Top/Bottom Performers	No	**Yes**	No	No	No	No	No	6i report decommissioned after 11.5.3
Compensation Trending	No	**Yes**	No	No	No	No	No	6i report decommissioned after 11.5.3

Release	3i	11.5.3	11.5.4	11.5.5	11.5.6	11.5.7	11.5.9*	Notes
Unprocessed Transactions	No	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	Started in 11.5.3.
Payment Hold	No	**Yes**	No	No	No	No	No	Decommissioned after 11.5.3
Pending Payment	No	**Yes**	No	No	No	No	No	Decommissioned after 11.5.3
Pending Transactions	No	**Yes**	No	No	No	No	No	Decommissioned after 11.5.3

11.2 Reports Enhancements in this Release

There are no report enhancements in this release.

11.3 Incentive Planning Reports

There are ten Incentive Planning reports on the Quota tab. To access a report, navigate to Quota > Reports. In the report name column, click the link for the report you want to view.

For the first nine reports, the Resource Search page appears. On the Resource Search page, enter search parameters and click **Apply**, and the report appears.

For the Role To Compensation Plan Mapping Report, clicking the link takes you to a specific search page with three fields. Enter search parameters, click **Apply**, and the report appears.

Note: The report link name on the Reports summary page may vary slightly from the actual name of the report.

These are the ten Incentive Planning reports:

- Section 11.3.1, "Quota Modeling Summary"
- Section 11.3.2, "Average Quota Report"
- Section 11.3.3, "Quota Overassignment Report"
- Section 11.3.4, "Quota Range Report"
- Section 11.3.5, "Compensation Contract Status Report"
- Section 11.3.6, "Overlay Report"
- Section 11.3.7, "Vacancy Report"

- Section 11.3.8, "Transition Report"
- Section 11.3.9, "Plan Activation Status Report"
- Section 11.3.10, "Role to Compensation Plan Mapping Report"

11.3.1 Quota Modeling Summary

With this report, you can get a snapshot of:

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

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

Navigation

Quota > Report > Quota Model Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produces a list of Compensation Groups. You must select one Compensation Group.

Data

The first table of information

Column Title	Description
Resource Name	Lists salespeople in the Compensation Group selected
Employee Number	Displays associated employee numbers
Role	Displays associated roles
Role Start Date	Displays the start date of each resource's assigned role
Role End Date	Displays the end date of each resource's assigned role
Component 1 Name	Displays the assigned quota against this user-defined Component
Component 2 Name	Displays the assigned quota against this user-defined Component
Component 3 Name	Displays the assigned quota against this user-defined Component
Total Quota	Displays the total assigned quota for all Components for each role
Assigned Quota	Displays the rounded figure of the total quota
Plan Status	Displays the approval status of the Compensation Plan
Overlay	Yes or No flag (see Concepts and Procedures for explanation of overlay)

The second and last table of information:

Row Title	Description
Total quota for second line manager	Displays column totals for all salespeople with Plan Level value of 2 (see Sales Role Details screen and Plan Level field)
Total quota for first line manager	Displays column totals for all salespeople with Plan Level value of 1
Total quota for street	Displays column totals for all salespeople at the bottom of the hierarchy for this Compensation Group and with Plan Level value of 0 or null

Row Title	Description
Over assign from second line manager to first line manager	Displays the second line manager's quota as a percentage of the first line manager's quota
Over assign from first line manager to street	Displays the first line manager's quota as a percentage of the street salespeople quota

11.3.2 Average Quota Report

With this report, you can view the average quota value by role for the selected compensation group. It is useful to know the average quota value for comparable roles in various compensation groups and organizations. In some companies, compensation groups are organized by sales territory. Therefore, it is possible with this report to compare the quota between comparable roles over various territories.

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

Note: The percentage values shown are percentages of the actual quota and not rounded figures.

Navigation

Quota > Report > Average Quota Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria will produce a list of Compensation Groups and User is required to select one Compensation Group.

Data

First table of information:

Column Title	Description
Role	Lists the roles available in the Compensation Group selected
Number of People	Displays the total number of people of each assigned role
Component 1 Name	Displays the total assigned quota against this user-defined Component by role
Component 2 Name	Displays the total assigned quota against this user-defined Component by role
Component 3 Name	Displays the total assigned quota against this user-defined Component by role
Total Quota	Displays the total assigned quota for all Components for each role
Assigned Quota	Displays the rounded figure of the total quota by role

The last row displays the grand total.

Second and subsequent tables of information are listed by role or Compensation Plan:

Column Title	Description
Name	Lists the salespeople with the relevant role or Compensation Plan
Component 1 Name	Displays the assigned quota against this user-defined Component for each resource
Component 2 Name	Displays the assigned quota against this user-defined Component for each resource
Component 3 Name	Displays the assigned quota against this user-defined Component for each resource
Total Quota	Displays the total assigned quota for all Components for each resource
Assigned Quota	Displays the rounded figure of the total quota for each resource

The last row displays the total number of salespeople for the role and the simple mathematical average for each column.

11.3.3 Quota Overassignment Report

The Quota Overassignment report shows in one report the over assignment value and percentage effect on the immediate level of salespeople and the street level salespeople. In the case of managers that have only street level salespeople reporting to them, the overassignment figures are displayed under Direct Overassignment and not Street Overassignment, even if the salespeople are street level. The Street Overassignment column is populated only for a manager who has both managers and street level resources as direct reports.

This report displays only salespeople with manager roles.

Navigation

Quota > Report > Overassign Quota Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria will produce a list of Compensation Groups and User is required to select one Compensation Group.

Data

Column Title	Description
Name	Lists the manager of the compensation group selected
Role	Displays associated roles
Plan Start Date	Displays the start date of each resource's assigned plan
Plan End Date	Displays the end date of each resource's assigned plan
Final Quota	Displays the rounded figure of the total quota assigned

Column Title	Description
Direct Overassignment	Displays the compensation group manager's quota as a percentage of his/her directs' total quota
Street Overassignment	Displays the compensation group manager's quota as a percentage of street-level salespeople's total quota

11.3.4 Quota Range Report

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

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

Navigation

Quota > Report > Quota Range Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Compensation Groups and you must select one Compensation Group.

Data

Column Title	Description
Resource Number	Displays associated employee numbers
Resource Name	Lists salespeople in the compensation group selected
Sales Role	Displays associated roles
Assigned Quota	Displays the rounded figure of the total quota assigned
Quota Minimum	Displays the role's minimum quota as defined under the Sales Role Details screen
Quota Maximum	Displays the role's maximum quota as defined under the Sales Role Details screen
Percent of Minimum	Displays each resource's actual assigned quota as a percentage of each role's quota minimum

11.3.5 Compensation Contract Status Report

The Compensation Contract Status report shows the number of people at each state of the approval process for a selected manager in a compensation group. To create a report for a specific manager, enter information into one or more fields below.

Navigation

Quota > Report > Compensation Contract Status

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Salespeople Found. Select a name in the resource Name column.

Data

In the Compensation Contract Status report, the columns represent lines of business, including a total. The rows represent stages in the contract process, including Pending Approval, Pending Distribution, Pending Acceptance, and Accepted. There is a total row for each line of business.

11.3.6 Overlay Report

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

Navigation

Quota > Report > Overlay Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Compensation Groups. You must select one Compensation Group.

Data

Column Title	Description
Name	Lists salespeople in the compensation group selected
Job Title	Displays each resource's job title as read from Oracle Resource Manager
Role	Displays associated roles

Column Title	Description
Assigned Quota	Displays the rounded figure of the total quota assigned

11.3.7 Vacancy Report

The Vacancy report lists all positions, by sales role and compensation group, that have not been filled for a particular manager. It is a concise means of listing vacancies and additional headcount requirements on one report.

Navigation

Quota > Report > Vacancy Summary

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Compensation Groups. You must select one Compensation Group.

Data

Column Title	Description
Name	Lists vacancies in the compensation group selected
Compensation Group	Lists the compensation group manager's name
Role	Displays associated roles
Plan Start Date	Displays the start date of each resource's assigned plan
Plan End Date	Displays the end date of each resource's assigned plan
Final Quota	Displays the rounded figure of the total quota assigned

11.3.8 Transition Report

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

Navigation

Quota > Report > Transitional Salespeople

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Compensation Groups. You must select one Compensation Group.

Data

Column Title	Description
Name	Lists salespeople in the compensation group selected
Resource Number	Displays employee numbers of the salespeople in the selected compensation group
Manager Name	Lists the compensation group manager's name
Manager Employee Number	Displays the compensation group manager's employee number

11.3.9 Plan Activation Status Report

The Plan Activation Status report lists the compensation plan activation status for all salespeople in the selected compensation group. The activation process is related to passing approved compensation plans from Sales Force Planning to commission

processing. This report helps you to identify those compensation plans that have not been activated for commission processing and to take action to investigate its non-active status.

Activation succeeds as long as each component in the Incentive Planning compensation plan has a matching plan element in the compensation plan in Oracle Incentive Compensation, even if additional plan elements exist in the compensation plan.

For example, an Incentive Planning compensation plan has three components which match three plan elements in a compensation plan in Oracle Incentive Compensation, but the latter plan has a fourth element allowing manual transactions to be processed. In this case, the plan should be activated successfully.

Navigation

Quota > Report > Plan Status

Parameters

Prompts	Choices	Mandatory
Name	Search field	No but the default is "All" or %
Employee Number	Search field	No but the default is "All" or %
Compensation Group	Search field	No but the default is "All" or %
Organization	List of Values	No but the default is "Any"
Effective Date	Calendar pick list	No but the default is today's date

The search criteria produce a list of Compensation Groups. You must select one Compensation Group.

Data

Column Title	Description
Resource Number	Displays employee numbers of the salespeople in the selected compensation group
Name	Lists salespeople in the compensation group selected
Compensation Group	Lists the compensation group's name

Column Title	Description
Compensation Plan	Displays compensation plan
Role	Displays associated roles
Plan Status	Displays the approval status of the Compensation Plan
Reason	Displays the reason for any incomplete status

11.3.10 Role to Compensation Plan Mapping Report

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

This report is configurable. For instructions on how to hide or show selected columns, go to the Configuring Reports section below.

Navigation

Quota > Report > Role to Compensation Plan Mapping

Parameters

Prompts	Choices	Mandatory
Effective Date	Calendar pick list	No but the default is today's date
Role Name	Search field	NA
Plan Name	Search field	NA

Data

The first table of information:

Column Title	Description
Role	Displays all roles that satisfy the effective date search criteria
Compensation Plan	Displays the name of each compensation plan
Start Date	Displays the beginning date of the compensation plan
End Date	Displays the lapsed date of the compensation plan

11.4 Compensation Reports

Oracle Incentive Compensation provides eight Compensation Reports. To access a report, navigate to Transaction > Reports. In the report name column, click the link for the report you want to view.

For some of the reports, when you click the link, a Resource Search page appears. Use search parameters to get to a Resource Search Results page. A few reports display another search parameter page after you make a selection from the Resource Search Results page.

Three reports do not use the Resource Search page or Resource Search Results page. The Classification Rules Report link leads to the Classification Rules Search page. The Commission Summary Report and the Quota Performance Report open directly from their Summary of Compensation Reports page links.

The steps below apply to the reports that use the Resource Search page and Resource Search Results page.

Prerequisites

Incentive Compensation Online Super User responsibility is required.

Steps

1. Click the name of the report you want to view.

   The Resource Search page appears.

2. Enter search parameters and click **Go**.

   The Resource Search Results page appears.

3. Click the resource name to open the report.

These are the eight Compensation reports:

- Section 11.4.1, "Year To Date Summary"
- Section 11.4.6, "Quota Performance Report"
- Section 11.4.7, "Commission Statement"
- Section 11.4.2, "Transaction Details Report"
- Section 11.4.3, "Compensation Group Hierarchy Report"
- Section 11.4.4, "Classification Rules Report"
- Section 11.4.5, "Commission Summary Report"

- Section 11.4.8, "Unprocessed Transactions"

Salespeople Search

Use this page to search for a specific resource's report.

Prerequisites

Resource must exist in Resource Manager.

Steps

1. Select an analyst from the drop-down list. The default is All.
2. Enter a name or employee number.

   You can use a partial name or number followed by a percent sign (%) to perform a general search, such as for names beginning with the letter S. Or, leave the percent sign alone in the fields to list all possible salespeople in the search results.
3. Click **Go**.

   The Resource Search Results page appears.
4. Click the resource name to open the report for that person.
5. To start over, click **Clear** to return the page to its original settings.

Resource Search Results

This page lists the results of the search based parameters you entered on the Salespeople Search page. Click a name in the Resource Name column to view the report you requested for that person.

11.4.1 Year To Date Summary

The Year to Date Summary is an overview of a resource's achievements, commission and bonus earnings and advances or draws. This report is accessible by default by the Manager, Salesperson, Incentive Compensation Payment, and Incentive Compensation Super User responsibilities.

The figures are grouped by period and by plan element. A Super User can control which plan element appears as a quota or bonus category by checking the Quota Group check box on the Plan Element page. If you check:

- Quota: The plan element name displays in the Quota category.

- Bonus: The plan element displays in the Bonus category.
- None: The plan element name does not display.

The payout section is grouped by earnings type and by period.

You can click the Download button to save the report in a .csv file that can be opened in a spreadsheet program. Note: If all of the digits do not display properly in the downloaded report, right-click in the cell and format the cell as General.

Note: Any transactions from December must be posted in order to appear in the January summary for the following year.

Navigation

Transaction > Report > Year to Date Summary

Parameters

Prompts	Choices	Mandatory
Salesperson Name/Number	Search fields on Salespeople Search screen.	Yes
Credit Type	List of Values	NA
Reporting Currency	List of Values	No, but defaults to functional currency.
Fiscal Year	List of Values	No
Graph	List of Values	No

Data

Column Title	Description
Quota Category	Displays each quota assigned to the resource
Period	Periods of the year displayed, for example, Jan-01 through Dec-01, with earnings shown below them.
Other	Begin Balance, Quota Earnings, and Payment rows shown at the bottom for each column. Also, Recoverable Draw Paid, Nonrecoverable Draw Paid, Draw Recovered. At the bottom is End Balance.

11.4.2 Transaction Details Report

The Transaction Details report shows transactional details of the specified resource and is used primarily by the Incentive Compensation Analyst. The report can be run to show results of any specified period and by transaction status.

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

Navigation

Transaction > Report > Transaction Details Report

Parameters

Prompts	Choices	Mandatory
Resource Name	List of Values	Yes
Order Number	NA	No
Adjustment Status	List of Values	No
Invoice Number	List of Values	No
Processed Date From	List of Values	Yes
Processed Date To	List of Values	Yes
Transaction Type	List of Values	No
Adjustment Date	List of Values	No
Calculation Status	List of Values	No
Reporting Currency	List of Values	No

Data

This standard report lists the transactions a resource is eligible to receive commission for during a specified period. The columns visible are controlled by the System Administrator. You can display up to 12 columns without having to scroll left or right. You can customize the report by adding columns, such as Attribute1 shown in the table. Below is a sample of the available columns for this report.

Column Title	Description
Invoice Number	Invoice Number
Invoice Date	Invoice Date
Order Date	Order Date
Order Number	Order Number
Creation Date	Creation Date (such as 03-JAN-2002)
Process Date	Process Date
Transaction Type	Transaction Type
Adjustment Status	Adjustment Status (Frozen, Reversal, etc.)
Adjusted By	Adjusted By
Calculation Status	Calculation Status (Rolled Up, etc.)
Original Currency Code	Original Currency Code (USD, etc.)
Sales Credit	Sales Credit
Commission	Commission Amount
Attribute1	Customizable attribute (part number, etc.)

11.4.3 Compensation Group Hierarchy Report

The Compensation Group Hierarchy report is useful not only for displaying compensation groups and the resources in each, but also for showing the roll up hierarchy of the groups in relation to each other. In the first column, the number indicates the level in the hierarchy of the compensation group. The Level 1 group is at the top of the hierarchy, and is also at the top of the report. Where there is a hyperlink, click the resource name to display a Year to Date Summary for that person.

Navigation

Transaction > Report > Compensation Group Hierarchy Report

Parameters

Prompts	Choices	Mandatory
Resource Name	Search field	Yes

Prompts	Choices	Mandatory
Compensation Group	List of Values	No
Effective Date	List of Values	No, but today is the default

Data

Column Title	Description
Level	Read only numeral
Comp Group/Salesrep Name	Two fields (Expandable hierarchy)
Role	Role name (read only)
Start Date	Start date (read only)
End Date	End date (read only)

Steps

1. Use the Salespeople Search window to search by Analyst, Name, or Employee Number.
2. If multiple search results appear, click the name that you need.

   The Compensation Group Hierarchy Report opens.
3. If the resource belongs to multiple compensation groups, select one from the drop-down list.
4. Effective date defaults to today's date. You may change it by clicking the calendar icon to select a different date.
5. Click **Submit**.
6. Repeat steps 3 through 5 with other names and compensation groups as required.
7. Optionally, click a resource name in the table body to display a Year to Date Summary for that person.

11.4.4 Classification Rules Report

The Classification Rules report displays the Rule Name, Revenue Class, and Expression for classification rules selected from the list on the Rules Found page.

Click **Download** to generate a .csv file that can be opened in a spreadsheet program.

Navigation

Transaction > Report > Classification Rules Report

Parameters

Prompts	Choices	Mandatory
Ruleset Name	Search field	Yes, but set in System Parameters
Rule Name	Search field	No, but useful for narrowing search
Effective Date	Calendar icon	No, but today is default

Data

Column Title	Description
Rule Name	Rule Name
Revenue Classes	Revenue Classes
Expression	Expression

Classification Rules Search

Use this procedure to perform searches of Classification rulesets.

Steps

1. Select the ruleset name from the list of values, and enter a search key in the Rule Name field, for example, FY01.
2. The Effective Date field populates with the current date, but any other date can be selected by clicking the calendar icon to the right of the field.
3. Use Clear to start over, or click **Go** after you have entered all of the necessary search information. The Rules Found page is displayed.
4. Click a rule to go to the Classification Rules Report for that rule.

The report generated displays the Rule Name, Revenue Class, and Expression. Click **Download** to generate a .csv file that can be opened in a spreadsheet program.

11.4.5 Commission Summary Report

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

This report is identical to the Quota Performance report except that there are three extra columns available through this report: Begin Balance, Draw, and Net Due. This information is useful to the Incentive Compensation Payment responsibility; this report is displayed for those users by default. For users with Manager and Resource responsibilities, the Quota Performance report is the default report.

You can change four fields before displaying the report by selecting from drop-down lists.

Navigation

Transaction > Report > Commission Summary

Parameters

Prompts	Choices	Mandatory
Analyst	List of Values	Yes
Period	List of Values	Yes
Credit Type	List of Values	Yes
Reporting Currency	List of Values	No

Data

Column Title	Description
Name	Resource Name
Resource Number	Resource Number
Cost Center	Resource Cost Center
Charge to Cost Center	Cost Center where commission will be charged

Column Title	Description
Analyst	Analyst Name
Sales Role	Resource Sales Role
Compensation Plan	Compensation Plan
Start Date	Start Date
End Date	End Date
Bonus Annual Quota	Bonus Annual Quota
Bonus Percent	Bonus Percent
Quota Annual Quota	Quota Annual Quota
Quota Percent	Quota Percent
YTD Bonus Target	Year to date bonus target
YTD Bonus Credit	Year to date bonus credit
YTD Bonus Earnings	Year to date bonus earned
YTD Quota Target	Year to date quota
YTD Quota Credit	Year to date sales credit
YTD Quota Earnings	Year to date quota-based earnings
YTD Total Earnings	Year to date total earnings (quota-based earnings plus bonus earned)
PTD Bonus Target	Period to date bonus
PTD Bonus Credit	Period to date bonus credit
PTD Bonus Earnings	Period to date bonus earnings
PTD Quota Target	Period to date quota
PTD Quota Credit	Period to date sales credit
PTD Quota Earnings	Period to date quota-based earnings
PTD Total Earnings	Period to date total earnings (quota-based earnings plus bonus)
Begin Balance	Beginning Balance of what is due to the resource
Draw	Amount of Draw paid
Net Due	Amount due after deductions

Steps

1. Select an Analyst from the drop-down list. The default is All.
2. Select a period from the drop-down list.
3. Select Functional Currency in the Credit Type field.
4. Select a Reporting Currency for the report from the drop-down list.
5. Click **Apply**.

   The report appears.
6. Click the Personalize button at the end of the report to customize the report.

   The Quota Performance Personalization page appears. Check check boxes to select Display Quota Groups (Bonus or Quota) and Display Periods (Annual, Year to Date, Period to Date).
7. Click the Download button at the end of the report to download the report as a file.

Guidelines

If you want to run this report using a currency other than Functional Currency, be sure to configure the following system profile appropriately: OSC: Default Conversion Type. See the *Oracle Incentive Compensation Implementation Guide*, Appendix C, for more specific information.

11.4.6 Quota Performance Report

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

Navigation

Transaction > Report > Quota Performance

Parameters

Prompts	Choices	Mandatory
Analyst	List of Values	Yes (only for super user)
Period	List of Values	Yes

Prompts	Choices	Mandatory
Credit Type	List of Values	Yes
Reporting Currency	List of Values	No

Data

Column Title	Description
Name	Resource Name
Resource Number	Resource's Employee Number
Cost Center	Resource Cost Center
Charge to Cost Center	Cost Center where commission will be charged
Analyst	Analyst Name
Sales Role	Resource Sales Role
Compensation Plan	Compensation plan name
Start Date	Start date
End Date	End date
YTD Draw Target	Year to date draw
YTD Draw Credit	Year to date Draw sales credit
YTD Draw Earnings	Year to date draw earnings
YTD Formula Target	Year to date formula
YTD Formula Credit	Year to date formula credit
YTD Formula Earnings	Year to date formula earnings
YTD Quota Target	Year to date quota
YTD Quota Credit	Year to date sales credit
YTD Quota Earnings	Year to date quota-based earnings
YTD Total Earnings	Year to date total earnings (quota-based earnings plus bonus earned)
PTD Draw Target	Period to date draw
PTD Draw Credit	Period to date Draw sales credit
PTD Draw Earnings	Period to date draw earnings

Column Title	Description
PTD Formula Target	Period to date formula
PTD Formula Credit	Period to date formula credit
PTD Formula Earnings	Period to date formula earnings
PTD Quota Target	Period to date quota
PTD Quota Credit	Period to date sales credit
PTD Quota Earnings	Period to date quota-based earnings
PTD Total Earnings	Period to date total earnings (quota-based earnings plus bonus)

11.4.7 Commission Statement

The Commission Statement report gives you a complete look at all of the transactions for a resource for a selected period. The columns on the report are the parameters that you selected in the parameters modification page, which is also called Commission Statement Report.

This report must include the Transaction Amount column, the only required field. Any other columns are optional, so you can configure the report to display exactly the information that you need. The report can be modified easily by returning to the Commission Statement Report modification page and changing the parameters.

Prerequisites

The report columns must be selected on the Commission Statement Report modification page.

Navigation

Transaction > Report > Commission Statement

Also, you can drill down to this report from the Year to Date Summary.

Parameters

Prompts	Choices	Mandatory
Resource Name	List of Values	Yes
Period	List of Values	Yes
Period Type	List of Values	Yes

Prompts	Choices	Mandatory
Plan Element	List of Values	No
Reporting Currency	List of Values	No

Data

This standard report lists the transactions a resource is eligible to receive commission for during a specified period. The columns visible are controlled by the System Administrator. You can display up to 12 columns without having to scroll left or right. Below is a sample of the available columns for this report.

Column Title	Description
Invoice Number	Invoice Number
Invoice Date	Invoice Date
Order Date	Order Date
Order Number	Order Number
Creation Date	Creation date
Plan Element	Plan element
Transaction Type	Transaction type
Sales Credit	Sales credit
Commission Amount	Commission Amount
Credit Receiver	Credit Receiver
Attribute1 (-100)	Custom attributes

Steps

1. Click the Transaction tab and click the Reports subtab.

   The Summary of Compensation Reports page appears.

2. Click the Compensation Statement hyperlink.

3. The Commission Statement Report configuration page appears. On this page, change the report parameters as needed.

4. To save the report for later use, save it with a new name by entering the new name in the Report Name field and clicking **Save**.

5. If you want to run the reconfigured report without saving it, click **Run Report**.

   The Commission Statement Report appears.

6. To download the report to a .csv file, click the download icon next to the Modify Parameters button.

7. You can change the sort order of a column with a hyperlinked header by clicking the header. A blue arrow marks the sort order, ascending or descending.

Guidelines

The Commission Statement Report is a seeded saved report. If you change the display options and then attempt to save the report with the default name Commission Statement Report, an error message displays. If you want to save the report with different query or display parameters, you must give it a new name, as described in step 4 above.

After the report is displayed, you can drill down on a amount in the Invoice Number column to display the Invoice Detail page. This page displays the following information:

- Number
- Payment Type
- Receipt Date
- Maturity Date
- Customer Name
- From Bank
- From Account

Payment information includes the following:

- Currency
- Payment Amount
- Amount Applied
- On Account
- Unapplied Account

The Line Details area displays eleven columns of information related to the transaction.

You can click the amount in the Order Number column to display the Order Detail page. This page shows the following general information:

- Number
- Date
- Type
- Resource

The Order Detail page displays the following shipping information:

- Ship to Person
- Ship to Address
- Ship Method

The area below the shipping information displays billing information:

- Bill to Person
- Bill to Address
- Taxable
- Currency
- Freight Terms
- Total

The Line Details area at the bottom of the screen shows nine fields of information related to the order itself, including the product, quantity ordered, and extended price.

11.4.8 Unprocessed Transactions

The Unprocessed Transactions report shows all transactions that:

- Have not been loaded, or
- Are in the status of Failed Classification, Classified, Rolled Up or Failed Rollup.

You can run this report for any calculation status, load status and adjustment status for any specified resource, date, transaction type, order and invoice number.

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

Navigation

Transaction > Report > Unprocessed Transactions

Parameters

Prompts	Choices	Mandatory
Resource Name	List of Values	Yes
Order Number	List of Values	No
Adjustment Status	List of Values	No
Load Status	List of Values	No
Invoice Number	List of Values	No
Processed Date From	List of Values	No
Processed Date To	List of Values	No
Transaction Type	List of Values	No
Adjustment Date	List of Values	No
Calculation Status	List of Values	No
Reporting Currency	List of Values	No

Data

This standard report lists the transactions a resource is eligible to receive commission for during a specified period. The columns visible are controlled by the System Administrator. You can display up to 12 columns without having to scroll left or right. Below is a sample of the available columns for this report.

Column Title	Description
Invoice Number	Invoice Number
Invoice Date	Invoice Date
Order Date	Order Date
Order Number	Order Number
Creation Date	Creation date
Process Date	Process date

Column Title	Description
Transaction Type	Transaction type
Adjustment Status	Adjustment status
Adjustment Date	Adjustment date
Adjusted By	Adjusted by
Load Status	Load status
Calculation Status	Calculation status
Sales Credit	Sales credit
Attribute 1 (-100)	Custom attribute

11.5 Configuring Reports

Each JSP report has a corresponding region in the Applications Core Module. The information in that region determines what end users see displayed on their screens in the form of the reports. A System Administrator can log into Forms as the Application Developer Common Modules responsibility to configure the JSP reports.

For all 18 reports, you can change the name of the column labels in the report. For example, in the Commission Statement report, you can change the name of the *Resource Name* column to *Partner Name* if you are trying to pay partners.

Three reports can also be configured to hide or display certain columns. These reports are:

- Transaction Details
- Commission Statement
- Unprocessed Transactions

See the *Oracle Incentive Compensation Implementation Guide,* Chapter 5, Section 5.50.21 for the steps to perform these procedures.

11.6 Discoverer Workbooks

Oracle Discover 4*i* is an ad hoc query, reporting, analysis, and web publishing tool. It is tightly integrated with Oracle E-Business Suite Release 11*i*. As a key component of Oracle 9*i* it is useful in Oracle Incentive Compensation for creating, modifying, and executing ad hoc queries and reports.

Eight predefined Discoverer workbooks are provided in this release.

To install Discoverer 4*i*, refer to the Oracle Discoverer End User Layer notes on MetaLink.

These are the seeded Discover reports:

- Section 11.6.1, "Calculation Batch Process Report"
- Section 11.6.2, "Compensation Plan Revenue Class Mapping"
- Section 11.6.3, "Resources Not Validated for Calculation"
- Section 11.6.4, "Different Pay Group Assignment and Compensation Plan"
- Section 11.6.5, "Commission Statement Report"
- Section 11.6.6, "Transaction Details Report"
- Section 11.6.7, "Formula Definitions"
- Section 11.6.8, "Resource Assignments Overview"

11.6.1 Calculation Batch Process Report

This workbook allows the monitoring and analysis of batch calculation processes as they run. Columns include:

- Batch Number
- Concurrent Manager Phase
- Calculation Phase
- Calculation Phase Start Time
- Calculation Phase End Time
- Calculation Batch Total Completion Time

11.6.2 Compensation Plan Revenue Class Mapping

This workbook shows, for a given effective date, all plan element and revenue class assignments for a compensation plan. The workbook can be used to list revenue classes that identify a compensation plan's plan elements that will generate commissions. Columns include:

- Plan Element Name
- Revenue Class Name

- Revenue Class Parent

11.6.3 Resources Not Validated for Calculation

This workbook checks pay group assignment and compensation plan validity for a specific effective date. There are two worksheets, one for invalid compensation plans and one for resources without a pay group. This report should be run before initiating a calculation batch process. Columns include:

- Analyst Name
- Resource Name
- Resource Number
- Role Name
- Compensation Plan Name
- Compensation Plan Start Date
- Compensation Plan End Date

11.6.4 Different Pay Group Assignment and Compensation Plan

This workbook identifies resources whose compensation plan assignments are not correlated with their pay group assignments. This report should be run before starting the calculation process. Columns include:

- Analyst Name
- Resource Name
- Resource Number
- Role Name
- Compensation Plan Name
- Compensation Plan Start Date
- Compensation Plan End Date
- Pay Group Name
- Pay Group Start Date
- Pay Group End Date

11.6.5 Commission Statement Report

This workbook provides transaction details by resource for a specified time period. It can also be run for a specific analyst for a time period to collect all transactions for all analyst resources. All transactions that have been calculated successfully are reported. It displays batch calculation process status. Columns include:

- Period
- Invoice Number
- Invoice Date
- Order Number
- Order Date
- Created Date
- Plan Element
- Transaction Type
- Sales Credit
- Commission
- Credit Receiver
- Direct Credit Receiver
- CN_COMMISSION_HEADERS attributes
- Total - Sales Credit
- Total - Commission

11.6.6 Transaction Details Report

This workbook provides transaction details by resource for a specified time period. It can also be run for a specific analyst for a time period to collect all transactions for all analyst resources. All transactions are reported irrespective of their status. It displays the same information as the online version of the report. Columns include:

- Adjustment Status
- Calculation Status
- Transaction Type
- Invoice Number

- Invoice Date
- Order Number
- Order Date
- Created Date
- Processed Date
- Plan Element
- Adjusted By
- Sales Credit
- Commission
- Credit Receiver
- Direct Credit Receiver
- CN_COMMISSION_HEADERS attributes
- Total - Sales Credit
- Total - Commission

11.6.7 Formula Definitions

This workbook shows the details of the calculation formula that is associated with a resource's compensation plan. There are two worksheets. One worksheet shows input and output expressions for calculation and another worksheet shows input and output expressions used for forecasting. The worksheets identify all incomplete formulas that have been assigned to resources and also identifies all formulas that utilize a specific expression. Columns include:

- Compensation Plan Name
- Compensation Plan Element Name
- Formula Name
- Formula Type
- Formula Status
- Apply Transactions
- Split
- Cumulative

- Interval to Date
- Planning
- Input Expression Name
- Output Expression Name
- Performance Measure
- Rate Table Name

11.6.8 Resource Assignments Overview

This report captures all of the assignments that a resource has: compensation group, role, compensation plan, pay group, analyst, and effective date assignments for resources. Columns include:

- Analyst Name
- Resource Name
- Resource Number
- Resource Start Date
- Resource End Date
- Resource Hold Flag
- Pay Group Name
- Pay Group Start Date
- Role Name
- Role Start Date
- Role End Date
- Compensation Group Name
- Compensation Group Start Date
- Compensation Group End Date
- Compensation Plan Name
- Compensation Plan Start Date
- Compensation Plan End Date

Part V

Administration

This part contains the following chapter:

- Chapter 12, "Administration"

12

Administration

Sections in this chapter include:

- Section 12.1, "Overview of Administration"
- Section 12.2, "System Parameters"
- Section 12.3, "Tables"
- Section 12.4, "External Table Join Conditions"
- Section 12.5, "Accumulation Periods"
- Section 12.6, "Pay Periods"
- Section 12.7, "Interval Types"
- Section 12.8, "Revenue Class"
- Section 12.9, "Rulesets"
- Section 12.10, "Hierarchy Types"
- Section 12.11, "Credit Types"
- Section 12.12, "Credit Conversion"
- Section 12.13, "Collection"
- Section 12.14, "Pay Groups"
- Chapter 12.15, "Payment Plan"
- Section 12.16, "Payroll"
- Section 12.17, "Components"
- Chapter 12.18, "Attainment"
- Section 12.19, "Job Titles"

- Section 12.20, "User Access"
- Section 12.21, "Settings"
- Chapter 12.22, "Seasonality Schedules"
- Section 12.23, "Rate Dimensions"

12.1 Overview of Administration

The Administration tab is home to many of the setups in Oracle Incentive Compensation. For example, this is where pay periods, quota components, seasonality schedules, and other essentials of the Incentive Compensation process are defined.

In some cases, such as system parameters, the set of books is defined in Oracle General Ledger but is selected in the Administration tab for Oracle Incentive Compensation purposes.

In this chapter, for easy reference, the setups are listed in the order in which they appear on the Administration tab > Incentive subtab.

When you define a resource and assign that resource to a resource group, the Group should have the following usages: 'Sales and Telesales' and 'Sales Compensation'. However, you can bypass these group usages by setting the system profile Bypass Group Validation to Y.

12.2 System Parameters

This page is used to define the basic parameters of Oracle Incentive Compensation. It is divided into five sections:

- Section 12.2.1, "General": Where you define the name of the instance and select from existing revenue class hierarchies.
- Section 12.2.2, "General Ledger": Where you select a set of books, which identifies a company or fund within Oracle Applications that shares a common chart of accounts, structure, calendar, and functional currency.
- Section 12.2.3, "Collection": Where you control performance settings, including Collection Batch Size and Transfer Batch Size, and Takeback grace days.
- Section 12.2.4, "Calculation": Where you make five settings, four of which affect calculation performance, including Transaction Batch Size, latest processed date, Resource Batch Size, and Managerial Rollup.

- Section 12.2.5, "Payment": Where you indicate whether Oracle Payroll and Oracle Payables are implemented, and set the level of account code generation.

Navigation

Administration > Incentive > Parameter

12.2.1 General

1. Enter the name of your Oracle Incentive Compensation instance.
2. Select a Revenue Class Hierarchy from the list of values.

12.2.2 General Ledger

A set of books identifies a company or fund within Oracle Applications that shares a common chart of accounts, structure, calendar, and functional currency. Oracle Incentive Compensation processes sales compensation payments according to periods defined in a calendar associated with a set of books that are defined in Oracle General Ledger (see Oracle General Ledger Reference).

Prerequisites

None

Steps

1. In the Set of Books field, choose a GL set of books from the list of values, which Oracle Incentive Compensation obtains from all sets of books that have been defined.
2. You then see displayed this information obtained from the GL books:
   - Currency associated with this set of books (view only, cannot be edited)
   - Calendar associated with this set of GL books (view only, cannot be edited)
   - Period Type associated with this set of GL books (view only)

12.2.3 Collection

Steps

1. Select a Collection Batch Size. This affects the amount of time the application requires to process the total transactions.

2. Select the number of Clawback Grace Days. This determines the number of days allowed after the payment due date before sales credit is taken back.

Note: The Transfer Batch Size field is obsolete. It will be removed in a future release.

12.2.4 Calculation

Within the Calculation area of the System Parameters page, there are five fields. Four of the fields may affect calculation and its performance: Transaction Batch Size, Latest Processed Date, Resource Batch Size, and Managerial Rollup. A fifth field included under calculation, Rule Batch Size, does not affect calculation in any way. This option is used when creating the Classification Rules Package.

The Transaction Batch Size and Resource Batch Size together determine how many transaction batch runners get submitted for concurrent calculation. Nonconcurrent calculation always uses one batch. During the transaction batch processor phase, Oracle Incentive Compensation determines how many batches will be run for the concurrent calculation process. For example, if you want to calculate 10,000 transactions and the batch size is 1,000, ten batches are created.

The salespeople are first assigned to a PHYSICAL_BATCH_ID based on the transaction batch size and salespeople batch size as defined on the System Parameters page. During the assignment, calculation moves through each of the salesrep_id sequentially (for example, 1000, 1001, 1002, 1010, and so on).

Calculation assigns each resource to a single physical_batch_id. It does not split the resource across two batches.

To improve the performance of concurrent calculation, and thereby save time, Oracle Incentive Compensation reuses existing resource groupings to create batch runners. Sometimes, over time or due to certain circumstances, the existing groupings create a skewed distribution of transactions and need to be regrouped. A simple setting of the Transaction Batch Size parameter controls this. To reuse existing groupings, enter a transaction batch size ending in a zero (0), for example, 2,500. To make the application regroup salespeople and transactions into new batch runners, enter a transaction batch size ending in a number other than zero, for example, 2,501. After you are satisfied with the new grouping and want to reuse it, reset the transaction batch size parameter to a number ending in zero.

Note: A good starting point for setting the values for resource batch size is a rough equivalent to the maximum number of concurrent manager slots and the number of server processors available. You can then fine tune the numbers to get the best setting for your setup.

The Latest Processed Date field is a view-only field that indicates the date of the latest transaction for which calculation has been run. If the system profile OSC: Prior Adjustment is set to no, it allows all plan elements in a period to be calculated incrementally. Before enabling the profile option, be sure that any transactions that have a processed date earlier than the latest processed date showing in the System Parameter window have been calculated.

Check the Managerial Rollup check box if you want sales credits to roll up through the compensation group hierarchies. If the box is checked, Oracle Incentive Compensation awards indirect credit for each transaction whose direct credit receiver is in the compensation group hierarchy. This parameter affects all transactions--you cannot selectively allocate indirect credit on a transaction-by-transaction basis.

Steps

1. Configure a transaction batch size that is appropriate to your calculation requirements.
2. Configure a resource batch size that is appropriate to your calculation requirements.
3. Check the Managerial Rollup check box if you want sales credits to roll up through the compensation group hierarchies.

12.2.5 Payment

Account Generation is an option you can use to populate account codes at the appropriate detail level and then select from where the application pulls expense and liability information. **Note:** If the account level population is set to Classification or Revenue Class, the system profile Pay by Transaction must be set to Y for the account to be populated to the Accounts Payable interface.

There are four levels of detail where population can occur:

- Classification - The application takes expense and liability accounts that are provided on the Ruleset Details page and passes that information to Accounts Payable.
- Plan Element - The application takes expense and liability accounts that are provided on the Plan Element page and passes that information to Accounts Payable.

- Revenue Class - The application takes expense and liability accounts that are provided on the Revenue Class Summary page and passes that information to Accounts Payable.
- Custom - The Custom option provides flexibility for companies that want to pass along expense and liability data which are independent of the normal Oracle Incentive Compensation classification process. Mapping to this data is required.

Account Generation is set at the application level. Once it is set, the application obtains all of the information from only that level. This means that regardless of where you populate data, if it doesn't match the system option, it cannot be used. For example, if you set the system parameter to Plan Element and begin populating expense and liability account information at the Revenue Class level, the application ignores whatever you enter at the Revenue Class level.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. The system parameters page opens. It is the first selection on the side panel menu.
3. Scroll down to the Payment area.
4. Select the level of account generation from the Account Generation drop-down list.
5. Click **Update** to save your changes. If you are making changes to existing System Parameters, you can click **Restore** to return to the previously saved information.

If you select the Classification level from the Account Generation drop-down list, you must perform the following setup, which is similar to the current classification Ruleset procedure:

Steps

1. Click the Administration tab and click the Incentive tab.
2. In the side panel menu, click **Ruleset**.

   The Rulesets page appears.
3. Define the name of the ruleset
4. Enter a start date and an end date for the ruleset. Click the calendar icons to open pop-up calendars.

5. Select the type of Account Generation from the drop-down list.
6. Click **Update** to save.
7. Click Rules in the Rules column.

   The Rules Hierarchy page appears.
8. In the lower part of the page, enter a name for the new rule.
9. Add Expense Code and Liability Code names. Click the flashlight icons to open a search box. Enter four or more characters in the search field and click **Go**, then select the code you need.
10. Click **Update** to save your changes.
11. Click the Attributes link for the new rule.

    The Rule Attributes page appears.
12. Choose an attribute and a value using the flashlight icons to open search boxes.
13. Optionally, check the Not check box to specifically exclude the value of the attribute from classification.
14. Optionally, enter additional attributes for the rule.

    Note: Every attribute is assumed to be linked to other attributes with AND. 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.
15. Save the rule.

    The expression appears.
16. To add rules in the rules hierarchy, position your cursor over the parent rule, right click, and choose New Rule. Repeat from step 2.
17. Return to the Ruleset form for every ruleset that has new or changed rules and click **Synchronize**.

In order for the system to know to transfer the account code, you must first be able to classify the transactions. To classify the transaction, perform the steps below. Create the same rule as you created in the Ruleset for Account Generation. Then, you can calculate and pay for transactions.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click **Ruleset** in the side panel menu.

The Rulesets page appears.

3. In the first blank field in the Ruleset Name column, enter the name of the new ruleset.
4. Enter a start and an end date for the ruleset. Click the calendar icons to open pop-up calendars.
5. Select Revenue Classification from the Ruleset Type drop-down list.
6. Click **Update** to save your ruleset.

Guidelines

The application checks to see what account generator level has been set. Based on this level, the appropriate Accounts Payable accounts are associated to the line item. The three levels are as follows:

Revenue Class: Each revenue class will be assigned a specific liability and expense account. This option should be used if tracking expenses for each product is required.

Plan Element: Each plan element can be assigned a specific liability and expense account. This option should be used if all products assigned to the plan element will be assigned to the same expense and liability account.

Classification: An entire rule can be assigned a specific liability and expense account.

12.3 Tables

Use the Tables page to define tables from Accounts Receivable, Order Management, or an external source that are used in collecting and calculating transactions in Incentive Compensation. Tables must be defined before they can be used in collection or calculation. To define tables, perform the following procedure.

Navigation

Administration > Incentive > Tables

Prerequisites

Tables must exist in the database.

Steps

1. Click the Administration tab and click the Incentive subtab.

2. Click the Tables link in the side panel menu.
3. The Tables page appears.
4. Optionally, enter search parameters by Schema, Table Name, or User Name.
5. Click **Apply**.
6. Enter a Schema in the Schema field. Click **Go** to open a pop-up list from which to select a name.
7. Enter a Table Name from which you want to collect data. Use the pop-up list if necessary.
8. Enter a User Name.
9. Enter a description if desired.
10. In the Usage column, select Collection, Calculation, or None from the drop-down list.
11. Click **Update** to save your work.
12. Use the details field to add any useful information. Click **Columns** in the details column to go to the Columns page.
13. If necessary, click **Restore** to return to the previously stored information.
14. Click **Update** to save your work.

12.3.1 Columns

After you have defined tables for collection or calculation, use the Columns page to define specific columns and relate them to columns in other tables.

There are four views of the Columns page, selected from the View drop-down list at the top of the page. The four views have different fields of information that can be entered.

- The Columns view displays the column data type and data length, and contains check boxes for Usage and Foreign Key.
- The Dimensions view contains a field for Dimension Name and a Value check box.
- The Classification view provides a Value check box, enables classification as alphanumeric, date, or numeric, and contains a field for selecting a value set name.

- The Primary Key view supplies a Primary Key check box. The Position column is not used in the current release.

All four views contain the column name, the user name assigned to it, and a field for an external call. The external call column is used only in the Column view. The column name is set in the application, but you can assign a user name to it to match your business process or for ease of use.

The external call column enables you to optionally enter the name of a jsp, which is then invoked by Oracle Incentive Compensation as the source of data for the Invoice Number and Order Number fields in the Commission Statement report. For the Commission Statement drilldown to work, the Enable Commission Statement Drilldowns profile should be set to Yes.

Navigation

Administration > Incentive > Tables > Columns

Prerequisites

None

Steps

1. The Columns view is the default display. To use a different view, select it from the View drop-down list.
2. To use the Columns view, click **Apply**.

   The Columns page display changes to the view you have selected.
3. For the Columns view, perform the following steps:
   a. Change the name in the User Name field to assign a name that is used in your business or is easy to understand.
   b. Optionally, enter an external call (see previous information in this section).
   c. The Data Type field indicates if the column contains alphanumeric material (VARCHAR2), numerical data (NUMBER), or a date (DATE).
   d. Check the Usage check box if you plan to use the column for calculation.
   e. Check the Foreign Key check box if you plan to use the column as a foreign key to relate the column to columns in another table.
   f. Click **Update** to save your changes. If necessary, click **Restore** to return to the previously stored information.

4. For the Dimensions view, perform the following steps:
   a. Change the name in the User Name field to assign a name that is used in your business or is easy to understand.
   b. Select a dimension name. Enter four or more characters in the Dimension Name field and click **Go**. A pop-up list appears from which you can make a selection.
   c. Check the Value check box next to the column to use that column's value as the basis for defining the hierarchy of the selected dimension.
   d. Click **Update** to save your changes. If necessary, click **Restore** to return to the previously stored information.
5. For the Classification view, perform the following steps:
   a. Change the name in the User Name field to assign a name that is used in your business or is easy to understand.
   b. Check the Value check box next to a column to use that column for defining classification rules.
   c. Make a selection from the Classification drop-down list. Choices include Alpha Numeric, Date, or Numeric.
   d. Optionally, enter a name in the Value Set Name field. Enter four or more characters in the Dimension Name field and click **Go**. A pop-up list appears from which you can make a selection.
   e. Click **Update** to save your changes. If necessary, click **Restore** to return to the previously stored information.
6. For the Primary key view, perform the following steps:
   a. Optionally, change the name in the User Name field to assign a name that is used in your business or is easy to understand.
   b. Optionally, check the Primary Key check box. If a column is enabled as the primary key, it will be used in the join condition with an external table when doing an external table join.
   c. Click **Update** to save your changes. If necessary, click **Restore** to return to the previously stored information.

12.4 External Table Join Conditions

Sometimes the information you need is located on a table that is not in Oracle Incentive Compensation. Use this page to join external tables to destination tables in Oracle Incentive Compensation.

Navigation

Administration >Incentive > External Table

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the External Table link in the side panel menu.

   The External Table Join Conditions page appears.
3. If the list is long, you can search for a join condition by entering a search string in the Name field at the top and clicking **Apply**. Note: This search is case sensitive.
4. Enter a name for the condition in the Name column. This is a required field.
5. In the Usage column, select Collection or Calculation from the drop-down list. This is a required field.
6. Enter the source table. You can click **Go** to open a pop-up list. Click your selection to enter it into the field.
7. The Alias is system generated.
8. Enter a name of the destination table in Oracle Incentive Compensation. Click **Go** to open a pop-up list from which to make a selection.
9. Click **Columns** in the External Columns column to another page where you can specify source and destination columns.
10. If you want to remove a line, check the Remove check box and the line will be deleted the next time **Update** is clicked.
11. If necessary, click **Restore** to return to the previously saved information.
12. Click **Update** to save your changes.

12.4.1 External Table Join Conditions - External Columns

Use this page to indicate which external columns to use from an external table. The table join conditions are defined on the External Table Join Conditions page.

Navigation

Administration > Incentive > External Table

Prerequisites

External Tables must be joined.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the External Table link in the side panel menu.

   The External Table Join Conditions page appears.
3. Enter a source column name from an external table in the left hand column.

   Click **Go** to search. You must enter a minimum of four characters. Choose a column name from the results in the Select pop-up window.
4. Enter a destination column name in the right hand column.

   This column uses the same search method as in step 1.
5. Continue adding pairs of columns as necessary.
6. Click **Update** to save your work. Click **Restore** to return to the previously saved information.

12.5 Accumulation Periods

Use the Accumulation Periods page to select the period status of your accumulation periods, verify their Status, or freeze them so they can be opened for a Year-to-Date Summary or Commission Statement by a resource using Oracle Sales Online.

Most of the Accumulation Periods page is read-only information. Only the Period Status and Freeze columns are changeable.

The period status can be set to Future Enterable, Open, Closed, or Permanently Closed. If a period is permanently closed, it cannot be opened.

Navigation

Administration > Incentive > Accumulation Period

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Accumulation Period link in the side panel menu.

   The Accumulation Periods page appears.
3. Select a year from the drop-down list and click Apply.

   The accumulation periods for the selected year are displayed.
4. Change the period status by selecting Open, Closed, or Permanently Closed from the drop-down list.
5. Optionally, check the Freeze check box to enable a Year To Date summary.
6. Click **Update** to save your changes. Before you save by clicking **Update**, you can click **Restore** to return to the most recently saved information.

Guidelines

You cannot close a period if there is a period before it that is open. For example, you cannot close the June 2002 period if the March 2002 period remains open. If you attempt to close a period that has an open period before it, a message displays at the top of the page:

> Cannot close a period when previous period is not closed.

If this occurs, click the browser's back button and close any previous open periods.

You cannot open a period if the previous period is in Never Opened status.

When you are updating or changing accumulation periods to Open, update only one date range at a time. Wait until the status changes from *In Progress* to *Open* before changing the next date range.

12.6 Pay Periods

This page displays essential information about pay periods that have been set up for a particular calendar and enables you to activate a period.

Navigation

Administration > Incentive > Pay Periods

Prerequisites

Pay periods are set up already.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Pay Periods link in the side panel menu.

   The Pay Periods page appears.
3. Select a calendar from the drop-down list.
4. Click **Apply**.
5. Activate a pay period that is currently inactive by selecting Active from the drop-down list in the Period Status column.

   Note: Active periods cannot be deactivated from this window.
6. If desired, select Previous Year or Next Year to view earlier or later pay periods.
7. Optionally, click **Restore** to return to the previously saved data.
8. Click **Update** to save your changes.

12.7 Interval Types

Intervals are used to set the time period during which commission is calculated. This page displays all intervals that have been created and enables creation of new intervals.

Commonly used intervals include period, quarter, and year. These intervals are predefined. You must define interval numbers for these intervals using the Interval Numbers page before they can be selected during creation of plan elements.

12.7.1 To View an Interval Type

To view details of an already created interval type, perform the following procedure.

Navigation

Administration > Incentive > Interval Types

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Interval Types link in the side panel menu.

   The Interval Types page appears.
3. In the Name column, click the name of the interval.
4. The Interval Number column shows the previously defined interval numbers, based on the calendar and period type shown above.
5. Select a year from the drop-down list to view interval numbers for other years.

Guidelines

See Guidelines for section below.

12.7.2 To Create a New Interval Type

Navigation

Administration > Incentive > Interval Types

Prerequisites

None.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Interval Types link in the side panel menu.

   The Interval Types page appears.
3. Click **Create**.
4. Enter a name and description for the new interval.
5. Click **Update** to save your work. If needed, click **Restore** to return to the previously saved information.
6. From the drop-down list, select the year for which you want to enter interval numbers.

   The interval numbers all display as 1.
7. Enter interval numbers. See Guidelines for suggested formats.

8. Click Update to save.

Guidelines

Interval numbers are user definable. When an interval is first created, all of the interval number fields contain a single numeral 1. You must then manually enter the interval numbers that you need for each year. After you have entered the numbers and clicked Update, they will remain stored, even if you select other years from the drop-down list.

Interval numbers must be unique for each period.

For example, for quarterly intervals:

JAN-01, FEB-01, MAR-01 are all numbered 2001001

APR-01, MAY-01, JUN-01 are all numbered 2001002, and so on.

For Monthly intervals:

JAN-01 is numbered 2001001

FEB-01 is numbered 2001002

MAR-01 is numbered 2001003, and so on.

12.8 Revenue Class

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

Perform the following procedure to define a revenue class.

Navigation

Administration > Incentive > Revenue Class

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.

2. Click the Revenue Class link in the side panel menu.

   The Revenue Class page displays all revenue classes that have been already been defined.

3. To define a new revenue class, enter the name in the first blank Name field.
4. Optionally, enter a description. The description often is the same as the name.
5. Select a Liability Code and Expense Code if needed to integrate with Accounts Payable.
6. To search for liability codes and expense codes, click **Go** to open a pop-up list. Use sort parameters in the field to narrow your search.
7. Click **Update** to save your work. If necessary, click **Restore** to return to the previously saved information.

   A Confirmation message displays across the top of the page when the save is successful.

8. To define a revenue class hierarchy, start at the Hierarchy Types page. That is also the place to add or delete nodes of the hierarchy.

12.9 Rulesets

A classification ruleset is used to classify sales transactions to determine the appropriate revenue class for the transaction. Then, using the revenue class, a transaction is matched with a compensation plan and a compensation amount to be paid for the transaction is calculated.

Rulesets are of two types, Revenue Classification and Account Generation.

- Revenue Classification defines the rules that are used to identify a revenue class for each transaction that the system processes as part of calculating commissions.
- Account Generation is used to integrate Oracle Incentive Compensation automatically with Accounts Payable and to classify transactions to identify Expense and Liability Accounts.

Create a rules hierarchy that accurately reflects your business requirements. Name your rules after the revenue classes they describe. Rules do not require unique names.

The Rulesets page lists all rulesets that have already been created. To view or edit a ruleset, find it and click **Rules**. Or, use the Saved Searches drop-down list. Click **Personalize** to create a custom search.

Use the following procedure to create a revenue classification ruleset and account generation rulesets for integration with Accounts Payable.

Navigation

Administration > Incentive > Ruleset

Prerequisites

Revenue Classes have been created and the user-defined flexfields of the CN_COMMISSION_HEADERS table have been defined.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Ruleset link in the side panel menu.

   The Rulesets page appears.
3. In the first blank field in the Ruleset Name column, enter the name of the new ruleset.
4. Enter a start and an end date for the ruleset. Click the calendar icons to open pop-up calendars. These fields are required.
5. Select Revenue Classification from the Ruleset Type drop-down list. This is a required field.
6. Click **Update** to save your ruleset.

   Note: If the ruleset dates overlap the dates of another ruleset, an error message displays at the top of the page and you cannot continue with creating the ruleset.
7. Click the **Rules** link in the Rules column to display the Rules Hierarchy. See Section 12.9.1, "Rules Hierarchy" for complete information on this page.

Guidelines

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

When you make changes to a ruleset, you must synchronize it. When you check the Synchronize check box and click **Update**, the application generates a database package based on the revenue classes and revenue class rules and saves it in an internal table. Before the status changes from Incomplete to Complete, it may display Install Pending. You do not need to synchronize a ruleset if you only rearranged the rules but did not otherwise change them.

A hierarchy of rules can be defined for each ruleset.

Every rule must have at least one attribute.

You can build expressions on the rules using the Build Expression page.

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 can be alphanumeric.

Every attribute is assumed to be linked to other attributes with AND. If you want any of the attributes to be related with OR, use the Build Expression page to relate the first two attributes with AND or OR.

Selecting the Hierarchy Values 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.

You can specify the exclusion of a value you defined by checking the Not check box. 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.

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).

12.9.1 Rules Hierarchy

A rules hierarchy sets up relationships between rules. The structure of a rules hierarchy starts with a root, then adds one or more parent rules, and then as many child rules as needed. A rule can have one or more child rules or siblings.

To query for a rule or to create a rule and add it to the rules hierarchy, perform the following procedure:

Navigation

Administration > Incentive > Ruleset > Click Rules link

Prerequisites

Classification Ruleset has been created.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Ruleset link in the side panel menu.
3. Click the Rules link in the Rules column.

   The Rules Hierarchy page appears.
4. To query for a rule, enter it into the Rule Name search parameter and click **Go**.

   The rule name, along with its hierarchy, is displayed in the List of Values.
5. To add a rule, in the lower section of the Rules Hierarchy page, select Root from the Add Rule column drop-down list.
6. Name the rule.
7. To assign the rule a revenue class name, enter at least four characters in the Revenue Class Name field and clicking **Go**. Click the revenue class from the list generated by the search. This step is optional. See Guidelines.
8. Click **Update**. The rule is displayed in the upper table of the Rules Hierarchy page. A confirmation message appears at the top of the page.
9. To define attributes for the rule, click **Attributes** in the Rule Attributes column next to the rule.

   The Rule Attributes page appears. See Chapter 12.9.3, "Rule Attributes" for more information.

10. To get to the Build Expression page, click **Expressions** in the Rule Expression column. The Expressions link is enabled only if the rule has two or more attributes defined.

    The Build Expression page appears. See Section 12.9.4, "Build Expression".

11. If necessary, click **Restore** to return to the most recently saved information.
12. Click **Update** to save your work.

12.9.2 Create Rules

The Create Rules page enables you to create a child or sibling to a rule on the Rules Hierarchy page. In this version of Oracle Incentive Compensation, this can also be done on the Rules Hierarchy page itself.

Navigation

Administration > Incentive > Ruleset > Rules Hierarchy > Click Rule Name link

Prerequisites

Ruleset must be created.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Ruleset link in the side panel menu.
3. Click the Rules link in the Rules column.

   The Rules Hierarchy page appears.

4. Click the link in the Rule Name column.
5. The Create Rules page appears.
6. Click **Create Child** or **Create Sibling**.
7. In the Rule name field, assign a name to the rule that you are about to define.
8. Enter a revenue class in the Revenue Class Name field. You can click **Go** to open a pop-up window. Click a name on the list.
9. If necessary, click **Restore** to return to the previously stored information.
10. Click **Update** to save your work.

12.9.3 Rule Attributes

Use the Rule Attributes page to assign single value, range value, and hierarchy attributes to rules. This page can be accessed from the Attributes link on the Rules Hierarchy page.

Navigation

Administration > Incentive > Ruleset > Rules Hierarchy > Click Rule Attributes link

Prerequisites

None

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Ruleset link in the side panel menu.

   The Rulesets page appears.
3. Click the Rules link in the Rules column.

   The Rules Hierarchy page appears.
4. Click the Attributes link in the Rule Attributes column.

   The Rule Attributes page appears.
5. In each of the three areas, enter four or more characters in the Attribute field and click **Go** to open a pop-up window list from which to select an attribute.
6. For the Single Value attributes, enter a value in the Value field.
7. For Range Value attributes, enter a low value and a high value in the fields.
8. For Hierarchy values, enter a hierarchy and a value. For the Hierarchy and Value fields you can enter four or more characters and click **Go** to open a list of values.
9. Each area has a Not Flag column containing a check box. Check the check box to indicate that you want to exclude that value from the rule. See Guidelines.
10. Every attribute is assumed to be linked to other attributes with *AND*. 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.
11. If necessary, click **Restore** to return to the most recently saved information.

12. Click **Update** to save your attributes.

12.9.4 Build Expression

Use the Build Expression page to create expressions for use in linking attributes in rules. All expressions require two operands and an operator. To build an expression, perform the following procedure.

Navigation

Administration > Incentive > Ruleset > Rules Hierarchy > Click Expressions link

Prerequisites

The rule must have two or more attributes in order to enable the Build Expressions link.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Ruleset link in the side panel menu.

   The Rulesets page appears.
3. Click the Rules link in the Rules column.

   The Rules Hierarchy page appears.
4. Click the Expressions link in the Rule Expressions column.

   The Build Expression page appears.
5. To delete an expression, select it and click **Delete Expression**.

   If you delete an expression by mistake, click **Restore** immediately, before saving, to return it to the list.
6. Enter Operand1 and Operand 2. Enter search parameters and click **Go** to open a pop-up list. Click your selection from the list displayed.
7. Select an Operand from the drop-down list.
8. If necessary, click **Restore** to return to the previously saved information.
9. Click **Build Expression** to save your work.

12.10 Hierarchy Types

The Hierarchy Types page lists the types of hierarchies used in Oracle Incentive Compensation by name, along with Base Table, Primary Key, and Hierarchy Values, which are all required fields. To define a hierarchy, perform the following procedure.

Navigation

Administration > Incentive > Hierarchy

Prerequisites

Dimension Base table, primary key, and hierarchy values must exist.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click Hierarchy in the side panel menu.

   The Hierarchy Types page appears.
3. In the first blank Name field, enter the name of the new hierarchy.
4. Add the correct Base Table, Primary Key, and Hierarchy Values information.
5. Click **Go** to open a pop-up list. Use search parameters, followed by a percent sign (%), in the fields to narrow your search. Four characters are required to perform a search. You must know at least four characters of the value.
6. If necessary, click **Restore** to return to the previously saved information.
7. Click **Update** to save your work.
8. To add nodes to the hierarchy,
   a. Click the Details link on the Hierarchy Types page to go to the Hierarchies detail page.
   b. On the Hierarchies page, click the Details link to go to the Intervals page to find the hierarchy.
   c. On the Intervals page, assign a start date and an end date. Click the Details link to go to the Hierarchies page, where the nodes can be added.

12.10.1 Hierarchies Detail

This page, called Hierarchies, displays the name of a hierarchy with a details link.

Navigation

Administration > Incentive > Hierarchy > Details link

Prerequisites

At least one hierarchy must exist.

Steps

1. Click Administration tab and the Incentive subtab.
2. Click Hierarchy in the side panel menu.

   The Hierarchy Types page appears.
3. To remove a hierarchy, check the Remove check box.
4. If necessary, click **Restore** to return to the previously stored information
5. Click **Update** to save your changes.
6. Click the Details link to go to the Intervals page (following).

12.10.2 Intervals

This page shows start and end dates, among the name of the root node, for a hierarchy. Perform the following procedure to make changes to hierarchy intervals.

Navigation

Administration >Incentive > Hierarchy > Hierarchies > Details link

Prerequisites

Hierarchy must be created.

Steps

1. Click Administration tab and the Incentive subtab.
2. Click Hierarchy in the side panel menu.

   The Hierarchy Types page appears.
3. Click the Details link to go to the Hierarchies page.
4. Click the Details link to go to the Intervals page.

5. To enter or change Start Date an End Date fields, type in new dates or use the calendar icon at the right of the field. Click the icon to open a pop-up calendar.
6. Click **Details** to go to the Hierarchies page. This page is different from the Hierarchies detail page. This Hierarchies page is where new nodes can be added to or deleted from a hierarchy.
7. Check the Remove check box to remove an interval.
8. If necessary, click **Restore** to return to the previously saved information.
9. Click **Update** to save your changes.

12.10.3 Adding and Deleting Hierarchy Nodes

Use this procedure to define the parent-child relationship between all nodes in a hierarchy. You can add nodes to or delete nodes from a hierarchy. **Warning:** Do not delete the Base Node of the seeded revenue class hierarchy.

Navigation

Administration >Incentive > Hierarchy > Hierarchies > Intervals > Hierarchies

Prerequisites

Hierarchy must be created.

Steps

1. Click Administration tab and the Incentive subtab.
2. Click Hierarchy in the side panel menu.

   The Hierarchy Types page appears.
3. Click the Details link to go to the Hierarchies page.
4. Click the Details link to go to the Intervals page.
5. Click the Details link to go to the Hierarchies page (not the same page as in step 3).
6. To enter or change Start Date an End Date fields, type in new dates or use the calendar icon at the right of the field. Click the icon to open a pop-up calendar.
7. Click **Details** to go to the Hierarchies page. This page is different from the Hierarchies detail page. This Hierarchies page is where new nodes can be added to or deleted from a hierarchy.

Guidelines

Root node is the highest level of the hierarchy. In Oracle Incentive Compensation, you can place as many nodes under the root node as necessary to meet the business objective. Oracle Incentive Compensation provides you with the flexibility of creating multiple root nodes. For example, you can create a root node for France Products and another for Germany Products.

A parent node is a node that has at least one node that rolls up to it. A parent node typically summarizes information concerning the nodes below it, referred to as child nodes. An example of a parent node would be Western States and under it child nodes called California, Oregon and Washington.

A child node rolls up to a parent node. A child node can roll up to only one parent node. For example, under the parent node of California the child nodes could be called San Francisco and Los Angeles.

You can create a new hierarchy under an existing hierarchy type, or you can create a new hierarchy type and then build the hierarchy there. To create a hierarchy in a new hierarchy type, perform the following procedure. For more information on the structure of a hierarchy, see Guidelines.

This process is performed on the Hierarchies page, which is the main page for the hierarchy tree. To see a list of all the hierarchies in your implementation of Oracle Incentive Compensation, see Section 12.10, "Hierarchy Types".

Steps for Adding Nodes

1. Starting at the Base Node, enter the names of all children of this node. Use the list of values to select the children.
2. To add a child node to the Base Node, or to any node, click the button in the Child column next to that node.
3. To define the next level in the hierarchy, click the plus sign in the hierarchy to open the child node below it.

   The child moves to the Current Node position and the application displays the children of the new parent, if they exist.
4. Enter the names of all children of this parent.
   a. Use the Add Child field to select child nodes.
   b. Click **Go** to open a pop-up list.
5. Repeat steps 2 through 4 to define all nodes in the hierarchy.
6. If necessary, click **Restore** to return to the previously saved information.

7. Click **Update** to save your work.

Guidelines

By default, Oracle Incentive Compensation names the highest level root of every hierarchy base node. You can change this name.

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

Steps for Deleting Nodes

Warning: Do not delete the Base Node of the seeded Revenue Class hierarchy.

1. Expand the nodes by clicking the plus sign to the left of their names to get to the node that you want to delete.
2. Check the check box in the Remove column next to node.
3. If necessary, click **Restore** to return to the previously stored information.
4. Click **Update** to save your deletion. See Guidelines for important information.

Guidelines

Hierarchy deletes are cascading. This means that if you delete a node, all children of that node are deleted along with it.

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

12.11 Credit Types

Use the Credit Types page to define all credit types to be used in Oracle Incentive Compensation. Credit types include Functional Currency, points, air miles, or any custom form of credit that you want. These definitions are optional, and non-monetary credits must be converted to functional currency to be paid. To view, change, or remove a credit type, perform the following procedure.

Navigation

Administration > Incentive > Credit Type

Prerequisites

None

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Credit Type link in the side panel menu.

   The Credit Types page appears.
3. Use the search parameters at the top of the page if necessary.
4. Change the values in the Precision and Extended Precision fields if needed.

   Precision defines how fine a grain the credit type can be divided.
5. The Functional Currency cannot be changed by a user.
6. If desired, check the Remove check box next to a credit type to remove it from the listing.
7. If necessary, click **Restore** to return to the previously saved information.
8. Click **Update** to save your changes.

To add a new credit type, perform the following procedure.

Steps

1. Enter a name for your credit type into the Name column in the topmost empty row.

   Click the eraser icon to erase any mistakes in the current row as you work.
2. Enter precision and extended precision information.
3. Click **Update** to save your work.

12.12 Credit Conversion

Use the Conversion Factor page to set conversion factors for converting one credit type to another, such as setting the conversion rate between the nonmonetary credit type and the functional currency. The credit types are defined using the Credit Types page.

Navigation

Administration > Incentive > Credit Conversion

Prerequisites

None

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Credit Conversion link in the side panel menu.

   The Credit Conversion page appears.
3. Enter a credit type in the From Credit Type column.

   Click **Go** to select from a list of values.
4. In the To Credit Type Column, indicate the credit type to which you want to convert the credit.

   Click **Go** to select from a list of values.
5. Enter a conversion factor. For example, $100 credit can equal 10,000 Air Miles.
6. Enter effective dates in the Start Date and End Date fields.
7. To return to the previously saved version, click **Restore**.
8. Click **Update** to save your work.

12.13 Collection

For all information on Collection setups on the Incentive subtab of the Administration tab, see Chapter 8, "Collecting and Adjusting Transactions".

12.14 Pay Groups

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

The Pay Groups page lists all pay groups that have already been created. Use the search parameter fields at the top to search for an existing pay group.

From the Pay Groups page, you can define pay groups. In addition, after a pay group is defined, you can access another page, Pay Group Details, where you can view periods and pay group assignments to resources.

Use the following procedure to define a new pay group.

Navigation

Administration > Incentive > Pay Group

Prerequisites

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

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Pay Group link on the side panel menu.

   The Pay Groups page appears.
3. In the Name field, assign a unique name to the pay group.
4. Enter a description.
5. Select an effective start date and end date for the pay group. Click the calendar icon to use the pop-up calendar.
6. Select a calendar from the list of values. Click **Go** to open a pop-up window list.
7. Select a period type from the list of period types that were defined for the selected calendar. Click **Go** to open a pop-up window list.
8. If necessary, click **Restore** to return to the previously saved information.
9. Click **Update** to save the pay group.

Guidelines

The period type defines the frequency of payments for the pay group. Even if a period type, such as quarter or year, is displayed in the list of values, it must be activated in Oracle Incentive Compensation before it can be used.

The period type must be set to Month for values to roll over to the next year in Year to Date reports.

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

Each pay group can be associated with one unpaid payrun at any time.

Pay groups can be assigned to multiple resources at the same time and you can start and end pay group assignments by individual resource at any time within the duration of the pay group.

When you assigned a pay group to a resource, the application automatically checks to see if there are any conflicts between the start and end dates of the pay group and the start and end dates for every resource to which the pay group has been

assigned. For example, if you define a pay group starting Jan 1 and ending on Mar 31 and you have assigned it to a resource, the application will not let you change the end date for the pay group assignment beyond Mar 31.

See Resource > Resource Details > Assign Pay Groups to assign the pay group to resources.

12.15 Payment Plan

Oracle Incentive Compensation uses payment plans to set rules governing how much is paid. Payment plans are optional and are used to set up advance or deferred payments and to define minimum and maximum payments. Payment Plans are created on the Administration tab.

You can assign payment plans to individual resources on the Resource tab > Resources subtab > Payment Plans.

The recovery schedule and draw amount can be set up independently of the earnings for the period, and you can waive a recovery amount due from a resource. **Note:** For Waive Recovery to work properly, the pay periods must be defined correctly.

Payment Groups enable you to set up multiple payment plans for a resource during a specific time period, as long as the payment plans are in different groups. The payment group codes are customizable; the default setting is Standard.

The Payment Plans page lists all payment plans already defined in Oracle Incentive Compensation. To search for a plan, enter all or part of the name in the Name field at the top of the page and click **Apply**.

To define a new payment plan, perform the following procedure.

Navigation

Administration > Incentive > Payment Plan

Prerequisites

None.

Steps

1. Click the Administration tab and the Incentive subtab.
2. Click the Payment Plan link on the side panel menu.

The Payment Plans page appears.

3. In the Name column, assign a unique name to the payment plan.
4. Enter a Start Date and an End Date in the appropriate columns. Click the calendar icons to use a pop-up calendar. The Start Date field is required.
5. Select a Payment Group from the drop-down list. This is a required field. The default setting is Standard.
6. In the Credit Type column, select a credit type from the drop-down list. Functional Currency is the default, but you can select other, previously defined credit types. The Credit Type field is required.
7. In the Payment Interval column, select a pay interval from the drop-down list. Period is the default, but you can select any previously defined pay interval from the list. This is a required field.
8. Optionally, establish a minimum amount to be paid at the end of each pay interval. Check the check box in the Recoverable column if it is recoverable from later earnings.
9. Optionally, establish a maximum amount that can be paid for any pay interval. If you check the check box in the Pay Later column, any amounts over the maximum to be paid can be rolled over and paid in future periods.
10. Select a recovery interval from the drop-down list. The default setting is the same as the pay interval.
11. Check the Pay Against Commission check box if you want the payment plan to apply its rules using earnings that have been collected in the application when it calculates draw recovery at the end of the recovery interval.
12. Click **Update** to save the payment plan. If necessary, click **Restore** to return to the previously saved information.

12.16 Payroll

If a pay element in Payroll has been defined to have input values, then you can define a mapping in Oracle Incentive Compensation that identifies which data columns in application tables map to the input value of a pay element. The following tables can be used to map Oracle Incentive Compensation to pay element input values:

CN_PAYRUNS

CN_SALESREPS

CN_PAYMENT_TRANSACTIONS

This mapping is stored in the CN_PAY_ELEMENT_INPUTS table in Oracle Incentive Compensation.

To add or change a record, perform the following procedure.

Navigation

Administration > Incentive > Payroll

Prerequisites

Plan elements and pay elements must already be created.

Steps

If you want to make a change in mapping or dates to an existing line, perform the following procedure.

1. Click the Administration tab and the Incentive subtab.
2. Click the Payroll link on the side panel menu.

   The Payroll Mapping page appears.
3. Enter the changes. Click **Go** to open a pop-up list of choices, or the calendar icon to open a calendar.
4. Check the Remove check box if you want to eliminate the plan element to pay element mapping.
5. Check the Inactive Employees check box if you want to keep the mapping but not use it now.

   Steps 2 and 3 are completed when you click **Update**.
6. You can click the Element Input link to go to the Pay Element Input Values Mapping page.
7. Click **Update**.
8. If necessary, click **Restore** before clicking **Update** to return to the previously stored information.

To enter a new mapping, perform the following procedure.

1. Enter a plan element in the first blank plan element field. Click **Go** to use a pop-up list.

2. Enter the pay element from Payroll that you want to use.
3. Enter a Start Date and an End Date.
4. If necessary, click **Restore** to return to the previously saved information.
5. Click **Update** to save your mapping.

12.16.1 Pay Element Input Values Mapping

After you have mapped the pay elements to the plan elements, use this page to map table and column names to Payroll input values. Input values that have already been mapped are displayed. To map table and column names to Payroll input values, perform the following procedure.

Navigation

Administration > Incentive > Payroll > Element link

Prerequisites

Plan elements and pay elements must already be created.

Steps

1. Click Administration tab and the Incentive subtab.
2. Click the Payroll link in the side panel menu.

   The Payroll Mapping page appears.
3. Click the link in the Element column.

   The Pay Element Input Values Mapping page appears.
4. Enter a table name in the first blank field in the Table Name column. Click **Go** to open a pop-up list.
5. Enter a column name in the Column Name column. Click **Go** if needed.
6. In a line that is not yet saved, click the eraser icon to clear the fields.
7. To remove a saved line, check the check box in the Remove column.
8. If necessary, click **Restore** to return to previously saved information.
9. Click **Update** to save.

12.17 Components

Use the Components page to create and edit quota components. These components are used in building compensation plans in Incentive Planning. Components must be created here before they can be used in Incentive Planning.

On the Quota Components page, you can provide a description of the component, specify whether it is revenue or unit based, indicate if the compensation is fixed or variable, and set the compensation to be based on a quota or simply on revenue amount. A check box is provided to indicate if the component requires computation.

To edit or create quota components, perform the following procedure.

Navigation

Administration > Incentive > Component

Prerequisites

None

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Component link on the side panel menu.

   The Quota Components search page appears.
3. Enter a name or partial name with a percent sign (%) or select a type and unit from the drop-down lists. Making no selection means that all components will be displayed when you click **Apply** in step 4.
4. Click **Apply**.

   A table appears containing any previously defined components that meet the search parameters.
5. Edit component information as needed and click **Update** to save your changes. If necessary, click **Restore** to return to the previously saved information.
6. To create a new quota component, in the last line in the quota components list, enter the name of the Component in the Name field.
7. Enter a short description for each component.
8. Select a type from the drop-down list. You can select Fixed or one of three Variable types (See Guidelines).

9. In the Unit column, select Unit or Revenue from the drop-down list.
10. Check the Computed Flag check box if you want to use a formula to derive the value of the component.
11. Click **Update** to save your changes.
12. To remove a component, check the check box in the Remove column and click **Update**. You cannot delete components that are currently in use in compensation plans.

Guidelines

Quota Components are parts of a compensation plan, and can be of different types. Fixed components remain the same regardless of the resource's performance. Typical Fixed components include Salary and Car Allowance. Variable components include calculations based on performance, and are based on a quota or can be nonquota based.

Unit and Revenue, selected in the Unit column, indicate if compensation is revenue based or unit based. Revenue can be used during currency conversion, but unit based components are not currency converted as they are point based.

Fixed components can be of revenue type only. Therefore, the unit type of Revenue is not displayed as a drop-down list.

12.18 Attainment

Attainment schedules are used in Incentive Planning to display anticipated payouts for compensation contracts. Earnings for each level of achievement are calculated based on the attainment percentages contained in the Attainment schedule. You can create, delete, or edit attainment schedules on the Attainment Schedule Summary page.

Navigation

Administration > Incentive > Attainment

To Create a new attainment schedule, perform the following procedure.

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Attainment link on the side panel menu.

   The the Attainment Schedule Summary page appears.
3. Enter the new name into the blank field in the Attain Schedule Name column and click **Update**.
4. Click the new link in the Attain Schedule Name column to go to the Define Attain Schedule page.
5. Fill in percent information in ascending order in the first two tiers, then, to add more tiers, click **Update**. Two additional blank tiers appear.
6. Click **Update** to add more tiers until you have as many as you need.
7. Click **Update** when you are done to save your work.
8. If you have already saved your work, click **Restore** at any time to return all tiers to the settings they had at the last update.

To edit or view an existing attainment schedule, perform the following procedure.

1. Click a schedule name in the right column of the Attainment Schedule Summary page to open the Define Attainment Schedule page.
2. After making any adjustments, click **Update** to save your work. Or, click **Restore** to return to the previously saved information.
3. To delete a tier, select the Remove check box beside that tier and click **Update**.

12.19 Job Titles

Job titles are created in Human Resources (HR), but are important for Incentive Planning. Sales roles must be assigned to job titles for quota modeling purposes. Use the page to view a list of current job titles. Click a Job Title to access the Resource Details - Job Title Details page, where you can view sales roles assigned to the job title, assign a sales role to the selected Job Title, and assign start and end dates for that role.

Navigation

Administration > Incentive > Job Titles

Prerequisites

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

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Job Titles link in the side panel menu.

   The Job Titles page appears.
3. Use the search parameters at the top of the page to search for a job title by name or by job code. Click **Go** to display the search results. You can also simply find the job title in the listing if the number listed is not too great.
4. Click the link in the Job Titles column to go to the Resource Details - Job Titles page.

   This page displays any roles that are already assigned to the job title.
5. To add a role, enter it in the Role column. You can click **Go** to open a pop-up window listing roles from which to select.
6. Enter a start date and end date for the role. Click the calendar icon to open a pop-up calendar. A start date is mandatory; the end date is optional.
7. Click **Update** to save your work. If you are editing a role assignment, you can click **Restore** to return to the previously saved version.

Guidelines

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

12.20 User Access

Use the User Access Detail page to set the access privilege of users with finance manager responsibility. All of the user's compensation groups and organizations are displayed.

Navigation

Administration > Incentive > User Access

Prerequisites

Users must be assigned Finance Manager responsibility to appear on the User Access screen.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the User Access link in the side panel menu.

   The User Summary page appears.
3. Select a User by clicking his or her name.
4. The User Access Detail page appears.
5. Enter a compensation group in the Compensation Group column, or click **Go** to select one from the pop-up list.
6. In the Organization column, select an organization from the drop-down list.
7. Select an Access Level of Update or View from the drop-down list.
8. To remove a listing, check the Remove check box and click **Update**.
9. If necessary, click **Restore** to return to the most recently saved information
10. Click **Update** to save your changes.

12.21 Settings

On the Settings page, you can select the Transaction Calendar and write Contract Text for a compensation plan.

Text from the Default Contract Text for the organization is carried over to the agreement contract text. The text can be customized at the Agreement level for individual resources as follows:

- Display names for quota components
- Display names for rate tables
- Selection of displayed components for an attainment schedule
- Unique text for title, terms and conditions, club eligibility

Navigation

Administration > Incentive > Settings

Prerequisites

The Transactions Calendar must be predefined so that it can be assigned through the Settings page. Incentive Planning Super User or Incentive Analyst responsibility is required.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Settings link on the side panel menu.

   The Settings page appears.
3. Select a Transaction calendar from the drop-down list.
4. In the Contract Text area, enter text as required into the fields. For club eligibility, write out the details, such as 100% Eligible.
5. In the Approver area, enter your name, title, and organization.
6. If necessary, click **Restore** to return to the previously saved information.
7. Click **Update** to save your changes.

Guidelines

The contract text holds approximately 1,000 characters.

12.21.1 Workday Calendar

The workday calendar is a type of transaction calendar that is assigned to a compensation plan. The value of a transaction calendar is that it defines the specific workdays of a particular year, and excludes weekends and holidays. For example, a USA Workday Calendar 2002 lists only the workdays in the United States for the calendar year 2002. The holidays vary from country to country and even from state to state.

Workday calendars are useful for calculating compensation based on the exact number of workdays in a given month. A calendar's duration can be defined to match your organization's financial year. You need to assign a new workday calendar every year as the dates of weekends and many holidays change from year to year.

To view or select the workday calendar that is assigned to a particular compensation plan, perform the following procedure.

Navigation

Administration > Incentive > Settings

Prerequisites

To use a workday calendar, the profile option OSC: Use Work Day Calendar must be set to Yes. Incentive Compensation Super User responsibility is required.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Click the Settings link on the side panel menu.

   The Settings page appears.
3. Select a transaction calendar from the drop-down list.
4. Click **Update** to save your changes. Before clicking Update, you can return to the previously saved settings by clicking **Restore**.

To create a workday calendar, perform the following procedure.

Steps

1. Click the Administration tab.

   The General subtab appears automatically.
2. Click the Transaction Calendar link in the side panel menu.

   The Transaction Calendar page appears, listing all transaction calendars that have been defined.
3. To modify the days of the week of an existing transaction calendar, check or uncheck the appropriate check boxes. To modify exact dates, see step 8.
4. To create a new transaction calendar, enter the name of the new calendar in the first empty name field.
5. Optionally, enter a description.
6. Check the check boxes for the days of the week that you want to designate as workdays in the transaction calendar.
7. Click **Update** to save your work. Before clicking Update, you can return to the previously saved settings by clicking **Restore**.
8. To define the exact dates of holidays or additional work days, click the transaction calendar link in the Name column.

A different Transaction Calendar page appears. This page lists each date as a separate row, containing the calendar date, day of the week, and a Business Day check box. See Guidelines for more details.

9. Check the check box next to any date that you want to set as a business day.
10. Uncheck the check box next to any date that you want to designate as a holiday.
11. Click **Update** to save your work. Before clicking Update, you can return to the previously saved settings by clicking **Restore**.

Guidelines

This Transaction Calendar page does not start at the current year, and the listing of dates is extensive. In the current release, dates begin at January 1, 1994 and run through December 31, 2010. To get to the beginning of the year you want, use the drop-down list and select the area that is approximately where you want to work. Then, use the Previous and Next links to get to the exact dates you need.

If you use the Search field, the application displays only the single day you requested.

12.22 Seasonality Schedules

Seasonality schedules show how a product/service income or cost/expense is distributed throughout the year, expressed in percentages of the year's total. Seasonality schedules can be assigned to multiple agreements, and agreements can use multiple seasonality schedules for different components. Because of the variability from period to period, a new hire's quotas and pay are affected. If seasonality schedules are not assigned, an even distribution is assumed by default, where each period's quota is the same amount for the entire year. Seasonality schedules are built using the Incentive subtab of the Administration tab in Oracle Incentive Compensation. Seasonality can only be applied to variable non computed plan elements, such as salary or a car allowance.

To begin to view, edit, or create seasonality schedules, perform the following procedure.

Navigation

Administration > Incentive > Seasonality

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Select Seasonality on the side panel menu.

   The Seasonality Schedules page appears. Seasonality schedules that have already been created are displayed.
3. If necessary, use the search parameters at the top of the page to search by fiscal year or by schedule name. Select the fiscal year from the drop-down list or enter all or part of the name before the percent sign and click **Search**.
4. Click the name for the schedule you wish to view or edit.

   The Seasonality Schedule Details page for the schedule appears.
5. In the Seasonality area, the percentages for each month are displayed. To change the numbers in the Percentage column, edit the field. Note: The numbers in the Percentage column must add up to 100 percent.
6. If necessary, click **Restore** to return to the previously saved information.
7. Click **Update** to save your changes.
8. Click **Validate** to validate your seasonality schedule. After it is validated, the Validation Status in the top section of the page reads VALID. If the percentages do not add up to 100 percent the schedule cannot achieve a Valid status.

Guidelines

You must click **Update** to save a new seasonality schedule *before* clicking **Validate**. If you click Validate without clicking Update first, it will return all of the percentage entries to 0.

Be sure that after any changes are made, the Table Total adds up to 100 percent.

12.22.1 Create New Seasonality Schedule

To create a new seasonality schedule, perform the following procedure.

Navigation

Administration > Incentive > Seasonality > Click Create

Prerequisites

None.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Select Seasonality on the side panel menu.

   The Seasonality Schedules page appears.
3. Click **Create**.

   The Create New Seasonality Schedule page appears.
4. Enter a name for the new seasonality schedule in the name field. This is a required field.
5. Enter a description. This is a required field.
6. Select a year from the drop-down list.
7. If necessary, click **Restore** to return to the previously saved information.
8. In the Seasonality area, enter the percentage of annual quota in each field next to each month. Be sure that the percentages add up to 100 percent.
9. When the schedule is the way you want it, click **Update** to save your work.
10. Click **Validate** to verify that your percentages add up to 100 percent. If validation is successful, then the Validation Status in the top area of the page reads *Valid*.

Guidelines

You must click Update to save a new seasonality schedule *before* clicking Validate. If you click Validate without clicking Update first, it will return the all percentage entries to 0.

12.23 Rate Dimensions

Rate dimensions define the tiers that are used in a rate table. The Dimensions summary page displays all of the rate dimensions that have already been created.

There are four kinds of rate dimensions--Amount, Percent, String, and Expression.

- Amount and Percent: These are the most common rate dimensions, and are numeric based.
- String: These dimensions are useful when you want to create non-numeric dimensions, such as states.

- Expression: These rate dimensions reference calculation expressions, and can be used to create more complex rate tiers. For example, rather than creating a static set of rate tiers such as 0% to 25%, 25% to 50%, and so on, an expression rate dimension can be configured as 10% * Quota, 25% * Quota, and so on, using a calculation expression.

You can also define rate dimensions at Incentive > Rate > Rate Table Details. See Section 6.4, "Defining Rate Dimensions" for more information.

To view, edit, or create rate dimensions, perform the following procedure.

Navigation

Administration > Incentive > Rate Dimensions

Prerequisites

Dimensions must exist to be displayed on the Dimensions page.

Steps

1. Click the Administration tab and click the Incentive subtab.
2. Select Rate Dimensions on the side panel menu.

   The Dimensions page appears.
3. Use the Name search parameter at the top to locate a specific dimension quickly. Enter one or more letters or number and click **Apply**.

   All dimensions that fit that description are displayed.
4. The Dimensions page lists dimensions by name, and also by number of tiers and type. A dimension must have at least one tier, but can have as many as you need. See above regarding dimension type.
5. To view or edit details of a dimension, click the name of a dimension. The Dimension details page appears.
6. To create a new dimension, click Create on the Dimension summary page. The Dimension details page appears, but the fields are blank.
7. Enter a name in the Name field for your dimension. This is a required field.
8. Select or verify the type from the drop-down list. You can select Amount, Percent, Expression, or String. This is also a required field.

   Depending on which type you select, the lower part of the page refreshes to provide the appropriate fields into which you can enter data.

9. Optionally, enter a description.
10. For Amount or Percent dimensions, in the Rate Tiers area, enter numbers in the From and To columns. Follow the sequence, and do not leave any gaps in the rates. These are required fields.

    Enter numbers for the first tier. To add a tier, click **Update** and another blank field appears. Repeat this process until you have as many tiers as you need.
11. For String dimensions, enter the string value for the rate tier. This is a required field.
12. For Expression dimensions, select expressions from the drop-down list for the From and To columns.
13. Click **Update** to save your work. Or, If necessary, click **Restore** to return to the previously saved values.

Guidelines

After you create a rate dimension with a type of String or Expression, you cannot change the type with a future update. However, for rate dimensions created with a type of Amount or Percent, you can update a rate dimension definition.

For expression rate dimensions, expressions must be defined in the application in order for the drop-down list to contain any selectable values.

Part VI

Appendixes

This part contains the following Appendixes:

- Appendix A, "Oracle Incentive Compensation User Interface Reference"
- Appendix B, "Compensation Scenarios"
- Appendix C, "External Formula Code Examples"
- Appendix D, "Customized Summarization Code Examples"

A

Oracle Incentive Compensation User Interface Reference

This appendix provides descriptions of user interface (UI) tabs, pages, and fields for the Oracle Incentive Compensation application. The tables summarize the UI objects, types, descriptions, and usage for each page described. Sections in this appendix include:

- Section A.1, "Agreements"

A.1 Agreements

The Agreements page displays important basic information about sales roles, which have been defined in Oracle Resource Manager. This is where creation of agreements for incentive planning begins.

The page opens to a name field and Apply button only. Click **Apply** to list all agreements or enter search parameters to narrow the list. The page that lists agreements is described below.

Tasks

You can perform the following tasks:

- Section 3.4.1, "Defining a Sales Role"

Terms

sales role

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

Reference

The following table describes fields and other components of the Agreements page.

Component	Type	Description
Name	Text field	Enter the source object name to search for in the text field.
Go	Button	Click this button to access the lookup window to search for the source object.
Name	Hyperlink	Click this hyperlink to go to the Sales Role Detail page.
Description	Read-only field	Displays optional description information
On Target Earning	Read-only field	Displays On Target Earnings
Club Eligible	Read-only field	Yes or No; if agreement contains eligibility for club privilege if certain sales goals are met
Rounding Factor	Read-only field	Displays the rounding factor, if any, that was selected on the Sales Role Detail page
Quota Minimum	Read-only field	Shows minimum quota from the Sales Role Detail page
Quota Maximum	Read-only field	Shows maximum quota from the Sales Role Detail page
Search Field	Drop-down list	Makes it easier to find a sales role. When the page shows less than the complete listing of agreements, click First or Last to go to the ends of the listing, Previous or Next to move one page back or ahead, or select a group of listings from the drop-down list.

A.2 Sales Role Detail

Use this page to define or edit the details of a Sales Role.

Note: Sales Roles, Rate Tables, and Single Dimension Rate Tables must be created first. Components and Attainment Schedules must be created on the Administration tab. Only single dimension rate tables are supported with Incentive Planning.

Tasks

You can perform the following tasks:

Section 3.4.1, "Defining a Sales Role"

Reference

The following table describes fields and other components of the Sales Role Detail page.

Component	Type	Description
Role Name	Hyperlink	Click to go to Agreement Details - Contract Text page.
Copy Role	Drop-down list	Select the details from another role.
On Target Earning	Text field	Enter the total earnings if a resource achieves 100% of quota.
Club Eligible	Check box	Check if this Role is entitled to Club participation on achieving Club rules.
Rounding Factor	Text field	Use to round the assigned quota.
Quota Minimum	Text field	Enter the minimum quota for the role.
Quota Maximum	Text field	Enter the maximum quota for the role.
Plan Level	Text field	Enter where the role fits in the sales hierarchy. Street level resources are at level 1.
Attain Schedule	Drop-down list	Select an attainment schedule that is applicable to the compensation plan for the role.
Currency Code	Read-only field	Preselected currency
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.

Component	Type	Description
Fixed Pay Components	NA	NA
Remove	Check box	Check to select a component for removal when you click Submit.
Eraser	Icon	Click to erase unsaved material entered in the row.
Name	Text field	Enter all or part of a component name.
Go	Button	Click to open pop-up box to search for names
Sequence	Text field	Enter a number showing order in which components should be calculated (1 is first).
Fixed Pay Amount	Field	Enter amount.
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.
Variable Pay, Non Computed Components	Section	
Name	Text field	Enter all or part of a component name.
Go	Button	Click to open pop-up box to search for names
Sequence	Text field	Enter a number showing order in which components should be calculated (1 is first).
% of Total Quota	Text field	Enter the percentage of the quota that you want this component to represent in the compensation plan.
Commission at 100% Attainment	Text field	Enter an amount.
Seasonality Schedule	Text field	Optionally, enter all or part of a seasonality schedule name
Go	Button	Click to open pop-up box to search for seasonality schedules
Calculation Formula	Text field	Enter a formula.
Rate Table	Drop-down list	Select a rate table.

Component	Type	Description
Rate Calculation Method	Drop-down list	Select Anchors, Manual, or Single Rate.
Details	Hyperlink	Click hyperlink to see details.
Plan Element Name	Text field	Enter a plan element name.
Variable Pay, Computed Components	Section	
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.
Remove	Check box	Check to select a component for removal when you click Submit.
Eraser	Icon	Click to erase unsaved material entered in the row.
Name	Text field	Enter all or part of a component name.
Go	Button	Click to open pop-up box to search for names
Sequence	Text field	Enter a number showing order in which components should be calculated (1 is first).
Commission at 100% Attainment	Text field	Enter an amount.
Formula	Read-only field	Formula can be edited by clicking Edit hyperlink below.
Edit Formula	Hyperlink	Click Edit to make changes in the formula.
Calculation Formula	Text field	Enter all or part of a calculation formula.
Go	Button	Click to open pop-up box to search for names.
Rate Table	Drop-down list	Select a rate table.
Rate Calculation Method	Drop-down list	Select Anchors, Manual, or Single Rate.
Details	Hyperlink	Click Anchors hyperlink to see anchor details.
Plan Element Name	Text field	Enter a plan element name.

Component	Type	Description
Variable Pay, Non Quota Components	Section	
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.
Remove	Check box	Check to select a component for removal when you click Submit.
Eraser	Icon	Click to erase unsaved material entered in the row.
Name	Text field	Enter all or part of a component name.
Go	Button	Click to open pop-up box to search for names
Sequence	Text field	Enter a number showing order in which components should be calculated (1 is first).
Calculation Formula	Text field	Enter a calculation formula.
Go	Button	Click to open pop-up box to search for names.
Rate Table	Drop-down list	Select a rate table.
Plan Element Name	Text field	Enter a plan element name.
Details	Hyperlink	Click Rates hyperlink to see details.
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.
Remove	Check box	Check to select a component for removal when you click Submit.
Eraser	Icon	Click to erase unsaved material entered in the row.
Compensation Plan Name	Text field	Enter all or part of a component name.
Start Date	Text field	Enter a date for when the sales role should start being in effect, in DD-MON-YYYY format. Optionally use the Calendar button.
End Date	Text field	Enter a date for when the sales role should stop being in effect, in DD-MON-YYYY format. Optionally use the Calendar button.

Component	Type	Description
Calendar	Button	Click to view a calendar from which you can select a date. Click the date to populate the Start Date or End Date fields with that date.
Submit	Button	Click to save data you have entered and proceed.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.

A.3 Agreement Details - Computed Component Formula

Use this page to define the percentages of the base quota components for a computed component formula.

Components are already defined on the Sales Role Detail page.

Tasks

You can perform the following tasks:

Section 3.4.3, "Computed Component Formulas"

Reference

The following table describes fields and other components of the Agreement Details - Computed Component Formula page.

Component	Type	Description
Name	Hyperlink	Click to return to Sales Role Detail page.
Quota Component Name	Read-only field	The name of the component
Remove	Check box	Check and click **Update** to remove component.
Base Quota Component	Drop-down list	Select from the components entered previously on the Sales Role Detail page.
Percent	Text field	Enter percent.
Update	Button	Click to save your current changes.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.

A.4 Agreement Details

Use this page to complete the definition of the rate table and quota anchor details for a sales role. The subheading on the page is Variable Pay, Noncomputed Components, Rates. This is the area of the Sales Role Detail page where the link to the Agreement Details page is located.

Tasks

You can perform the following tasks:

Terms

line calculation

The Line method calculates commission on a sliding scale, with commission depending on the exact rate in each separate tier of the rate table, calculated on a sliding scale.

step calculation

Step calculation uses the amounts in the anchor (expected commission column), with no calculation. When attainment reaches the percent in the tier, the commission amount shown in the tier is paid.

Reference

The following table describes fields and other components of the Agreement Details page.

Component	Type	Description
Sales Role Name	Hyperlink	Click to return to Sales Role Detail page.
Quota Component Name	Read-only field	The name of the component
Rate Schedule	Read-only field	Previously defined rate table.
Anchor Rate Calculation Method	Drop-down list	Select Line Calculation or Step Calculation. See definitions.
Update	Button	Click to save your current changes.

Component	Type	Description
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.
Rate Range	Section	NA
From	Read-only field	Start of the rate range
To	Read-only field	End of the rate range
Minimum Rate	Text field	Enter the minimum amount for the rate range of the anchor.
Maximum Rate	Text field	Enter the maximum amount for the rate range of the anchor.
Multi-Tier Rate Table Anchors	Section	NA
% Attainment	Text field	Enter the percent of attainment for anchor calculation.
Anchor Type	Drop-down list	Enter Amount or Percent from the list.
Expected Commission	Text field	Enter the amount of expected commission at the specific attainment level.
Update	Button	Click to save your current changes.
Restore	Button	Click to revert to the original data that existed prior to making unsaved changes.

A.5 Role Activation

Use this page to activate a role.

Tasks

You can perform the following tasks:

- Section 3.7.4, "Activating Compensation Plans"

Reference

The following table describes fields and other components of the Role Activation page.

Component	Type	Description
Name	Text field	Enter a role name.

Component	Type	Description
Status	Drop-down list	Select Created, Pushed, or Updated from the drop-down list to narrow your search.
Role Name	Hyperlink	Click to return to Sales Role Detail page.
Role Description	Read-only field	Any optional description that was added when the role was created.
Activation status	Read-only field	Where the role is in the activation process.
Activate	Check box	Check to activate the role when the Activate button is clicked.
Reason for Failure	Read-only field	Message from the application if the activation process fails.
Activate	Button	Click to activate the roles with check boxes checked.
Activate All	Button	Click to activate all listed roles. Eliminates need to check all check boxes.
Restore	Button	Click to revert to the original data that existed prior to activating roles.

A.6 Leftovers from the Template

A.6.1 Concepts (optional)

Insert any applicable concepts that need more explanation than is provided in the overview sections.

A.6.1.1 Lead Rank

Lead rank tracks the desirability of the lead. Agents can select a value manually from the Lead Rank drop-down list or they can let the application assign the rank automatically by clicking the Rank button.

The application determines the quality of the lead by using the lead score card and lead rank mapping. Both are set up by the application implementer or administrator.

Lead Score Card

The score card assigns different numbers of points to entries depending on desirability. For example, a time frame of 1-3 months receives more points than a

time frame of 1 year. A budget of $1 million receives more points than a budget of $10,000. Setting up leads requires the following steps.

Lead Rank Mapping

The lead rank mapping converts the total number of points calculated by the score card and assigns the lead rank to the lead. For example, you may wish to designate a score between 1 to 25 points as a cold lead and a score between 201 and 300 points as a hot lead.

A.6.1.2 Assigning Leads To Sales Representatives

Lead creators can either allow the territory assignment program to assign the leads to sales representatives automatically or choose the sales representatives manually. The sales representatives then turn the leads into new opportunities or link them to existing opportunities.

Component	Type	Description
Search	Button	Click this button to search for a note.
Clear	Button	Click this button to clear your search criteria.
Key Word	Text Field	Enter a partial or full word to search on in the text field. If this field is populated, the Date Range search criteria will automatically be limited to 30 days.
Relate To	Drop-down	Use the drop-down list to select the relate to information to search on.
Name	Text Field	Enter the source object name to search for in the text field.
Go	Button	Click this button to access the lookup window to search for the source object.
Note Type	Drop-down	Use the drop-down list to search from a list of notes types.
Created By	Text Field	Enter the name of the notes creator in the text field.
Go	Button	Click this button to access the look up window where you can search for the creator's name.
Date Range	Option Button	Select the option button to search for a particular date range.
From Date	Option Button	Select the option button to search the date range that note was created. You are required to select the date using the date picker.

Component	Type	Description
Date Picker	Icon	Click this icon to select the date from the date picker.
To Date	Text Field	Enter the date range when the note was created. You are required to use the date picker.
Date Picker	Icon	Click this icon to select the date from the date picker.
Sort Rows By	Drop-down	Use the drop-down list to select the sort options.
Then By	Drop-down	Use the drop-down list to select the sort options.
Finally By	Drop-down	Use the drop-down list to select the sort options.
Number of Rows	Text Field	Enter the number of rows that should appear on the Note Summary window.

B

Compensation Scenarios

Sections in this chapter include:

Section B.1, "Introduction"

Section B.2, "Compensation for Individual Transactions"

Section B.3, "Compensation for Transactions Grouped by Interval"

Section B.4, "Compensation for Accumulated Transactions"

Section B.5, "Compensation for Cumulative Achievement to Date"

Section B.6, "Multiple Commission Rates (Rate Tier Splits)"

Section B.7, "Multiple Input Formula"

Section B.8, "Bonus Compensation"

Section B.9, "Interdependent Plan Elements"

Section B.10, "Formula Within a Formula"

Section B.11, "External Table Based Expressions Used in Formula for Both Input and Output"

Section B.12, "Compensation for Transactions Using Four Different Types of Rate Dimensions"

Section B.13, "External Table Based Bonus"

B.1 Introduction

Oracle Incentive Compensation uses modular components to build compensation plans. Because they are modular, all components used in the system can be configured and reused in different combinations.

A compensation plan consists of one or more plan elements. Each plan element is designed to pay commission or bonus to resources in a different way. From a small group of plan elements, you can configure many different compensation plans. You can assign a compensation plan to multiple sales roles, and a sales role to multiple resources. This saves a lot of time and promotes consistency when paying salespeople.

Each plan element is assigned an effective start date and end date, which must fit within the range of the start and end dates of the compensation plan. Plan elements use the system's functional currency, but you also can design plan elements that track nonmonetary credits, such as managerial points or production credits.

Like compensation plans, plan elements are built of modular components that you can create and then assign in different combinations. These components include:

- Revenue Classes: These are used to build a set of classification rules, which determine which sales events qualify for compensation. They are also used during calculation to determine which transactions are paid.
- Formulas: These determine how the compensation is calculated and are themselves made up of other components:
  - Rate Tables: Rate tables determine the rate at which achievements generate commission. Within rate tables, rate dimensions are the fixed structure to which you can add your own values to set up appropriate compensation for a sales role.
  - Calculation expressions: These are used as input and output expressions for formulas, expression-based rate dimensions, and performance measures.

You can define a compensation plan directly in Oracle Incentive Compensation or activate it from an approved and accepted agreement from Incentive Planning. See Chapter 3, "Incentive Planning" for information on Incentive Planning.

When you build a compensation plan, you create the smallest pieces first and then combine them to build larger ones. For example, you must create a rate dimension to build a rate table, a rate table in order to build a plan element, and a plan element to build a compensation plan.

These are the major steps to building a compensation plan:

1. Create calculation expressions and rate dimensions
2. Create rate tables using the rate dimensions
3. Build formulas out of the expressions and rate tables
4. Set up revenue classes

5. Create plan elements containing formulas, rate tables, and revenue classes
6. Build the compensation plan from the plan elements

You can set up revenue classes before creating expressions, rate dimensions, rate tables, or formulas, as long as they are available when you begin building plan elements in step 5. See Chapter 6, "Building Compensation Plans" for the detailed procedures for creating compensation plans.

This appendix contains twelve scenarios that show typical ways that companies use Oracle Incentive Compensation to calculate compensation for resources. The scenarios are not meant to represent every possible combination available in Oracle Incentive Compensation. The scenarios are:

- Compensation for Individual Transactions
- Compensation for Transactions Grouped by Interval
- Compensation for Accumulated Transactions
- Compensation for Cumulative Achievement to Date
- Multiple Commission Rates (Rate Tier Splits)
- Multiple Input Formula
- Interdependent Plan Elements
- Formula Within a Formula
- External Table Based Expressions Used in Formula for Both Input and Output
- Compensation for Transactions Using Four Different Types of Rate Dimensions
- Bonus Compensation

B.1.1 Using the Detail Pages and Expression Builder

Build your compensation plans on the Incentive tab. The first two subtabs are used with Incentive Planning, but the third through seventh tabs comprise the steps needed to build compensations directly.

These five subtabs each open to a summary page that lists the already created items. You can click a link in the Name column to view or work on a compensation plan, rate table, and so on. To create a new item, click the Create button to open a details page. It is these details pages that are described below.

For the Plan, Element, Formula, and Rate subtabs, a side panel menu provides links to other pages that you need to use to complete the item. For example, the

Compensation Plan Details page has a side panel menu with links to plan elements and to sales roles, and the Plan Element Details page side panel menu provides links to the revenue classes and rate tables that you need to build the plan elements. See Chapter 6, "Building Compensation Plans" for detailed information on using these pages.

The Expression subtab does not use a side panel menu link to a details page--it uses an expression builder. The fields on this page are described in the Calculation Expressions section below.

The following sections describe the information that you can enter on the detail pages for compensation plans, plan elements, formulas, and rate tables, and the expression builder page for expressions. The subtabs are listed in the order they appear on the Incentive tab; however, when you build compensation plans, you must start with the seventh tab, Expressions, and move to the left, step by step, using the Plan subtab last to build the complete compensation plan.

Compensation Plan Details

The following table describes fields and other components of the Compensation Plan Details page.

Component	Type	Description
Name	Text field	Give the compensation plan a name that is easy to remember. This field is required.
Description	Text field	Optional, but useful for differentiating compensation plans with similar names.
Start Date	Text field	Required. It should match dates assigned to plan elements. Click calendar icon for date picker.
End Date	Text field	Optional. It should match dates assigned to plan elements. Click calendar icon for date picker.
Allow Revenue Class Overlap	Check box	Check if you are using a revenue class in more than one plan element.
Status	Read-only field	This field says Incomplete until the compensation plan is validated.
Context Value	List of values	Flexfield.
Update	Button	Click to save changes to the compensation plan.
Restore	Button	Click before saving to return to previously saved information.

Component	Type	Description
Validate	Button	This process verifies that dates match and that plan elements and revenue classes are correct and complete.
Summary	Side panel link	Returns to summary page. **Note:** You must select a compensation plan before clicking any of the other side panel links.
Detail	Side panel link	Displays the Compensation Plan Details page.
Plan Elements	Side panel link	View previously assigned plan elements or assign new ones to the compensation plan.
Sales Roles	Side panel link	View previously assigned sales roles or assign the compensation plan to new sales roles.
Salespeople Assigned	Side panel link	Displays specific resources assigned to roles that have been assigned the compensation plan.

Plan Element Details

The following table describes fields and other components of the Plan Element Details page.

Component	Type	Description
Name	Text field	Give the plan element a name that is easy to remember. This field is required.
Description	Text field	Optional, but useful for differentiating plan elements with similar names.
Quota Group	Drop-down list	Assign Bonus, Quota, or None. This allows assigning separate plan elements for quota and bonus to the same resource for the same time period.
Payment Group	Drop-down list	Standard is the default and only setting.
Start Date	Text field	Required. It should match dates assigned to plan elements. Click calendar icon for date picker.
End Date	Text field	Optional. It should match dates assigned to plan elements. Click calendar icon for date picker.
Context Value	List of values	Flexfield.
Incentive Type	Drop-down list	Select Commission or Bonus.

Component	Type	Description
Interval Type	Drop-down list	The period of time for which the plan element calculates commission, for example, Period (month), Quarter, or Year.
Credit Type	Drop-down list	Select Functional currency (default) or any predefined currency type.
Formula Type	Drop-down list	Select Formula or External. With Formula, select from the Choose Formula drop-down list. With External, enter a package name. This field is required.
Package Name	Text field	Enter the name of the SQL package if you select formula type of External.
Choose Formula	Drop-down list	Select a formula if you select formula type of Formula.
Liability Account	List of values	Use this field to set up a liability account with Oracle Payable at the plan element level. Optional.
Expense Account	List of values	Use this field to set up an expense account with Oracle Payable at the plan element level. Optional.
Eligible for Payee Assignment	Check box	Use if you want to assign payment to a resource other than the one who earned sales credit.
Sum amounts from Revenue Classes	Check box	With variables, check to combine amounts from all revenue classes in the compensation plan for Target, Fixed Amount, or Goal.
Target	Text field	Set a target that you can distribute on the Distribute Variables page. Optional.
Fixed Amount	Text field	Set a fixed amount that you can distribute on the Distribute Variables page. Optional.
Goal	Text field	Set a goal that you can distribute on the Distribute Variables page. Optional.
Create	Button	Click to save a created plan element.
Restore	Button	Click before saving to return to previously saved information.

Formula Definition

The following table describes fields and other components of the Formula Definition page.

Component	Type	Description
Name	Text field	Give the formula a memorable name. This field is required.
Description	Text field	Optional, but useful for differentiating formulas with similar names.
Type	Drop-down list	Select Commission or Bonus.
Allow Revenue Class Overlap	Check box	Check if you are using a revenue class in more than one plan element.
Status	Read-only field	This field says Incomplete until the formula is generated.
Apply Transactions	Drop-down list	Select Individually or Grouped by Interval. This affects how calculation runs.
Split	Drop-down list	Select No Split, Proportional, or Non-Proportional. This affects how transactions are applied to the rate table.
Cumulative	Check box	Check to use accumulated transactions to determine the rate tier applied to transactions.
Interval To Date	Check box	Check to use interval-to-date calculation.
Planning	Check box	Check if this formula is to be used for planning only.
Update	Button	Click to save changes to the formula.
Restore	Button	Click before saving to return to previously saved information.
Generate	Button	Click to save the formula. When it successfully generates, the Status changes to Complete.
Summary	Side panel link	Returns to the summary page. **Note:** You must select a formula before clicking any of the other side panel links.
Detail	Side panel link	Displays the Formula Definition page.
Expressions	Side panel link	View previously assigned expressions or assign new ones to the formula.
Rate Tables	Side panel link	View previously assigned rate tables or assign new ones to the formula.

Rate Table Details

The following table describes fields and other components of the Rate Table Details page.

Component	Type	Description
Name	Text field	Give the formula a name that is easy to remember. This field is required.
Type	Drop-down list	Select Commission or Bonus.
Sequence	Drop-down list	Use to place dimensions in order in multi-dimensional rate tables. This field is required.
Dimension Name	List of values	Select from predefined list of dimensions. This field is required.
Number of Tiers	Read-only text field	Indicates number of tiers in the dimension. This field is required.
Type	Read-only text field	Indicates type of dimension--Amount or Percent. This field is required.
Update	Button	Click to save rate table details.
Restore	Button	Click before saving to return to previously saved information.
Summary	Side panel link	Returns to summary page. **Note:** You must select a rate table before clicking any of the other side panel links.
Detail	Side panel link	Displays the Rate Table Details page.
Commission Rates	Side panel link	Displays commission rates for the rate table dimension.
Formulas	Side panel link	Displays a read-only list of the formulas in which the rate table is used.
Plan Elements	Side panel link	Displays a read-only list of the plan elements in which the rate table is used.

Calculation Expressions

The following table describes fields and other components of the Calculation Expressions expression builder page.

Component	Type	Description
Name	Text field	Give the expression a name that is easy to remember. This field is required.
Description	Text field	Optional, but useful for differentiating expressions with similar names.

Component	Type	Description
Type	Drop-down list	Select from Sales Compensation Elements, Expressions, Formulas, External Elements (if any are defined), and Others. Others contains two seeded values: Rate Table Result and Forecast Amount. The values appear in the Calculation Values select box below.
Calculation Values	Select box	This option list displays the available elements for the type selected above.
=>, <=	Shuttle box arrows	Click one of these boxes to move the selection in the Calculation Values select box into or out of the Expression text box on the right.
Expression	Text box	Build the expression in this area by moving in selections from the Calculation Values select box, constants, operands, and plan elements.
Constant	Text field	Enter a numeric or string value in this field and use the shuttle box arrow to move it to the Expression text box.
Operands	Buttons	Use these seven operands to relate selections from the calculation values select box, constants, or plan elements to each other.
Plan Element	List of Values and drop-down list	Use these two fields to enter plan element details into the Expression text box.
Update	Button	Click to save changes to the expression.
Restore	Button	Click before saving to return to previously saved information.

B.2 Compensation for Individual Transactions

Individual calculation is the simplest way to set up commission calculation for transactions. Each transaction is applied to a rate table separately without regard for the period in which it takes place or any other transactions. Calculation is calculated using a single rate dimension. Here is an example of a compensation plan that pays commission on individual transactions.

For specific steps, see Chapter 6, "Building Compensation Plans".

B.2.1 Setup

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Amount Percent

Transaction Amount	Commission
0-5,000	1%
5000-10,000	2%
10,000-30,000	3%
30,000-999,999,999	5%

Formula

Name: Individual Calculation

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Plan Element

Name: Individual Calculation

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Individual Calculation

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Transactions

Resource	Processed Date	Amount	Transaction Type	Commission
Rep 1	02-Jan-03	3,000	Revenue	$30
Rep 1	15-Jan-03	4,000	Revenue	40
Rep 1	29-Jan-03	25,000	Revenue	750

When the individual transactions are applied to the rate table, the first two transactions fall into the first tier of the rate table, so they generate commission at 1%. The third transaction falls into the third tier of the rate table, so it generates commission at 3%. Total commission for the three transactions is $820.

This method of calculating commission works the same if you have an Amount Amount rate table such as this:

Transaction Amount	Commission
0-5,000	$100
5000-10,000	200
10,000-30,000	400
30,000-999,999,999	500

With this Amount Amount rate table, the output expression changes to Rate Result, because no multiplication is necessary. Using this rate table, the first and second transactions each generate $100 commission and the third transaction generates $400, for a total commission of $600.

B.3 Compensation for Transactions Grouped by Interval

Group by Interval submits all transactions together for calculation from a predefined period. This period can be a month, quarter, or year. Group by Interval calculation requires that you check the Cumulative check box. Commission is calculated by applying the total amount of the grouped transactions to the rate table.

The following example uses the same transactions as example B.2, but the transactions are grouped by interval and the cumulative check box is checked.

B.3.1 Setup

Expressions

Input Expression: Sum(Transaction Amount)

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Amount Percent

Transaction Amount	Commission
0-5,000	1%
5,000-10,000	2%
10,000-30,000	3%
30,000-999,999,999	5%

Formula

Name: Group by Interval

Type: Commission

Apply Transactions: *Group by Interval*

Split: No Split

Cumulative check box: *Checked*

Interval to Date check box: Unchecked

Planning check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Plan Element

Name: Group by Interval

Incentive Type: Commission

Interval Type: Period

Formula Type: Formula

Choose Formula: Group by Interval

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Transactions

Resource	ProcessedDate	Amount	Transaction Type	Commission
Rep 1	02-Jan-02	3,000	Revenue	NA
Rep 1	15-Jan-02	4,000	Revenue	NA
Rep 1	29-Jan-02	25,000	Revenue	NA
Rep 1	31-Jan-02	32,000	Revenue (Dummy Transaction)	$1,600

This example uses the same transactions and rate table as was used for the Individual Formula in example B.2. The three transactions are grouped by the interval of January 2002. In this case, the three transactions are totaled and a dummy transaction is system generated in the amount of $32,000. This single transaction is then applied to the rate table, generating $1,600 of commission. This commission amount is almost twice as much as the amount generated when the transactions are calculated individually (See Section B.2, "Compensation for

Individual Transactions"). That is because commission for all three transactions is calculated using the 5% tier of the rate table.

B.4 Compensation for Accumulated Transactions

Uses a cumulative formula when you want to apply individual transactions to a rate table but still use the accumulated total for the period to calculate the commission. This type of calculation rewards resources for increasing sales volume. However, unlike the group by interval formula, a cumulative formula does not create a dummy transaction at the end of a period and apply the total to the rate table all at once. The Cumulative formula applies the cumulative total of the transactions to the rate table for each transaction to select a rate tier. It then calculates the commission for each transaction individually.

B.4.1 Setup

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Amount Percent

Transaction Amount	Commission
0-5,000	1%
5000-10,000	2%
10,000-30,000	3%
30,000-999,999,999	5%

Formula

Name: Cumulative

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Checked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

Name: Cumulative Plan Element

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Cumulative

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	Processed Date	Amount	Transaction Type	Commission
Rep 1	02-Jan-02	$3,000	Revenue	$30
Rep 1	15-Jan-02	4,000	Revenue	80
Rep 1	29-Jan-02	25,000	Revenue	1,250

When the first transaction is applied to the rate table, it falls into the first tier, so the 1% rate is applied to it, generating $30 ($3,000 * .01). When calculating commission for the second transaction of $4,000, the application adds the first transaction to it to determine which rate tier to use. The total of $7,000 indicates that the second tier of the rate table should be used. This generates $80 ($4,000 * .02). To calculate commission for the third transaction of $25,000, the all three transactions are added together to determine the rate tier. The total of $32,000 pushes the transaction into

the fourth rate tier, which means that the $25,000 is compensated at a 5% commission rate ($25,000 * .05 = $1,250). The total commission for the three transactions comes to $1,360. This amount is greater than in example B.2 ($820), where each transaction is applied individually, but less than in example B.3 ($1,600), in which the total of the three transactions is applied to the 5% rate tier.

B.5 Compensation for Cumulative Achievement to Date

If you want to pay compensation based on accumulated achievement during a specified period, use an Interval to Date plan element in your compensation plan. It calculates commission based on achievement towards cumulative quota targets, such as Period to Date (PTD), Quarter to Date (QTD), or Year to Date (YTD). This type of commission calculation allows a company to account for seasonal sales and respond fairly to upturns and downturns in a resource's performance throughout the year.

The rate table looks different in an Interval to Date plan element. Transactions are applied to a range, but the table uses expressions that indicate percentage of achievement toward the period quota instead of specific amounts. These percentages apply equally regardless of the amount of the quota for the period. This means that the resource receives a consistent rate of compensation regardless of the amount of quota for that period. Interval to date formulas calculate commission for the period of the interval and then revert to 0 at the beginning of each new interval.

For example, a resource in the holiday decoration sales industry is placed on a compensation plan with a Quarter to Date interval. For the first three quarters of the year, the quota is $10,000 per quarter. However, the quota for the busy fourth quarter is $50,000. The annual quota is $80,000, but the resource works to attain a realistic quota each quarter.

Interval to date formulas require the Cumulative and Interval to Date check boxes to be checked.

In this example, the rate tiers are not split. For examples of splitting rate tiers, see Section B.6, "Multiple Commission Rates (Rate Tier Splits)".

B.5.1 Setup

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Interval to Date

Expressions used in Rate Table:

Expression Name	Expression
Tier 1 Min	0
Tier 1 Max	0.25 * ITD Target
Tier 2 Max	0.75 * ITD Target
Tier 3 Max	Target
Tier 4 Max	2 * Target
Tier 5 Max	100 * Target

Expression Percent Rate Table:

Minimum	Maximum	Commission Percent
Tier 1 Min	Tier 1 Max	0
Tier 1 Max	Tier 2 Max	1
Tier 2 Max	Tier 3 Max	2
Tier 3 Max	Tier 4 Max	3
Tier 4 Max	Tier 5 Max	0

Formula

Name: Interval to Date

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Checked

Interval to Date check box: *Checked*

Planning check box: Unchecked

Plan Element

Name: Interval to Date

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Interval to Date

Variables:

- Target: Annual $80,000. See *Quota* below for quarterly details.
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Quota

Annual Quota: $80,000

- First quarter (Jan-March): $10,000
- Second quarter: $10,000
- Third quarter: $10,000
- Fourth quarter: $50,000

Transactions

Resource	ProcessedDate	Quarter	Amount	Transaction Type	Commission
Rep 1	14-Jul-03	3	$3,500	Revenue	$35
Rep 1	17-Aug-03	3	4,500	Revenue	90
Rep 1	5-Sep-03	3	3,000	Revenue	90
Rep 1	21-Oct-03	4	10,000	Revenue	0
Rep 1	7-Nov-03	4	12,000	Revenue	120
Rep 1	24-Nov-03	4	30,000	Revenue	900

This example spans the third and fourth quarters of the sales year. For the third quarter, three transactions are compensated based on the rate table using a $10,000 quota. The fourth quarter uses the same rate table, but with a $50,000 quota.

The first transaction falls in the second tier of the rate table, because $3,500 is 35% of the quota ($3,500 * .01 = $35). Interval to Date calculation is cumulative, so transaction 2 is added to transaction 1 for calculation purposes, placing it in the third tier -- 80% of quota ($4,500 * .02 = $90). Transaction 3 moves cumulative achievement past 100%, so the fourth tier applies to the $3,000 transaction ($3,000 * .03 = $90). Note that transaction three pays the same amount of commission as transaction 2, even though the transaction is for a smaller amount. That is because of the cumulative function of the Interval to Date quota. And although the amounts of the first three transactions are not very different from each other, the rising commission rates for each tier increase the earning potential, as the resource works toward achieves the quarterly quota.

For the fourth quarter, the quota zeros out starting October 1. Because the quota for the fourth quarter is now $50,000 instead of $10,000, transaction 4, even though it is twice the dollar amount of transaction three, earns no commission. That is because it falls into tier 1 of the rate table (0-25%), which pays no commission. Transaction 5, if calculated individually, would also earn no commission, but because the Cumulative check box is checked, it is applied to the rate table in tier 2 ($12,000 * .01 = $120). Transaction 6 moves the resource just over the quarterly quota, so the $30,000 transaction is calculated using tier 4 of the rate table ($30,000 * .03 = $900). Now, the resource has earned enough to do some holiday shopping.

In both quarters, the resource achieved the quarterly quota, which was seasonally adjusted to pay commission on levels of achievement rather than amount.

Note: The rate table calculated minimum or maximum values of sales volume in the first two columns based on transaction amount. However, it just as easily used transaction quantity, for example, 1000 units rather than $10,000. The rate table would look the same.

The example above applied percentages to the transaction amount to calculate commission. However, the right-hand column also can be set up with specific currency amounts:

Minimum	Maximum	Commission Amount
Tier 1 Min	Tier 1 Max	$0
Tier 1 Max	Tier 2 Max	50
Tier 2 Max	Tier 3 Max	100

Minimum	Maximum	Commission Amount
Tier 3 Max	Tier 4 Max	150
Tier 4 Max	Tier 5 Max	200

To use this rate table, you must change the output expression to Rate Table Result. Using the same transactions as in the above example, along with accumulation and no split, the commission is calculated as shown below:

Resource	ProcessedDate	Amount	Transaction Type	Commission
Rep 1	14-Jul-03	$3,500	Revenue	$50
Rep 1	17-Aug-03	4,500	Revenue	100
Rep 1	5-Sep-03	3,000	Revenue	150
Rep 1	21-Oct-03	10,000	Revenue	0
Rep 1	7-Nov-03	12,000	Revenue	50
Rep 1	24-Nov-03	30,000	Revenue	150

The transactions are applied to the appropriate tier based on accumulated amount, but no calculation is required. Using this method, compensation increases as sales volume increases, but because there is no calculation applied to the transaction amount, that amount influences which rate tier is used, but does not affect the specific commission amount.

B.6 Multiple Commission Rates (Rate Tier Splits)

Rate tiers can be split, allowing commission to be calculated by applying transactions to more than one rate tier. Select a split from the drop-down list if you want commission to accurately reflect the exact amount of the transaction up to the maximum amount of each rate tier. Splitting rate tiers normally results in lower commission payouts, because only the part of the transaction amount that is over the maximum threshold of a tier is paid at the next higher tier's rate. See Section 6.6, "Defining Formulas" Guidelines for more information.

In the previous example, cumulative transaction amounts were applied to a rate table without splitting the rate tiers (No Split was selected). If the total amount of the accumulated transactions placed the transaction in a particular rate tier, the rate for that tier was applied to the entire transaction amount. For example, transaction

1, for $3,500, used the second tier of the rate table, so 1% was applied to the entire amount ($3,500 * .01 = $35).

If rate tiers are split, however, then this same transaction is divided between tier 1 and tier 2. The first $2,500 (0-25% of quota) is applied to rate tier 1, for which no commission is earned. Only the $1,000 above 25% of the quota qualifies for commission ($1,000 * .01 = $10). Obviously, commission amounts can usually be kept lower by using this method of calculation.

If a transaction overlaps multiple rate tiers, the commission amounts are calculated up to the maximum of each applicable rate tier. For example, in example B.5, transaction 6 is calculated with no splits, using the fourth tier, so the entire $30,000 transaction is compensated at 3%. However, if you select a non-proportional split, the calculation works differently. See the explanation after the Transactions table.

For percent-based rate tables, a non-proportional split is recommended. For amount based rate tables, a proportional split is recommended (see Section B.6.2, "Proportional Split").

B.6.1 Non-Proportional Split

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Expression Percent Rate Table

Use these expressions to build the Percent rate table:

Expression Name	Expression
Tier 1 Min	0
Tier 1 Max	0.25 * ITD Target
Tier 2 Max	0.75 * ITD Target
Tier 3 Max	Target
Tier 4 Max	2 * Target
Tier 5 Max	100 * Target

This is the Percent rate table:

Minimum	Maximum	Commission Percent
Tier 1 Min	Tier 1 Max	0
Tier 1 Max	Tier 2 Max	1
Tier 2 Max	Tier 3 Max	2
Tier 3 Max	Tier 4 Max	3
Tier 4 Max	Tier 5 Max	0

Formula

Name: Non-Proportional Split

Type: Commission

Apply Transactions: Individually

Split: Non-Proportional

Cumulative check box: Checked

Interval to Date check box: Checked

Planning check box: Unchecked

Plan Element

Name: Non-Proportional Split

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Non-Proportional Split

Variables:

- Target: See Quota below
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Quota

Annual Quota: $80,000

- First quarter (Jan-March): $10,000
- Second quarter: $10,000
- Third quarter: $10,000
- Fourth quarter: $50,000

Transactions

Resource	Processed Date	Amount	Type	With Split	Without Split
Rep 1	14-Jul-03	$3,500	Revenue	$10	$35
Rep 1	17-Aug-03	4,500	Revenue	50	90
Rep 1	5-Sep-03	3,000	Revenue	70	90
Rep 1	21-Oct-03	10,000	Revenue	0	0
Rep 1	7-Nov-03	12,000	Revenue	95	120
Rep 1	24-Nov-03	30,000	Revenue	465	900

With a non proportional split, the calculation for each transaction proceeds as follows:

Transaction 1: The amount from 0 - $2,500 falls into tier 1 and is not eligible for commission. The remaining $1,000 is in tier 2 of the rate table, and pays 1%, for a total of $10 commission ($1,000 * .01 = $10).

Transaction 2: Because the Cumulative check box is checked, you add the $4,500 from transaction 2 to the $3,500 of transaction 1 to determine which rate tier to use. After deducting the first transaction from the $8,000 total, the amount from $3,500 to $7,500 ($4,000) falls into tier 2, and is paid at 1% ($3,000 * .01 = $40). The remaining $500 falls into tier 3, and is calculated at 2% commission ($500 * .02 = $10). The total is $40 + $10 = $50.

Transaction 3: This transaction pushes the total over the interval to date quota of $10,000. With accumulation, the first $8,000 helps push up the rates but is not paid commission. The first $2,000 of the $3,000 transaction falls into tier 3, for 2% commission ($2,000 * .02 = $40). The last $1,000 is in tier 4, and earns 3% commission ($1,000 * .03 = $30). The total is $40 + $30 = $70.

Transaction four is the first of the fourth quarter, so, with the interval to date calculation, commission calculation resets to zero on October 1st. This transaction, at $10,000, is all within tier 1, so no commission is paid.

Transaction 5: This transaction pushes the transaction amount into tier 2. The first $2,500 of the transaction is in tier 1 (0%), but the remaining $9,500 is in tier 2, so it pays 1% ($9,500 * .01 = $95).

Transaction 6: Like transaction 3, transaction 6 moves the resource's quarterly total over their quota. First, the amount from $22,000 to $37,500 is applied to rate tier 2 ($15,500 * .01 = $155). The amount from $37,500 to $50,000 is applied to rate tier 3 ($12,500 * .02 = $250). The amount from $50,000 to $52,000 is applied to rate tier 4 ($2,000 * .03 = $60). Using a non-proportional split, the total commission paid is based on three separate rate tables and requires three calculations, for a total of $465 ($155 + $250 + $60).

Comparing the commission with or without the split, with the Cumulative and Interval-to-Date check boxes checked, shows that with this particular rate table, the amount with the split is significantly lower than the commission generated by the no split formula in example B.5. That is because without a split, an entire transaction is calculated based on the rate tier into which it falls, and lower rate tiers are not considered. If a rate table had regressive rates, it is possible that the difference in commission amounts would be less, or even reversed.

B.6.2 Proportional Split

If you are using a rate table that pays amounts rather than percentages of the transaction amount, you must use a proportional split if you want to split transactions in a formula. With a proportional split, the percentage of a commission amount from a rate tier is applied to the commission amount that exists in each rate tier. Below is a version of the rate table used in B.6.1, with amounts in place of percentages in the right-hand column. In the Transactions table that follows, the commission amounts are shown, as are the commission amounts if the proportional split is not used.

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result

Rate Table

Use these expressions to build the Amount rate table:

Expression Name	Expression
Tier 1 Min	0
Tier 1 Max	0.25 * ITD Target
Tier 2 Max	0.75 * ITD Target
Tier 3 Max	Target
Tier 4 Max	2 * Target
Tier 5 Max	100 * Target

This is the Amount rate table:

Minimum	Maximum	Commission Amount
Tier 1 Min	Tier 1 Max	$0
Tier 1 Max	Tier 2 Max	50
Tier 2 Max	Tier 3 Max	100
Tier 3 Max	Tier 4 Max	150
Tier 4 Max	Tier 5 Max	200

Formula

Name: Proportional Split

Type: Commission

Apply Transactions: Individually

Split: Proportional

Cumulative check box: Checked

Interval to Date check box: Checked

Planning check box: Unchecked

Plan Element

Name: Proportional Split

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Proportional Split

Variables:

- Target: See Quota below
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	Processed Date	Amount	Type	With Split	Without Split
Rep 1	14-Jul-03	$3,500	Revenue	$10	$50
Rep 1	17-Aug-03	4,500	Revenue	60	100
Rep 1	5-Sep-03	3,000	Revenue	95	150
Rep 1	21-Oct-03	10,000	Revenue	0	0
Rep 1	7-Nov-03	12,000	Revenue	19	50
Rep 1	24-Nov-03	30,000	Revenue	137	150

The calculation for these six transactions proceeds in the same manner as those for example B.6.1. However, as you divide up a transaction over one or more rate tiers, in a proportional split you apply the percentage of the commission amount depending on how much of the transaction applies to the rate tier.

Transaction 1: The first $2,500 of the transaction applies to the first tier, which does not pay commission. The remaining $1,000 falls into the second tier, which pays $50

commission at $7,500. The $1,000 is 20% of the $5,000 range ($7,500 - $2,500 = $5,000; $1,000/$5,000 = .20). $50 * .20 = $10.

Transaction 2: The $4,500 amount of the transaction is added to transaction 1. That puts $4,000 of transaction 2 into rate tier 2. $4,000 is 80% of the $5,000 range in tier 2 ($4,000/$5,000 = .80). $50 * .80 = $40. The remaining $500 of the transaction is 20% of tier 3, which pays $100 at $10,000 ($500/$2,500 = .20). $100 * .20 = $20. Add $40 to $20 for a total of $60 commision.

Transaction 3: This $3,000 transaction, thanks to the previous two transactions, is paid from the third and fourth tiers of the rate table. The first $2,000 is from tier 3 ($2,000/$2,500 = .80). $100 * .80 = $80. The remaining $1,000 of transaction 3 fits into tier 4, which pays $150 at $20,000. This amount is only 10% of tier 4 ($1,000/$10,000 = .10) so the commission is $150 * .10 = $15. $80 + $15 = $95.

Transaction 4, as in example B.6.1, does not earn commission because it is all in tier 1, which pays 0.

Transaction 5: Thanks to the cumulative check box being checked, this transaction is paid out of rate tier 2. $2,500 of the transaction falls into tier 1 and is not commissionable, but the remaining $9,500 earns a percentage of the $50 paid in tier 2. To calculate the percentage of the amount due, divide the $25,000 of tier 2 by $9,500 to get 38%. $50 * .38 = $19.

Transaction 6: This transaction pushes the resource just past the $50,000 quota amount. The first $15,500 of the transaction is applied to tier 2 ($15,500/$25,000 = .62). $50 * .62 = $31. The next $12,500 of the transaction amount takes the entire amount from tier 3, or $100. The last $2,000 of the transaction is applied to tier 4, but it is a small percent ($2,000/$50,000 = .04). $150 * .04 = $6. The total commission is $31 + $100 + $6 = $137.

As with the non-proportional example in section B.6.1, in this particular case the amount paid with a split is significantly less than it is without the split ($321 versus $500). The enterprise uses more calculation, but by splitting transactions as they accumulate, they can pay the minimum amount of commission. In the Commission Without Split column, the amounts come from simply finding which tier the transaction falls into and paying the amount for that tier.

B.7 Multiple Input Formula

A scenario that uses a Multiple Input formula generates commission based on information in addition to the transaction amount. In this example, a state code is used. This example is otherwise the same as scenario B.2.

B.7.1 Setup

Expressions

Input Expression: Transaction Amount, State Code

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Multidimensional Amount Percent

Transaction Amount	State Code:CA	State Code:NV	State Code:OR
0-5,000	1%	2%	3%
5000-10,000	2%	3%	4%
10,000-30,000	3%	4%	5%
30,000-999,999,999	5%	6%	7%

Formula

Name: Multiple Input

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Plan Element

Name: Multiple Input

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Multiple Input

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Transactions

Resource	Processed Date	Amount	State Code	Transaction Type	Commission
Rep 1	02-Jan-03	$3,000	CA	Revenue	$30
Rep 1	15-Jan-03	4,000	OR	Revenue	120
Rep 1	29-Jan-03	25,000	NV	Revenue	1,000

When the individual transactions are applied to the rate table, the first transaction falls into the first tier of the rate table, for state code CA, so it pays commission at 1%. The second transaction is still in the first tier, but for state code OR it pays 3%. The third transaction falls into the third tier of the rate table, for state code NV, so it generates commission at 4%. Total commission for the three transactions is $1,150.

This method of calculating commission works the same if you have a multidimensional Amount Amount rate table such as this:

Transaction Amount	State Code:CA	State Code:NV	State Code:OR
0-5,000	$100	$200	$300
5000-10,000	200	300	400
10,000-30,000	400	600	800
30,000-999,999,999	500	700	900

Using this rate table, the first transaction generates $100 commission, the second transaction generates $300, and the third transaction generates $600, for a total commission of $1,000.

B.8 Bonus Compensation

A Bonus plan element has no links or references to individual transactions. Bonus formulas calculate only against Individual transaction options. Split options are selectable (each is mutually exclusive).

A bonus plan element uses a formula type of Bonus and a plan element incentive type of Bonus.

This is a bonus plan that uses achievement information to calculate a bonus. It is also used in section B.9.2.

Expressions

Input Expression: Aggregated transactions

Output Expression: Rate Table Result

Rate Table

This Bonus rate table uses a Percent Amount rate table, because the dimension rate tier ranges are measured in percentages but the bonus amounts are measured in dollar amounts.

This Percent Amount Rate Table uses a dimension with tier ranges. When the amount of the resource's aggregated transactions fall in the rate tier range between them.

Percentage of Achievement	Bonus Amount
0-50	$0
50-75	1000
75-100	2000
100-999,999	1000

Formula

Name: Bonus

Type: Bonus

Apply Transactions: Individually

Split: No Split

Cumulative check box: Checked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

Name: Bonus

Incentive Type: Bonus

Formula Type: Formula

Choose Formula: Bonus

Variables:

- Target: None
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

The bonus plan element compares the amount of the aggregated transactions with the resource's target. The percentage of achievement determines whether a bonus is paid and also the amount of the bonus.

B.9 Interdependent Plan Elements

Interdependent plan elements use the calculated totals of one plan element to calculate commission for another plan element. This is especially useful if you want to base qualification for bonus compensation on achievement of sales targets in a commission plan element.

To set up an interdependent plan element, you must create an expression on the Calculation Expressions page (Incentive > Expression) that accesses specific plan element totals.

For specific steps to create interdependent plan elements, see Section 6.7.4, "Interdependent Plan Elements".

As an example, you want your resources to receive an additional bonus if they sell more than 50% of their target. To create an interdependent plan element in the resource's compensation plan, perform these steps.

1. Create a commission plan element, including the input and output expressions and a rate table to pay regular commission and aggregate credits and the target. Include the appropriate revenue class in the plan element.
2. Create a second plan element that pays a specified bonus if a specified percentage of the target of the first plan element is met. Use a formula with an input expression that references the achievement of the first commissions plan element. This input expression divides the accumulated total from the first plan element by the ITD_Target total, which determines the achievement.
3. Sequence the plan elements in the final compensation plan so that the transactions are collected and calculated for the commission plan element first. That way, the total from all of the transactions for the first (commission) plan element can be used accurately in the input expression of the second (bonus) plan element.

B.9.1 Setup of First Plan Element

This is the plan element that calculates commission and determines if the resource has achieved 100 percent of her sales target. It has been kept simple for the purposes of this example.

Expressions

Input Expression: Transaction Amount

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Amount Percent

Transaction Amount	Commission
0-5,000	1%
5000-10,000	2%
10,000-30,000	3%
30,000-999,999,999	5%

Formula

Name: Commission Calculation Formula

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work. Assign the revenue class or classes relevant to the resource's target.

Plan Element

Name: Commission Calculation

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Commission Calculation Formula

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

B.9.2 Setup of Second Plan Element

This is the bonus plan that uses achievement information from the first plan element to calculate a bonus.

Expressions 1

Input Expression: Aggregated transactions

Output Expression: Rate Table Result

Rate Table

This Bonus rate table uses a Percent Amount rate table, because the dimension rate tier ranges are measured in percentages but the bonus amounts are measured in dollar amounts.

This Percent Amount Rate Table uses a dimension with tier ranges. When the amount of the resource's aggregated transactions fall in the rate tier range between them.

Percentage of Achievement	Bonus Amount
0-50	$0
50-75	1000
75-100	2000
100-999,999,999	1000

Formula

Name: Interdependent Bonus

Type: Bonus

Apply Transactions: Individually

Split: No Split

Cumulative check box: Checked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

Name: Interdependent Bonus

Incentive Type: Bonus

Formula Type: Formula

Choose Formula: Interdependent Bonus

Variables:

- Target: None
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

The bonus plan element compares the amount of the aggregated transactions with the resource's target. The percentage of achievement determines whether a bonus is paid and also the amount of the bonus.

B.10 Formula Within a Formula

A formula within a formula is useful if you want to use another calculated value within the output expression of a formula. Like interdependent plan elements, formulas can be set up to work together to calculate commission, but within a single plan element. In the example that follows, the second formula is assigned to the plan element, and the embedded first formula is only used to determine if the resource has sufficiently achieved their goals to qualify for commission.

At this example company, the salespeople are expected to make new sales calls on a regular basis. As soon as they achieve 50 sales calls, they begin to earn commission on any new business they achieve. The transactions are applied to the rate table in Formula 2, which is the formula named in the plan element. Formula 2 uses the results of the rate table for Formula 1 in its output expression. This rate table assigns zero to sales call volume below 50 and assigns 1 to achievement of 50 calls or more. When a transaction is processed in Formula 2, "Formula 1 Rate Table

Result" is replaced by the result itself. This serves as a switch, allowing compensation to be paid as soon as the resource achieves the sales call goal, but preventing it before the sales call goal is met.

B.10.1 Setup

Expressions for Formula 1

Input Expression: Sales Calls Made

Output Expression: Rate Table Result

Rate Table 1

Sales Calls Made	Commission
0-50	0
50-99999999999999	1

Formula 1

Name: Formula_1

Type: Commission

Apply Transactions: Group by Interval

Split: No Split

Cumulative check box: Checked

Interval to Date check box: Checked

Planning check box: Unchecked

Expressions for Formula 2

Input Expression: Transaction Amount

Output Expression: Rate Table Result * Formula_1 Rate Table Result

Rate Table 2

Transaction Amount	Commission
0-5,000	1%
5000-10,000	2%
10,000-30,000	3%
30,000-999,999,999	5%

Formula 2

Name: Formula_2

Type: Formula

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

Name: Formula Within Formula

Incentive Type: Commission

Formula Type: Commission

Choose Formula: Formula_2

Variables:

- Target: $30,000
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Sales Call Record (for Formula_1)

Resource	Date	Sales Calls Made
Rep 1	02-Jan-03	18
Rep 1	08-Jan-03	11
Rep 1	15-Jan-03	8
Rep 1	19-Jan-03	15
Rep 1	25-Jan-03	13

Transactions (for Formula_2)

Resource	Processed Date	Amount	Transaction Type	Commission
Rep 1	07-Jan-03	$7,000	Revenue	$0
Rep 1	12-Jan-03	3,000	Revenue	$0
Rep 1	20-Jan-03	4,000	Revenue	$40
Rep 1	26-Jan-03	6,000	Revenue	$120

The salesperson makes sales calls on five separate days in January. He also makes four sales transactions. At the time of the first transaction, Formula_2 determines commission using Rate Table 2 and then checks the result of Rate Table 1 as an output expression. It finds only 18 sales calls have been made, so no commission is paid (the commission amount is multiplied times 0). This same situation applies to the second transaction, which is processed on January 12. When Formula_2 checks the results of Rate Table 1, the amount of calls is 29, still under the sufficient amount to earn commission. However, when transaction three is processed on January 20, the resource earns commission, because after the 5 sales calls of January 19 are added to the count, 52 sales calls have been completed. This turns the results of Rate Table 1 to a 1 instead of a 0, and the amount generates 1% commission based on Rate Table 2 results. The fourth transaction follows, and when Formula_1 provides a "1" to the Formula_2 output expression, it is paid from the second tier of Rate Table 2.

B.11 External Table Based Expressions Used in Formula for Both Input and Output

Oracle Incentive Compensation can accommodate external tables, as long as the tables are properly registered in the application. In this example, the commission calculation uses legacy data from the company's Human Resources Department in the input expression, and then uses another table in the output expression to modify commission payment amounts.

The input expression uses an Employee Code Number. Employees with less than two years of experience are assigned code number 1, employees with 2-5 years of experience are assigned code number 2, and employees with 5 or more years of experience are assigned code 3. This multiplier increases transaction amounts and can move transactions up the rate table, paying higher commission to more senior salespeople.

The output expression uses the previous year's achievement as a ratio of sales divided by goal. This legacy data, stored in a table in Accounts Receivable, rewards resources who achieved or exceeded their goal last year and penalizes resources who underachieved last year.

B.11.1 Setup

For the Employee Code Number to appear in the expression builder, the external table in which it appears must be registered. This procedure can be performed by your database administrator using a SQL script.

Expressions

Input Expression: Transaction Amount * Employee Code Number

Output Expression: Rate Table Result * (Previous Year Sales/Previous Year Goal)

Rate Table

Transaction Amount	Commission
0-5,000	1%
5000-10,000	2%
10,000-30,000	3%
30,000-999999999999	5%

Formula

Name: External Input Output

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

Name: External Input Output

Incentive Type: Commission

Formula Type: Formula

Choose Formula: External Input Output

Variables:

- Target: Varies by resource
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	Processed Date	Amount	Transaction Type	Commission
Rep 1	07-Jan-03	$7,000	Revenue	$630
Rep 2	12-Jan-03	3,000	Revenue	45
Rep 3	20-Jan-03	4,000	Revenue	144

Human Resources Table

Resource	Employee Code Number
Rep 1	3
Rep 2	1
Rep 3	2

Accounts Receivable Table

Resource	Sales Year	Sales Amount	Annual Goal
Rep 1	2002	$250,000	$250,000
Rep 2	2002	150,000	100,000
Rep 3	2002	180,000	200,000

The External Input Output formula multiplies the transaction amount times the Employee Code Number and then applies it to the rate table. The rate table result is then multiplied times the ratio of previous year sales to previous year goal.

Here is how commission is calculated for three different resources.

Rep 1 is a long term employee who met his 2002 goal exactly.

The transaction is multiplied times the Employee Code Number

$7,000 * 3 = $21,000

The amount is applied to the rate table

$21,000 is in tier 3, so $21,000 * .03 = $630.

The rate table result is multiplied times the sales/goal ratio (1.0)

$630 * 1.0 = $630

By meeting his sales goal the previous year, Rep 1 receives all of his calculated commission amount. Note that if the Employee Code Number was not part of the input expression, or if Rep 1 was a new employee, this transaction would fall into the second tier of the rate table, paying 2% on $7,000, or $140. This input expression rewards seniority and meeting previous goals.

Rep 2 has been working for the company for only a year and a half, so she is assigned Employee Code Number 1. However, she worked very hard last year and exceeded her goal.

The transaction is multiplied times the Employee Code Number

$3,000 * 1 = $3,000

The amount is applied to the rate table

$3,000 is in tier 1, so $3,000 * .01 = $30

The rate table result is multiplied times the sales/goal ratio (1.5)

$30 * 1.5 = $45

Although her commission rate is lower because of her shorter time with the company, Rep 2 increased her earnings on this transaction by 50 percent because of her success in the previous year.

Rep 3 has worked for the company for four years, and does a good job. However, he achieved only 90% of his goal last year, and this will affect his final commission earnings.

The transaction is multiplied times the Employee Code Number

$4,000 * 2 = $8,000

This amount is applied to the rate table

$8,000 is in tier 2, so $8,000 * .02 = $160

The rate table result is multiplied times the sales/goal ratio (.9)

$160 * .9 = $144

Rep 2 benefited from his longevity with the company--it doubled the amount applied to the rate table. However, he lost out on 10 percent of his earnings because he did not meet his sales goal for the previous year.

B.12 Compensation for Transactions Using Four Different Types of Rate Dimensions

Rate tables can use four different kinds of dimensions:

- Amount: The rate dimension is defined in quantities.
- Percent: The rate dimension is defined in percentages.

- String: The rate dimension uses alphanumeric data.
- Expression: The rate dimension uses previously defined expressions.

See Section 6.4, "Defining Rate Dimensions" for more information.

This scenario shows examples of each kind of rate dimension, and how they can work together in multidimensional rate tables as well.

In a company, the sales manager wants to pay commission based on the amount of units sold and also on the territory in which the sale it was made. The amount sold requires an amount dimension and the territory. which is the name of a state, requires a string dimension. The manager asks the Incentive Compensation Analyst to create a multidimensional rate table using the Units Sold from the transaction on the first (vertical) axis and the territory identifier (state) on the second (horizontal) axis.

A Units Sold amount dimension by itself looks like this:

Units Sold
1-100
100-250
250-999,999,999

A State string dimension by itself looks like this:

State
California
Oregon
Washington

Combined, they become a multidimensional rate table, which pays different amounts based on units sold and also on where the deal took place (see the setup below).

B.12.1 Setup for Plan Element Using Amount/String Multidimensional Rate Table

Expressions

Input Expression: Units Sold, State

Output Expression: Rate Table Result

Rate Table

Units Sold	California	Oregon	Washington
1-100	$100	$200	$400
100-250	200	300	600
250-999,999,999	300	400	800

Formula

Name: Units Sold Western Region

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box Unchecked

Plan Element

Name: Plan Element 1

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Units Sold Western Region

Variables:

- Target: None
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	Processed Date	Units	State	Transaction Type	Commission
Rep 1	07-Jan-03	150	California	Revenue	$630
Rep 1	12-Jan-03	1,000	Oregon	Revenue	45
Rep 1	20-Jan-03	50	Washington	Revenue	144

When transactions are applied to the rate table, the units sold dimension is used first, and then the territory dimension is applied later. For the three transactions above, the calculation works this way:

The first transaction is applied to the rate table, in the second tier, for California. This generates commission of $200.

The second transaction is placed in the third tier of the rate table, for Oregon, generating $400 commission.

The third transaction ends up in the first tier, for Washington, generating $400 commission.

B.12.2 Setup for Plan Element Using a Percent Percent Rate Table

The first dimension in a rate table can be a percent dimension if you use Percentage of Target instead of Units Sold. This works well with a cumulative formula, in which compensation increases as the percentage of achievement of a target grows. The example below uses a percent percent rate table, in which the percentage of achievement of the target is matched up with a percentage of the transaction amount.

Expressions

Input Expression: Percent of Target

Output Expression: Transaction Amount * Rate Table Result

Rate Table

Percent of Target	Commission
0-25	1%
25-50	2%
50-100	3%
100-9,999	5%

Formula

Name: Percent of Target

Type: Commission

Apply Transactions: Individually

Split: No Split

Cumulative check box: Checked

Interval to Date check box: Unchecked

Planning check box Unchecked

Plan Element

Name: Plan Element 2

Incentive Type: Commission

Formula Type: Formula

Choose Formula: Percent of Goal

Variables:

- Target: $50,000/Quarter
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	Processed Date	Amount	Transaction Type	Commission
Rep 1	07-Jan-03	$7,000	Revenue	$70
Rep 1	12-Feb-03	23,000	Revenue	690
Rep 1	20-March-03	21,000	Revenue	1,050

For the above transactions, the calculation proceeds in this way:

Transaction 1 falls within tier 1 of the rate table, because it is less than 25% of the target.

7,000 * .01 = $70

Because the cumulative box is checked, Transaction 2 is combined with Transaction 1 for the purposes of selecting a rate tier. The $30,000 total places it in tier 3.

$23,000 * .03 = $690

Transaction 3 is applied to the fourth tier, because, combined with the first two transactions, it goes over 100% achievement of the target.

$21,000 * .05 = $1,050

B.12.3 Using an Expression Based Rate Table

The first dimension in a rate table can be a previously defined expression. This works well if you want to use a value that is variable in the rate table. For a complete example, see Section B.6.2, "Proportional Split". In this case, using expressions preserved the percentage of achievement from period to period even when the total amount of the sales goal for the period was seasonally adjusted.

B.13 External Table Based Bonus

Sometimes data in an external table is needed to determine eligibility for a bonus. In this example, the resource's salary is used to determine the amount of a bonus payment. This information is stored in the Human Resources Department.

B.13.1 Setup

For the Salary Amount to appear in the expression builder, the external table in which it appears must be registered. This procedure can be performed by your database administrator using a SQL script.

Expressions

Input Expression: Salary Amount

Output Expression: Rate Table Result

Rate Table

This Bonus example uses an Amount Amount rate table. Both rate dimensions are measured in dollar amounts.

Salary Amount	Bonus Amount
$25,000-50,000	$1,000
50,000-75,000	2,000
75,000-100,000	3,000
100,000-999,999	5,000

Formula

Name: External Table Based Bonus

Type: Bonus

Apply Transactions: Individually

Split: No Split

Cumulative check box: Unchecked

Interval to Date check box: Unchecked

Planning check box: Unchecked

Plan Element

For an external formula type, you must enter External in the Formula Type field instead of Formula. You do not enter anything in the Choose Formula field, but you must enter a PL/SQL package name to enable the application to find the external formula.

Name: External Table Based Bonus

Incentive Type: Bonus

Formula Type: *External*

Choose Formula: *NA*

Package Name: Enter a PL/SQL package name.

Variables:

- Target: None
- Fixed Amount: None
- Goal: None

Sum amounts from Revenue Classes check box: Unchecked

For three sample resources, the calculation works this way when the bonus plan element is applied:

Resource Name	Salary	Rate Tier	Bonus Amount
Sam Smith	$42,500	1	$1,000
Joan Jones	68,000	2	2,000
Peter Parker	110,000	4	5,000

C

External Formula Code Examples

Following are two examples with notes indicating the customization of the existing packages. The Spec code is shown first, with the Package Body following. Areas in the package body that can be customized for external packages are shown in boldface type. Notes of interest are displayed in Italics. The Spec code cannot be changed.

- Section C.1, "Example 1"
- Section C.2, "Example 2"

C.1 Example 1

C.1.1 Spec of Example 1

```
CREATE OR REPLACE PACKAGE cn_formula_10510_pkg AS


-- Procedure Name
--   get_input
-- Purpose
--   This procedure gets the input values
-- History
--   04-SEP-2001          APPS     Created
```

```
PROCEDURE get_input(p_commission_line_id NUMBER,
                    p_salesrep_id        NUMBER,
                    p_period_id          NUMBER,
                    p_quota_id           NUMBER,
                    p_srp_plan_assign_id NUMBER,
                    p_processed_date     DATE,
                    x_mul_input_tbl      IN OUT
cn_formula_common_pkg.mul_input_tbl_type);

-- Procedure Name
--   get_perf
-- Purpose
--   This procedure is to accumulate performance measure.
-- History
--   04-SEP-2001          APPS     Created

FUNCTION get_perf(p_commission_line_id NUMBER,
                  p_salesrep_id        NUMBER,
                  p_period_id          NUMBER,
                  p_quota_id           NUMBER,
                  p_srp_plan_assign_id NUMBER,
                  p_start_date         DATE) RETURN NUMBER;

-- Procedure Name
--   get_commission
-- Purpose
--   This procedure is to calculate the commission
-- History
```

```
--   04-SEP-2001          APPS     Created

FUNCTION get_commission(p_commission_line_id NUMBER,
                        p_salesrep_id        NUMBER,
                        p_period_id          NUMBER,
                        p_quota_id           NUMBER,
                        p_srp_plan_assign_id NUMBER,
                        p_rate               NUMBER) RETURN
NUMBER;

-- Procedure Name
--   calculate_quota
-- Purpose
--   This procedure is the hook to the calculation engine
-- History
--   04-SEP-2001          APPS     Created

PROCEDURE calculate_quota(p_srp_plan_assign_id    NUMBER,
                          p_salesrep_id           NUMBER,
                          p_period_id             NUMBER,
                          p_start_date            DATE,
                          p_quota_id              NUMBER,
                          p_process_all_flag      VARCHAR2,
                          p_intel_calc_flag       VARCHAR2,
                          p_calc_type             VARCHAR2,
                          x_latest_processed_date OUT DATE);

-- Procedure Name
```

```
--   get_result
-- Purpose
--   This procedure is invoked if this formula is used as an
embeded formula
-- History
--   24-SEP-01          APPS     Created


FUNCTION get_result(p_commission_line_id NUMBER) RETURN
NUMBER;


END cn_formula_10510_pkg ;
```

C.1.2 Body of Example 1

```
CREATE OR REPLACE PACKAGE BODY cn_formula_10510_pkg AS


g_commission_paid_ptd      NUMBER;
g_commission_paid_itd      NUMBER;
g_input_achieved_ptd        NUMBER;
g_input_achieved_itd        NUMBER;
g_output_achieved_ptd       NUMBER;
g_output_achieved_itd       NUMBER;
g_perf_achieved_ptd         NUMBER;
g_perf_achieved_itd         NUMBER;
g_intel_calc_flag           VARCHAR2(1);
g_calc_type                 VARCHAR2(30);
g_select_status_flag        VARCHAR2(30);


g_formula_id                NUMBER := 10510;
```

```
g_number_dim                NUMBER := 3;
g_split_flag                VARCHAR2(1) := 'N';
g_trx_group_code            VARCHAR2(30) := 'INDIVIDUAL';
g_itd_flag                  VARCHAR2(1) := 'N';
g_output_achieved           NUMBER;

-- Procedure Name
--   get_input
-- Purpose
--   This procedure gets the input values
-- History
--   04-SEP-2001          APPS     Created

PROCEDURE get_input(p_commission_line_id NUMBER,
                    p_salesrep_id        NUMBER,
                    p_period_id          NUMBER,
                    p_quota_id           NUMBER,
                    p_srp_plan_assign_id NUMBER,
                    p_processed_date     DATE,
                    x_mul_input_tbl      IN OUT
cn_formula_common_pkg.mul_input_tbl_type)
IS
  l_input           NUMBER;

  --Note: define the following local variables
  l_input_string1    VARCHAR2(30);
  l_input_string2    VARCHAR2(30);
```

```
  --Note: you can define local variables and cursors to get
information
  --      from the other tables or views as long as you are
sure that at
  --      this point in time, those tables/views have the
correct information.
  --      For example, you can get the commission_paid_itd
from another
  --      plan element in the same compensation plan from cn_
srp_period_quotas
  --      by the following query:
  --         select commission_paid_itd
  --           into l_comm
  --           from cn_srp_period_quotas
  --          where srp_plan_assign_id = p_srp_plan_assign_id
  --            and quota_id = :quota_id
  --            and period_id = p_period_id
BEGIN
  --Note: modify the following SQL statement to get the input
values
  select ch.transaction_amount, ch.attribute46, ch.attribute47
    into l_input, l_input_string1, l_input_string2
    from cn_commission_lines cl, cn_commission_headers ch
   where cl.commission_line_id = p_commission_line_id
     and ch.commission_header_id = cl.commission_header_id;

  --Note: pass the input values to the corresponding array
element
  l_input := nvl(l_input, 0);
  x_mul_input_tbl(1).rate_dim_sequence := 1;
```

```
  x_mul_input_tbl(1).input_string := l_input_string1;
  x_mul_input_tbl(1).base_amount := l_input;

  x_mul_input_tbl(2).rate_dim_sequence := 2;
  x_mul_input_tbl(2).input_string := l_input_string2;
  x_mul_input_tbl(2).base_amount := l_input;

  x_mul_input_tbl(3).rate_dim_sequence := 3;
  x_mul_input_tbl(3).input_amount := l_input;
  x_mul_input_tbl(3).amount := l_input;

  --Note: pass the total revenue (g_input_achieved_itd+l_
input)
  --      as the base_amount instead of l_input
  x_mul_input_tbl(3).base_amount := g_input_achieved_itd + l_
input;
EXCEPTION WHEN OTHERS THEN
  cn_message_pkg.debug('EXCEPTION IN GET_input, ' || sqlerrm);
  raise;
END get_input;

-- Procedure Name
--   get_perf
-- Purpose
--   This procedure is to accumulate performance measure.
-- History
--   04-SEP-2001          APPS     Created
```

```
FUNCTION get_perf(p_commission_line_id NUMBER,
                  p_salesrep_id        NUMBER,
                  p_period_id          NUMBER,
                  p_quota_id           NUMBER,
                  p_srp_plan_assign_id NUMBER,
                  p_start_date         DATE) RETURN NUMBER
IS
  l_perf          NUMBER;
BEGIN
  --Note: you can manipulate l_perf here
  select ch.transaction_amount
    into l_perf
    from cn_commission_lines cl, cn_commission_headers ch
   where cl.commission_line_id = p_commission_line_id
     and ch.commission_header_id = cl.commission_header_id;

  l_perf := nvl(l_perf, 0);
  return l_perf;
EXCEPTION WHEN OTHERS THEN
  cn_message_pkg.debug('EXCEPTION IN GET_PERF, ' || sqlerrm);
  raise;
END get_perf;



-- Procedure Name
--   get_commission
-- Purpose
--   This procedure is to calculate the commission
```

```
-- History
--   04-SEP-2001          APPS     Created

FUNCTION get_commission(p_commission_line_id NUMBER,
                        p_salesrep_id        NUMBER,
                        p_period_id          NUMBER,
                        p_quota_id           NUMBER,
                        p_srp_plan_assign_id NUMBER,
                        p_rate               NUMBER) RETURN
NUMBER
IS
  l_commission          NUMBER;
  l_output                  NUMBER;
BEGIN
  --Note: you can manipulate l_commission here
  select p_rate*ch.transaction_amount
    into l_commission
    from cn_commission_lines cl, cn_commission_headers ch
   where cl.commission_line_id = p_commission_line_id
     and ch.commission_header_id = cl.commission_header_id;

  l_commission := nvl(l_commission, 0);
  return l_commission;
EXCEPTION WHEN OTHERS THEN
  cn_message_pkg.debug('EXCEPTION IN GET_COMMISSION, ' ||
sqlerrm);
  raise;
END get_commission;
```

```
-- Procedure Name
--   calculate_quota
-- Purpose
--   This procedure is the hook to the calculation engine
-- History
--   04-SEP-2001          APPS     Created

PROCEDURE calculate_quota(p_srp_plan_assign_id    NUMBER,
                          p_salesrep_id           NUMBER,
                          p_period_id             NUMBER,
                          p_start_date            DATE,
                          p_quota_id              NUMBER,
                          p_process_all_flag      VARCHAR2,
                          p_intel_calc_flag       VARCHAR2,
                          p_calc_type             VARCHAR2,
                          x_latest_processed_date OUT DATE)
IS
  l_mul_input_tbl   cn_formula_common_pkg.mul_input_tbl_type;
  l_rate            NUMBER;
  l_rate_tier_id    NUMBER;
  l_tier_split      NUMBER;
  l_input           NUMBER;
  l_commission      NUMBER;
  l_perf            NUMBER;
  l_itd_target      NUMBER;
  l_itd_payment     NUMBER;
  l_processed_date  DATE;
```

```
l_error_reason    VARCHAR2(150);
l_trx_rec_old     cn_formula_common_pkg.trx_rec_type;
l_trx_rec_new     cn_formula_common_pkg.trx_rec_type;
l_trx_rec_null    cn_formula_common_pkg.trx_rec_type;

CURSOR l_lines_csr IS
  SELECT cl.commission_line_id,
         cl.commission_header_id,
         cl.credited_salesrep_id salesrep_id,
         cl.srp_plan_assign_id,
         cl.quota_id,
         cl.processed_date,
         cl.processed_period_id,
         cl.pay_period_id,
         cl.commission_amount,
         cl.commission_rate,
         cl.rate_tier_id,
         cl.tier_split,
         cl.input_achieved,
         cl.output_achieved,
         cl.perf_achieved,
         cl.posting_status,
         cl.pending_status,
         cl.created_during,
         cl.trx_type,
         cl.error_reason,
         cl.status
    FROM cn_commission_lines cl,
```

```
            cn_commission_headers header
     WHERE cl.credited_salesrep_id = p_salesrep_id
       AND cl.quota_id = p_quota_id
       AND cl.srp_plan_assign_id = p_srp_plan_assign_id
       AND cl.processed_period_id = p_period_id
       AND cl.processed_date >= p_start_date
       AND header.commission_header_id = cl.commission_header_
id
       AND substr(header.pre_processed_code, 4,1) = 'C'
       AND ((g_select_status_flag = 'PCX' and cl.status in
('POP',
'CALC', 'XCALC'))
            OR (g_select_status_flag = 'P' and cl.status =
'POP'))
       AND ((g_calc_type = 'FORECAST' and cl.trx_type =
'FORECAST')
            OR (g_calc_type = 'BONUS' and  cl.trx_type =
'BONUS')
           OR (g_calc_type = 'COMMISSION' and cl.trx_type NOT
IN
('BONUS','FORECAST','GRP')))
     ORDER by cl.processed_date asc, cl.commission_line_id
asc;
BEGIN
  g_intel_calc_flag := p_intel_calc_flag;
  g_calc_type := p_calc_type;

  cn_formula_common_pkg.calculate_init(p_srp_plan_assign_id,
                                       p_salesrep_id,
                                       p_period_id,
```

```
                                                    p_quota_id,
                                                    p_start_date,
                                                    p_process_all_flag,
                                                    g_intel_calc_flag,
                                                    g_calc_type,
                                                    g_trx_group_code,
                                                    g_itd_flag,
                                                    g_commission_paid_ptd,
                                                    g_commission_paid_itd,
                                                    g_input_achieved_ptd,
                                                    g_input_achieved_itd,
                                                    g_output_achieved_ptd,
                                                    g_output_achieved_itd,
                                                    g_perf_achieved_ptd,
                                                    g_perf_achieved_itd,
                                                    g_select_status_flag);

Open l_lines_csr;
LOOP
  l_trx_rec_new := l_trx_rec_null;
  FETCH l_lines_csr into l_trx_rec_old;
  EXIT WHEN l_lines_csr%notfound;
  BEGIN
    get_input(l_trx_rec_old.commission_line_id,
              p_salesrep_id,
              p_period_id,
              p_quota_id,
              p_srp_plan_assign_id,
```

```
                l_trx_rec_old.processed_date,
                l_mul_input_tbl);


      --Note: display l_mul_input_tbl(3).amount instead of
      --      l_mul_input_tbl(1).amount because we add two
more inputs and the third
      --      one actually have the numeric value
      cn_message_pkg.debug('AFTER get_input ' || l_mul_input_
tbl(3).amount);


      cn_formula_common_pkg.get_rates(p_salesrep_id,
                                      p_srp_plan_assign_id,
                                      p_period_id,
                                      p_quota_id ,
                                      g_split_flag,
                                      g_itd_flag,
                                      l_trx_rec_old.processed_
date,
                                      g_number_dim,
                                      l_mul_input_tbl,
                                      g_formula_id,
                                      l_rate,
                                      l_rate_tier_id,
                                      l_tier_split);


      --Note: you can manipulate l_rate here. For example,
double the portion that exceeds
      --      100% in the following way:
      --         if (l_rate > 1) then
```

```
      --           l_rate := 1 + 2*(l_rate - 1);
      --         end if;
      cn_message_pkg.debug('AFTER get_rates ' || l_rate);

      l_commission := get_commission(l_trx_rec_old.commission_
line_id,
                                     p_salesrep_id,
                                     p_period_id,
                                     p_quota_id,
                                     p_srp_plan_assign_id,
                                     l_rate);

      --Note: you can manipulate l_commission here.
      cn_message_pkg.debug('AFTER get_commission ' || l_
commission);

      l_perf := get_perf(l_trx_rec_old.commission_line_id,
                         p_salesrep_id,
                         p_period_id,
                         p_quota_id,
                         p_srp_plan_assign_id,
                         l_trx_rec_old.processed_date);

      cn_message_pkg.debug('AFTER get_perf' || l_perf);

      --Note: l_input should be l_mul_input_tbl(3).input_
amount
      --       instead of l_mul_input_tbl(1).input_amount
      l_input := l_mul_input_tbl(3).input_amount;
```

```
      x_latest_processed_date := l_trx_rec_old.processed_date;
      l_trx_rec_new.status := 'CALC';
      l_trx_rec_new.commission_amount := l_commission;
      l_trx_rec_new.commission_rate := l_rate;
      l_trx_rec_new.rate_tier_id := l_rate_tier_id ;
      l_trx_rec_new.tier_split := l_tier_split ;
      l_trx_rec_new.input_achieved := l_input ;
      l_trx_rec_new.output_achieved := l_input;
      l_trx_rec_new.perf_achieved := l_perf ;
    EXCEPTION when others then
      l_trx_rec_new.error_reason := substr(sqlerrm,1,150);
      l_trx_rec_new.status := 'XCALC' ;
    END;

    cn_formula_common_pkg.update_trx(l_trx_rec_old, l_trx_rec_
new);
    g_perf_achieved_ptd := g_perf_achieved_ptd+ l_perf;
    g_perf_achieved_itd := g_perf_achieved_itd+ l_perf;
    g_input_achieved_ptd := g_input_achieved_ptd + l_input;
    g_input_achieved_itd := g_input_achieved_itd + l_input;
    g_commission_paid_ptd := g_commission_paid_ptd + l_
commission;
    g_commission_paid_itd := g_commission_paid_itd + l_
commission;
  END LOOP;

  CLOSE l_lines_csr;
```

```
  cn_formula_common_pkg.calculate_roll(p_salesrep_id,
                                       p_period_id,
                                       p_quota_id,
                                       p_srp_plan_assign_id,
                                       p_calc_type,
                                       g_input_achieved_ptd,
                                       g_input_achieved_itd,
                                       g_output_achieved_ptd,
                                       g_output_achieved_itd,
                                       g_perf_achieved_ptd,
                                       g_perf_achieved_itd);
  EXCEPTION
    when others then
      IF l_lines_csr%isopen THEN
        CLOSE l_lines_csr;
      END IF;

      cn_message_pkg.debug('Exception in calculate_quota' ||
sqlerrm);
      cn_debug.print_msg('calculate_quota<<', 1);
END calculate_quota;

-- Procedure Name
--   get_result
-- Purpose
--   This procedure is invoked if this formula is used as an
embeded formula
-- History
```

```
--   24-SEP-01          APPS     Created


FUNCTION get_result(p_commission_line_id NUMBER) RETURN NUMBER
IS
  l_mul_input_tbl      cn_formula_common_pkg.mul_input_tbl_
type;
  l_rate               NUMBER;
  l_rate_tier_id       NUMBER;
  l_tier_split             NUMBER;
  l_commission         NUMBER;
  l_salesrep_id        NUMBER(15);
  l_period_id          NUMBER(15);
  l_quota_id           NUMBER(15);
  l_processed_date     DATE ;
  l_srp_plan_assign_id NUMBER(15);


  CURSOR l_comm_line_csr IS
    select credited_salesrep_id,
           processed_period_id,
           quota_id,
           srp_plan_assign_id,
           processed_date
      from cn_commission_lines
     where commission_line_id = p_commission_line_id;
BEGIN
  OPEN l_comm_line_csr ;
  FETCH l_comm_line_csr into l_salesrep_id, l_period_id, l_
quota_id,
l_srp_plan_assign_id, l_processed_date;
```

```
CLOSE l_comm_line_csr;

get_input(p_commission_line_id,
          l_salesrep_id,
          l_period_id,
          l_quota_id,
          l_srp_plan_assign_id,
          l_processed_date,
          l_mul_input_tbl);

cn_formula_common_pkg.get_rates(l_salesrep_id,
                                l_srp_plan_assign_id,
                                l_period_id,
                                l_quota_id,
                                g_split_flag,
                                g_itd_flag,
                                l_processed_date,
                                g_number_dim,
                                l_mul_input_tbl,
                                g_formula_id,
                                l_rate,
                                l_rate_tier_id,
                                l_tier_split);

l_commission := get_commission(p_commission_line_id,
                               l_salesrep_id,
                               l_period_id,
                               l_quota_id,
```

```
                                        l_srp_plan_assign_id,
                                        l_rate);

  return l_commission;
  cn_debug.print_msg('get_result<<', 1);
END get_result;

END cn_formula_10510_pkg ;
```

C.2 Example 2

C.2.1 Spec for Example 2

```
--Note: this is a customized version of a system generated
package
--      for a group by formula and it has three inputs
CREATE OR REPLACE PACKAGE cn_formula_10356_pkg AS
--
-- Procedure Name
--   get_input
-- Purpose
--   This procedure is to calculate the input
-- History
--   24-OCT-01          APPS     Created
PROCEDURE get_input(p_commission_line_id NUMBER,
                    p_salesrep_id        NUMBER,
                    p_period_id          NUMBER,
```

```
                    p_quota_id           NUMBER,
                    p_srp_plan_assign_id NUMBER,
                    p_processed_date     DATE,
                    x_mul_input_tbl      IN OUT cn_formula_
common_pkg.mul_input_tbl_type,
                    p_endofinterval_flag VARCHAR2,
                    p_start_period_id    NUMBER);


--Note: procedures get_perf and get_commission are also
removed because
--      they are computed in the customized procedure
calculate_quota
--      directly.


--
-- Procedure Name
--   calculate_quota
-- Purpose
--   This procedure is the hook to the calculation engine
-- History
--   24-OCT-01          APPS     Created
PROCEDURE calculate_quota(p_srp_plan_assign_id    NUMBER,
                          p_salesrep_id           NUMBER,
                          p_period_id             NUMBER,
                          p_start_date            DATE,
                          p_quota_id              NUMBER,
                          p_process_all_flag      VARCHAR2,
                          p_intel_calc_flag       VARCHAR2,
                          p_calc_type             VARCHAR2,
```

```
                              x_latest_processed_date OUT DATE);
--
-- Procedure Name
--   update_revclass_perf
-- Purpose
--   To accumulate performance by revenue classes in group by
case.This is
--   a call back when updating plan element subledger
-- History
--   24-OCT-01          APPS     Created
PROCEDURE update_revclass_perf(p_salesrep_id NUMBER,
                               p_period_id NUMBER,
                               p_quota_id NUMBER,
                               p_srp_plan_assign_id NUMBER);


END cn_formula_10356_pkg ;
```

C.2.2 Body of Example 2

```
--Note: this is a customized version of a system generated
package
--      for a group by formula and it has three inputs
CREATE OR REPLACE PACKAGE BODY cn_formula_10356_pkg AS
  g_commission_paid_ptd      NUMBER;
  g_commission_paid_itd      NUMBER;
  g_input_achieved_ptd        NUMBER;
  g_input_achieved_itd        NUMBER;
  g_output_achieved_ptd       NUMBER;
```

```
  g_output_achieved_itd       NUMBER;
  g_perf_achieved_ptd         NUMBER;
  g_perf_achieved_itd         NUMBER;
  g_intel_calc_flag           VARCHAR2(1);
  g_calc_type                 VARCHAR2(30);
  g_select_status_flag        VARCHAR2(30);
  g_formula_id                NUMBER := 10356 ;
  g_number_dim                NUMBER := 3 ;
  g_split_flag                VARCHAR2(1) := 'N' ;
  g_itd_flag                  VARCHAR2(1) := 'N' ;
  g_output_achieved           NUMBER;


--
-- Procedure Name
--   get_input
-- Purpose
--   This procedure is to calculate the input
-- History
--   24-OCT-01          APPS     Created
PROCEDURE get_input(p_commission_line_id NUMBER,
                    p_salesrep_id        NUMBER,
                    p_period_id          NUMBER,
                    p_quota_id           NUMBER,
                    p_srp_plan_assign_id NUMBER,
                    p_processed_date     DATE,
                    x_mul_input_tbl      IN OUT cn_formula_
common_pkg.mul_input_tbl_type,
```

```
                    p_endofinterval_flag VARCHAR2,
                    p_start_period_id    NUMBER)
IS
  l_input           NUMBER;
  l_input_string1   VARCHAR2(30);
  l_input_string2   varchar2(30);
  l_itd_target       NUMBER;
BEGIN
  --Note: the code to compute the aggregated values is removed
because they
  --      are computed in the customized procedure calculate_
quota.
  select ch.transaction_amount, ch.attribute3, ch.attribute1
    into l_input, l_input_string1, l_input_string2
    from cn_commission_headers ch, cn_commission_lines cl
   where cl.commission_line_id = p_commission_line_id
     and ch.commission_header_id = cl.commission_header_id;

  l_input := nvl(l_input,0);

  x_mul_input_tbl(1).rate_dim_sequence := 1;
  x_mul_input_tbl(1).input_string := l_input_string1;
  x_mul_input_tbl(1).base_amount := l_input;

  x_mul_input_tbl(2).rate_dim_sequence := 2;
  x_mul_input_tbl(2).input_string := l_input_string2;
  x_mul_input_tbl(2).base_amount := l_input;
```

```
  x_mul_input_tbl(3).rate_dim_sequence := 3;
  x_mul_input_tbl(3).input_amount := l_input;
  x_mul_input_tbl(3).amount := l_input;
EXCEPTION WHEN OTHERS THEN
  cn_message_pkg.debug('EXCEPTION IN GET_input, ' || Sqlerrm);
  raise;
END get_input;

--Note: procedures get_perf and get_commission are also
removed because
--      they are computed in the customized procedure
calculate_quota
--      directly.

--
-- Procedure Name
--   calculate_quota
-- Purpose
--   This procedure is the hook to the calculation engine
-- History
--   24-OCT-01          APPS     Created
PROCEDURE calculate_quota(p_srp_plan_assign_id    NUMBER,
                          p_salesrep_id           NUMBER,
                          p_period_id             NUMBER,
                          p_start_date            DATE,
                          p_quota_id              NUMBER,
                          p_process_all_flag      VARCHAR2,
                          p_intel_calc_flag       VARCHAR2,
```

```
                                p_calc_type             VARCHAR2,
                                x_latest_processed_date OUT DATE)

IS
  l_mul_input_tbl             cn_formula_common_pkg.mul_input_
tbl_type;
  l_rate                      NUMBER;
  l_rate_tier_id              NUMBER;
  l_tier_split                NUMBER;
  l_input                     NUMBER;
  l_commission                NUMBER;
  l_perf                      NUMBER;
  l_itd_target                NUMBER;
  l_itd_payment               NUMBER;
  l_processed_date            DATE;
  l_error_reason              VARCHAR2(150);
  l_trx_rec_old              cn_formula_common_pkg.trx_rec_type;
  l_trx_rec_new              cn_formula_common_pkg.trx_rec_type;
  l_trx_rec_null              cn_formula_common_pkg.trx_rec_
type;
  l_endofinterval_flag        VARCHAR2(1);
  l_start_period_id           NUMBER(15);
  l_grp_trx_rec              cn_formula_common_pkg.trx_rec_type;

  CURSOR l_lines_csr IS
    SELECT cl.commission_line_id,
           cl.commission_header_id,
           cl.credited_salesrep_id salesrep_id,
```

```
                cl.srp_plan_assign_id,
                cl.quota_id,
                cl.processed_date,
                cl.processed_period_id,
                cl.pay_period_id,
                cl.commission_amount,
                cl.commission_rate,
                cl.rate_tier_id ,
                cl.tier_split,
                cl.input_achieved ,
                cl.output_achieved,
                cl.perf_achieved,
                cl.posting_status,
                cl.pending_status,
                cl.created_during,
                cl.trx_type,
                cl.error_reason,
                cl.status
           FROM cn_commission_lines cl,
                cn_commission_headers header
          WHERE cl.credited_salesrep_id = p_salesrep_id
            AND cl.quota_id = p_quota_id
            AND cl.srp_plan_assign_id = p_srp_plan_assign_id
            AND cl.processed_period_id = p_period_id
            AND cl.processed_date >= p_start_date
            AND header.commission_header_id = cl.commission_header_
id
            AND substr(header.pre_processed_code, 4,1) = 'C'
```

```
       AND ((g_select_status_flag = 'PCX' and cl.status in
('POP', 'CALC', 'XCALC')) OR

            (g_select_status_flag = 'P' and cl.status =
'POP'))

       AND ((g_calc_type = 'FORECAST' and cl.trx_type =
'FORECAST') OR

           (g_calc_type = 'BONUS' and  cl.trx_type = 'BONUS')
OR

           (g_calc_type = 'COMMISSION' and cl.trx_type NOT IN
('BONUS','FORECAST','GRP')))

     order by cl.processed_date, cl.commission_line_id;

BEGIN

  g_intel_calc_flag := p_intel_calc_flag;

  g_calc_type := p_calc_type;


  cn_formula_common_pkg.calculate_init(p_srp_plan_assign_id,
                                       p_salesrep_id,
                                       p_period_id,
                                       p_quota_id,
                                       p_start_date,
                                       p_process_all_flag,
                                       g_intel_calc_flag,
                                       g_calc_type,
                                       g_commission_paid_ptd,
                                       g_commission_paid_itd,
                                       g_input_achieved_ptd,
                                       g_input_achieved_itd,
                                       g_output_achieved_ptd,
                                       g_output_achieved_itd,
```

```
                                                g_perf_achieved_ptd,
                                                g_perf_achieved_itd,
                                                g_select_status_flag);

  l_endofinterval_flag := 'N';

  --Note: the code in the following loop is simplified. Its
sole purpose is to
  --      set the status of each transaction to CALC if there
is no error in
  --      calling get_input. If there is error, the status is
set to XCALC.
  Open l_lines_csr;
  LOOP
    l_trx_rec_new := l_trx_rec_null;
    FETCH l_lines_csr into l_trx_rec_old;
    EXIT WHEN l_lines_csr%notfound;
    BEGIN
      get_input(l_trx_rec_old.commission_line_id,
                p_salesrep_id,
                p_period_id,
                p_quota_id,
                p_srp_plan_assign_id,
                p_start_date,
                l_mul_input_tbl,
                l_endofinterval_flag,
                null);
      l_commission := 0;
      l_perf := 0;
```

```
      x_latest_processed_date := l_trx_rec_old.processed_date;
      l_trx_rec_new.status := 'CALC';
    EXCEPTION when others then
      l_trx_rec_new.error_reason := substr(sqlerrm,1,150);
      l_trx_rec_new.status := 'XCALC' ;
    END;

    cn_formula_common_pkg.update_trx(l_trx_rec_old, l_trx_rec_
new) ;
  END LOOP;
  CLOSE l_lines_csr;

  -- get the begining of the interval
  l_start_period_id := cn_formula_common_pkg.get_start_period_
id(p_quota_id, p_period_id);

  -- check if it is the end of the interval
  IF cn_formula_common_pkg.EndOfInterval(p_quota_id, p_period_
id) THEN
    l_endofinterval_flag := 'Y';
  END IF;

  -- get the end_date of the interval
  SELECT end_date into l_processed_date
    FROM cn_period_statuses
   WHERE period_id = p_period_id;

  --Note: the following is the customized code to compute the
total commission. get_rates is called
```

```
  --      more than once. You can write any code you wish to
compute the right commission
  declare
    cursor totals is
      select ch.attribute3, ch.attribute1, sum(transaction_
amount) revenue
        from cn_commission_headers ch, cn_commission_lines cl
       where cl.credited_salesrep_id = p_salesrep_id
         and cl.srp_plan_assign_id = p_srp_plan_assign_id
         and cl.quota_id = p_quota_id
         and ch.commission_header_id = cl.commission_header_id
         and cl.processed_period_id between l_start_period_id
and p_period_id
         and cl.status = 'CALC'
         and ((g_calc_type = 'FORECAST' and cl.trx_type =
'FORECAST') or
              (g_calc_type = 'BONUS' and cl.trx_type =
'BONUS') or
              (g_calc_type = 'COMMISSION' and cl.trx_type not
in ('BONUS', 'FORECAST', 'GRP')))
       group by ch.attribute3, ch.attribute1;
  begin
    l_commission := 0;
    l_perf := 0;
    for total in totals loop
      l_input := nvl(total.revenue,0);
      l_mul_input_tbl(1).rate_dim_sequence := 1;
      l_mul_input_tbl(1).input_string := total.attribute3;
      l_mul_input_tbl(1).base_amount := l_input;
```

```
    l_mul_input_tbl(2).rate_dim_sequence := 2;
    l_mul_input_tbl(2).input_string := total.attribute1;
    l_mul_input_tbl(2).base_amount := l_input;

    l_mul_input_tbl(3).rate_dim_sequence := 3;
    l_mul_input_tbl(3).input_amount := l_input;
    l_mul_input_tbl(3).amount := l_input;
    l_mul_input_tbl(3).base_amount := l_input;

    cn_formula_common_pkg.get_rates(p_salesrep_id,
                                    p_srp_plan_assign_id,
                                    p_period_id,
                                    p_quota_id,
                                    g_split_flag,
                                    g_itd_flag,
                                    l_processed_date,
                                    g_number_dim,
                                    l_mul_input_tbl,
                                    g_formula_id,
                                    l_rate,
                                    l_rate_tier_id,
                                    l_tier_split);

    cn_message_pkg.debug('AFTER get_rates ' || l_rate);

    l_commission := l_commission + l_rate*l_input;
    l_perf := l_perf + l_input;
  end loop;
```

```
    l_grp_trx_rec.status := 'CALC';
    l_grp_trx_rec.commission_amount := l_commission ;
    l_grp_trx_rec.commission_rate := l_commission/l_perf;
    l_grp_trx_rec.rate_tier_id := l_rate_tier_id;
    l_grp_trx_rec.tier_split := l_tier_split ;
    l_grp_trx_rec.input_achieved := g_input_achieved_itd;
    l_grp_trx_rec.output_achieved:= g_output_achieved_itd;
    l_grp_trx_rec.perf_achieved := l_perf;
  EXCEPTION WHEN OTHERS THEN
    l_grp_trx_rec.status := 'XCALC';
    l_grp_trx_rec.error_reason := substr(sqlerrm, 1, 150);
  END;


  -- if it is the end of the interval, create a GRP type
transaction to record
  -- the calculated commission.
  IF (l_endofinterval_flag = 'Y') THEN
    l_grp_trx_rec.salesrep_id := p_salesrep_id;
    l_grp_trx_rec.created_during := 'CALC';
    l_grp_trx_rec.srp_plan_assign_id := p_srp_plan_assign_id;
    l_grp_trx_rec.quota_id := p_quota_id;
    l_grp_trx_rec.processed_date := l_processed_date;
    l_grp_trx_rec.processed_period_id := p_period_id;
    l_grp_trx_rec.pay_period_id :=  cn_api.get_pay_period(p_
salesrep_id => p_salesrep_id,
                                                          p_
date        => l_processed_date);
    l_grp_trx_rec.posting_status := 'UNPOSTED';
    l_grp_trx_rec.pending_status := null;
```

```
    l_grp_trx_rec.trx_type := 'GRP' ;

    cn_formula_common_pkg.create_trx(l_grp_trx_rec);
  END IF;

  g_perf_achieved_ptd := l_perf - g_perf_achieved_itd;
  g_perf_achieved_itd := l_perf;
  g_input_achieved_ptd := l_input - g_input_achieved_itd ;
  g_input_achieved_itd := l_input;
  g_commission_paid_ptd := l_commission - g_commission_paid_
itd;
  g_commission_paid_itd := l_commission;

  cn_formula_common_pkg.calculate_roll(p_salesrep_id,
                                       p_period_id,
                                       p_quota_id,
                                       p_srp_plan_assign_id,
                                       p_calc_type,
                                       g_input_achieved_ptd,
                                       g_input_achieved_itd,
                                       g_output_achieved_ptd,
                                       g_output_achieved_itd,
                                       g_perf_achieved_ptd,
                                       g_perf_achieved_itd);
EXCEPTION
  when others then
    IF (l_lines_csr%isopen) THEN
       CLOSE l_lines_csr;
```

```
    END IF;
    cn_message_pkg.debug('Exception in calculate_quota' ||
Sqlerrm);
    cn_debug.print_msg('calculate_quota<<', 1);
END calculate_quota;


--
-- Procedure Name
--   update_revclass_perf
-- Purpose
--   To accumulate performance by revenue classes in group by
case.This is
--   a call back when updating plan element subledger
-- History
--   24-OCT-01          APPS     Created
PROCEDURE update_revclass_perf(p_salesrep_id NUMBER,
                               p_period_id NUMBER,
                               p_quota_id NUMBER,
                               p_srp_plan_assign_id NUMBER)
IS
  l_perf        NUMBER;

  CURSOR l_rev_classes_csr IS
    SELECT revenue_class_id, srp_per_quota_rc_id
      FROM cn_srp_per_quota_rc rc
     WHERE rc.srp_plan_assign_id = p_srp_plan_assign_id
       AND rc.salesrep_id = p_salesrep_id
       AND rc.period_id = p_period_id
```

```
       AND rc.quota_id = p_quota_id;
BEGIN
  FOR l_rev_class IN l_rev_classes_csr LOOP
    select sum(ch.transaction_amount)
      into l_perf
      from cn_commission_headers ch, cn_commission_lines cl
     where cl.credited_salesrep_id = p_salesrep_id
       and cl.srp_plan_assign_id = p_srp_plan_assign_id
       and cl.quota_id = p_quota_id
       and ch.commission_header_id = cl.commission_header_id
       and cl.status = 'CALC'  and (( g_calc_type = 'FORECAST'
       and cl.trx_type = 'FORECAST')  or (g_calc_type =
'BONUS'
       and cl.trx_type = 'BONUS')  or (g_calc_type =
'COMMISSION'
       and cl.trx_type not in ('BONUS', 'FORECAST', 'GRP')))
       and cl.processed_period_id = p_period_id
       and ch.revenue_class_id = l_rev_class.revenue_class_id
;

    l_perf := nvl(l_perf, 0);

    UPDATE cn_srp_per_quota_rc
       SET period_to_date = l_perf
     WHERE srp_per_quota_rc_id = l_rev_class.srp_per_quota_rc_
id;
  END LOOP;

  cn_debug.print_msg('update_revclass_perf<<', 1);
```

```
END update_revclass_perf;


END cn_formula_10356_pkg ;
```

D

Customized Summarization Code Examples

In Chapter 9, summarized transactions are discussed. If you want to use customized code, you must provide the package body cn_aggrt_trx_pkg. Examples are shown below.

Spec for the examples:

```
PACKAGE cn_aggrt_trx_pkg AUTHID CURRENT_USER AS
-- $Header: cnagtrxs.pls ship $

-- API name: aggregate_trx
-- When the profile 'Roll Summarized Transactions' is set to 'Yes' and
the profile
-- 'Customized summarization' is set to 'Yes', the following procedure
will be executed at
-- the beginning of the rollup phase to summarize transactions.
PROCEDURE aggregate_trx(p_physical_batch_id IN NUMBER);

END cn_aggrt_trx_pkg;
```

Package Body for the examples:

```
PACKAGE BODY cn_aggrt_trx_pkg AS
-- $Header: cnagtrxb.pls 115.0 2002/02/14 23:00:01 arkrishn noship $

  G_PKG_NAME                  CONSTANT VARCHAR2(30) :=
'CN_AGGRT_TRX_PKG';
  G_FILE_NAME                 CONSTANT VARCHAR2(12) := 'cnagtrxb.pls';

  G_LAST_UPDATE_DATE          DATE    := sysdate;
  G_LAST_UPDATED_BY           NUMBER  := fnd_global.user_id;
  G_CREATION_DATE             DATE    := sysdate;
  G_CREATED_BY                NUMBER  := fnd_global.user_id;
```

```
  G_LAST_UPDATE_LOGIN         NUMBER  := fnd_global.login_id;

  G_ROWID                     VARCHAR2(30);
  G_PROGRAM_TYPE              VARCHAR2(30);
  g_system_rollup_flag        VARCHAR2(1);
  g_roll_sum_trx_flag         VARCHAR2(1);
  g_srp_validation_flag       VARCHAR2(1);
  g_mode                      VARCHAR2(30);
  g_event_log_id              NUMBER(15);

  type num_tbl_type is table of number index by binary_integer;
  type date_tbl_type is table of date index by binary_integer;
  type str_tbl_type is table of varchar2(30) index by binary_integer;


PROCEDURE aggregate_trx(p_physical_batch_id IN NUMBER) IS
     rep_ids         num_tbl_type;
     header_ids      num_tbl_type;
     rollup_dates    date_tbl_type;
     group_ids       num_tbl_type;
     rev_class_ids   num_tbl_type;
     trx_types       str_tbl_type;
     amounts         num_tbl_type;
     units           num_tbl_type;
     processed_dates date_tbl_type;
     period_ids      num_tbl_type;
     tca_amounts     num_tbl_type;

     l_start_date DATE;
     l_end_date DATE;
     l_start_period_id NUMBER;

     cursor sum_trxs is
        select ch.direct_salesrep_id,
               ch.processed_period_id,
               ch.processed_date,
               nvl(ch.rollup_date, ch.processed_date),
               ch.comp_group_id,
               ch.revenue_class_id,
               ch.trx_type,
               sum(ch.transaction_amount),
               sum(ch.quantity),
               sum(ch.attribute58)
          from cn_commission_headers ch,
               cn_process_batches pb
```

```
      WHERE pb.physical_batch_id = p_physical_batch_id
        AND ch.direct_salesrep_id = pb.salesrep_id
        and ch.processed_date BETWEEN pb.start_date AND pb.end_date
        AND ch.status = 'CLS'
        -- this might give better performance
        AND ch.revenue_class_id not in
            (SELECT revenue_class_id
               FROM CN_REVENUE_CLASSES CRCA
              WHERE UPPER(NAME) LIKE 'EXA%MRC')
      group by ch.direct_salesrep_id,
               ch.processed_period_id,
               ch.processed_date,
               nvl(ch.rollup_date, ch.processed_date),
               ch.comp_group_id,
               ch.revenue_class_id,
               ch.trx_type;
BEGIN

   open sum_trxs;
     fetch sum_trxs
      bulk collect into
           rep_ids,
           period_ids,
           processed_dates,
           rollup_dates,
           group_ids,
           rev_class_ids,
           trx_types,
           amounts,
           units,
           tca_amounts;
   close sum_trxs;

  IF rep_ids.count > 0 THEN
   forall i in rep_ids.first..rep_ids.last
     insert into cn_commission_headers
      (commission_header_id,
 direct_salesrep_id,
processed_date,
processed_period_id,
trx_type,
status,
rollup_date,
comp_group_id,
revenue_class_id,
```

```
transaction_amount,
quantity,
          attribute36,
          attribute49,
          attribute57,
pre_processed_code,
parent_header_id,
creation_date,
created_by)
    values
     (cn_commission_headers_s.nextval,
rep_ids(i),
processed_dates(i),
period_ids(i),
trx_types(i),
'CLS_SUM',
rollup_dates(i),
group_ids(i),
rev_class_ids(i),
amounts(i),
units(i),
          tca_amounts(i),
          1,
          1,
'CRPC',
-1,
sysdate,
g_created_by)
   returning commission_header_id bulk collect INTO header_ids;

  forall i IN rep_ids.first..rep_ids.last
    UPDATE cn_commission_headers
       SET parent_header_id = header_ids(i)
     WHERE direct_salesrep_id = rep_ids(i)
       AND processed_period_id= period_ids(i)
       AND processed_date = processed_dates(i)
       AND nvl(rollup_date, processed_date) = rollup_dates(i)
       AND nvl(comp_group_id, -999999) = nvl(group_ids(i), -999999)
       AND revenue_class_id = rev_class_ids(i)
       AND trx_type = trx_types(i)
       AND status = 'CLS';
END IF;

update cn_commission_headers
   set status = 'CLS_SUM',
```

```
          parent_header_id = commission_header_id
    where commission_header_id in
          (select ch.commission_header_id
             from cn_commission_headers ch,
                  cn_process_batches pb
            where pb.physical_batch_id = p_physical_batch_id
              and ch.direct_salesrep_id = pb.salesrep_id
              and ch.processed_date BETWEEN pb.start_date AND
pb.end_date
              and ch.status = 'CLS'
              and ch.revenue_class_id in
                  (SELECT revenue_class_id
                     FROM CN_REVENUE_CLASSES CRCA
                    WHERE UPPER(NAME) LIKE 'EXA%MRC'));

  END;
END CN_AGGRT_TRX_PKG;
```

To customize the code, use one of the three examples below as a basis and make only the changes you need. Then, add the code that follows example 3.

PACKAGE BODY cn_aggrt_trx_pkg AS Examples to Customize the Summarization Code

1. To add a summarizing criterion, for example, attribute12, add attribute12 into select and group by of the summarization SQL, and modify the insert and update statements accordingly.

```
   cursor sum_trxs is
    select ch.direct_salesrep_id,
           ch.processed_period_id,
           ch.processed_date,
           nvl(ch.rollup_date, ch.processed_date),
           ch.comp_group_id,
           ch.revenue_class_id,
           ch.trx_type,
           ch.attribute12, --add attribute12
           sum(ch.transaction_amount),
           sum(ch.quantity)
      from cn_commission_headers ch,
           cn_process_batches pb
     WHERE pb.physical_batch_id = p_physical_batch_id
       AND ch.direct_salesrep_id = pb.salesrep_id
       and ch.processed_date BETWEEN pb.start_date AND pb.end_date
       AND ch.status = 'CLS'
     group by ch.direct_salesrep_id,
```

```
            ch.processed_period_id,
            ch.processed_date,
            nvl(ch.rollup_date, ch.processed_date),
            ch.comp_group_id,
            ch.revenue_class_id,
            ch.trx_type,
            ch.attribute12; -- add attribute12
```

2. To get the total value of an attribute column, for example, attribute13, add sum(attribute13) into the select part. This time, attribute13 is not the summarizing criteria and should not be added to the group by clause. Modify the insert statement accordingly.

```
cursor sum_trxs is
 select ch.direct_salesrep_id,
        ch.processed_period_id,
        ch.processed_date,
        nvl(ch.rollup_date, ch.processed_date),
        ch.comp_group_id,
        ch.revenue_class_id,
        ch.trx_type,
        sum(ch.transaction_amount),
        sum(ch.quantity),
        sum(attribute13) -- add sum(attribute13)
   from cn_commission_headers ch,
        cn_process_batches pb
  WHERE pb.physical_batch_id = p_physical_batch_id
    AND ch.direct_salesrep_id = pb.salesrep_id
    and ch.processed_date BETWEEN pb.start_date AND pb.end_date
    AND ch.status = 'CLS'
  group by ch.direct_salesrep_id,
           ch.processed_period_id,
           ch.processed_date,
           nvl(ch.rollup_date, ch.processed_date),
           ch.comp_group_id,
           ch.revenue_class_id,
           ch.trx_type;
```

3. If transactions of one kind need to be summarized differently from transactions of another kind, use two separate SQL statements to do it. For example, transactions of

revenue_class_id in list1 are summarized differently from transactions of revenue_class_id in list2. Modify the insert and update statements (or have two insert/update statements if needed).

```
   -- cursor for revenue_class_ids in list1
   cursor sum_trxs1 is
    select ch.direct_salesrep_id,
           ch.processed_period_id,
           ch.processed_date,
           nvl(ch.rollup_date, ch.processed_date),
           ch.comp_group_id,
           ch.revenue_class_id,
           ch.trx_type,
           sum(ch.transaction_amount),
           sum(ch.quantity)
      from cn_commission_headers ch,
           cn_process_batches pb
     WHERE pb.physical_batch_id = p_physical_batch_id
       AND ch.direct_salesrep_id = pb.salesrep_id
       and ch.processed_date BETWEEN pb.start_date AND pb.end_date
       AND ch.status = 'CLS'
       and ch.revenue_class_id in (list1) -- constraint on
revenue_class_id
     group by ch.direct_salesrep_id,
              ch.processed_period_id,
              ch.processed_date,
              nvl(ch.rollup_date, ch.processed_date),
              ch.comp_group_id,
              ch.revenue_class_id,
              ch.trx_type;

   -- cursor for revenue_class_ids in list2
   cursor sum_trxs2 is
    select ch.direct_salesrep_id,
           ch.processed_period_id,
           ch.processed_date,
           nvl(ch.rollup_date, ch.processed_date),
           ch.comp_group_id,          ch.revenue_class_id,
           ch.trx_type,
           ch.attribute24,
           sum(ch.transaction_amount),
           sum(ch.quantity),
           sum(ch.attribute15)
      from cn_commission_headers ch,
```

```
           cn_process_batches pb
     WHERE pb.physical_batch_id = p_physical_batch_id
       AND ch.direct_salesrep_id = pb.salesrep_id
       and ch.processed_date BETWEEN pb.start_date AND pb.end_date
       AND ch.status = 'CLS'
       and ch.revenue_class_ids in (list2) -- constraint on
revenue_class_ids
     group by ch.direct_salesrep_id,
              ch.processed_period_id,
              ch.processed_date,
              nvl(ch.rollup_date, ch.processed_date),
              ch.comp_group_id,
              ch.revenue_class_id,
              ch.trx_type,
              ch.attribute24;
```

This part of the code is used in all of the three customizations above. Add the code after the code you customized. You can change the variables in the lefthand column to suit your requirements, but you should leave the rest of the code as it is.

```
-- type declaration
type num_tbl_type is table of number index by binary_integer;
type date_tbl_type is table of date index by binary_integer;
type str_tbl_type is table of varchar2(30) index by binary_integer;

PROCEDURE aggregate_trx(p_physical_batch_id IN NUMBER) IS
  -- declare PL/SQL tables to store the aggregation result
  rep_ids             num_tbl_type;
  header_ids          num_tbl_type;
  rollup_dates        date_tbl_type;
  group_ids           num_tbl_type;
  rev_class_ids       num_tbl_type;
  trx_types           str_tbl_type;
  amounts             num_tbl_type;
  units               num_tbl_type;
  processed_dates     date_tbl_type;
  period_ids          num_tbl_type;

  g_created_by        NUMBER  := fnd_global.user_id;
  g_creation_date     date    := sysdate;

  -- SQL to summarize transactions
  cursor sum_trxs is
```

```
    select ch.direct_salesrep_id,
           ch.processed_period_id,
           ch.processed_date,
           nvl(ch.rollup_date, ch.processed_date),
           ch.comp_group_id,
           ch.revenue_class_id,
           ch.trx_type,
           sum(ch.transaction_amount),
           sum(ch.quantity)
      from cn_commission_headers ch,
           cn_process_batches pb
     WHERE pb.physical_batch_id = p_physical_batch_id
       AND ch.direct_salesrep_id = pb.salesrep_id
       and ch.processed_date BETWEEN pb.start_date AND pb.end_date
       AND ch.status = 'CLS'
     group by ch.direct_salesrep_id,
              ch.processed_period_id,
              ch.processed_date,
              nvl(ch.rollup_date, ch.processed_date),
              ch.comp_group_id,
              ch.revenue_class_id,
              ch.trx_type;
BEGIN
  -- fetch the summarized transactions into PL/SQL tables
  open sum_trxs;
  fetch sum_trxs bulk collect into rep_ids, period_ids,
processed_dates,  rollup_dates,
                                                          group_ids,
rev_class_ids, trx_types, amounts, units;
  close sum_trxs;

  IF rep_ids.count > 0 THEN
    -- insert summarized transactions into cn_commission_headers
    -- summarized transactions' status is CLS_SUM
    forall i in rep_ids.first..rep_ids.last
      insert into cn_commission_headers
       (commission_header_id,
        direct_salesrep_id,
        processed_date,
        processed_period_id,
        trx_type,
        status,
        rollup_date,
        comp_group_id,
        revenue_class_id,
```

```
        transaction_amount,
        quantity,
        pre_processed_code,
        parent_header_id,
        creation_date,
        created_by)
      values
       (cn_commission_headers_s.nextval,
        rep_ids(i),
        processed_dates(i),
        period_ids(i),
        trx_types(i),
        'CLS_SUM',
        rollup_dates(i),
        group_ids(i),
        rev_class_ids(i),
        amounts(i),
        units(i),
        'CRPC',
        -1,
        g_creation_date,
        g_created_by)
      returning commission_header_id bulk collect INTO header_ids;

    -- set original transactions' parent_header_id
    -- original transactions remain in CLS status
    forall i IN rep_ids.first..rep_ids.last
      UPDATE cn_commission_headers
         SET parent_header_id = header_ids(i)
       WHERE direct_salesrep_id = rep_ids(i)
         AND processed_period_id= period_ids(i)
         AND processed_date = processed_dates(i)
         AND nvl(rollup_date, processed_date) = rollup_dates(i)
         AND nvl(comp_group_id, -999999) = nvl(group_ids(i), -999999)
         AND revenue_class_id = rev_class_ids(i)
         AND trx_type = trx_types(i)
         AND status = 'CLS';
  END IF;
end;

END CN_AGGRT_TRX_PKG;
```

Glossary

These are the terms most commonly used in Oracle Incentive Compensation.

Accelerators

Types of incentives that vary compensation. Payment accelerators are a multiplier on the compensation rate without affecting the quota. Quota accelerators work on sales credit, sometimes changing compensation amounts by moving calculation to a different tier in a rate table

Accumulation Period

The time interval during for which commissions are collected. For example, a resource can have an accumulation period of a month and a pay period of semimonthly.

Agreement

An agreement is an early stage of a compensation plan used in the planning area of Oracle Incentive Compensation. In the Modeling tab, incentive planners experiment with creating an agreement and assigning it to a role before defining details and associating a resource with a role in the Quota tab.

Anchor

Use anchors to indicate the maximum that can be earned at each tier of the rate table you selected.

Application Programmable Interface (API)

A set of procedures to import or export information to and from Oracle Incentive Compensation.

Attainment Schedule

Attainment schedules enable planners to pay different levels of compensation depending on the percentage of attainment of a set sales goal. Attainment schedules are used in the Compensation Contract where earnings for each level of achievement are displayed.

Bonus

Incentive compensation typically paid for meeting a goal, including quantitative and qualitative goals.

Classification Rules

User defined categories used to classify sales transactions. The classified transactions are part of a classification ruleset. Classification rules vary greatly from one company to another, depending on the product or service provided and the different ways that salespeople are compensated.

Classification Ruleset

A group of classification rules assigned to a specific time period or location that sorts transactions into preset categories, so that they can be compared to revenue classes in a resource's compensation plan. Only one classification ruleset can be active at a time.

Collection

The process of collecting transactions from feeder systems into Oracle Incentive Compensation.

Compensation Group

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

Compensation Plan

A collection of one or more modular plan elements used to calculate a compensation payment. One compensation plan is assigned to a sales role, which is then assigned to a resource. Some parts of a compensation plan can be customized for individual salespeople, such as a payment plan or pay group.

Concurrent Program

Concurrent programs run at the same time as other Oracle Incentive Compensation functions. For example, you can run a concurrent program to collect transactions from a transaction source while you are building compensation plans.

Credit Memo

A document generated when an invoice is fully or partially reversed. Credit memos are later collected and applied against transactions.

Dimension

Rate dimensions define the tiers that a rate table uses to apply rates. A dimension contains rate tiers to establish different levels of achievement to be compensated at different rates.

Direct Sales Credit

Sales credit directly assigned to a resource in a transaction in a feeder system, such as Order Capture or Order Management, or another nonOracle legacy system.

Draw

Draws are a mechanism to pay salespeople a minimum amount of compensation for a specified period of time. As part of the agreement with salespeople, this amount can be recoverable or nonrecoverable. You can define the period that the draw and recovery will be in effect.

Formula

A set of instructions that determines how compensation will be calculated. Formulas are built from input expressions, output expressions, and rate tables.

Indirect Sales Credit

Credit inherited by a resource according to his or her place in the resource hierarchy. Indirect credit can roll up from a subordinate to a manager.

Interval

Intervals are time periods during which a compensation or a plan element is effective. Plan element intervals must be contained within the effective interval of a compensation plan.

Interval Type

The time period of the interval, for example, month, quarter, or year.

Job Title

Job titles are used by Human Resources to categorize employees. Oracle Incentive Compensation uses Roles, and a Job Title can be assigned to a particular Role by using the Job Titles page.

Manual Transaction

A user-entered transaction created for reversing or changing sales credit.

Mapping

Rules defining collection that connect the table columns of a feeder system to the transaction columns in Oracle Incentive Compensation.

Notification Log

The Notification log automatically records every change in the system that affects calculation and lists what part of the calculation must be rerun as a result of an event.

Pay Group

An assignment that determines the frequency with which a resource receives payment. A resource cannot belong to more than one pay group at a time.

Payment

There are three types of payment:

- Regular Payment: The application collects data, prepares it, and formats it to be used by a non-Oracle Payable system.
- Accounts Payable Integration: Used for vendors, this method prepares payment for Oracle Accounts Payable by classifying the resources as suppliers.
- Payroll Download File: The application collects data and creates a file that can be used by Oracle Payroll

Payment Plan

An arrangement in affect for some salespeople who need to receive a minimum payment regardless of their earnings. You can specify a minimum and/or a maximum payment as well as whether any minimum payments are recoverable or not against future amounts payable. Payment recovery can be on a separate schedule from the pay period.

Performance Measure

An accumulation of transaction values that is captured by a Plan Element and grouped for use in reports that compare achievements to Quota, Goal and Performance Measure. Performance measures are not used to calculate commission.

Plan Element

Parts of a compensation plan that may reflect variations of commission or perhaps a bonus based on the accumulated achievement of the resource. Plan elements can also be configured for tracking nonmonetary credits such as managerial points or production credits. Plan elements consist of modular components that can be freely assigned in different combinations, including revenue classes, formulas, and rate tables.

Push

Push is a way of referring to the movement of an approved and accepted compensation plan from the planning area into the administrative area of Oracle Incentive Compensation.

Rate Table

Part of a formula, along with input and output expressions, that determines the amount of compensation based on amount or percentage of achievement compared to quota.

Regoaling

A new functionality that enables managers to change the quota or variable pay of a resource's compensation plan at any time. These changes could be required because of a change in business circumstances, a resource is receiving too much or too little commission, or if a resource receives a promotion to a new role with a new goal. Regoaling can only be used if a plan is already accepted and activated.

Revenue Class

A user-defined category of business revenue used to classify a transaction for compensation and calculation. Revenue classes are assigned to plan elements and help Oracle Incentive Compensation determine whether classified sales credit is applied toward a compensation payment.

Revenue Class Rules

One or more conditions a revenue class must meet to classify into a given revenue class.

Revenue Class Hierarchy

An arrangement of revenue classes and subclasses in which the broadest classes are at the top of the structure. Classified transactions are

Role

A role describes a set of salespeople who share a common compensation structure. Examples are Salesperson, Consultant, and Regional Sales Manager. In Oracle Incentive Compensation, you assign each individual resource to a predetermined role, which can be customized in some ways. Changes to a role affect everyone assigned to that role who does not have the "Customized" check box checked on the compensation plan. A resource can have more than one role at the same time.

Ruleset Types

Rulesets are of two types, Revenue Classification and Account Generation.

- Revenue Classification defines the rules that are used to identify a revenue class for each transaction that the system processes as part of calculating commissions.
- Account Generation is used to integrate Oracle Incentive Compensation automatically with Accounts Payable and to classify transactions to identify Expense and Liability Accounts.

Sales Credit

An amount of revenue or nonrevenue credit that is awarded to a resource.

Seasonality

Seasonality schedules show how a product/service income or cost/expense is distributed throughout the year, expressed in percentages of the year's total. Seasonality schedules can be assigned to multiple agreements, and agreements can use multiple seasonality schedules for different components.

Takeback

The amount of compensation credited for a sale that Oracle Incentive Compensation takes back when the invoice due date grace period is exceeded. If the invoice is subsequently paid, then a giveback can be used to restore credit to a resource. Takebacks are sometimes called clawbacks.

Transaction Calendar (Workday Calendar)

A calendar that can be defined to contain only workdays and exclude weekends and holidays. The workday calendar is a type of transaction calendar. A calendar's

duration can be defined to match the organization's financial year. A new workday calendar can be assigned every year as the dates of holidays and weekends will differ.

Transaction Factor

A multipler on sales credit that determines net sales credit given for each type of transaction.

Index

A

accelerator, 6-32
account generation, 12-5, 12-18
accumulation along multiple dimensions
  example, 9-10
Accumulation Periods page, 12-13
adjust transaction, 8-49
adjust transactions, 8-42
adjustments
  custom transaction sources, 8-30
  order transactions, 8-30
Administration tab, 2-6
  Accumulation Period subtab, 2-7
  Accumulation Periods, 12-13
  Attainment, 12-38
  Attainment subtab, 2-7
  Collection, 12-31
  Collection subtab, 2-7
  Columns page, 12-9
  Component subtab, 2-7
  Components, 12-37
  Credit Conversion, 12-30
  Credit Conversion subtab, 2-7
  Credit Type subtab, 2-7
  Credit Types, 12-29
  External Table Join Conditions, 12-12
  External Table subtab, 2-7
  Hierarchy subtab, 2-7
  Hierarchy Types, 12-25
  Interval Types, 12-15
  Interval Types subtab, 2-7
  Job Titles, 12-39
  Job Titles subtab, 2-7
  overview, 12-2
  Parameters subtab, 2-6
  Pay Group subtab, 2-7
  Pay Groups, 12-31
  Pay Periods, 12-14
  Pay Periods subtab, 2-7
  Payment Plan, 12-33
  Payment Plan subtab, 2-7
  Payroll subtab, 2-7
  Rate Dimensions, 12-46
  Rate Dimensions subtab, 2-8
  Revenue Class, 12-17
  Revenue Class subtab, 2-7
  Ruleset subtab, 2-7
  Rulesets, 12-18
  Seasonality, 12-44
  Seasonality subtab, 2-8
  Settings, 12-41
  Settings subtab, 2-8
  System Parameters, 12-2
  Tables, 12-8
  Tables subtab, 2-7
  User Access, 12-40
  User Access subtab, 2-7
agreement version, 4-2
Analyst Notes page, 10-7
anchor rate calculation
  two methods, 3-22
anchors, 3-24
API table, 8-15
Attainment page, 12-38
attainment schedule, 3-13
  create, 12-38
  delete, 3-14

edit or view, 12-39
automated posting, 10-6
Average Quota report, 11-8

B

batch runners, 12-4
bonus formula, 6-16, 6-18
Build Expression page, 12-24

C

calculation, 1-18
calculation phase, 9-3, 9-6
classification phase, 9-2
commission or bonus, 9-7, 9-13
definition, 9-1
failed calculation, 9-4
failed classification, 9-3
failed population, 9-4
failed rollup, 9-4
full, 1-20
incremental, 1-20, 9-2, 9-18
nonincremental, 9-2
phases, 1-18, 9-2
population phase, 9-3, 9-5
preparing for, 9-6
preprocessing, 9-2
process, 1-20
process log, 9-16
Resource Option drop-down list, 9-14
revert, 9-2
rollup phase, 9-2, 9-4
status field, 9-16
submitting, 9-13
two methods, 9-2
two types, 9-1
types, 1-18
unprocessed, 9-3
unprocessed and failure statuses, 9-3
Calculation Batch Process Report workbook, 11-35
calculation expression, 6-2
bonus, 6-6
calculation phase, 9-3, 9-6
calculation process, 9-4
calculation resubmission, 9-17
calculation sort parameters
Concurrent Calculation, 9-16
Entire Hierarchy, 9-16
Incremental Calculation, 9-16, 9-17
child node, 12-28
classification phase, 9-2
classification rules, 1-12
defining multiple conditions, 1-13
multiple condition, 1-13
classification rules hierarchy, 1-12
Classification Rules report, 11-23
classification ruleset, 12-18
Clear button, 2-9
code examples
customized summarization, D-1
external formula, C-1
collect flag, 8-19
collect revenue adjustments, 8-31
Collection page, 12-31
collection query, 8-11
collection request submission, 8-26
collections
adjustments, 8-30
collect flag, 8-19
collection query, 8-11
filters, 8-17
from Oracle Order Management, 1-22
generate package, 8-18
header table, 8-4
identifying source tables, 8-7
introduction, 8-1
line table, 8-4
mapping, 8-12
notification query, 8-9
open, 8-3
runtime parameters, 8-26
seeded sources, 8-1
submit a request, 8-27
test package name, 8-20
test status, 8-20
transaction source, 8-5
user code blocks, 8-16
using RAM, 8-31
view request status, 8-28

Columns page
four views, 12-9
commission formula, 6-17
Commission Statement, 1-28
Commission Statement report, 11-29
Commission Statement Report workbook, 11-37
Commission Summary report, 11-25
Compensation Contract Status report, 11-12
Compensation Group Hierarchy report, 11-22
compensation groups, 1-14
compensation plan, 6-35
assign on Incentive tab, 7-2
assign on Resource tab, 7-4
changing, 6-38
date range, 7-5
defined, 6-1
compensation plan history, 3-42
Compensation Plan Revenue Class Mapping workbook, 11-35
compensation plans, 1-4
when to create new, 1-6
Compensation reports, 11-18
compensation transaction, 8-2
Components page, 12-37
computed component formula, 3-26
concurrent request, 8-2
Contract Approval page, 3-40
contract text, 12-41
Conversion Factor page, 12-30
create agreements, 3-18
Create button, 2-9
create new transaction, 8-44
Create New Transaction page, 8-46
Create Rules page, 12-22
credit and debit memo, 8-2
credit sharing, 1-14
Credit Types page, 12-29
csv file extension, 8-35
cumulative check box, 6-17
Current Estimated Payout page, 10-19, 10-20, 10-38
customized summarization code examples, D-1

D

data collection, 1-15
deal split, 8-48, 8-49
default contract text, 3-7, 12-41
deleting nodes, 12-29
dimension, 1-11, 6-9
direct mapping tables, 1-17
Discoverer 4i, 11-34
Discoverer workbooks
Calculation Batch Process, 11-35
Commission Statement Report, 11-37
Compensation Plan Revenue Class Mapping, 11-35
Formula Definitions, 11-38
Resource Assignments Overview, 11-39
Resources Not Validated for Calculation, 11-36
Resources with Pay Group Assignment Different than Compensation Plan Dates, 11-36
Transaction Details Report, 11-37
distribute contracts, 3-42

E

external formula, 6-21
external formula code examples, C-1
External Table Join Conditions
external columns, 12-12
External Table Join Conditions page, 12-12

F

failed calculation, 9-4
failed classification, 9-3
failed population, 9-4
failed records, 8-38
Failed Records page, 8-34
failed rollup, 9-4
filtering, two methods, 8-17
filters, transaction, 8-17
fixed pay components, 3-9
forecast expression, 1-26
forecast hierarchy drilldown to Year to Date Summary, 1-29
formula, 6-14
bonus, 6-18
commission, 6-17
external, 6-21

Formula Defiinitions workbook, 11-38

G

generate button, 8-23
giveback, 8-2
Go button, 2-9

H

Hierarchies page, 12-25
hierarchy, 1-11, 9-5
  adding nodes, 12-28
  deleting nodes, 12-29
hierarchy detail, 12-25
hierarchy nodes
  adding and deleting, 12-27
Hierarchy Types page, 12-25
Home tab, 2-2
HTML navigation
  five levels of, 2-8
HTML user interface, 2-1
Human Resources, 12-39

I

import
  failed records, 8-38
  introduction, 8-33
  process log, 8-38
Import Definition page, 8-34
Import/Export, 2-5
import/export
  personalized search, 8-38, 8-39
incentive compensation
  contract generation, 3-1
incentive planning, 1-4
  accept plan, 3-42, 3-43
  activate plan, 3-44
  activation of contracts, 3-2
  allocate quota, 3-31
  compensation plan history, 3-42
  contract approval, 3-40
  creating the agreement, 3-18
  default contract text, 3-7
  define quota components, 3-9
  define user access, 3-8
  definition, 3-1
  distribute contracts, 3-42
  hierarchal quota distribution, 3-1
  major steps, 3-2
  responsibility groups, 3-6
  rounding, 4-6
  self service approvals, 3-1
  setups, 3-5
  view contract, 3-41
Incentive Tab
  Agreement subtab, 2-2
Incentive tab
  Activation subtab, 2-2
  Element subtab, 2-2
  Expression subtab, 2-3
  Formula subtab, 2-2, 2-3
  Plan subtab, 2-2
Income Planner, 1-26
incremental calculation, 9-2, 9-18
indirect mapping
  types, 8-13, 8-14
inherit, 8-15
inherited mapping, 8-22
integration with e-Business Suite, 1-20
interdependent plan element, 6-6
interval type
  create, 12-16
  view, 12-15
Interval Types page, 12-15
intervals, 12-17
Intervals page, 12-26

J

job titles, 3-17
Job Titles page, 12-39

K

key column, 8-7

L

line calculation, 3-22
line table, 8-7
listing notification, 1-17
load transactions, 8-52
lock payment worksheets, 10-7
Lock Worksheet, 10-39
Lock Worksheet button, 10-23

M

Managerial Rollup check box, 12-5
manual pay adjustment, 10-11
manual sales credit adjustments, 8-44
mapping, 8-12
  direct, 8-13
  indirect, 8-13
  source fields to target fields, 8-36
modeling
  agreement version, 4-2
  agreement version comparison, 4-7
  what-if scenario, 4-9
modeling agreements, 4-1
modeling process, 4-2
Modeling tab, 2-3, 4-1
  Agreement subtab, 2-3
  Comparison subtab, 2-3
  Performance subtab, 2-3
move credits, 8-47
multidimensional rate tables
  accumulation and splits, 9-10
multi-org strategy, 8-31
My Quota Estimate, 1-25, 3-18

N

Navigation, 2-8
nodes
  adding to hierarchy, 12-28
nonincremental calculation, 9-2
notification query, 8-9
  parameters, 8-10
notification, four levels of tracking, 9-19
notification, track four levels, 9-19
notify log, 9-16, 9-18, 9-19, 9-21
  action column, 9-20
  customize search, 9-22
  use of, 1-20

O

open collections, 8-3
Oracle E-Business Suite, 2-9
Oracle Human Resources Management System (HRMS), 12-40
Oracle Order Management, 8-24
Oracle Payables, 1-30
Oracle Receivables, 8-22
Oracle Resource Manager, 2-9
Oracle Sales Online, 1-22
  use in OIC, 1-22
Order Capture, 8-25
OSC
  Reset Error Transactions, 8-61
output expression, 6-4
overassignment, 1-7, 3-33
Overlay report, 11-13
overlay salespeople, 1-6

P

parent node, 12-28
pay element input values mapping, 12-36
pay group, 7-7
Pay Groups page, 12-31
pay period, 12-32
Pay Periods page, 12-14
pay worksheet lifecycle, 10-7
payment
  add and track comments, 10-7
  Analyst Notes page, 10-7
  automated posting, 10-6
  changes in this release, 10-4
  Current Estimated Payout page, 10-20
  enhancements, 10-6
  lock payment worksheets, 10-7
  Lock Worksheet, 10-39
  manual pay adjustments, 10-11
  overview, 10-1
  Payment Transactions page, 10-21, 10-24

Payment Worksheet History, 10-11
Payrun Sign-off Report, 10-32
payrun summary, 10-12
prerequisites, 10-5
refresh worksheet, 10-12
three types, 1-2
Worksheet Summary, using, 10-17
payment administrative hierarchy, 10-7
Payment Difference column, 10-23
payment factor, 6-33
payment plan, 7-8, 10-5
Payment Plans page, 12-33
Payment Transactions page, 10-24
using, 10-21
Payment Worksheet History page, 10-11, 10-20
Payrun Sign-Off Report, 10-32
Payrun Sign-Off report, 10-39
customized, 10-32
customizing, 10-33
Payrun Sign-off Report, 10-16
Payrun Sign-off report, 10-7
Payrun Summary, 10-12
payruns, 10-1
approval process (graphic), 10-38
creating, 10-13
Payrun Sign-Off Report, 10-32
Submit Requests page, 10-37
submitting for payment, 10-35
table of steps, 10-3
View Requests page, 10-36
worksheet status types, 10-31
performance measure, 6-4, 6-17
period type, 12-32
phases of calculation, 9-2
Plan Activation Status report, 11-15
plan element, 1-2, 6-18
interdependent, 6-26, B-31
population phase, 9-3, 9-5
posting, automated, 10-6
preprocessed code, 8-45
preprocessing, 9-2
process log, 8-38
process log in calculation, 9-16
Product tab, 2-6
profile options, 9-9

Q

Quick Find search field, 2-9
quota approval, 1-8
quota assignment, 1-6
quota components, 3-9, 12-38
Quota Components page, 12-37
quota distribution, 1-7
quota factor, 6-33
Quota Modeling Summary, 11-6
Quota Overassignment report, 11-10
Quota Performance report, 1-28, 11-27
Quota Range report, 11-11
Quota Tab
Allocate subtab, 2-4
Quota tab
Activate subtab, 2-4
Approve subtab, 2-4
Distribute subtab, 2-4

R

rate dimension, 6-7
Rate Dimensions page, 12-46
rate table, 6-3, 6-12
assign to plan element, 6-29
child, 6-30
split tiers, 6-16
receivables event
revenue adjustment posting, 8-31
receivables events, 8-23
Recoverable check box, 10-11
refresh worksheet, 10-12
register tables, 8-4
regoaling, 3-45, 7-9
acceptance, 7-12
approval, 7-11
reports
Average Quota, 11-8
Classification Rules, 11-23
Commission Statement, 11-29
Commission Summary, 11-25
Compensation Contract Status, 11-12
Compensation Group Hierarchy, 11-22
compensation reports, 11-18

configuring, 11-34
Discoverer workbooks, 11-34
enhancements, 11-5
Incentive Planning, 11-5
Overlay, 11-13
overview, 11-2
Plan Activation Status, 11-15
Quota Modeling Summary, 11-6
Quota Overassignment, 11-10
Quota Performance, 11-27
Quota Range, 11-11
Role to Compensation Plan Mapping, 11-17
Transaction Details, 11-21
Transition, 11-15
Unprocessed Transactions, 11-32
Vacancy, 11-14
version road map, 11-2
Year to Date Summary, 11-19
Requests tab, 2-5
Calculation subtab, 2-5
Collection subtab, 2-5
Payment subtab, 2-6
Transaction subtab, 2-5
Resource Assignments Overview workbook, 11-39
resource batch size, 12-4
resource groupings, 12-4
Resource Manager, 1-22, 1-29, 5-1
Resource Search Results page, 11-19
Resource tab, 2-3
Group subtab, 2-4
Planning subtab, 2-3
Resources subtab, 2-3
Role subtab, 2-4
Resources Not Validated for Calculation workbook, 11-36
Restore button, 2-9
revenue adjustment posting, 8-31
revenue class, 1-9, 1-10, 6-28
Revenue Class page, 12-17
revenue classification, 12-18
changing, 1-13
revert, 9-2
revert_to_state, 9-20
Role to Compensation Plan Mapping report, 11-17
rollup phase, 9-2, 9-4
rollup summarized transactions, 9-7
profile options, 9-9
root node, 12-28
Rule Attributes page, 12-23
Rules Hierarchy page, 12-21
Rulesets page, 12-18
runtime parameters, 8-26
Runtime Parameters page, 2-4

S

sales role, 7-2
define, 3-18
seasonality, 7-10
seasonality schedule, 3-15
create, 12-45
Seasonality Schedules page, 12-44
Settings page, 12-41
source expression
contents, 8-13
source tables
identifying, 8-7
split in multidimensional rate table
example, 9-11
split tiers, 6-16
split transaction, 8-50
standard collection, 8-21
step calculation, 3-22
string dimension, 6-11
Submit Request page, 2-4
super user, 10-8
Synchronize check box, 12-20
System Parameters
Calculation, 12-4
Collection, 12-3
General, 12-3
General Ledger, 12-3
System Parameters page, 12-2

T

Tables
Administration tab subtab, 12-8
tables
register, 8-4

takeback, 8-2
team compensation, 5-1
Terms & Conditions text box, 3-8
test generate, 8-20
test package name, 8-20
test status, 8-20
Top Performers bin, 1-28
transaction
  create new, 8-44
transaction attributes, 8-2
transaction batch size, 12-4
transaction calendar, 12-41
Transaction Details report, 11-21
Transaction Details Report workbook, 11-37
transaction factor, 6-32, 6-33
transaction factors, 1-9
transaction interface, 8-53
transaction source, 8-5
  restrictions, 8-6
Transaction tab, 2-4
  Adjust subtab, 2-5
  Calculate subtab, 2-5
  Collect subtab, 2-4
  Import/Export subtab, 2-5
  Load subtab, 2-5
  Notification Log subtab, 2-5
  Payment subtab, 2-5
  Report subtab, 2-5
transaction types, 1-9
transactions
  types, 1-9
Transition report, 11-15

U

Unit, 3-11
unprocessed, 9-3
Unprocessed Transactions report, 11-32
Update button, 2-9
User Access Detail page, 12-40
user code blocks, 8-16

V

Vacancy report, 11-14
variable pay components, 3-9
view transaction requests, 8-53

W

waive recovery, 12-33
Waive Recovery check box, 10-23
what-if scenario, 4-9
workday calendar, 7-10, 12-42
worksheet status types, 10-31
Worksheet Summary, 10-7
  using, 10-17
worksheets
  approving, 10-31

Y

Year to Date Summary, 1-23, 1-27, 11-19