

Oracle® Incentive Compensation

User Guide

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Glossary

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Oracle Incentive Compensation User Guide, Release 11*i*

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Preface

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

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 Applications training classes available through Oracle University.

- Oracle Self-Service Web Applications.

To learn more about Oracle Self-Service Web Applications, read the *Oracle Self-Service Web Applications Implementation Manual*.

- 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

The Oracle Incentive Compensation Oracle Incentive Compensation User Guide contains the information you need to understand and use Oracle Incentive Compensation. This guide contains 13 chapters:

- [Chapter 1](#) provides a overview and a description of the key features of the product.
- [Chapter 2](#) presents business flows in Oracle Incentive Compensation.
- [Chapter 3](#) explains the purpose and usage of Incentive Planning.
- [Chapter 4](#) discusses the Modeling feature of Oracle Incentive Compensation.
- [Chapter 5](#) discusses how to create the elements needed to build compensation plans.
- [Chapter 6](#) is where you create 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](#) 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 standard reports that are available in Oracle Incentive Compensation and also ten Discoverer reports.
- [Chapter 12](#) explains Sales Credit Allocation.
- [Appendix A](#) provides twelve compensation scenarios.
- A Glossary of important terms and an Index are provided.

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 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 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).

- **PDF Documentation**- See the Documentation CD provided with each release for current PDF documentation for your product. This Documentation CD is also available on *OracleMetaLink* and is updated frequently.
- **Online Help** - You can refer to Oracle iHelp for current HTML online help for your product. Oracle provides patchable online help, which you can apply to your system for updated implementation and end user documentation. No system downtime is required to apply online help.
- **11i Release Content Document** - Refer to the Release Content Document for new features listed release. The Release Content Document is available on *OracleMetaLink*.
- **About document** - Refer to the About document for patches that you have installed to learn about new documentation or documentation patches that you can download. The new About document is available on *OracleMetaLink*.

Related Guides

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

You can read the guides 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 from the Oracle Store at <http://oraclestore.oracle.com>.

Guides 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). 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.

Guides Related to This Product

Oracle Incentive Compensation Implementation Guide

This guide is designed to provide guidance during implementation of Oracle Incentive Compensation. The procedures are presented in the order that they must be performed for successful implementation. Appendixes are included that list system profiles, lookups, and other useful information.

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 and the Oracle 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 guides and implementation guides.

Oracle Applications Implementation Wizard User Guide

If you are implementing more than one Oracle product, you can use the Oracle Applications Implementation Wizard to coordinate your setup activities. This guide describes how to use the wizard.

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.

“About” Document

For information about implementation and user documentation, instructions for applying patches, new and changed setup steps, and descriptions of software updates, refer to the “About” document for your product. “About” documents are available on Oracle*MetaLink* for most products starting with Release 11.5.8.

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 and describes the Oracle Application Object Library components that are needed to implement the Oracle Applications user interface described in the *Oracle Applications User Interface Standards for Forms-Based Products*. This manual

also provides information to help you build your custom Oracle Forms Developer forms so that the forms integrate with Oracle Applications.

Training and Support

Training

Oracle offers a complete set of training courses to help you and your staff master Oracle Incentive Compensation and reach full productivity quickly. These courses are organized into functional learning paths, so you take only those courses appropriate to your job or area of responsibility.

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 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 Oracle server, and your hardware and software environment.

Oracle*MetaLink*

OracleMetaLink is your self-service support connection with web, telephone menu, and e-mail alternatives. Oracle supplies these technologies for your convenience, available 24 hours a day, 7 days a week. With *OracleMetaLink*, you can obtain information and advice from technical libraries and forums, download patches, download the latest documentation, look at bug details, and create or update TARs. To use *MetaLink*, register at (<http://metalink.oracle.com>).

Alerts: You should check *OracleMetaLink* alerts before you begin to install or upgrade any of your Oracle Applications. Navigate to the Alerts page as follows: Technical Libraries/ERP Applications/Applications Installation and Upgrade/Alerts.

Self-Service Toolkit: You may also find information by navigating to the Self-Service Toolkit page as follows: Technical Libraries/ERP Applications/Applications Installation and Upgrade.

Do Not Use Database Tools to Modify Oracle Applications Data

*Oracle STRONGLY RECOMMENDS that you never use SQL*Plus, Oracle Data Browser, database triggers, or any other tool to modify Oracle Applications data unless otherwise instructed.*

Oracle provides powerful tools you can use to create, store, change, retrieve, and maintain information in an Oracle database. But if you use Oracle tools such as SQL*Plus to modify Oracle Applications data, you risk destroying the integrity of your data and you lose the ability to audit changes to your data.

Because Oracle Applications tables are interrelated, any change you make using Oracle Applications can update many tables at once. But when you modify Oracle Applications data using anything other than Oracle Applications, you may change a row in one table without making corresponding changes in related tables. If your tables get out of synchronization with each other, you risk retrieving erroneous information and you risk unpredictable results throughout Oracle Applications.

When you use Oracle Applications to modify your data, Oracle Applications automatically checks that your changes are valid. Oracle Applications also keeps track of who changes information. If you enter information into database tables using database tools, you may store invalid information. You also lose the ability to track who has changed your information because SQL*Plus and other database tools do not keep a record of changes.

About Oracle

Oracle develops and markets an integrated line of software products for database management, applications development, decision support, and office automation, as well as Oracle Applications, an integrated suite of more than 160 software modules for financial management, supply chain management, manufacturing, project systems, human resources and customer relationship management.

Oracle products are available for mainframes, minicomputers, personal computers, network computers and personal digital assistants, allowing organizations to integrate different computers, different operating systems, different networks, and even different database management systems, into a single, unified computing and information resource.

Oracle is the world's leading supplier of software for information management, and the world's second largest software company. Oracle offers its database, tools, and applications products, along with related consulting, education, and support services, in over 145 countries around the world.

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"](#)
- [Section 1.2, "Oracle Incentive Compensation Key Features"](#)

1.1 Overview

Using Oracle Incentive Compensation, you can align your business's unique corporate objectives to sales force activities, automate the complex task of calculating variable compensation, and ensure timely and accurate payments.

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, an Incentive Planning Analyst 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:

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

The Oracle Incentive Compensation Payment feature processes all of the calculated transactions and completes the 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 the Payment process 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.

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

You can use pay groups to set the frequency with which a resource receives payment. You can use payment plans to exercise control over the total amounts paid to resources. You can specify a minimum and a maximum payment as well as whether any minimum payments are recoverable or not against future payable amounts. In addition, you can control commission payments for each transaction by a resource.

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.

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, "Compensation Groups"](#)
- [Section 1.2.10, "Data Collection"](#)
- [Section 1.2.11, "Calculation"](#)
- [Section 1.2.12, "Payment"](#)
- [Section 1.2.13, "Projected Compensation"](#)
- [Chapter 1.2.14, "Sales Credit Allocation"](#)

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 resources who are leaving the company and new hires. Then, the appropriate people, such as sales managers, finance managers, and contract approvers can approve and activate the contracts and then pass them into the commissions module, where they become compensation plans.

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?

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

- Build compensation plans using calculation expressions, rate tables, formulas, and plan elements from existing compensation plans
- Control the validity of many components of the compensation plan by using 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 variable 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

Quotas can be assigned in different ways. This section covers:

- [Overlay Salespeople](#)
- [Quota Distribution Techniques](#)
- [Overassignment Percentages](#)

Overlay Salespeople

Overlay salespeople are resources that are not part of a manager’s distributed quota. They may have some part in a sale, but do not receive revenue sales credit. Overlay salespeople are not part of an overassignment of quota. Checking the overlay box enables you to segregate your salespeople into either overlay salespeople or nonoverlay salespeople.

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	Support Service	Total Quota	Overlay
Manager	3000	1000	160	4160	No
Direct 1	1200	330	75	1605	No

Resource	Hardware	Software	Support Service	Total Quota	Overlay
Direct 2	1200	330	75	1605	No
Direct 3	1200	400	80	1680	No
Direct 4	3000	1000	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

An agreement is unlocked while it is being created. It is then locked by the sales manager to keep anything from changing. Then, the Incentive Planning Analyst or Incentive Planning Finance Manager generates the contract. The contract 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 approval process begins with the Contract Approver reviews the submitted contract and either approves 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 Field Sales.

If the Contract Approver accepts the contract, then the sales manager distributes the contract to the direct resource. The resource, using Oracle Field Sales or the Sales Force Incentive Compensation User in Oracle Incentive Compensation, 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 email receiver that an action is required to move along the approval process for the compensation plans. There is a specific workflow item type for Incentive Planning. It is used to send out notifications during the submission, approval, and distribution processes. Refer to the Implementation Guide for instructions on how to customize workflow notification messages for Incentive Planning.

1.2.5 Compensating Transactions

You choose the source transactions, such as 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 (Oracle Receivables, Oracle 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 (clawback):** 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: Oracle Incentive Compensation 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.

Classification Rules are combined into rulesets. Rulesets are of three types, Revenue Classification, Account Generation, and Plan Element Classification.

- 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.
- Plan Element Classification is used to classify quotes, opportunities, and so on, for the Projected Compensation API.

Classification Rules Hierarchy

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

- [The Rules Hierarchy](#)
- [Comparing Transaction Attributes with 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, for product type (PROD_TYPE), both laptops and desktops are in the same product hierarchy and share the condition: item = computer. This condition is specified once in the application for the parent rule of the two rules that differentiate laptops and desktops.

Comparing Transaction Attributes with Classification Rules

When a compensation transaction passes a classification rule (all conditions are true), Oracle Incentive Compensation then compares the children of that rule, working left to right, until it finds a match. The application then looks at the children of that rule, and so on, and stops if it cannot find a match in the children. The rule classification process returns the revenue class of the last matching rule. After the classification process, the matching revenue class 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 Oracle Incentive Compensation evaluates other sibling rules if a transaction does not satisfy the first classification 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* classification 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 classification 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

1.2.9 Compensation Groups

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

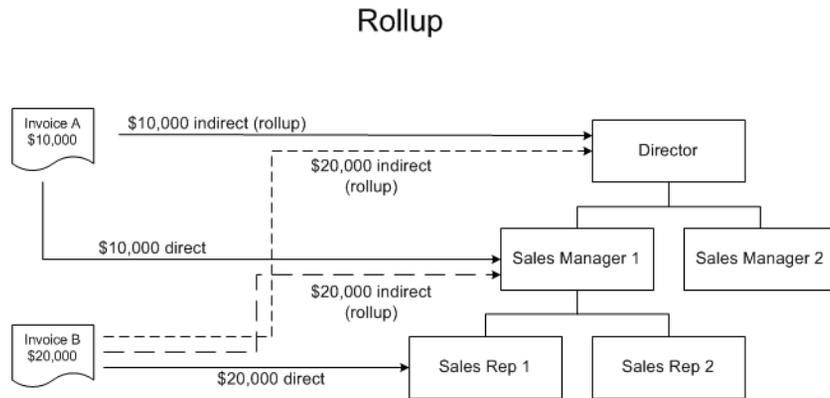
- [Purpose of Compensation Groups](#)
- [Credit Sharing](#)

Purpose of Compensation Groups

A **compensation group** is a group of salespeople who share sales credit, directly or indirectly, when a sale is made. They are placed together in a hierarchy to accurately account for the payment of commission and sales credit. In the Rollup

example below, when salespeople close a sale, they receive commission, their managers receive sales credit toward their quotas, and a Director receives sales credit from the manager's transactions. Not shown are Territory Sales Consultants, who also receive indirect credit for performing consulting work that helped to close the business.

Figure 1-1 Sales Credit Rollup



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 1 and 2 are in the same compensation group because their sales roll up to Sales Manager 1. Sales Manager 1 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.

1.2.10 Data Collection

This section also contains information 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 Oracle Receivables and Oracle 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 (clawback)
- 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.

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 (see [Section 8.2.6, "Defining Mapping"](#)).

Updating Compensation Transactions

You can update transactions to include different information, for example, to include a resource's territory identifier into each compensation transaction. If this information is stored in a separate table, you can use direct or indirect mapping to pull this information into the compensation transaction. See [Section 8.2.6, "Defining Mapping"](#) for more information.

1.2.11 Calculation

Calculation is a process used by the application to calculate commission and bonus plans for salespeople. Commission incentives use transaction based compensation, and bonus incentives are based on information other than individual transactions.

This calculation section explains:

- [Types of Calculation](#)
- [Phases of Calculation](#)
- [Calculation Process](#)

Types of Calculation

There are two types of calculation:

- **Complete** calculation includes all resources.
- **Intelligent** calculation runs only for those resources that have new transactions or changes.

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:** Oracle Incentive Compensation 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.

Calculation Process

Every change in the system that affects calculation is automatically recorded in the Notify Log. 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 contains information that tells the calculation engine how to process the change events.

When you perform intelligent calculation, the application calculates everything in the notify log. For better performance, use intelligent 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 intelligent calculation.

1.2.12 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.

1.2.13 Projected Compensation

Oracle Quoting uses Oracle Incentive Compensation to project compensation for salespeople. Oracle Incentive Compensation receives data through an API and then sends back forecasts to Oracle Quoting.

Out of the box, Oracle Quoting integrates to Oracle Incentive Compensation's projected commission API. After viewing the projected commission amounts, Oracle Quoting users can perform commission what-if analysis by changing quantities and prices of the items, which in turn alters the sales credit amount and recalculates the projected commission.

Projected commission can be displayed at three levels of granularity: the header level, product category level, or individual quote line level.

After viewing the projected compensation amounts, Oracle Quoting users can perform commission what-if analysis by changing quantities and prices of the items, which in turn alters the sales credit amount and recalculates the projected commission. The changes are not saved to the quote itself--they are used only for projecting commission.

The projection calculator cannot be configured with the complexity of an actual compensation plan, so projections are estimates only and are not guaranteed amounts. The more complex the compensation plan, the more inaccurate the projection can be. You can include disclaimer text in the output.

1.2.14 Sales Credit Allocation

Oracle Incentive Compensation calculates and pays variable commission to resources using rule-based compensation plans. However, other considerations can make the proper allocation of sales credit a much more complicated matter. Oracle Incentive Compensation and Oracle Quoting use the Sales Credit Allocation engine to address these considerations:

- At what point in the business process should credit receivers be identified?
- What criteria should be used to determine a credit receiver?
- Can these criteria change over the duration of the activity?
- How is credit allocated?
- Can credit be based on the specific contribution of the resource to the activity?

Sales Credit Allocation is designed to automate the credit allocation process by systematically applying a set of consistent rules. This minimizes errors, thereby reducing the time analysts must spend reconciling them.

Because the sales process varies from company to company, Sales Credit Allocation is flexible enough to cover many different scenarios.

See [Chapter 12, "Sales Credit Allocation"](#) for more information.

Oracle Incentive Compensation Business User Flow

The goal of any for-profit business is to increase productivity, profitability, and shareholder value. Oracle Incentive Compensation helps companies to accomplish these business objectives by automating and integrating the sales compensation process.

The compensation alignment process can be enhanced by using these other Oracle applications:

- Oracle Balanced Scorecard (OBSC)
- Oracle Enterprise Budgeting & Planning (EBP)
- Oracle Financial Analyzer (OFA)
- Oracle Territory Manager

The Incentive Compensation business flow proceeds as follows:

1. [Section 2.1, "Determine Your Business Strategy"](#)
2. [Section 2.2, "Align Compensation with Strategy"](#)
3. [Section 2.3, "Allocate Quotas and Territories"](#)
4. [Section 2.4, "Administer Plans"](#)
5. [Section 2.5, "Evaluate Performance"](#)

2.1 Determine Your Business Strategy

Prior to designing and implementing compensation plans and calculating variable compensation, management needs to create a business strategy to maximize productivity, profitability and shareholder value. Executive management will:

- Identify strategic objectives
- Cascade the objectives throughout the organization
- Identify performance measures for these objectives

Management can use Oracle Balanced Scorecard for these activities.

2.2 Align Compensation with Strategy

To align compensation with strategy, the compensation administrator creates models of agreements. Then, the compensation administrator, executive management and the compensation analyst use the models to conduct "What-if" simulations. Oracle Financial Analyzer can be used for these activities. Oracle Incentive Compensation provides a number of metrics for version comparison. They then decide on a final plan design that works best for the company.

2.3 Allocate Quotas and Territories

Most compensation plans are not complete until quotas and territories have been allocated and assigned. An enterprise sets appropriate quotas for managers and salespeople based on the territories for which they are responsible. Use Oracle Territory Manager to create territory assignments and to assign territories. The quota management tools of Oracle Incentive Compensation are useful for performing these steps:

1. The compensation manager and executive management budget quotas and identify the territories.
2. The compensation manager meets with the compensation analyst to align the quota with the territories.
3. The compensation analyst works with executive management to approve the quota and territory alignments.

For the fixed components of a compensation plan, Oracle Compensation Workbench is useful for allocating salaries and merit increases. Oracle Financial Analyzer is helpful for defining the quotas by territory. Oracle Territory Manager can be used to assign territories to the salespeople.

2.4 Administer Plans

After a plan has been created and approved, a contract is generated and distributed to salespeople through the sales roles to which they are assigned. After the salespeople approve the contracts, the contracts become compensation plans in Oracle Incentive Compensation.

In Incentive Planning, sales quotas are distributed to the salesforce for their approval. After they receive their plans, the resources can review the content and either accept or reject them online using Oracle Incentive Compensation or Oracle Field Sales. The compensation manager and compensation analyst monitor the plan acceptance.

When the compensation plans are in place, the application collects transactions and calculates commission, adjustments are made, and the application pays the resources using payruns.

2.4.1 Collections

Orders and invoices are collected into Oracle Incentive Compensation from the standard collection sources--Oracle Receivables or Order Management. The application can also collect transactions from external legacy sources through open collections or Oracle Data Warehouse. You can import transactions in mass from legacy sources. Transactions are verified by the compensation administrator and the compensation analyst.

2.4.2 Calculation

The calculation process classifies the transactions and matches them against the plan elements in each compensation plan. The compensation analyst runs the calculation process. Sales credit can roll up a hierarchy of salespeople to managers and directors. There are two types of calculation:

- *Complete* calculation includes all resources.
- *Intelligent* calculation runs only for those resources that have new transactions or changes.

2.4.3 Adjustments

After the calculation is run, the compensation analyst and the resource verify that the calculations are correct. The compensation administrator or compensation

analyst make any necessary corrections or manual adjustments, after which the commissions are recalculated.

2.4.4 Payment

Oracle Incentive Compensation uses payruns to determine payment amounts. The payrun process considers the following:

- Who is paid
- Which transactions are paid
- How much is paid
- When payment occurs

These are the steps of the payment process:

1. Verify payments against earnings
2. Verify payment plan adjustments
3. Make any payment adjustments
4. Submit the payrun for approval
5. Verify the payment worksheets
6. Approve the payrun

When a payrun is paid, the payment totals for resources are automatically transferred to Oracle Payroll or Oracle Payable, as long as the integration between Oracle Incentive Compensation and Oracle Payroll or Oracle Payable has been enabled. To use an external payment application, you can download the data to a CSV file.

2.5 Evaluate Performance

When you are using any incentive compensation system, you need to perform performance evaluations to be sure that the system is working properly.

Executive management evaluates the strategic objectives, and along with the compensation administrator, evaluates the plan performance. Oracle Balanced Scorecard and Oracle Financial Analyzer are useful here. Then, the objectives or the plans are changed to reflect the overall business strategy.

Managers evaluate their teams' performance. This allows them to adjust the quotas or territories to maximize the salespeople's effectiveness.

Individual resources evaluate their individual sales performance by using the reports on the Compensation tab in Oracle Field Sales or in Incentive Compensation.

Incentive Planning

Sections in this chapter include:

- [Section 3.1, "Overview of Incentive Planning"](#)
- [Section 3.2, "Setting up Incentive Planning"](#)
- [Section 3.3, "Creating the Agreement"](#)
- [Section 3.4, "Allocating Quotas to Resources"](#)
- [Section 3.5, "Allocation Details - Quota and Pay Assignment"](#)
- [Section 3.6, "Approving, Distributing, and Activating Contracts"](#)

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:

- **Hierarchical 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 planning 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 email notification that

the contracts are approved. The managers then distribute the contracts to their directs. The resources then receive an email notification from the system that their contracts are ready to be accepted. The resources then accept the plans by logging on to Oracle Field Sales. 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.
- **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 or too little commission, or a resource is promoted to a new role with a new goal. Regoaling can only be used if a plan is already accepted and activated. For details, see [Section 7.8, "Regoaling"](#).

Oracle Incentive Planning 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. 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 Incentive Planning to model compensation plans, 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. Agreements are 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. After an agreement is activated, it becomes a normal compensation plan. 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 Incentive Planning responsibilities:

- Incentive Compensation Super User
- Incentive Planning Analyst
- Incentive Planning Manager
- Incentive Planning 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.

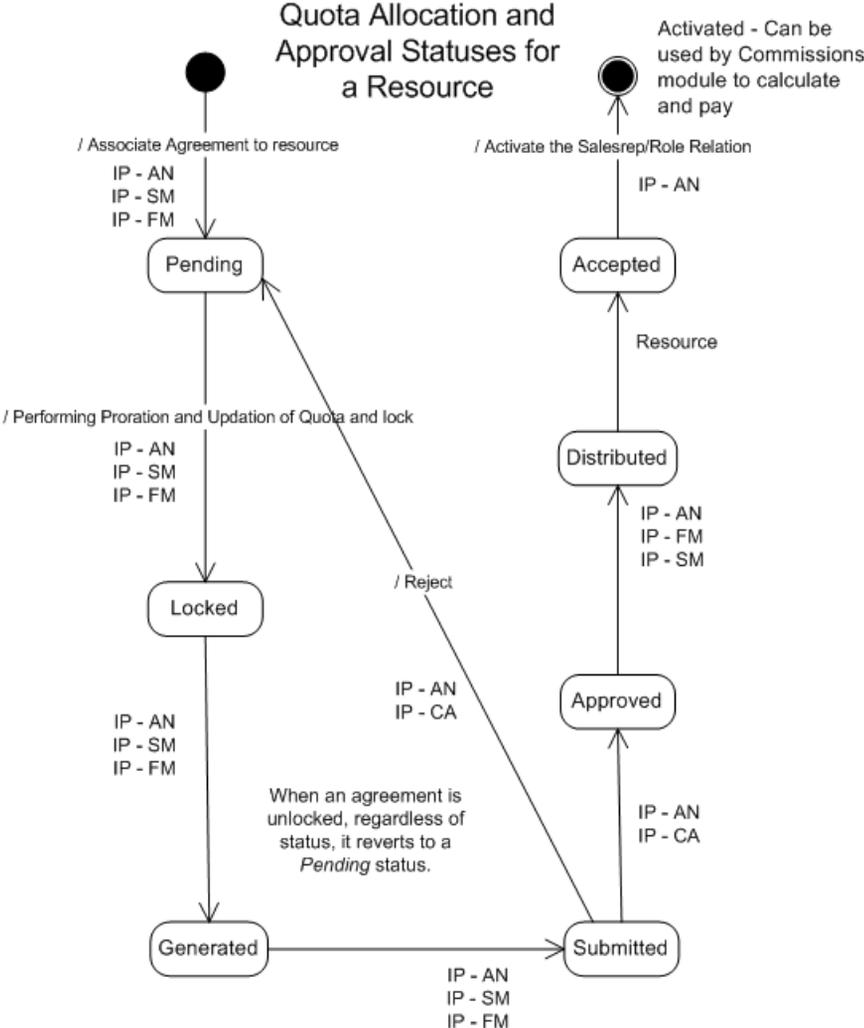
Steps

1. The Incentive Planning Analyst or Incentive Compensation Super User creates an agreement in the Modeling tab. See [Section 3.3, "Creating the Agreement"](#) for details. Newly created agreements have a status of *New* and an Activation Status of *Not Activated*. The Status changes to *Pending* after the first time the agreement is updated.
2. The agreement is then assigned to a resource in the Incentive Planning Hierarchy. Different versions of the agreement can be modeled and compared in the Modeling tab before they are allocated to a resource. See [Section 4.6, "Comparing Agreement Versions"](#) for details. The Status changes to *Modeled* after the agreement has been modeled and compared. You can activate the selected version, which changes the Activation Status to *Activated*.
3. One of the four responsibilities allocates quota in the Quota tab. 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 3.2.3, "Define Participant Access for Finance Managers"](#) for details on how access is given.) Quota can be allocated in mass. See [Section 3.3.7, "Mass Agreement Personalization"](#). The Status changes to *Generated* after you allocate quota has to the resources assigned to the agreement.
4. One of the four responsibilities locks the plan in the Quota tab to indicate that the proposed quota allocations are complete. The Status changes to *Locked* to reflect this. **Note:** When plans are personalized in mass, they are locked automatically when they are imported back into Oracle Incentive Compensation. From this point forward, the agreement can be unlocked, unless it has a Status of *Accepted*. Unlocking the agreement changes the Status back to *Pending*.

5. One of the four responsibilities generates the contract (plan) for a resource in the Quota tab. Contracts can be generated in mass. See [Section 3.4.1, "Generating Contracts in Mass"](#). This creates draft compensation plans with the corresponding quota amounts. The Status changes to *Generated* to reflect this.
6. After reviewing the generated contracts, one of the four responsibilities submits the plan for approval by the Incentive Planning Contract Approver. The Status changes to *Submitted* to reflect this. Plans can be submitted in mass. See [Section 3.4.3, "Submitting Contracts in Mass"](#).
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 in the Quota tab. If the contract is approved, the Status changes to *Approved*. If the contract is rejected, the Status changes to *Pending*. Plans can be approved in mass. See [Section 3.6.3, "Approving the Contracts in Mass"](#). The Manager of the resource receives email notification that the plan is approved.
8. The Manager then distributes the plans to his or her direct reports. Distributed plans cause the Status to change to *Issued*. Optionally, a manager can use Oracle Field Sales to distribute the plan.
9. The resource receives email notification that the contract is ready for acceptance. The resource responds to the email to accept it. Accepted plans cause the Status to change to *Accepted*. The resource can also print out the contract at this time.
10. The Incentive Compensation Analyst activates the accepted contract in the Incentive tab. The accepted contract then becomes a compensation plan. The compensation plan must then be assigned revenue classes, and it is then ready to be used to calculate and pay commission.

See the diagram below for a flow chart of the Incentive Planning process.

Figure 3-1 The Incentive Planning 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 3.2.4, "Define Quota Components"](#).

3.2 Setting up Incentive Planning

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

Set up Responsibilities and Responsibility Groups

Oracle Incentive Compensation uses responsibilities to set up who does what in the Incentive Planning process. Some responsibilities are seeded in the product, but you can create your own to suit your business requirements. Responsibility groups are used to assign privileges to the responsibilities. See [Section 3.2.1, "Set up Responsibilities and Responsibility Groups"](#) for details.

Define Default Contract Text and other Settings

You must set up what will appear in each contract that you generate in Incentive Planning. Individual agreements can override these defaults. For details, see [Section 3.2.2, "Define Default Contract Text"](#).

Define Participant Access for Finance Managers

If you have defined any users with Finance Manager responsibility, you need to define to which groups each Finance Manager has access. See [Section 3.2.3, "Define Participant Access for Finance Managers"](#).

Define Quota Components

Agreements in Incentive Planning are made up of components. These components can be fixed or variable, and can be quota or nonquota based. They must be defined before they can be used in an agreement. See [Section 3.2.4, "Define Quota Components"](#) for details and examples.

Define Attainment Schedule

Attainment schedules set earnings for each level of quota attainment for quota based components. They can be used in multiple agreements. If you are not using quota based components, you can skip this step. For details, see [Section 3.2.6, "Define Attainment Schedule"](#).

Create Seasonality Schedules

If you want components to reflect variations in income opportunity during the year, you can assign a seasonality schedule to them. Seasonality schedules make it possible to weight a quota, changing the compensation at different times of the year. See [Section 3.2.7, "Seasonality Schedules"](#) for details and a scenario.

Assign Job Titles to Roles

Oracle Incentive Compensation uses job titles from Oracle Human Resources to assign roles to resources. A role is not assigned directly to a resource in Incentive Planning. See [Section 3.2.8, "Assign Job Titles to Roles"](#) for the steps to this procedure.

3.2.1 Set up Responsibilities and Responsibility Groups

Oracle Incentive Compensation uses responsibilities to distribute functionality to users. 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 five available responsibility groups are Super User, Finance Manager, Contract Approver, Sales Manager, and Sales Force Incentive Compensation User. 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
Sales Force Incentive Compensation User	Sales Force Incentive Compensation User

Login

Log in to Oracle Forms.

Responsibility

System Administrator

Navigation

Profile > System

Steps

1. In the Find System Profile Values window, check the Responsibility box.
2. Enter Incentive in the Responsibility field. Click **Find**.
3. Select Incentive Planning Analyst. Click **OK**.
4. In the Find System Profiles window, enter OSC%Resp% in the Profile field.

5. 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.
6. Repeat steps 3 through 5 for each of the four other responsibilities as shown above.
7. Close the window.

3.2.2 Define Default Contract Text

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. 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

Optionally, you can set up a workday calendar, which defines exactly which days of the year are workdays for your business. The workday calendar's duration can be defined to match your organization's financial year. A workday calendar allows you to pay commission only for the exact days a resource works.

Prerequisites

If you plan to use a Workday Calendar, you must set the OSC: Use Work Day Calendar profile option to Yes. No is the default setting. See *Oracle Incentive Compensation Implementation Guide*, Appendix C, System Profile Options.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > Settings

Steps

1. If you plan to use a workday calendar, select a Transaction calendar from the drop-down list on the Settings page.

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

2. Enter the title of the contract in the Contract Title field.
3. Enter the Eligibility Rules in the Club Qualification text box.
4. Enter the Terms & Conditions of the Compensation Plan.
5. Enter the Approver's details in the Approver section.
6. Click **Update**.

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 appears at the bottom of the Compensation Plan that is generated later. The Approver's details appear at the bottom of the Compensation Plan as well.

The Terms & Conditions text box can also contain hyperlinks to other text.

Contract text is limited to 2000 character.

3.2.3 Define Participant Access for Finance Managers

For Incentive Planning, groups of resources are set up in Resource Manager with a usage of Salesforce Planning. In order for an Incentive Planning Finance Manager to view or modify sales data for members of a group, the access must be explicitly defined. You can give someone with Incentive Planning Finance Manager responsibility access to data and can also assign the level of access: Update or View. Users with the Update access level can make changes in the data. Users with a View access level can only review it.

Prerequisites

Users must be assigned Incentive Planning Finance Manager responsibility to appear on the User Access screen.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > User Access

Steps

1. Select a User by clicking on the name.
2. On the User Access Details page, enter a compensation group.
3. Select an organization from the drop-down list.
4. Select an access level of Update or View from the drop-down list. See Guidelines.
5. Click **Update** to save your changes.

3.2.4 Define Quota Components

Components are parts of an agreement created in Incentive Planning, and must be created before they can be used in Incentive Planning.

Components 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% on all items sold.

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Administration > Incentive > Component

Steps

1. Use the search parameters to find an existing component.
2. To create a new component, enter a name in the first blank field in the Name column.
3. Enter a short description of the component.
4. Select a component type from the Type drop-down list.
5. Select Unit or Revenue from the Unit column drop-down list. See Guidelines.
6. Check the Computed Flag box if the value of the component is to be derived from a formula.
7. Click **Update** to save your work.

Guidelines

If the Quota for a Component is to be derived from using a formula based on quota values or other components, then check the Compute Flag box. For example, see the computed component formula for Total Computers in the following table. Its values are derived from two or more non-computed components. This is different from calculation formulas, which use non-computed components with assigned values.

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.

Example 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 is 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	Support 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	Support Step	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 uses a Non Proportional split when applying the quota to the rate table. The SFP RQFA formula is used for the Support Services and Bonus components, and uses no split when applying the quota to the rate table. A

third method, a proportional split, is not used in the scenario. For an example, go to [Section 3.5.1, "Example of a Proportional Split for Rate Calculation"](#).

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 boxes.

These are the three rate tables used in the scenario:

3.2.4.1 Support Rate Table

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

This *Amount to 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

3.2.4.2 Total Computers Rate Table

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

This *Percent to 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 them.

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

3.2.4.3 Bonus Rate Table

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

This *Percent to 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

3.2.5 Edit Computed Component Formula

When a computed component has been defined and assigned to an agreement, it requires inputs so that its value can be calculated. The valid inputs are variable pay non-computed components and other variable pay computed components that have already been defined. A percentage value is assigned to each input. Use this page to define a formula for a computed formula.

Prerequisites

Components must be created (see previous section).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Agreement

Steps

1. Click the name link of an agreement.
2. Click the Edit hyperlink in the Variable Pay, Computed Components section.
3. Enter a percentage against each component until all variables of the formula have been defined.
4. Click **Save**.

Guidelines

The percentages entered against each component selected are multiplied with the value of each component. You can use any percentages that you like. The results of all multiplication are added together. Any changes you make appear in the Variable Pay, Computed Components section of the Sales Role Detail page.

3.2.6 Define Attainment Schedule

An 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. After you define an attainment schedule, you can reuse it in multiple agreements.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Administration > Incentive > Attainment

Steps

1. Enter a name for the attainment schedule.
2. Click **Update**.
3. Click the new name from the Attainment Schedule Summary.
4. Enter the desired percentages in the blank fields.
Each percentage corresponds to a quota attainment level.
5. If you need more than two fields, click **Update** and two more blank fields will appear under the saved ones.
6. Repeat until your attainment schedule is complete.
7. Click **Update** to save.

Guidelines

To delete an attainment schedule, check the Remove 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

3.2.7 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 pay, 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.

Navigation

Administration > Incentive > Seasonality

Steps

1. Click **Create**.
1. Enter new seasonality schedule information and click **Update**.

2. 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.
3. Click **Update**.
4. 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 percentage entries to 0.

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 - Fiscal Year 2003
January	0.40%	4,000
February	1.00%	10,000
March	2.00%	20,000
April	3.00%	30,000
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

3.2.8 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.

Prerequisites

Jobs must be defined in Oracle HR. Resources must be set up in Oracle Resource Manager.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > Job Titles

Steps

1. Query for a job title by name or by job code.
2. Click the link in the Job Titles column to go to the Resource Details - Job Titles page.
3. To add a role, enter it in the Role column.
4. Enter a start date and end date.
5. Click **Update**.

Guidelines

If you are using Oracle Human Resources, the job title information here is read from there. If you are not using Oracle Human Resources, please refer to appropriate sections of the Oracle *CRM Foundation Implementation Guide* (Implementing Resource Manager) or Oracle *CRM Foundation User Guide*.

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.

3.3 Creating the Agreement

Use the following sections to create agreements. Later, you use the agreements to allocate quota to resources.

The My Quota Estimate page, accessed by resources through Oracle Field Sales, 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.

3.3.1 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.

3.3.2 Defining an Agreement

In Incentive Planning, you must set up how the agreement is going to work and which role is going to receive it. Steps include:

- Setting up quota minimums and maximums
- Deciding whether to use rounding
- Picking the agreement level in the sales hierarchy
- Selecting an attainment schedule
- Setting whether the role is entitled to club participation

Then, the process of selecting components begins, from the fixed pay components like salary and car allowance to the variable components that may or may not have a quota. If anchors are used, they must be defined.

Prerequisites

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.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Incentive > Agreement

Steps

1. Query a sales role name, and click the sales role link.
2. You can click the Contract Text link to view the contract text on the Agreement Details - Contract Text 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 a rounding factor if you want to round the assigned quota.
For example, input 1000 if you want the assigned quota to be rounded up to the nearest 1000. **Note:** Rounding factor must be base 10 (10, 100, 1000, and so on.)
6. Enter the range of quota figures that this role should have.
7. Enter the Plan Level to indicate the position of the role in the sales hierarchy. For example, a street level resource is assigned to Level 1. This step is used only for reporting.
8. Select an Attainment Schedule from the drop-down list that is applicable to the compensation plan for this role.

Attainment schedules are defined on the Administration > Incentive > Attainment. See [Section 3.2.6, "Define Attainment Schedule"](#).
9. Check the Club Eligible box if this role is entitled to Club participation on achieving Club rules.
10. 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.

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).
11. Select Variable Pay, Non Computed Components.
 - a. Enter the name.
 - 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. The default seasonality schedule is even.
 - f. Select a calculation formula.
To appear in the list, the formula must be cumulative and the Planning box must be checked.
 - g. Select a rate table.
 - 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.
 - i. Click the Rates hyperlink in the Details column to display the rate table used in the formula for the component.
12. Select Variable Pay Computed Components and enter the sequential order of display.
13. Select Variable Pay Non Quota Components. Then, perform the following:
- a. Enter the sequential order of display.
 - b. Enter the calculation formula.
 - c. Select a rate table. The rate table must have only one dimension.
14. The sections for variable components 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.

15. Enter the name of the compensation plan in the Map to Compensation Plan field to create the compensation plan with that name during activation.
16. Enter a start date and end date.
17. Click **Update**.
18. On the Sales Role Detail page, in the Variable Pay, Computed Components area, click **Anchors** in the Details column.
19. Select a calculation method, Line or Step, from the Anchor Rate Calculation Method drop-down list (See [Example of Two Methods of Anchor Rate Calculation](#) following Guidelines).
20. Enter the Minimum Rate and Maximum Rate for each tier of the Rate Table.
21. 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).
22. 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.
23. Click **Update**.

Guidelines

Entering the Quota minimum and maximum enables the Quota Range Report to be run. The minimum quota on the Sales Role Details window is 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.

Note: If, during setup, you use a currency that is different from the operating unit's functional currency, for example, to set a quota, then you should use a rounding factor of 0.01 or lower (0.001, 0.0001) to disable the effects of rounding. Functional currency is the currency in which Oracle Incentive Compensation performs all calculations.

Example of Two Methods of Anchor Rate Calculation

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 when you activate an agreement and push the plan into the Commission module 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%
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 is calculated as follows (TQ = 20,000 total quota):

1st Tier (0 - 25%)

$$100,000 - 0 / (25\% - 0\%) \text{ TQ}$$

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

2nd Tier (25% - 50%)

$$(150,000 - 100,000) / (50\% - 25\%) \text{ TQ}$$

$$50,000 / 25\% * \text{TQ} = 10$$

3rd Tier (50% - 75%)

$$(180,000 - 150,000) / (75\% - 50\%) \text{ TQ}$$

$$30,000 / 25\% * \text{TQ} = 6$$

4th Tier (75% - 100%)

$$(200,000 - 180,000) / (100\% - 75\%) \text{ TQ}$$

$$20,000 / 25\% * \text{TQ} = 4$$

5th Tier (100% - 999%)

$$(200,000 - 200,000) / (999\% - 100\%) \text{ TQ} = 0$$

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 is used to calculation commission. If the line calculation method is used, then the rate table in step 5 is 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.

3.3.3 Activating an Agreement

You must activate an agreement in order to convert it to an actual compensation plan in Oracle Incentive Compensation. You activate an agreement in order to assign it to compensation plan mapping.

Login

Log in to Oracle HTML Applications

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Navigation

Incentive > Agreements

Steps

1. Click **Apply** to list the current agreements.
2. Check the Activate box next to the agreement that you want to activate.
3. Click **Update**.

Note: To activate all agreements, click **Select All** before clicking **Update**.

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

1. Click the Quota tab and click the Process subtab.
The Resources Found page appears.
2. Select a search.
Use the default search or select any previously defined search. You can create a new search by clicking **Personalize**.
3. Click the name in the Resource Name column.

The Compensation Plan Processing page appears.

4. Click the box in the Select column.
5. Click **Update**.

3.3.4 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.

Prerequisites

Components must be selected on Sales Role Detail page.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Incentive > Agreement > Sales Role Detail

Steps

1. In the Variable Pay, Computed Components section, click the Edit hyperlink.
The Agreement Details - Computed Component Formula page appears.
2. Enter a percentage against each component until all variables of the formula have been defined.
3. Click **Save**.

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.

3.3.5 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.

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.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Contract Approver

Incentive Planning Sales Manager

Navigation

Resource > Planning > Resource Details - Main

Steps

1. Query for a resource.
2. Click the name of the resource you need.
3. Click the link for the resource to whom you want to allocate a role.
4. The Compensation Group field includes a list of values. 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**.
5. Query the Job Title field and select a job title.

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.
6. Enter a Start Date and End Date.
7. Select a line of business from the Organization drop-down list.

This is not related to multi-org.
8. Check the Customized box if you plan to customize the role for this resource.
Note: If the Customized 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 box unchecked.
9. 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.
10. Check the Overlay box if you want the role to be an overlay.

Overlay roles are not part of a distributed quota of a manager.
11. Check the Club Eligible box if the role includes club eligibility.

Club eligibility text appears on the contract.
12. Click **Update** to save the new Job Title row.

The On Target Earning link is now visible. Click the link to view the Resource Details - On Target Earnings page.
13. 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 0.83333333333333333333333333333333. 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 0.83333333333333333333333333333333 like most of the other components.

3.3.6 Customizing Anchors for Individual Resources

Anchors are used in Incentive Planning to indicate the maximum that can be earned at each tier of a selected rate table. Anchors are part of the definition of sales role details in Oracle Incentive Compensation, and can 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 anchors for individual resources.

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.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst
Incentive Planning Finance Manager
Incentive Planning Contract Approver
Incentive Planning Sales Manager

Navigation

Resource > Planning > Resource Details - Main

Steps

1. Query for a resource.
2. Click the name of the resource you need.
3. Click the amount in the On Target Earnings column.
4. Click **Anchor** in the Details column in the Variable, Quota Based area.
5. In the Rate Schedule Detail section, enter the commission rate range for each tier of the Rate Table.
6. 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.
7. To view rate tables for variable non-quota elements, click the Rate link in the Details column of the Variable, Non-Quota area.
8. Click **Update**.

Example

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

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

3.3.7 Mass Agreement Personalization

An Incentive Planning Analyst or Incentive Planning Finance Manager can not only personalize a single agreement within a sales group, but can now do so in mass. If the same change applies to many agreements or contracts, this streamlines the process. Mass changes are performed by exporting the agreements or contracts to a CSV file, making changes offline, and then importing them back into Oracle Incentive Compensation.

3.3.7.1 Exporting Agreements to a CSV File

You can export files for mass agreement personalization.

Prerequisites

Compensation groups must exist. If you intend to export pending agreements, you must have agreements that are pending.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Analyst

Incentive Planning Finance Manager

Navigation

Quota > Allocate

Steps

1. Query for the compensation groups that you need.

2. Click **Apply**.

If you click **Apply** without making any changes, the default display for an Incentive Planning Analyst is all compensation groups with an effective date of the current day's date. For Incentive Planning Finance Managers, only the groups to which they have access are displayed.

3. Check the box next to each compensation group that you want to export. You can click the Select All link to check all boxes or use the Select None link to clear your selections.

When you select a compensation group, this exports agreements of all participants that roll up into the selected compensation group.

4. To export only pending agreements of the selected groups, click **Export Pending**. You can also select the **Export** button to export all agreements.

Select Export Pending to import only agreements that you want to personalize. Select Export to export all agreements for viewing or reporting purposes.

5. In the Save As pop-up window, define the location and name of the exported file.

6. Click **Save**.

7. Open the CSV file in a spreadsheet program.

The spreadsheet displays the compensation group, resource name, employee number, organization, start and end dates, and the quota information. A Key at the end is used to protect the data integrity during the export and import process.

8. Make the changes to the data and save the file.

Be sure to remove all header information and timestamp before importing.

Guidelines

The Incentive Planning Sales Manager and Incentive Planning Contract Approver do not have the Export, Export Pending, Generate, Submit, or Unlock buttons on their screen. In addition, there is no Select column with check boxes. These responsibilities cannot perform actions on this page.

Warning: Be sure not to modify the encrypted Key column.

3.3.7.2 Importing the Personalized Agreements into Oracle Incentive Compensation

After the agreements have been personalized, they can be imported back into Oracle Incentive Compensation. This import process is the same as other importing processes in the application, and uses a four-step Wizard. For this release, a new import type of Personalized Agreements is set up especially for offline personalization.

Agreements are automatically locked after they are imported.

Warning: If you are importing from Microsoft Excel, the following message may appear at the end of the import process:

<filename>.csv may contain features that are not compatible with CSV (Comma delimited) Do you want to keep the workbook in this format?

For the import to work correctly in Oracle Incentive Compensation, you must click **No**. You want to preserve the features of the imported file.

Prerequisites

The header information and timestamp must be removed before importing the CSV file.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Analyst

Incentive Planning Finance Manager

Navigation

Quota > Import

Steps

1. To see information about an import, click the name link.
2. To create a new import, click **New Import**.
3. Select an import type of Personalized Agreements.
4. Enter a name and description.

The Name field must be unique. If you submit a duplicate name, an error message appears.

5. Select the Client or Server button to define your data source.

Note: If using Server, the Import Server Side Data File Directory must already be defined. Set the system profiles *OSC: Import Control File Directory* and *OSC: Import Server Side Data File Directory*. See *Oracle Incentive Compensation Implementation Guide, Appendix C, System Profile Options*.

6. Click **Browse**.
7. In the Choose File pop-up window, find the file you need, click it, click **Open**, and click **Submit** in the Select box.
8. Select the column delimiter. Comma is the default.
9. Select how you want your fields to be enclosed from the drop-down list. Double Quotation is the default.
10. Check the File Header Exists box.
11. Click **Next** to proceed to Step 2: Import Header Mapping.
12. On the Import Header Mapping page, use the fields at the top of the page to load an existing mapping or save a new mapping.
 - a. Query for an existing mapping.

A Select box appears, listing all available previously defined mappings.
 - b. Select 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.
13. To create a new mapping, click a source field in the first column.
14. Click the target field in the second column.
15. Click the right arrow button to move the mapping to the third column.
16. View the Preview window to see what your mapping looks like.
17. Click **Next** to save and move to Step 3: Review.
18. Review the general information and mapping on the page.

19. If all the information is correct, click **Import**. The Confirmation page appears. (step 4 of the Import Wizard).

If the information is not correct, click **Cancel**, and then return to the Import Header Mapping page to make corrections.

20. Click **Finish**.

Note: If a message appears, see the warning at the beginning of this section.

21. If you want to perform another import, click **New Import** and repeat the procedure.
22. Return to the Import/Export page and look at the information about your import.
23. If the import was unsuccessful, you can do the following:
 - a. Click the Failed Records link to go to the Failed Records page. From there you can download the failed records to a CSV file. Fix the records and reimport the CSV file.
 - b. Click the Log icon to view the Process Log.

3.4 Allocating Quotas to Resources

After agreements are activated, agreements and quotas are allocated to resources. Depending on whether the allocation is done by the Incentive Planning Sales Manager, Super User or Incentive Planning Analyst, or by an administrator, 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.

You can generate and submit contracts in mass. See [Section 3.4.1, "Generating Contracts in Mass"](#) and [Section 3.4.3, "Submitting Contracts in Mass"](#) for details.

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Quota > Allocate

Steps

1. Query for compensation groups by group name.
If you leave the wildcard (%) in the field, all compensation groups display when you click **Apply**.
2. To sort by date, enter an effective date. Today's date is the default setting.
3. Click **Apply**. Group names that match the parameters you entered are displayed on the My Compensation Groups page. Alternatively, click **Clear** to change your entries.
4. Click the Compensation Group for which you wish to view details.
5. Select an organization. See Guidelines.
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. Click **Add Vacancy** to create a vacancy or position to be filled by a resource who is not yet hired.

The Add Vacancy page appears.

- a. Enter a name for the resource to be hired in the Vacancy. 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 Vacancy**.
- d. The Resource Details - Main page appears.
- e. Query for a job title.

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

- f. Enter start and end dates.
- g. Select a predefined organization. This is a line of business, and does not have anything to do with multi-org. 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 Incentive Planning Analyst and Incentive Compensation Super User have access to all organizations. However, the Incentive Planning Sales Manager has access only to his or her own directs, and the Incentive Planning Finance Manager can only allocate quota to groups to which he or she have been given access.

The Incentive Planning Sales Manager and Incentive Planning Contract Approver do not have the Export, Export Pending, Generate, Submit, or Unlock buttons on their screen. They also do not have a select column, because they cannot perform any actions on the groups listed.

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.

The end date that you enter when you add a vacancy must be in the future. For example, on January 1, 2004, the start date can be in 2003 but the end date must be after January 1, 2004.

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.

3.4.1 Generating Contracts in Mass

If the quotas are the same for a group of resources, you can generate all of the contracts at one time by using the following procedure.

Prerequisites

Agreements must be in the Locked state.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Quota > Allocate

Steps

1. Query for the compensation groups that you need.

2. Click **Apply**.

If you click **Apply** without making any changes, the default display is all compensation groups with an effective date of the current day's date.

3. Select one or more groups for which you want to generate contracts.

This generates contracts for all participants with locked agreements that roll up to the selected compensation group. See Guidelines.

4. Click **Generate**.

5. If any contracts did not generate properly, check the CSV Error Details log. Use this log to fix the problems and then upload the agreements and generate them.

Guidelines

If you want to generate contracts for a specific group within a compensation group, drill down on the group name and use the existing generate functionality.

The Incentive Planning Sales Manager and Incentive Planning Contract Approver do not have the Export, Export Pending, Generate, Submit, or Unlock buttons on their screen. In addition, there is no Select column with check boxes. These responsibilities cannot perform actions on this page.

3.4.2 Unlocking Agreements in Mass

An Incentive Planning Analyst and an Incentive Compensation Finance Manager can both unlock agreements in mass in order to change them before submitting them to the Contract Approver. The Planning Analyst can unlock agreements regardless of their status, however the Finance Manager can unlock only agreements with a status of Locked or Generated.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Quota > Allocate

Steps

1. Select one or more groups for which you want to unlock agreements.
2. Click **Unlock**.

3.4.3 Submitting Contracts in Mass

After generating contracts in mass, they can be submitted in mass.

Prerequisites

Contracts must be in the Generated state.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Quota > Allocate

Steps

1. Select one or more groups for which you want to submit contracts.

This submits contracts for all participants with generated contracts that roll up to the selected compensation group.

2. Click **Submit**.

3.5 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, in which each period has equal weight, 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 Field Sales, and any direct or street overassignments that might affect the resource's quota.

The Allocation Details - Quota and Pay Assignment screen is divided into four areas: Parameters, Quota, Variable Pay, and Club Attainment. The Parameters section contains two boxes to indicate overlay employees and customized quotas. The quota components in the Quota table can be changed and prorated, while for the variable pay components below, you can only change the final prorated amount. In the Club Attainment area, you can enter or change the Final Club Eligibility Amount.

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

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Manager

Navigation

Resource > Planning > Allocation Details - Quota and Pay Assignment

Steps

1. In the Parameters section, you can check the Overlay box to exclude the resource's quota from overassignment percentage calculations.
2. Check the Customize Quota and Pay box if the final prorated quota and pay has been customized for the resource (see Guidelines).
3. 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.
4. In the Quota from Field field is the data that was previously submitted by the resource using the Compensation tab in Oracle Field Sales. Use the data to evaluate and determine the final prorated quota.
5. In the Amount field of the Final Prorated Quota area, 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.
6. 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.
7. In the Club Attainment area, view or select the final club eligibility amount for each plan element.
8. Click **Update** to save any revised amounts on the page.

9. Click **Lock** to freeze the agreement before submitting it to the Contract Approver.
10. To return to the Quota Allocation Details page, click **Back to Main Allocation Details Page**.

Guidelines

If you check the Customized Quota and Pay 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 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 box, the final prorated quota would change to \$750,000 when you change 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 0.8333333333333333, 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 3.2.4.1, "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 column displays the expected commission amount, and the fourth column shows the prorated commissions. The prorated commissions are calculated by multiplying the proration factor times the expected commission amount.

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

% Attainment	Anchor Type	Expected Commission	Prorated Commissions
900,000	Amount	30,000	$0.8333333333333333 * 30,000$ = 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 3.2.4.2, "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	The resource earns at least 1%.
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. In column five, the prorated commissions are calculated by multiplying the proration factor times the expected commission in column 4.

% Attainment	Type	Commission Percent	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%):

$$= (3,479.4793625 - 2,251.42495875) / [((100-75)/100) * 181,933.33]$$

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

$$= 1,228.0499775 / 45,483.3325$$

$$= 2.7\%$$

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 3.2.4.3, "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.

3.5.1 Example of a Proportional Split for Rate Calculation

A **proportional split** is useful if you want to split tiers of a rate table and pay commission proportionally within each tier. This example shows the commission amount for a Proportional split and compares it to the Non-proportional split and to No Split for rate calculation. It also uses:

- Input expression: Transaction Amount
- Output Expression: Rate Table Result

- Rate table: Amount Amount, as shown below:

From (Amount)	To (Amount)	Commission Rate (Amount)
0	10,000	\$100
10,000	50,000	\$500
50,000	90,000	\$1,000

For a quota amount that stays within tier 1, the calculation is simple. If the quota is 5,000, in a *non-proportional* split, the commission amount is \$100, because it falls anywhere within tier 1 of the rate table. However, with a *proportional* split, the commission amount is based on the proportion of the range of the tier that is used. The calculation looks like this:

$$(\text{Amount in Tier} / \text{Tier Range}) * \text{Commission Rate} = \text{Commission}$$

In the example, for 5,000, the calculation is $(5,000 / 10,000) * \$100 = \50 .

For larger quota amounts that fall into multiple tiers of the rate table, you need to perform a calculation for each tier. For example, if the total quota is 30,000, the first 10,000 is calculated for tier 1 and the remaining 20,000 is calculated to tier 2. The first tier calculation uses the full range of the tier, so the full amount of the commission is paid.

Calculation 1

$$(10,000 / 10,000) = 1$$

$$1 * 100 = \$100.$$

For the second calculation, the amounts of the first tier must be subtracted out of the second tier amounts and then the same calculation is performed. The quotient of the amount in the tier (20,000) divided by the tier range (40,000) is .5. This amount multiplied by the tier 2 commission amount is \$250.

Calculation 2

$$\text{Amount in tier 2: } 30,000 - 10,000 = 20,000$$

$$\text{Tier 2 range: } 50,000 - 10,000 = 40,000$$

$$20,000 / 40,000 = .5$$

$$.5 * 500 = \$250$$

By adding the amount from the first tier to the amount from the second, the total amount of the commission for 30,000 is \$350.

Total Commission (Calculation 1 + Calculation 2)

\$100 + \$250 = \$350 total commission.

For comparison, using a non-proportional split, the commission for 30,000 is calculated by adding \$100 commission from Tier 1 to the full \$500 of Tier 2, for a total of \$600. Using No Split, the entire 30,000 is applied to Tier 2, for a total commission of \$500. This demonstrates that unless the tiers are completely used by the commission calculation, a proportional split pays out less commission than either a non-proportional split or No Split.

3.6 Approving, Distributing, and Activating Contracts

After an agreement has been created, it must be approved, distributed, and activated. In previous release, this was performed on three subtabs of the Quota tab: Approve, Distribute, and Activate. They are now combined into one page called Compensation Plan Processing, accessed through a single subtab called Process. The shared columns appear on the new page, while the specific functions are performed using the Action column. The Approve and Reject function appears in the Action column as a drop-down list. The Distribute column from the Distribute subtab and Activate column from the Activate subtab are now boxes in the Action column. The Approve/Reject drop-down list and the Distribute and Activate boxes appear only when the plan status requires it.

A Contract Approver can approve contracts in mass by exporting the contracts to a CSV file and then importing the approved contracts back into Oracle Incentive Compensation. See [Section 3.6.3, "Approving the Contracts in Mass"](#) for this procedure.

[Section 3.6.2, "Approving Contracts"](#)

[Section 3.6.3, "Approving the Contracts in Mass"](#)

[Section 3.6.4, "Distributing Contracts"](#)

[Section 3.6.6, "Activating Contracts into Compensation Plans"](#)

3.6.1 Resource Advanced Search

The search function of the Compensation Plan Processing page features an improved Resource Advanced Search page, with expanded search criteria and display options.

For a search to be executed, data must be entered for at least one of the following search parameters:

- Employee Number
- Name
- Compensation Group

This data must not be exclusively wildcards.

Prerequisites

Resource must exist in Resource Manager.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Manager

Navigation

Quota > Process > Personalize button

Steps

1. Make a selection from the Saved Searches drop-down list.

The default setting, Default Resource Search, enables you to create new searches that you can save and reuse later. Select a previously defined search to make adjustments to the fields in that search.

2. In the Search Criteria area, enter data in the fields, as needed. Search criteria use one or more variables. Two of them, Organization and Effective Date, can only be exact matches. However, the three other criteria can also be similar (Like) or in the case of the Employee Number, set a range. Select the type of search for each of the criteria:
 - Organization: Select from the drop-down list. Equal is the only type of search allowed with this criterion.
 - Effective Date: Use the calendar icon to select an exact date. Equal is the only type allowed.

- Name: Select Like or Equal from the drop-down list. Enter four or more characters, including wildcards (%) in the right-hand field.
 - Employee Number: Select Like, Equal, or Between from the drop-down list. Use Between if you enter a range in the fields to the right. Enter one or two alphanumeric characters in the fields to the right, depending on whether you are searching for an exact character or a range.
 - Compensation Group: Select Like or Equal from the drop-down list. Enter four or more characters, including wildcards (%) in the right-hand field.
3. 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 available columns. The Resource Name column is required and cannot be moved out of the Displayed Columns area.

4. 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 in ascending or descending order by selecting it from the drop-down list to the right.
5. Enter the number of rows you want to display per page. The default is 10. See Guidelines.
6. Save your search with a unique name.

Note: Check the Default box if you want your new customized search to be the default selection on the Compensation Plan Processing page.

Click **Save**, or click **Save and Apply Search** to use the newly created and saved search immediately.

3.6.2 Approving Contracts

The Incentive Planning Contract Approver, Incentive Planning Analyst, or Incentive Compensation Super User use the Compensation Plan Processing page to view details of any plans to be approved. The initial page, Resources Found, identifies the resource by Organization, Group Name, Resource Name, Employee Number, Discretionary Job Title, and Role. Selecting a resource opens the Compensation Plan Processing page itself.

On the Resources Found page, the Incentive Planning Analyst and the Incentive Planning Contract Approver can export agreements for mass approval. For these two responsibilities, the page display includes an Export for Approval button and a Select column with check boxes. Neither of these features are visible to other Incentive Planning responsibilities.

To export agreements for approval in mass, see [Section 3.6.3, "Approving the Contracts in Mass"](#).

Prerequisite

The plan must be at least in Submitted status.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Incentive Planning Contract Approver

Navigation

Quota > Process

Steps

1. The Resources Found page displays the contents of the default Saved Search. The default Saved Searches field is set on the Resource Advanced Search page, which you can access by clicking **Personalize**. You can also create a new Saved Search there. See [Section 3.6.1, "Resource Advanced Search"](#) for details.
2. To use a different saved search from the one displayed, select it and click **Apply**.
3. Click a name in the Resource Name column.
4. Use the Refine Search Results area to search by resource name, sales role, plan status (drop-down) or organization. Click **Apply** to start the search.
5. In the Action column, select Approve or Reject.

6. Click **Update**.

3.6.3 Approving the Contracts in Mass

After the Incentive Planning Analyst or Incentive Planning Finance Manager has personalized agreements and pushed them to Submitted status, the Incentive Planning Contract Approver must approve the contracts. Typically, the approval process requires a Contract Approver to validate against controls. This is most easily done in mass by using formulas in spreadsheets. The Contract Approver can perform the approval in a disconnected mode by exporting the contracts to a CSV file. The Incentive Planning Contract Approver approves the contracts offline, and then imports them back into Oracle Incentive Compensation.

Prerequisites

Contracts must be in the Submitted state.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Incentive Planning Contract Approver

Navigation

Quota > Process

Steps

1. Select the resources whose contracts you want to export and approve in a disconnected mode.

2. Click **Export for Approval**.

The Contracts for the selected resources and all of the resources that roll up to them are exported.

3. In the pop-up window, define the location and name of the exported file.

4. Click **Save**.

5. Open the CSV file in a spreadsheet program.

The spreadsheet displays the compensation group, resource name, employee number, organization, start and end dates, and the quota information. A Key at the end is used to protect the data integrity during the export and import process.

6. Make the changes to the data and save the file.

Be sure to remove all header information and timestamp before saving.

7. Import the file back into the application.

This is the same process as the Finance Manager uses to import customized agreements. (see [Section 3.3.7.2, "Importing the Personalized Agreements into Oracle Incentive Compensation"](#)). In this case, use the import type of Contract Approvals.

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 or Compensation Plan Processing 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 Compensation Plan Processing 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.

3.6.4 Distributing Contracts

Contracts can be distributed in two ways. Typically, a resource's manager receives email notification that the contracts are approved. The manager then distributes the contract by logging in to Oracle Field Sales as the Sales Online Manager responsibility or by logging in to Oracle Incentive Compensation as the Sales Force Incentive Compensation User 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 Compensation Plan Processing 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.

Prerequisite

There must be an approved plan to distribute. See [Section 3.6.2, "Approving Contracts"](#).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Finance Manager

Navigation

Quota > Process

Steps

1. Query for a resource and click **Apply**.
2. Click a name in the Resource Name column.
3. Select the plans that you want to distribute. These plans have Distribute displayed in the Action column.
4. Click **Update**.

The status in the Plan Status column changes to Distributed.

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.

3.6.5 Resources Accept Plans Using Oracle Field Sales

Resources can access the Compensation tab to accept their compensation plans by logging on to Oracle Field Sales, or they can use the Sales Force Incentive Compensation User responsibility in Oracle Incentive Compensation.

A resource can only accept a contract using this process. A resource who does not want to accept the contract should contact the manager directly to discuss the contract.

Prerequisites

None.

Login

Log in to Oracle HTML Applications.

Responsibility

Field Sales User

Sales Force Incentive Compensation User

Navigation

Compensation > Compensation Plan

Steps

1. Click the Sales Role link to go to the Contract page.
2. Review the contract and click **Accept** to accept the contract.
The plan status changes from Issued to Accepted.
3. Click the Printable button to display the contract in a format suitable for printing.

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.

3.6.6 Activating Contracts into 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 Processing page to activate the contract into the Commissions module for calculation. Activation turns the proposed plan into an actual compensation plan, which needs only to be assigned revenue classes to be complete.

Prerequisite

There must be an approved plan to activate. See [Section 3.6.2, "Approving Contracts"](#).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Finance Manager

Incentive Planning Sales Manager
Incentive Planning Contract Approver

Navigation

Quota > Process

Steps

1. Enter the name of the resource and click **Apply**.
2. Click a name in the Resource Name column.
3. Check the box in the Activate column next to plans you want to activate.
4. Click **Update**.

The status in the Plan Status column changes to Activated.

5. Assign revenue classes to the new compensation plan.

See [Section 6.6.5, "Assigning Revenue Classes to a Plan Element"](#).

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.

3.6.7 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.

For details, see [Section 7.8, "Regoaling"](#).

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 Versions"](#)
- [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 agreements before assigning a final version to the sales field, which then becomes the actual assigned compensation plan. For example, incentive planners could compare an agreement that pays a single commission rate with one 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 statuses 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 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

In this release, you can compare agreements graphically in three different ways. As in previous releases, *Performance Payout* compares commission earnings at different attainment percentages using a vertical bar graph with agreements displayed in contrasting colors. New views include *Compensation Basis* and *At Risk Percentage*. *Compensation Basis* uses pie charts to display the percentage of the total agreement for each plan element at 100 percent attainment for each agreement. *At Risk Percentage* also uses pie charts to compare the amount of fixed compensation to variable compensation for each agreement.

4.3 Creating an Agreement Version

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

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Navigation

Modeling > Agreement > Create

Steps

1. Query for the role for which you are creating the agreement version.
2. Click **Create**. The Model Create page appears.
3. Enter a Version Name.
4. Enter a Version Description.
5. Enter a Start Date and End Date.
6. Click **Create** to save.
7. Repeat as necessary to create as many versions for the role as you need.

4.4 Assigning Details to an Agreement Version

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 on the Agreement Version Summary page.

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 the details of one model into an agreement. This saves time if the new version you are creating differs in a minor way from another version, or if an existing model already contains the details you need. See Guidelines for more information.

Prerequisites

Roles must be created in Resource Manager. Attainment schedules must be defined (See [Section 3.2.6, "Define Attainment Schedule"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Navigation

Modeling > Agreement

4.4.1 Assign Details to an Agreement Version

You can assign details to an agreement version.

Steps

1. Query for an agreement.
2. Click **Apply**.
3. To assign details to a version, click the link the Version Name column.
4. You can copy another agreement version.

For consistency of data, the drop-down list displays only role models that have the same start date and end date as the initial model. See Guidelines.

5. Click **Apply**.
6. The read-only On Target Earnings field displays the total earnings of the resource assigned to this role achieves 100% of quota.
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 Attainment Schedule drop-down list. Attainment schedules are defined in the Administration tab.
11. Check the Club Eligible box if the agreement includes club benefits at a certain level of achievement.
12. Click **Update**.

4.4.2 Enter Components for the Agreement Version

Now you can enter components for the agreement version. 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** box. The component is deleted when you click **Submit**.

Steps

1. 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 list of values.
 - 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 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. For more information, see [Chapter 3, "Incentive Planning"](#).

When you copy an agreement version, it overwrites the current data. You cannot use the copy feature to overwrite the details of a model that has been activated. When you copy one model into the other, all of the names associated with it are copied with it, so you may want to change the names of related items such as plan elements and compensation plans after performing the copy.

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 status. 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.

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Navigation

Modeling > Agreement

Steps

1. Query for a role in the search parameter.
2. Click the amount link in the Total Quota column. The Assign Quota to version page appears.
3. Enter amounts in the blank fields in the Amount column. The Total rows are automatically populated by the application.
4. Click **Update**.

4.6 Comparing Agreement Versions

Use the Agreement Version Comparison page to compare two or more agreement versions. You also can use the Agreement Version Comparison page to view the agreement details of a single agreement. The system calculates the payouts at each level of quota attainment based on the attainment schedule assigned to each agreement version.

The application displays graphically and tabularly the payouts at each attainment level for each version. After comparing agreements, you can activate the one that best suits your requirements. **Note:** For information on setting up the graphs, see *Oracle Field Sales Implementation Guide*, Chapter 4, Setting Up Charts.

You can compare agreements graphically in three different ways:

- Performance Payout
- Compensation Basis (new in this release)
- At Risk Percentage (new in this release)

Performance Payout compares commission earnings at different attainment percentages using a vertical bar graph with agreements displayed in contrasting colors.

Compensation Basis uses pie charts to display the percentage of the total agreement for each component at 100 percent attainment for each agreement.

At Risk Percentage also uses pie charts to compare the amount of fixed compensation to variable compensation for each agreement.

Select the display you need from a drop-down list at the top of the page.

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Navigation

Modeling > Comparison

Steps

1. Query for a role name.
The application displays only roles that have models that can be compared.
2. Select the agreement versions you want to compare.
3. Click **Compare**.
The Agreement Version Comparison - Performance Payout page displays the Performance Payout bar graph and tables for each agreement version. You can make changes to the agreement (setups and quotas) on the Comparison page. The following steps detail the specific changes that can be made to an agreement that will have an effect on payouts.
4. To change views, make a selection from the Compare By drop-down list.
5. To change the amounts of the quotas for each component, click the link in the Assigned Quota column.
6. Make changes to the quota amounts.
7. Click **Update** to save any changes, and **Close** to return to the display and tables.
8. To change anchor values, click **Modify** in the Anchors column to go to the Resource Details - Customized Anchors page.
9. After you have compared the versions, click the Role Name link to return to the Agreement Version Summary page.

10. To activate one of the versions, check the box in the Select column next to the version you want to activate.

11. Click **Activate**.

In the Activation Status column, Not Activated changes to Activated. **Note:** You cannot undo an activation.

Guidelines

Agreement version contracts can be compared more accurately if they have the same attainment schedule.

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.

Prerequisites

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

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Planning Super User

Incentive Planning Analyst

Navigation

Modeling > Performance

Steps

1. Query for a role name.
2. 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 and return to the Agreement Version Summary page.
3. Select the versions you want to compare.
4. Click **View Performance**.
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 the anchors, click **Modify** in the Anchors column.
7. Click a number in the Estimated Achievements column to go to the Estimated Achievements page (see step 3 previous).
8. 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 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 window, however, is not used in the calculation of Estimated Payout and can be ignored.

Creating Resources, Roles and Groups

Sections in this chapter include:

- [Section 5.1, "Defining Resource Groups \(Compensation Groups\)"](#)
- [Section 5.2, "Defining Roles"](#)
- [Section 5.3, "Defining Resources"](#)
- [Section 5.4, "Setting Up Resources for Team Compensation"](#)

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.

5.1 Defining Resource Groups (Compensation Groups)

Compensation Groups are defined in Resource Manager. To define compensation groups, refer to appropriate sections of the Oracle *Common Application Components Implementation Guide* (Implementing Resource Manager) or Oracle *Common Application Components User Guide*. For Oracle Incentive Compensation, be sure to enter three usages on the Usages tab: Sales and Telesales, Sales Compensation, and Salesforce Planning.

5.2 Defining Roles

In Oracle Incentive Compensation, compensation plans are assigned to roles, and resources are assigned a role. A Role may encompass one or more job descriptions and job titles. Within the role type used for Oracle Incentive Compensation, roles are assigned to resources, resource groups and resource teams. Oracle Resource Manager is delivered with predefined roles for all E-Business Suite modules, including Oracle Incentive Compensation, however you can define additional

custom roles for your enterprise. See the *Managing Roles and Role Types* chapter in the *Oracle Common Application Components Implementation Guide* for the steps for this procedure.

5.2.1 Sales Compensation Payment Analyst Role Type

Use the Sales Compensation Payment Analyst role type whenever you define an analyst in Resource Manager for use in Oracle Incentive Compensation.

Resources that belong to groups with a usage of Sales Compensation Payment Analyst should be assigned only to a Sales Compensation Payment Analyst role, and they should not be given salesrep numbers. A resource cannot be assigned to both a Sales Compensation Payment Analyst role and to a Sales Compensation role.

If you have analysts that were defined prior to this release that use a Sales Compensation role, remove that role and group member role and assign the Sales Compensation Payment Analyst role.

5.3 Defining Resources

Resources are created in Resource Manager. Refer to appropriate sections of the *Oracle Common Application Components Implementation Guide* (Implementing Resource Manager) or *Oracle Common Application Components User Guide*. For Oracle Incentive Compensation, on the Receivables tab in Resource Manager be sure to enter a Start Date in the Date Active field and Quota Sales Credit as the Sales Credit Type.

5.4 Setting 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.

Building Compensation Plans

Sections in this chapter include:

- [Section 6.1, "Overview of Building Compensation Plans"](#)
- [Section 6.2, "Defining Calculation Expressions"](#)
- [Section 6.3, "Defining Rate Dimensions"](#)
- [Section 6.4, "Defining Rate Tables"](#)
- [Section 6.5, "Defining Formulas"](#)
- [Section 6.6, "Defining Plan Elements"](#)
- [Section 6.7, "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.
- Expressions are interchangeable, reusable parts that are used as input and output expressions of formulas, in expression-based rate dimensions, and in 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

Target, Fixed Amount, and Goal

Target, Fixed Amount, and Goal are used during Calculation as a basis for quota achievements or as a stated goal, which can be used as a constant value. How these values are used in the actual calculation of commission amounts is up to you.

Target is the specific amount set for resources as their attainment amount. Resources have views of this figure through their contract. The most common way that a target is used in an expression is for evaluating transactions as a percentage of quota. The expression typically looks like this:

TRANSACTION_AMOUNT/TARGET

This expression gives you the percentage of quota a particular transaction yields.

Note: Target and Quota amounts are used interchangeably.

Goal is the amount that management sets as the actual goal expected of the resources. This amount is typically used for reporting purposes and is not exposed to the resources. Goal amounts are used to determine performance against a constant value for interval and period to date calculations.

Fixed Amount is a constant amount that is used for calculation purposes. Resources do not have a view or access to the fixed amount.

By entering the achievement levels at the plan element level, you create a generic plan. All resources assigned the compensation plan receive this quota figure.

You can set Target, Goal, and Fixed Amount on the following pages:

- Plan Element Details page for a Plan Element.
- Plan Element Details page for a specific resource (Customized Plan Element).
- Distribute Variables page for a Plan Element.
- Distribute Variables page for a specific resource (Customized Plan Element).

To use Target, Goal, and Fixed Amount in an expression, select the following columns from the Calculation Values list of values on the Calculation Expressions page:

- Target => CN_QUOTAS.TARGET
- Fixed Amount => CN_QUOTAS.PAYMENT_AMOUNT
- Goal => CN_QUOTAS.PERFORMANCE_GOAL

When resources have customized compensation plans the values are stored in the CN_SRP_QUOTA_ASSIGNS table but the column names are the same as for the Plan Element values above:

- Target => CN_SRP_QUOTA_ASSIGNS.TARGET
- Fixed Amount => CN_SRP_QUOTA_ASSIGNS.PAYMENT_AMOUNT
- Goal => CN_SRP_QUOTA_ASSIGNS.PERFORMANCE_GOAL

When setting these values for specific periods or distributing the amounts over a given period, click the Distribute button at the bottom of the Plan Element Details page.

To use these values in an expression, select the following columns from the Calculation Values list of values on the Calculation Expressions page:

- Quota => CN_PERIOD_QUOTAS.PERIOD_TARGET

- Fixed Amount => CN_PERIODS_QUOTAS.ITS_PAYMENT
- Performance Goal => CN_PERIOD_QUOTAS.PERFORMANCE_GOAL

When defining these values for periods that specific to individual resources, use the same columns as for the plan element but select them from the CN_SRP_PERIOD_QUOTAS table.

- Quota => CN_SRP_PERIOD_QUOTAS.PERIOD_TARGET
- Fixed Amount => CN_SRP_PERIODS_QUOTAS.ITS_PAYMENT
- Performance Goal => CN_SRP_PERIOD_QUOTAS.PERFORMANCE_GOAL

There are numerous columns that derive their values from these column amounts. They can be identified by the inclusion of an ITS or PTS flag in the column name, for example, ITS_PAYMENT is the Interval to Date Payment (Fixed Amount).

You have the option of introducing seasonality into the achievement by using the Distribute button on the Plan Element Details page (see [Section 6.6.2, "Changing Plan Element Details"](#)). When you click this button, the Plan Element Details - Distribute Variables page displays all of the open periods for the plan element. You can manually enter the desired quota amount for each period to create seasonality for the target, performance goal, or fixed amount distribution.

6.2 Defining Calculation Expressions

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

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.

You can add a user defined function to an expression.

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.

For interdependent plan elements, sequencing the calculation expressions makes sure that calculations are performed in the proper order.

6.2.1 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

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.

6.2.2 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 5% 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 \times 5\% \times 1.05 = \5.25).

6.2.3 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.

6.2.4 Defining an Expression

Use the following procedure to define expressions.

Note: If an expression is already created, and is used in another expression or in a formula, it is displayed as read-only information on the Calculation Expression Details page.

Prerequisites

Table and column mapping is complete.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Expression

Steps

1. The Calculation Expressions page displays a list of already created calculation expressions. To create a new calculation expression, click **Create**.
2. Enter a unique name for the expression.
3. Select a View.
4. In the calculation values box, select the column to be used in the expression.
5. 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.
6. To use numeric constants or string values in an expression, enter the numeric value or string value in the Constant field and click the right shuttle box arrow to move it to the Expression box.
7. Select operands from the row below the Expression box.
8. Use the Function field to enter a user created function into the expression. See Guidelines.
9. 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 6.6.4, "Interdependent Plan Elements"](#).
10. Select a Plan Element Metric. Use the right shuttle box arrow to add the plan element and metric to the expression. See Guidelines.

11. Add elements and operands until the desired expression has been created.

12. Click **Update**.

The status of the expression changes to *Valid* if the expression has compiled successfully.

13. The usage of the expression is displayed when it is saved. The usage rules determine where the expression may be applied.

Guidelines

Incentive Planning uses seeded attributes of Transaction Amount, Target, Quantity, and Rate Table Result. Customized attributes and attributes from other tables are ignored.

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`: Contains information relating to the transaction, such as employee name and number.
- `CN_COMMISSION_LINES`: Stores transactions created as part of calculation
- `CN_SRP_QUOTA_ASSIGNS`: Stores resource plan element assignments
- `CN_SRP_PERIOD_QUOTAS`: A multi-org view of quotas and achievements based on interval to date and period to date
- `CN_QUOTAS`: Stores plan elements

A rate dimension calculation expression can only be defined from the following tables:

- `CN_SRP_PERIOD_QUOTAS`: see above
- `CN_SRP_PLAN_ASSIGNS`: Stores resource plan assignments

- CN_SRP_QUOTA_ASSIGNS: see above
- CN_SALESREPS: Stores resource personal data, such as name, salesrep-id, and email address.

An output expression cannot contain both ITD_TARGET and ITD_PAYMENT.

User defined functions must be created in SQL and stored before they can be called up in the User Defined Function field.

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 (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 six selections in the View drop-down list represent groups of calculation elements. Only the calculation elements for that selection are displayed in the Calculation Values box.

- Sales Compensation Elements: These include seeded and previously defined columns from the transaction headers and lines tables, as well as compensation plan related tables.
- Expressions: Any previously defined expression can be used as part of another expression.
- Formulas: Any previously defined non-cumulative commission formula can be used as part of an expression.
- External Elements: For non-seeded tables or views to be available for expression building, they must be registered on the Tables page and mapping between them and seeded OIC tables should be defined on the External Table page (Administration > External Tables).
- SQL Functions: SQL Number, Group, and other functions can be added to an expression.
- Others: Other elements, such as Rate Table Result and Forecast Amount, are listed here.

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*.

6.3 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 tiers are amounts.

Units Sold	Commission %
1-100	2
100-250	4
250-999999999999	6

- Percent: The rate tiers are percentages of a quota.

Percent of Quota	Commission %
0-25	0
25-75	1
75-100	3

- Expression: The rate dimension references previously defined calculation 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 tiers are alphanumeric data.

State	Commission %
California	5%
Oregon	4%
Washington	7%

These values comprise the ranges from which compensation is calculated in a rate table.

When you are using Incentive Planning, you can select only Amount or Percent dimensions on the Dimensions page.

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. Oracle Incentive Compensation supports accumulated revenue with multidimensional rate tables. Accumulation can be performed along multiple dimensions.

Example

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:

License Revenue
0-100
100-9,999

The State dimension:

State
Arizona
California
Oregon

The Product dimension:

Product

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. This does not apply if the resource has customized rates. 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.

Example of a Multidimensional Rate Table

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%

License Revenue	State	Product	Rate
100-9,999	Oregon	PCs	4.25%
100-9,999	Oregon	Peripherals	9.25%

Prerequisites

For an expression type dimension, the calculation expressions must already be defined. To use this method of creating rate dimensions, the rate table must already be created.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Rate

Steps

1. Select a rate table for which you want to create or edit a dimension.
2. In the Dimension area, click **Details** next to any already created dimensions to open the Rate Table Detail - Rate Dimensions page. It contains the rate tiers assigned to the dimension.
3. To create a new dimension, click **Create**.
4. 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.
5. Select or verify the type.
6. 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.
7. If you want to add a tier, use the blank fields at the bottom of the table.

8. Click **Update**.
9. Click **Back** to return to the Rate Table Details menu, where you can assign the dimension you created to the rate table.

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.

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.

This setup permits you to define a catch-all tier that captures all unmatched values. If you want the non-matching transactions to receive no 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.

If you are using a dimension as part of a rate table in Incentive Planning, you can use only Amount and Percent type of dimensions. String and Expression type dimensions are not recognized. See [Section 3.3, "Creating the Agreement"](#) for more details on the use of rate tables in Incentive Planning.

Note: If you have string-based dimensions in a rate table, you must be sure that the formula input type matches the rate table dimension type. If they do not, the generated formula package assumes that all of the inputs evaluate to numeric values, and an error message and XCALC status results.

6.4 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.

Amount type rate tables base compensation on amount of sales volume. Percent type rate tables are based on percentage of goal achieved.

You can customize rate tables for individual resources. See [Section 7.4, "Customizing a Compensation Plan for a Resource"](#) for details.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Rate

Steps

1. Click **Create**.
2. Enter a unique name for the rate table.
3. Select a Rate Table type.
4. Click **Update**.
5. To add an already created dimension to the rate table, select it in the Dimension Name field. See Guidelines.
6. To assign or change commission rates, click the Commission Rates link to go to the Rate Table Details - Commission Rates page. You can click the Rate Table link to return to the Rate Table Details page.
7. To create a new dimension, on the Rate Schedule Detail page, click **Create**.
8. Click **Update**.

Guidelines

Incentive Planning uses only one dimensional rate tables. Multidimensional rate tables are not permitted.

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.

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.

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%

6.5 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 an expression, as long as the Calculation Value box for the column is selected in Columns and Tables.

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

Warning: Do not open a new window during a browser session and navigate to the same page in the two windows simultaneously while you are defining formulas.

Prerequisites

Expressions and rate tables must be created first. See [Section 6.2, "Defining Calculation Expressions"](#) and [Section 6.4, "Defining Rate Tables"](#).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Formula

Steps

1. Click **Create**.
2. In the General area, enter a unique name and a description for your formula.
3. Select a type of Commission or Bonus.
4. In the Rules area, select Individually or Grouped by Interval from the Apply Transactions drop-down list. (See Guidelines)
5. Make a selection from the Split drop-down list: No Split, Proportional, or Non-Proportional. (See Guidelines)
6. Check the Cumulative box if you want to aggregate the transactions. (See Guidelines).
7. Check the Interval To Date box if you want to base the calculation on a period different from the plan element interval. (See Guidelines)
8. Check the Planning box if this formula is used for plan modeling purposes.

9. Click **Update** to save changes.
10. Click the Expressions link on the side panel menu.
11. To return to the Create Formula page, click the Formula Name link.
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 you want resources to use Income Planner in Oracle Field Sales or Projected Compensation.
14. If you selected Proportional or Non-Proportional in the Split drop-down list on the Formula Definition page, 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 box on the Formula Definition page, a Cumulative Flag box appears on the Expressions page. Check the 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.
18. As with the input expression, you can select a forecast.
A forecast output expression is required for a resource to use Income Planner in Oracle Field Sales.
19. In the Performance Measure area, select an expression.
The performance measure, as well as the quota, is used in reports for comparison with achievement.
20. Click **Update**.
21. Click the Rate Tables link on the side panel menu to assign a rate table to the formula.
22. Click **Go** in the first blank field in the Name column to open a window. Select a rate table and click it.
23. Enter an effective start date and end date.
24. You can view the rate table details and rates by clicking **Rate Table Details**.

25. 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. See Guidelines.
26. Click **Update**.

Guidelines

Formulas used in Incentive Planning must be designated as planning formulas with a specific combination of rules. Only one input expression is permitted.

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. For example, the rate table shows 0-1000 at 1%, 1000-2000 at 2%. The transaction amount is 1500. If you select No Split in the drop-down list, 2% is applied to the entire transaction amount of 1500. If you select Non-Proportional in the drop-down list, 1% is applied to 1000 and 2% is applied to 500. Do not split tiers if you want a rate from the rate table applied to the full transaction amount.

The Proportional selection in the Split drop-down list is intended for use with amount rate tables. For example, if the rate table shows 0-1000 at 100, 1000-2000 at 200. The first transaction amount is 200. The commission for this transaction is 20 because 200 is one fifth of the first rate tier and one fifth of the 100 rate is 20. If the second transaction amount is 1300, the remaining four fifths of the first rate tier pays 80, and half of the second tier $[(1300-800)/(2000-1000)]$ pays 100 (half of the rate 200). Total commission for the second transaction is 180.

Select the Cumulative 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 box if you are using Group by Interval for a formula.

Note: If you are selecting 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.

You must generate a formula for it to be available when you are selecting formulas for a plan element. Formulas that do not have a Complete status do not appear in the Formulas drop-down list. When you generate a formula the application verifies that the expressions and rate tables are compatible and that they will work when they are called during the calculation process.

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).

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

6.6 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 a Plan Element. In this release, these processes are performed on revised pages that are different from each other. For example, the Plan Element Details page, which is used for plan elements that have already been created, contains a side panel menu from which you can select revenue classes, rate tables, and compensation plans. It also contains a Distribute Variables button. See [Section 6.6.2, "Changing Plan Element Details"](#) for more information.

Warning: If you want to change the setup of plan elements for new periods, for example, at the beginning of a new year, be sure to end date the existing plan elements rather than deleting them. If you delete a plan element when replacing it with a new one, you will lose the old calculated and paid commission amounts that were run against the old plan element.

Warning: Do not open a new window during a browser session and navigate to the same page in the two windows simultaneously while you are creating a plan element.

6.6.1 Creating a Plan Element

The following steps explain how to create a plan element using the Create Plan Element page.

Prerequisites

In order for the plan element to reference a formula, the formula must already exist, its status must be complete, and it must be valid and generated (see [Section 6.5, "Defining Formulas"](#)).

In order for the plan element to reference a rate table, the rate table must already exist (see [Section 6.4, "Defining Rate Tables"](#)).

In order for the plan element to reference a revenue class, the revenue class must already exist. See the Oracle Incentive Compensation Implementation Guide, section 2.22.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element > Create

Steps

1. Enter a Name and Description.
2. 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.
3. Select a Payment Group. The default is Standard. See Guidelines.
4. Enter a start date for the plan element.
Note: Entering an end date affects how variables are distributed. See [Section 6.6.3, "Distributing Variables"](#) for more information.
5. Select an incentive type.
Commission and Bonus are calculated differently. See Guidelines.
6. Select an Interval Type.
Interval Type affects the length of time during which transactions are accumulated for meeting sales goals. See Guidelines.
7. Select a Credit Type.
The credit type is normally the preset functional currency, but it can be any type that you define in the application.
8. Select a formula type of Formula or External. Each formula type requires a different action:
 - Formula: Query and select a formula. 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.
9. Optionally, identify a liability account.

Liability accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified liability account.

10. Optionally, identify an expense account.

Expense accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified expense account.

11. Check the Eligible for Payee Assignment 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. The Payee information is assigned in the Resource tab.

12. Enter an optional Target, Goal, or Fixed Amount. The Sum Revenue Classes box lets you choose to combine the amounts from all revenue classes assigned to the plan element to meet a target or goal. **Note:** See [Section 6.1, "Overview of Building Compensation Plans"](#) for specifics on Target, Goal, and Fixed Amount.

13. Click **Create**.

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. If all plan elements are set to Standard, the payment plan amounts are allocated equally.

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 Create page, the Formula list of values displays only formulas that match the incentive type value selected in the Incentive Type drop-down list.

The commonly used intervals are 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.

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.

For plan elements used in Incentive Planning, Quota Group defaults to Quota, Interval defaults to Year, and the formula and rate table are assigned to the plan element. Plan elements in Incentive Planning do not:

- Distribute variables by period, quarter, and year
- Use external formula packages
- Use Child rate tables
- Use accelerators or transaction factors

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 Oracle MetaLink Note 284954.1 for external formula code examples.

6.6.2 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 are the same as those used on the Create Plan Element page, but the Plan Element Details page contains a side panel menu from which you can select revenue classes, rate tables, and compensation plans.

Prerequisites

In order for the plan element to reference a formula, the formula must already exist (see [Section 6.5, "Defining Formulas"](#)).

In order for the plan element to reference a rate table, the rate table must already exist (see [Section 6.4, "Defining Rate Tables"](#)).

In order for the plan element to reference a revenue class, the revenue class must already exist.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element

Steps

1. Select a plan element.
2. You can change the plan element name and the description if necessary.
3. You can change the start date and end dates of the plan element.

Note: This setting affects how variables are distributed. See [Section 6.6.3, "Distributing Variables"](#) for more information.

4. You can change the Quota category. See Guidelines.
5. You can change the Interval Type. See Guidelines.

6. Changing the credit type of a plan element after it has been used in a compensation plan to pay commission is not recommended. This can affect commission amounts.
7. You can change the Formula Type by selecting Formula or External. 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.
8. If Accounts Payable integration is enabled, identify an expense account, or change an existing one.

Expense accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified expense account.
9. Optionally, identify a liability account or change an existing one.

Liability accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified liability account.
10. Select Yes for the Eligible for Payee Assignment 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. The Payee information is assigned in the Resource tab.
11. In the Variables area, you can enter or change an optional Target, Goal, or Fixed Amount. The Sum Revenue Classes box lets you choose to combine the amounts from all revenue classes assigned to the plan element to meet a target or goal.
12. If you want to create a new duplicated plan element from the current plan element, click the Copy Plan Element button.
13. Click Distribute Variables to distribute any target, goal, or fixed amount to all periods in the defined interval.

The Plan Element Details - Distribute Variables page appears. See [Section 6.6.3, "Distributing Variables"](#) to continue this process.
14. Click **Update**.

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 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.

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 Create page, the Formula list of values displays only formulas that match the incentive type value selected in the Incentive Type drop-down list.

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.

6.6.3 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. See [Section 6.6.2, "Changing Plan Element Details"](#).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element

Steps

1. Select a plan element.
2. Click **Distribute**.
3. You can click the Plan Element name link to return to the Plan Element Details page.
4. Select an interval.

Note: Regardless of the view, variables are distributed equally to each period.

5. Click **Apply**.
6. 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**.

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.

6.6.4 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, you need to create the input expression you need for it. See [Section 6.2, "Defining Calculation Expressions"](#) for more details on creating expressions.

Prerequisites

To be used in an input expression, a plan element must already be created.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Expression

Steps

1. Click **Create**.

2. Enter a unique name for the expression.
3. If you are using transaction data from calculation expressions and mixing the plan element total with transaction data:
 - a. 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.
 - b. Select the column you want to use in the expression from the Calculation Values box.
4. Click the right shuttle box arrow to move the element from the Calculation Values box into the Expression box.
Click the left shuttle box arrow to remove an entry from the Expression box.
5. If your expression requires it, select an operand from the row below the Expression box.
6. To add a numeric constant or string value to an expression, enter it and click the right shuttle box arrow to move it to the Expression box.
7. Enter the name of the plan element.
8. Select an accumulated plan element total.
9. Click the right shuttle box arrow to move the plan element and total into the Expression box.
10. Click **Update**.

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 6.7.2, "Creating a Compensation Plan"](#) for steps to creating a compensation plan.

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.

6.6.5 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.

Prerequisites

Revenue classes are already defined (see the Oracle Incentive Compensation Implementation Guide, section 2.2.2). Plan element details have been defined in the Plan Element Details page (See [Section 6.6.2, "Changing Plan Element Details"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element

Steps

1. Click the name of the plan element to which you want to assign a revenue class.
2. In the side panel menu, click Revenue Classes.
3. Select a revenue class.
4. Assign a quota to the plan element and enter it in the Quota column.
5. Assign a fixed amount to the revenue class for this plan element.
6. Assign a goal in the Goal column for this plan element.
7. Click **Update**.
8. Click **Details** in the Details column to go to the Plan Element Details - Accelerators and Transaction Factors page. See [Section 6.6.7, "Accelerators and Transaction Factors"](#) for detailed procedures.

6.6.6 Assigning Rate Tables to a Plan Element

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.

You can assign parent rate tables and also a child rate table to a plan element.

To assign a rate table to a plan element, perform the following procedure.

Prerequisites

Rate tables must already be defined (See [Section 6.4, "Defining Rate Tables"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element

Steps

1. On the Plan Elements summary page, click the name of the plan element to which you want to assign a rate table.
2. In the side panel menu, click Rate Tables.
3. Enter a rate table name in the Name column.
Click **Details** to go to the Rate Table Detail - Dimensions page.
4. Enter effective start date and end dates.
5. You can view the commission rates on the Rate Table Detail - Rates page by clicking **Details** in the Rates column.
6. Enter a child rate table from the drop-down list if desired. Use the same steps as you used for the Parent Rate Table section. See Guidelines.
7. Click **Apply**.
8. You can click the Plan Element Name link at the top to return to the Plan Element Detail page.
9. Click **Update**.

Example

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.

6.6.7 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 life of a sale.

6.6.7.1 Accelerators

For each revenue class, at plan element level, you can define incentives known as accelerators. Oracle Incentive Compensation provides 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, that is, level of quota achievement

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:

$$(\text{Rate Table Result} * \text{Transaction_Amount}) * \text{Payment_Factor}$$

Quota factors work only when they are used by the calculation *input* expression assigned to the formula. For example:

$$(\text{Transaction_Amount} * \text{Quota_Factor}) / \text{Target}$$

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.

6.6.7.2 Transaction Factors

Transaction factors help you stage **sales credit** over the life of a sale, assigning percentages of the transaction amount to important events in 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%:

- **Clawback:** When the invoice due date grace period is exceeded, the outstanding amount of compensation credited for this sale is taken back.

- **Credit Memo:** A credit memo is generated when an invoice is fully or partially reversed and posted to Oracle General Ledger. Credit memos are later collected and applied against transactions.
- **Deposit**
- **Debit Memo:** A debit memo is generated to fully or partially increase an invoice. It is posted to Oracle General Ledger. Debit memos are later collected and applied against transactions.
- **Giveback:** If an invoice for which a clawback has been performed is subsequently paid, then a giveback is used to restore credit to a resource.
- **Manual Transaction:** A transaction created by a user to reverse or change sales credit.
- **Payment Plan:** An optional 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 Plan Recovery:** Payment plan payments are collected from a resource after the resource has earned commission to cover the amounts.
- **Order Return**
- **Upgrade**
- **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.

Prerequisites

Revenue classes must already be created.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Element

Steps

1. Select a plan element.
2. Click the Revenue Classes link.
3. Click the Details link.
4. In the Accelerators area, enter a start date and end date for each accelerator.
5. 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.

6. Click **Update**.
7. 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.
8. 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.
9. Click **Update**.

6.6.8 Creating a Bonus Plan Element

For an example of creating a bonus plan element, see the *Oracle Incentive Compensation Implementation Guide*, section 2.27.4.

6.7 Defining Compensation Plans

When you have created all of the pieces that go into a compensation plan, such as rate tables, formulas, and plan elements, you can assemble them into a compensation plan. After you assign the plan an effective start date and end date, you can assign it to multiple sales roles.

The Compensation Plan: <plan name> page provides a consolidated view of the details of an established compensation plan. You can click the links to view more detailed information. You can sort each section on any column that has a header with an underscore.

Warning: Do not open a new window during a browser session and navigate to the same page in the two windows simultaneously while you are defining a compensation plan.

Prerequisites

Plan elements must be created (See [Section 6.6, "Defining Plan Elements"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Plan

Steps

1. To view or change details for an already created compensation plan, click the link in the Name column to go to the Compensation Plan: <plan name> page. See [Section 6.7.3, "Viewing and Changing Compensation Plan Details"](#).
2. 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. See [Section 6.7.1, "Creating a Personalized Search for Compensation Plans"](#).
3. To create a new compensation plan, click **Create**. This takes you to the Create Compensation Plan page. See [Section 6.7.2, "Creating a Compensation Plan"](#).

6.7.1 Creating a Personalized Search for Compensation Plans

You can create a customized search.

Prerequisites

Compensation plans must already be created (See [Section 6.7, "Defining Compensation Plans"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Plan > Personalize

Steps

1. In the Compensation Plan area, enter the search parameters you want to use to create a customized search. You can search by:
 - Name
 - Effective date
 - Status
2. In the Display Options area, select which columns you want to display in your search. Use the Shuttle arrow box in the center of the display to move columns back and forth between the Available group on the left to the Displayed Columns group on the right. Use the up and down arrows at the far right to reorder the fields in the Displayed Columns area. **Note:** Only the Description field can be removed from the Displayed Columns area. The other columns are required.
3. Select how you want to sort the rows. The application allows for three levels of sorting. Choose the sort parameter order on the left side and on the right side, select ascending or descending order from the drop-down lists.
4. Enter a number of rows you want to have displayed at a time.
5. Save your search with a unique name.
If you are making changes to an existing search, leave the name the same.

6. Check the Default box if you want your new customized search to be the one that displays compensation plans automatically when you open the Compensation Plan page.
7. Click **Save**, or **Save and Apply Search** to use the new saved search immediately.

Guidelines

If you are creating a customized search, you can set the number of rows that you want to display. However, you *cannot* change the number of rows that are displayed in any saved search that is seeded data. In addition, you *cannot* change the number of rows displayed in a customized search by clicking the Profiles icon.

6.7.2 Creating a Compensation Plan

You can create a new compensation plan.

Prerequisites

Plan elements and formulas must be created (see [Section 6.6, "Defining Plan Elements"](#) and [Section 6.5, "Defining Formulas"](#)).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Plan

Steps

1. Click **Create**.
2. In the Name field, assign a unique name to the new compensation plan.
For easy identification, define compensation plan names by job titles or area of sales you are compensating.

3. Optionally, enter a description based on the associated sales role.
4. Enter a start date and an end date.
5. Check the Allow Revenue Class Overlap box if you want multiple plan elements to use the same 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.

6. Click **Create**.
7. Click **Plan Elements**.
8. Query a plan element name.
9. Enter a sequence number for multiple plan elements. This tells the application the order in which to process the plan elements. See Guidelines.
10. You can click the Plan Name link at the top to return to Plan Element Details.
11. Click **Update**.
12. You can click **Details** next to any plan element to review the plan element details.
13. After the plan elements are assigned and saved, click the Details link to return to the Compensation Plan Details page.
14. Click **Update** to validate the compensation plan.

This ensures 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.

Guidelines

A sales role cannot be assigned plans with overlapping dates. For example, if you assign a plan to a role with a start date of 01-Jan-2004 and an end date of 31-DEC-2004, you cannot assign another compensation plan that starts on 01-SEP-2004. The new plan cannot start until 01-JAN-2005.

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 resources, however, be aware of how the changes you are making impact individual resources.

When you change a compensation plan, the changes propagate to the resources assigned to the plans. For customized plans, the resource receives all changes except the customized changes.

Sequencing of plan elements is important when one plan element relies on the calculation results of another. 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 6.6.4, "Interdependent Plan Elements"](#).

When you click **Update** on the Plan Element Details page to 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.

6.7.3 Viewing and Changing Compensation Plan Details

The Compensation Plan: <plan name> page provides a consolidated view of the details of an established compensation plan. The page displays the plan elements, roles, and resources assigned for the compensation plan. You can click the links to view more detailed information. You can sort each section on any column that has a header with an underscore.

Click the links in the side panel menu to view information or to delete plan elements or sales roles, or to view all resources assigned to the plan.

You do not need to perform the following steps sequentially. Select the areas about which you require information or want to make changes.

Prerequisites

You must select a compensation plan on the Compensation Plan summary page.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Plan

Steps

1. Click the name of the plan you want to view or change.
2. The fields at the top of the page display information about the compensation plan. The following data can be changed.
 - Name
 - Description
 - Start date
 - End date
 - Context Value
 - Allow Revenue Class Overlap box

Use this option when you need to use a revenue class for more than one plan element. For example, you may have a quota type plan element as well as a bonus based on achieving revenue targets that use the same revenue class.

Note: Some changes may not be permitted, for example, the start date of a compensation plan cannot be changed if by doing so the role assignment dates are outside the date range of the plan.

3. Click **Update.**

4. In the Plan Elements section, click the name link.

You can view details about the plan element, including parameters and variables, and make changes to some fields.

5. Return to the Compensation Plan: <plan name> page and click the Formula link.

You can view or make changes to the formula, including changing the rules or working with expressions or rate tables.

6. Return to the Compensation Plan: <plan name> page and click the Details link in the Rate Tables column.

You can click links to view or change rate table dimensions and commission rates.

7. Return to the Compensation Plan: <plan name> page and click the Details link in the Revenue Classes column.

You can add or remove revenue classes, set quotas, and define accelerators and transaction factors.

8. Return to the Compensation Plan: <plan name> page and in the Roles section, click the name link.

You can remove a role from the compensation plan assignment and assign the role to a different plan.

9. Return to the Compensation Plan: <plan name> page and in the Resources Assigned area, select a role from the View Role drop-down list.

10. Click **Apply.**

11. Click a name link.

You can view detailed information about the compensation plans and plan elements, and also select or deselect the customized flag for that resource.

12. Return to the Compensation Plan: <plan name> page and click the Plan Elements side panel link.

You can view and make changes to plan elements, including setting the plan element sequence.

13. Click the Sales Roles side panel link.

You can make changes in the sales role assignment, including start and end dates.

14. Click the Salespeople Assigned link.

This read-only listing shows all salespeople assigned to the plan, along with their employee numbers and start and end dates. The Name column link accesses the Resources subtab on the Resource tab. You can click the Plan Name link at the top to return to the Plan Details page.

Guidelines

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 resources.

When you change a compensation plan, the changes propagate to the resources assigned to the plans. For customized plans, the resource receives all changes except the customized changes. See [Section 7.4, "Customizing a Compensation Plan for a Resource"](#) for more details.

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, "Assigning a Compensation Plan to a Role"](#)
- [Section 7.3, "Assigning a Role to a Resource"](#)
- [Section 7.4, "Customizing a Compensation Plan for a Resource"](#)
- [Section 7.5, "Assigning Pay Groups"](#)
- [Section 7.6, "Define Payment Plans"](#)
- [Section 7.7, "Assigning Payment Plans"](#)
- [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 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 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. See

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.

Warning: Do not open a new window during a browser session and navigate to the same page in the two windows simultaneously while you are assigning compensation plans, pay groups and payment plans to resources.

7.2 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.

7.2.1 Using the Incentive Tab to Assign a Compensation Plan to a Role

You can use the Incentive tab to assign a compensation plan to a 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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Incentive > Plan

Steps

1. 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.
2. Click **Sales Roles**.
3. Click a sales role link.
4. Enter a start date and an end date.
5. Enter additional sales roles in the blank rows provided.
6. Click **Update**.

If the sales role has a description, it is displayed.

Guidelines

Resources who are assigned a role must also be assigned a pay group (see [Section 7.5, "Assigning Pay Groups"](#)).

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.

7.2.2 Using the Resource Tab to Assign a Compensation Plan to a Role

You can assign a compensation plan to a role on the Resource tab.

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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Resource > Role

Steps

1. Click a sales role link.
2. To assign a new compensation plan, enter the name in the Compensation Plan Name column of the first blank row.

Only compensation plans with Complete status may be assigned.
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.
4. Click **Update**.

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 7.2.1, "Using the Incentive Tab to Assign a Compensation Plan to a Role"](#).

7.3 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).

7.4 Customizing a Compensation Plan for a Resource

You can make changes to the plan elements of a compensation plan for a specific resource on the Resource Details - Compensation Plans page. There, you can access the Plan Element Details page. There are two functions of this page:

- Assign and distribute variables (Target, Goal, and Fixed Amount)
- Assign payees

The Resource Details - Distribute Variables page contains additional context information in this release, including Resource Name, Compensation Plan, and Target.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Incentive Planning Contract Approver

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Resource > Resources > Compensation Plan

Steps

1. On the Resource Advanced Search page, query at least one field and click **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.

2. Click the Compensation Plan link.
3. Select the resource's role.
4. Click **Apply**.

5. In the Compensation Plan area, click the Name link to display the plan elements.
6. Check the box in the **Customized Flag column** next to the plan element that you want to customize for the resource.

If you leave the **Customized Flag** 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 box, the contents of the customized plan element are not affected by any changes you make to the plan element at the role level.

7. Click the plan element name in the Quota Name column.
8. Add or revise variables for a resource in the Variables area.
9. To add together the amounts from all revenue classes, check the Sum amounts from Revenue Classes box.
10. If you want to distribute the variables equally to each period of the resource's compensation plan, click **Distribute** at the top or bottom of the page.
11. Select an interval from the View drop-down list.

Regardless of the view, variables are distributed equally to each period.

12. Click **Apply**. The display changes to show the selected intervals.
13. To distribute variables, click **Distribute Target**.

The amounts are equally distributed to each period, duplicating the amount set in the Variables area of the Resource Details - Plan Element Details page. Note: See Guidelines of [Section 6.6.3, "Distributing Variables"](#) for more information.

14. If the plan element is eligible for payee assignment, enter a name in the Name field of the Payee area.
15. Enter a start date and an end date.
16. Click **Update**.
17. Click **Update** to save any changes you made on the Plan Element Details page.
18. If you want to customize the commission rates on a rate table for a resource, click the Rate Tables link on the side panel menu.

Make sure the Customized Flag box is checked on the Compensation Plans page (see step 6 above).
19. Click the Details Link.

20. Make changes to the commission rates as needed.
21. Click **Update**.

Guidelines

Target is the specific amount set for resources as their attainment amount. Resources have views of this figure through their contract. To access the target amount when creating expressions for a formula, you must add the amount from the TARGET column of the CN_QUOTAS table. If a plan element for a resource is customized, then you must use the TARGET column from the CN_SRP_QUOTA_ASSIGNS table instead.

The most common way that a target is used in an expression is for evaluating transactions as a percentage of quota. The expression typically looks like this:

TRANSACTION_AMOUNT/TARGET

This expression gives you the percentage of quota a particular transaction yields.

Goal is the amount that management sets as the actual goal expected of the resources. This amount is typically used for reporting purposes and is not exposed to the resources. To access this amount when creating expressions, use the PERFORMANCE_GOAL column from the CN_QUOTAS or CN_SRP_QUOTA_ASSIGNS table.

Fixed Amount is a constant amount that is used for calculation purposes. It is normally used in output expressions to calculate commission. Resources do not have a view or access to the fixed amount. To access the fixed amount when creating expressions, use the PAYMENT_AMOUNT column from the CN_QUOTAS or CN_SRP_QUOTA_ASSIGNS table.

By entering the achievement levels at the plan element level, you create a generic plan. All resources assigned the compensation plan receive this quota figure.

The Sum Amounts from Revenue Classes box is read only at the resource level. You can check or uncheck this box at the plan element level.

7.5 Assigning Pay Groups

A **pay group** defines the length of eligibility and frequency of payments, such as monthly, for the resources who are assigned to the pay group. A resource must be assigned to a pay group to receive compensation.

You can assign a pay group to a role or to an individual resource. If you assign a pay group to a role, every resource who is assigned the role receives that pay group automatically.

7.5.1 Assigning a Pay Group to a Role

You can assign a pay group to a role. Resources inherit the pay group when the role is assigned to them. After the pay group is assigned to the role, you can customize the pay group for individual resources, for example, changing the start and end dates. For an individual resource, you can lock a customized pay group to prevent it from being changed if the pay group for the role is in mass.

The steps for assigning a pay group to a role differ from those for assigning a pay group individually to a resource.

You can assign a pay group to a role in two different ways. The first way uses the Pay Group page (Administration > Incentive > Pay Group). This is also the place where pay groups are created, so this way is convenient for assigning a newly created pay group to a role without having to navigate to another tab. The second way uses the Role page (Resource > Role > Pay Group).

A role cannot have more than one pay group assigned at a time.

7.5.1.1 Using the Administration Tab

Prerequisites

Pay Group must already be defined. See the Oracle Incentive Compensation Implementation Guide, section 2.17.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > Pay Group

Steps

1. Select a pay group to assign to the role.
2. Scroll to the right and click **Details** in the details column for the row in which the selected pay group is displayed.
3. Select Role Assignment.
4. Click **Apply**.
5. In the Role Name column, select a the role to which you want to assign the pay group.
6. Enter a date in the start date and an end date.
7. Click **Update**.

Guidelines

You must enter a valid start date and end date for the assignment of a pay group to a role. An error message displays if the dates are not valid. One role cannot have more than one pay group assigned at a time.

In order to preserve the pay group assignment for a resource when their role is deleted from a pay group assignment, a lock box has been added to the Assign Pay Groups page (Resource > Resources > Pay Groups). This feature can be used to prevent individual resources assigned to a pay group from leaving their pay group, even if the other resources assigned to a role are assigned to a new pay group. The lock box also prevents manual updates to the resource's pay group.

7.5.1.2 Using the Resource Tab

In order to enable assignment of a pay group to a role on the Resource tab, in this release the Role page incorporates two changes. The first change is a new side panel menu, which offers three selections:

- Compensation Plan: Assign compensation plans to roles
- Payment Plan: Assign payment plans to roles
- Pay Group: Assign pay groups to roles

The Compensation Plan selection is the previous functionality. The Payment Plan and Pay Group selections are new in this release. **Note:** You must select a role before clicking one of these links in the side panel menu.

Prerequisites

The pay group must already be defined. See the Oracle Incentive Compensation Implementation Guide, section 2.17.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Resource > Role >

Steps

1. Select the role to which you want to assign the pay group.
2. In the side panel menu, click **Pay Group**.
Any pay groups that are already assigned to the role are displayed. You can click the hyperlink in the Pay Group column to view pay group details.
3. In the first blank field in the Pay Group column, select the pay group name you need.
4. Enter a start date and an end date.
5. Click **Update**.

7.5.2 Assigning a Pay Group to a Resource

Assigning a pay group to a role can be very efficient, but sometimes you want to assign a pay group individually to a resource, or customize a pay group that was assigned to the resource's role. You can still perform individual pay group assignment in this release.

Prerequisites

The pay group must be defined (See the Oracle Incentive Compensation Implementation Guide, section 2.17). A valid resource has been selected from the Employees page that is generated from an advanced search request.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Resource > Resources > Pay Groups

Steps

1. Query a pay group name.
2. Enter a start date and an end date.
3. Click **Update**.

Guidelines

A resource can be assigned multiple pay groups, but only one pay group can be active 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.

7.6 Define Payment Plans

Payment plans are an optional way to set up advance or deferred payments (sometimes referred to as draws) and to define minimum and maximum payments.

Use payment plans to set rules governing how, when, and how much is paid and at what frequency.

You can set amounts paid for a minimum to be recoverable (paid back by the resource) or non-recoverable (the resource does not have to pay them back). For maximum settings, you can set whether you want to pay commission earned above the maximum to the resource at a later time.

You can set up the recovery schedule independently of the earnings for the period. For example, you can set the payment interval to Period (monthly) and the recovery schedule to Quarter.

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.

Prerequisites

Credit types and payment intervals are defined.

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Administration > Incentive > Payment Plan

Steps

1. Create a new payment plan in the first blank line.
The default payment group setting is Standard. Functional Currency is the default credit type. Period is the default payment interval.
2. Check the Recoverable box if you want the minimum amount to be recovered from later earnings.
3. Check the Pay Later box if you want any amounts over the maximum to be rolled over and paid in future periods.

4. Select a recovery interval.

The default recovery interval setting is Period. Based on the recovery interval, the 'true-up' of payments against commissions occurs at the end of the interval assigned. See Guidelines for an example.

5. Check the Pay Against Commission box if you want the payment plan to apply its rules using earnings that have been collected during the pay period interval. If you leave the box unchecked, the application calculates recovery at the end of the recovery interval.
6. Click **Update**.

After the payment plan is created, you can assign it to a resource or a role (see [Section 7.7, "Assigning Payment Plans"](#)).

Recovery Example

Recovery is based on the recovery interval. For example, the Pay Against Commission box is not checked, the payment interval is Period, and the Recovery interval is Quarter. The quarters are Jan-Mar, Apr-Jun, Jul-Sep, and Oct-Dec. If a resource has a payment plan that is valid from February to May, recovery occurs in March. In June, at the end of the quarter, there is no recovery, because the payment plan is no longer in effect. The resource is paid all earnings. For more details, see the Oracle Incentive Compensation Implementation Guide, Section 2.29.1.

7.7 Assigning Payment Plans

Payment plans are used to set up advance or deferred payments and to define minimum and maximum payments. They are optional.

You can assign payment plans at the role level, so that all of the resources to whom the role is assigned receive the same payment plan at the same time. Or, you can assign payment plans at the resource level. If large numbers of resources were assigned payment plans, the second method could take a long time and introduce the possibility of human error during the data entry process.

You must decide which method of assigning payment plans works best for your organization. However, even if you decide to assign payment plans in mass at the role level, you can still assign and modify payment plans for individual resources as needed.

You can lock a payment plan assignment at the resource level to prevent it from being deleted if the payment plan assignment is changed subsequently at the role level.

7.7.1 Assigning a Payment Plan to a Role

For speed and efficiency, you can assign a payment plan to a role. The resources who are assigned the role receive the payment plan automatically. A payment plan is assigned to the sales role with specific dates.

You can customize the payment plan for an individual resource for settings such as minimums, maximums, and start and end dates.

You can assign a payment plan to a role in two different ways. The first way uses the Payment Plans page (Administration > Incentive > Payment Plan). This is also the place where payment plans are created, so this way is convenient for assigning a newly created payment plan to a role without having to navigate to another tab. The second way uses Resource > Role > Payment Plan.

7.7.1.1 Using the Administration Tab

Prerequisites

The payment plan must be defined (See [Section 7.6, "Define Payment Plans"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > Payment Plan

Steps

1. Select the payment plan that you want to assign to the role.
2. On the Payment Plans page, scroll all the way to the right. In the row in which your selected payment plan is listed, click **Details** in the Assignment Details column.
3. The payment plan name is displayed in the Name field. You can click this hyperlink to return to the Payment Plans summary page.
4. Select a view and click **Apply**. The views are:

- Role Assignments: Displays the roles assigned and provides empty fields to assign the payment plan to a new role.
 - Resource Assignment: Displays the resources assigned to the payment plan, along with their role, start date, and end date.
5. To assign a payment plan to a role, select Role Assignments and click **Apply**.
 6. Query for the role to which you want to assign the payment plan.
 7. Enter a start date and an end date.
 8. Click **Update**.

7.7.1.2 Using the Resource Tab

You can assign a payment plan to a role on the Resource tab.

Prerequisites

The payment plan must be defined (See [Section 7.6, "Define Payment Plans"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Resource > Role > Payment Plan

Steps

1. Query for the role to which you want to assign the payment plan.
2. In the side panel menu, click **Payment Plan**.

You can click the hyperlink in the Payment Plan column to view payment plan details.
3. In the first blank field in the Payment Plan column, query for the payment plan that you want to assign to the role.
4. Enter a start date and an end date.

5. Click **Update**.

7.7.2 Assigning a Payment Plan to a Resource

You can assign a payment plan to a resource.

Prerequisites

The payment plan must be defined.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Resource > Resources

Steps

1. Query a resource and click the link on the Resources page.
2. Click the Payment Plans link.
3. To assign a new payment plan, enter it in the Name column of the first blank row.
4. Enter a start date and an end date.
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. Check the Lock box to prevent the payment plan from being changed in case the payment plan assigned to the resource's role is affected by a mass change.
8. Click **Update**.

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

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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Sales Manager

Navigation

Resource > Planning

Steps

1. Query for a resource.
2. Click the Resource name on the Resource Search Results page.
3. Click the Adjust Quota button.
4. Click **Update**.
5. 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.
6. Click the link to Quota Allocation Details.
7. Click **Prorate**.
8. 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.
9. Click **Update**.
10. Click **Lock**.
11. Click **Generate**.

The Generate button then becomes the Submit button.
12. Click **Submit** to submit the plan to the Contract Approver.
13. Click the Single Tier Rate link to go to the Allocation Details - Rate page.
14. 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.
15. Click **Generate Effective Rate**.

7.8.0.1 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.

Prerequisites

The plan is submitted (See [Section 3.4, "Allocating Quotas to Resources"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Contract Approver

Navigation

Quota > Process

Steps

1. Query a resource.
2. Click the resource name link.
3. Select **Approve** in the Action column next to contracts you want to approve and check the **Select** box. You can also click **Select All** to approve all of the submitted contracts at once.
4. To distribute the contracts, check the box in the Select column next to the contracts that have Distribute displayed in the Action column.
5. Click **Update**.

A manager can then distribute the plan using Oracle Field Sales.

7.8.0.2 Resource Accepts the Plan

After the contract has been distributed, the resource can accept the plan, either on the Compensation tab in Oracle Field Sales or in Oracle Incentive Compensation, using the Sales Force Incentive Compensation User responsibility. The following describes the first method.

Prerequisites

The contract is approved (See [Section 3.6, "Approving, Distributing, and Activating Contracts"](#)).

Login

Log in to Oracle Field Sales.

Responsibility

Sales Online User

Navigation

Compensation > Compensation Plan > Rate

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.

7.8.0.3 Activating the Sales Role

You can activate the sales role.

Prerequisites

The contract must already be accepted by the resource (see [Section 3.6.5, "Resources Accept Plans Using Oracle Field Sales"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Navigation

Incentive > Agreement

Steps

1. Check the Activate box next to the role name.
2. Click **Update**.
3. To activate all plans, click **Select All** before clicking **Update**.

7.8.0.4 Activating the Resource

You can activate the resource.

Prerequisites

The role has been activated.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Planning Analyst

Incentive Planning Contract Approver

Incentive Planning Finance Manager

Incentive Planning Sales Manager

Navigation

Quota > Process

Steps

1. Query a resource.
2. Click the name in the Resource Name column.
3. Check the box in the Select column next to the resources you want to activate.
4. Click **Update**.

Collecting and Adjusting Transactions

Sections in this chapter include:

- [Section 8.1, "Overview of Collecting Transactions"](#)
- [Section 8.2, "Open Collections"](#)
- [Section 8.3, "Standard Collection"](#)
- [Section 8.4, "Submitting a Collection Request"](#)
- [Section 8.5, "Collecting Adjustments"](#)
- [Section 8.6, "Imports and Exports"](#)
- [Section 8.7, "Adjusting Transactions"](#)
- [Section 8.8, "Loading Transactions"](#)
- [Section 8.9, "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.

Accumulation periods are used to define the time period during which commissions are collected. You must open an accumulation period in order to use it to calculate commission. After commissions are calculated, you can close or permanently close the accumulation period, after which you cannot calculate commission for that period. To set up accumulation periods, see the Oracle Incentive Compensation Implementation Guide, section 2.5.

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 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. See the Oracle Incentive Compensation Implementation Guide, section 2.18, for specific setup steps.

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. Add the new transaction source to the TRX TYPES lookup.
5. Identify the source tables from which the transactions are to be built.
6. Define the Notification and Collection Queries.
7. Define Runtime Parameters.
8. 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.
9. 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
10. Test generate a collection package (PL/SQL package) and correct errors if any.
11. 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.

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.

8.2.1 Registering the Tables

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).

Prerequisites

Tables, views, or synonyms must exist in the database.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Tables

Steps

1. Select the table name from which you want to collect data.
2. Select a Schema, for example, CN for Oracle Incentive Compensation.
3. Select a User Name.
4. Enter a description if desired.
5. In the Usage column, select Collection.
6. Click **Update**.

8.2.2 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 it up.

In the Transaction Source area, perform the following procedure to set up a custom transaction source.

Prerequisites

Tables must be set up already in the transaction source.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection

Steps

1. Enter the name of the transaction source in the first empty field in the Transaction Source column. The name may include legacy sources.
2. Enter a type, in the same format but not identical to the standard transaction sources, which are AR (Receivables Posting) and OC (Order Booking). The type cannot be empty, must be unique and cannot be changed once defined. See Guidelines for restrictions.
3. Enter the Line Table name. This is the primary source table of the Transaction Source.
4. Select a Key Column for the table. This is the unique primary key of the line table.
5. Click **Update**.

Guidelines

The Status column tells you whether the collection package has been generated for the Transaction Source since the latest setup changes were made.

For each Transaction Source there are three pieces of information:

- Name: User-defined and changeable, and may include legacy sources.
- Type: The short name of the Transaction Source. It is user-defined, must be unique, and cannot be changed after it is created. 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, or WO.
- Status: Complete/Incomplete. This indicates whether the Collection package has been generated for the Transaction Source since the latest setup changes were made.

8.2.3 Adding the New Transaction Source to the TRX TYPES Lookup

For any open or custom transaction source, you must create a new line in the TRX TYPES lookup in Oracle Incentive Compensation. If this is not done, all transactions collected with the custom transaction source will not appear on the Transactions page (Transactions > Adjust) until after they have been loaded using the Load Transactions process.

Prerequisites

The new transaction source must be already be defined.

Login

Log in to HTML Applications

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection

1. Find the value in the Type column for the custom transaction source.

2. Log into the Forms application as the Incentive Compensation Developer responsibility.
3. Navigate to Lookups.
4. Query the lookup type TRX TYPES.
5. Add a new row for the custom transaction source and enter the value from step 1 into the Code column in the lookup set.
6. Save.

8.2.4 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 8.3.3 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.

Prerequisites

Tables must be registered in the Tables subtab before they can be used.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Source Tables

Steps

1. Select a transaction source.
2. Click **Apply**.

3. Enter information into the Line Table and Header Table areas.
4. Enter any extra direct tables in the Extra Direct Tables area below.
5. Click **Update**.

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.

8.2.5 Defining Notification and Collection Queries and Runtime Parameters

If you are collecting data from a source other than the two standard collection sources, Receivables Posting and Order Booking, you need to tell Oracle Incentive Compensation from where to collect the transaction data and what data to collect. You can generate a list of transactions that are eligible for compensation using the Notification Query and Parameters.

Use the Queries page only to define a custom source from which to collect to Oracle Incentive Compensation. For standard integration with Oracle Accounts Receivable and Oracle Order Management, 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.

Prerequisites

The Queries page is only accessible for nonstandard collection sources.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Queries

Steps

1. Select the transaction source.
Click **Apply**.
2. Enter the name of the parameter in the field.
3. Click **Update**.

8.2.6 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(loh10001.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.

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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Mapping

Steps

1. Enter a source expression in the Source Expression field.
2. Enter a destination. See Guidelines.
3. 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.
4. For a relationship mapping, enter a join relationship.
You must have set up the join relationship in advance.
5. For a freeform mapping, enter the From/Where clause.
6. Click **Update**.
The Update field and sequence field populate automatically.
7. Click **Update**.

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.

8.2.7 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 8.2.8, "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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Actions

Steps

1. Select a location for the user code block.
2. Enter the code in the Code field.
The code can run up to approximately 2,000 characters.
3. Click **Update**.

8.2.8 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 appears in CN_COMM_LINES_API but is marked as filtered.
- **Physically Delete:** Transaction is deleted from CN_COMM_LINES_API.

Deleting the transactions helps keep the table at a more efficient size, so it is the recommended option.:

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Actions

Steps

1. Select the method of filtering.
2. Enter the text of the action you want in the Filters area of the page.
3. Click **Update**.

8.2.9 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.

Prerequisites

Collections setup must be complete.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Administration > Incentive > Collection > Generate

Steps

1. 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.
2. Click **Test Generate**.
A test version is generated.
3. If Error appears in the Test Status column, click it to open the details area below the Summary area.
4. Fix the errors and rerun the test generation until you are satisfied with the result.
5. 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.

8.3 Standard Collection

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 application. These setups, source tables and queries, cannot be modified for Order Management or Oracle Receivables.

Use the Collection - Transaction Sources page to determine which Oracle Receivables or Order Booking 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:

1. Check the box in the Collect Column next to the event for which you want to collect.
2. Click **Update**.

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 8.2.6, "Defining Mapping"](#).

8.3.1 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:

- Invoice, credit memo posting
- Payment, giveback posting
- Writeoff posting
- Takeback posting
- Revenue Adjustment Posting

A credit memo is generated when an invoice is fully or partially reversed and posted to Oracle General Ledger. Credit memos are later collected and applied against transactions. A giveback is a past due invoice that had been taken back but has now been paid. For a writeoff posting, a sale is written off the books and posted to Oracle General Ledger. For a takeback posting, if an invoice due date goes beyond the set grace period, the credit for the sale is deducted from the resource's sales credit. Revenue Adjustment Posting is used to collect revenue adjustments that were made in Oracle Receivables using the Revenue Adjustment Module (RAM).

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.

8.4 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:

- Runtime Parameter
- Submit Request
- View Request Status and Logs

8.4.1 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 the standard transaction sources you cannot make any changes to the Source Tables or Queries tabs, so runtime parameters are not used.

For example, for a custom transaction source, a start date and end date can be defined. The parameters are defined on the Queries page in the setup process. See [Section 8.2.5, "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.

Prerequisites

Parameters must already be created in the Collection setup process.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Collect > Runtime Parameter

Steps

1. Next to the parameter you want to change, enter a value in the Runtime Parameters field.
2. Click **Update**.

8.4.2 Submit a Request

You can submit a transaction collection request.

Prerequisites

The collection setup must be completed and the collection package must have been generated successfully.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Collect > Submit Request

Steps

1. In the Collection Type field, select a collection type from the drop-down list. The collection types include:

2. 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 4.

3. Select Start Period and End Period.

4. Click **Submit Request**.

5. Click **OK** to submit the request or **Cancel** to return to the current page.

6. Refresh the page periodically to monitor the progress of the collection submission.

Guidelines

The Collect Orders collection type collects data from Oracle Order Management. The other events collect data from Oracle Receivables. The Collect Custom Transaction Sources collection type collects data from external sources.

The Process Log page shows the details of the processing of a request.

Transactions collected for a specific period cannot be collected again for the same period unless the collected_flag is set back to N or the records are physically deleted.

8.4.3 Viewing the Request Status and Logs

Data must be collected from the mapped tables into Oracle Incentive Compensation before calculation for payment can occur.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Collect > View Request Status

Steps

1. Enter search parameters and click **Apply**.
If you click **Apply** with the default settings, all requests are displayed.
2. You can click **View Log** to view the Process Log.

8.5 Collecting Adjustments

8.5.1 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 8.3.1, "Special Features"](#) for a complete explanation.

8.5.2 Collecting Adjustments for Custom Transaction Sources

You can make adjustments to transactions in your custom Transaction Sources in the same way as standard Collections from Oracle Order Management 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 the example legacy system. Also, those transactions are already imported into Oracle Incentive Compensation. 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 Oracle Incentive Compensation of this change you make the following call:

CN_NOTIFICATION_PUB.Create_Notification

This API can be called either:

- At the time that the adjustment was done in the source system
- In the prenotification phase, or
- In the notification phase itself.

This is the code:

```
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 see *Multiple Organizations in Oracle Applications*.

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`.

When collecting an invoice, if a resource is assigned non revenue credit only, quantity is not populated for this particular resource. However, the transaction amount is populated as the total of revenue amount and non revenue amount. This can cause some confusion. If you want to display the quantity for resources with non revenue credit only, set the profile OSC: Apply non-revenue split to quantity to Y.

8.5.3 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 is 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.

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 made in Revenue Adjustment Module in Oracle Receivables (Receivables Responsibility > Control > Accounting > Revenue Accounting).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Collect > Submit Request > Collect Revenue Adjustments

Steps

1. Click the Transaction tab.
2. Click the Submit Request link.
3. In the Collection Type field, select **Collect Revenue Adjustments**.
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**.
7. Click **OK** to submit the request or **Cancel** to return to the current page.
8. Refresh the page periodically to monitor the progress of the submission.

8.6 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 8.6.2, "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 8.6.3, "Correct 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. 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. 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 Step 4, the Confirmation page. It confirms that your mapping of source fields in a file to target fields in Oracle Incentive Compensation has been submitted for processing.

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.

There are two profile options used for the Import Framework.

- **OSC: Import Control File Directory:** This profile must be set at the site level to OSC: Import Control File Directory = \$CN_TOP/bin. \$CN_TOP/bin has to be first translated to a full physical path. Be sure that the \$CN_TOP/bin exists on the Concurrent Manager tier and that write privileges are enabled. If the bin directory does not exist it should be created and given read/write/execute permission.
- **OSC: Import Server Side Data File Directory:**

The following three profile options are set automatically if you run AutoConfig. All of them set the following default value at Site Level.

- **OSC: Import Server Side Data File Directory** - Set to @ "%s_applcsf%/inbound/%s_contextname%".
- **OSC: Import Control File Directory** - Set to "\$CN_TOP/bin"
- **OSC: Log File Directory** - Set to "%s_aplptmp%"

After AutoConfig runs, some profile values will appear differently, as follows:

Before Autoconfig Runs	After Autoconfig Runs
%s_applcsf%/inbound/%s_contextname%	/u01/proddb/admin/inbound/cn
APPLCSF	/u01/proddb/admin
contextname	product name = cn

After you change the setting of a profile option, you must bounce the server to reset it.

8.6.1 Defining Imports

You can define imports.

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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Import/Export

Steps

1. Click New Import.
2. Select an import type.
3. Enter a unique name for the import process and an optional description.
4. Click the Client or Server button to define your data source.
5. Select the column delimiter (see Prerequisites for complete list). Comma is the default.
6. Select how you want your fields to be enclosed. Double Quotation is the default.
7. Check the File Header Exists 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.

8. Click **Next** to proceed to Step 2: Import Header Mapping.
9. 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.

10. To create a new mapping, click a source field in the first column to highlight it.
11. Click the target field in the second column.
12. Click the right arrow button to move the mapping to the third column.
13. View the Preview window to see what your mapping looks like.
14. Click **Next** to save and move to Step 3: Review.
15. Review the general information and mapping on the page.
16. If all the information is correct, click **Import**. The Confirmation page appears.

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 spreadsheet.
17. If the information is not correct, click **Cancel**, and then return to the Import Header Mapping page to make corrections.
18. Click **Finish** to go to the Imports Search page. You can check there to see if your import was successful.
19. If you want to perform another import, click **New Import**.

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

Name	Revenue Type	Processed Date	Transaction Amount	Item ID	State
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.

8.6.2 Process Log

To view a process log for an import or export, click the icon in the Log column. You can view 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).

8.6.3 Correct 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.

The Failed Records page displays automatically upon failure of the import process. You can view the page by clicking the number link in the Failed Records column on the Imports/Exports page.

After you correct failed records you can reimport them.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Import/Export

Steps

1. Click the Download to CSV File image icon to download the records to a CSV file.
2. Correct the data in the 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.

8.6.4 Creating a Personalized Search for the Import/Export Page

Use this search page to configure the display that appears initially when you click the Import/Export subtab of the Transaction tab.

Prerequisites

Import or export must have taken place to be displayed.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Import/Export > Personalize

Steps

1. In the Imports area, enter a name for the personalized search.

2. Enter a description.
3. Select an Operation. All is the default setting.
4. Select an import type.
5. Select an import status.
6. Enter an import date if you want to restrict your search to one specific day.
7. 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.

8. 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.
9. Enter the number of rows you want to have displayed per page. The default is 10.
10. If you want to save the search for later use, in the Save As area, give your search a unique name.
11. Click **Save** to save it, or **Save and Apply Search** to use the newly created and saved search immediately.

If you want the report to be the default that appears in the Saved Searches field, check the Default box.

12. 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.

8.6.5 Exporting Data

Just as data can be imported from CSV files, it can be exported from Oracle Incentive Compensation to a CSV file.

You can export hierarchies and expressions by navigating to Transaction > Import/Export (see below). You can also perform this export by using the Import/Export subtab in the Quota tab. Also in the Quota tab, you can export personalized agreements and contract approvals. For exporting of personalized agreements, see [Section 3.3.7, "Mass Agreement Personalization"](#). For exporting agreements for mass approval, see [Section 3.6.2, "Approving Contracts"](#).

Prerequisites

Data to be exported must already exist.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Transaction > Import/Export

Steps

1. Select a type from the Type drop-down list.
2. Assign a unique name to your export process.
3. 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.

4. Select a set of source fields in the Source Fields box.

5. Use the arrows in the middle of the page to move source fields into the mapped fields box on the right.
6. You can load an existing mapping instead of creating a new one. This can save you time.
7. To save a mapping, enter it in the Save New Mapping field.
8. 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.

9. 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.
10. On the Confirmation page, click **Finish** to go to the Export Search page. You can check there to see if your import was successful.
11. If you want to perform another export, click **New Export**.

8.7 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.

Prerequisites

The application has collected the transaction.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust

Steps

1. In the Basic Search area, enter information in the fields as needed to find the transaction you need.
2. To add greater granularity for your search, check the Show Advanced Search box.
A selection of additional search fields appears below the Basic Search fields.
3. Enter data into the Advanced Search fields as needed.
4. Click **Apply**.
5. Click the appropriate button for the type of action you want to perform:
 - **New Transaction:** Opens the Create New Transaction page, where you can create a new manual transaction. See [Section 8.7.1, "Create a New Transaction"](#) following.
 - **Load Transaction:** Opens the Load Transactions - Submit Request page. See [Section 8.8, "Loading Transactions"](#) following.
 - **Move Credits:** Opens the Move Credits page, where you can move credit from the existing credited resource to a resource you specify. See [Section 8.7.3, "Move Credits"](#) following.
 - **Deal Split:** Opens 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 8.7.4, "Deal Split"](#) following.
6. 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 8.7.5, "Adjust Transaction"](#) following.
 - b. If you click **Split**, the Transaction Details - Split Transaction page opens. See [Section 8.7.6, "Split Transaction"](#) following.
7. Perform the steps you need on the appropriate page.

Guidelines

You cannot split nonrevenue, obsolete, frozen, or reversal transactions.

8.7.1 Create a New Transaction

If any resource needs manual sales credit line adjustments, you can create a manual transaction for the process date.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust > New Transaction

Steps

1. Enter the Resource Name and Resource Number.
2. Enter a Processed Date.
3. Enter a Revenue Type.
4. Enter Invoice Number and Invoice Date, and Quantity as needed.
5. Enter Transaction Amount.
6. 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. You can 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, select a Reason.

This supplies an explanation of why the manual transaction was created, for anyone reviewing the transaction later.
9. Enter comments, if any.
10. Click **Update**.

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 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. If a resource is a member of more than one compensation group, then you must specify a compensation group when selecting any preprocessor code that includes Skip Rollup, or the transaction will fail rollup. 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.

8.7.2 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.

Prerequisites

The CN_COMMISSION_HEADERS table must exist in the database.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Administration > Incentive > Tables

Steps

1. 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.
2. Click **Apply**.
3. Use the Next link to scroll through the CN tables until you reach the CN_COMMISSION_HEADERS table.
4. Click the Columns link.
5. Select the Classification view.
6. Click **Apply**.
7. 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.
8. Check the Value 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.
9. Click **Update**.

10. To confirm the new field, return to the Create New Transaction page by clicking Transaction > Adjust > New Transaction.

8.7.3 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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust

Steps

1. Query for transactions.
2. Click **Move Credits**.
3. In the Receiving Resource Name area, enter the Resource Name and Resource Number.
4. Enter a Customer Name and Customer Number, if available.
5. Enter your comments, if any.
6. Click **Update**.
7. In the Attribute Columns area, enter any information that identifies your transaction.
8. Click **Update**.

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.

8.7.4 Deal Split

You can divide up the sales credit on an entire deal.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust > Deal Split

Steps

1. Query a specific transaction by order number or invoice number to expose the Deal Split button on the Transactions page.
2. Click the Deal Split button.
3. Select a revenue type.
4. Enter a resource name or a resource number.
5. Repeat for each resource.
6. In the split field, enter a percentage for each resource.
The numbers should add up to 100 percent.
7. Click **Update**.

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%. The total split of the split transactions should equal the split percentage of the original transaction.

8.7.5 Adjust Transaction

Sometimes you need to adjust a transaction.

Prerequisites

Transaction must already exist. Frozen transactions cannot be adjusted.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust

Steps

1. Use the search parameters at the top of the page to find the transaction that you want to adjust.
2. Click **Apply**.
3. Click the Adjust button next to the transaction that you want to adjust.
4. Enter any changes in the appropriate fields.
5. 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*.

6. 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.
7. 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.
 8. Click **Update**.

Note: The Update and Restore buttons appear only in the User Notes View. Return to that view to save your work.

8.7.6 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%, 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%, 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.

Prerequisites

Transaction must already exist

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Adjust > Split

Steps

1. Query for transactions.
2. Click **Split**.
3. In the Revenue Type column, select Revenue or Non Revenue.
4. Enter the name of resource with whom you want to split the credit.
5. Use the Resource Number if necessary. The Resource Number column populates automatically if you select a resource name.
6. 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.

7. Enter any User Comments.
8. Click **Update** to save your work.

Guidelines

All adjustments made with the above process must be loaded before they are available for calculation. See [Section 8.8, "Loading Transactions"](#).

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.

8.8 Loading Transactions

After transactions are collected and adjusted, they must be loaded into Oracle Incentive Compensation tables for calculation and payment.

Prerequisites

Transactions must be collected.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Load > Submit Request

Steps

1. Enter dates in the Load Date From and To fields.
2. Enter a Resource Name or Resource Number.
3. Select a Load Method. See Guidelines.
4. Check the Perform Classification and Rollup box if you want to perform intelligent calculation for the transactions you are loading.
5. Click **Submit Request**.
6. Click **Refresh Data** to display updated information as the concurrent processing proceeds.

Guidelines

Select the Concurrent option to run the calculation if the calculation is large. It runs as a background process in the Concurrent Manager, so you can use the application for other tasks. Select the Online option only if the amount of transactions to be calculated is small or there are only a few salespeople. Online calculation freezes up the application so you are unable to do anything else until it is complete.

8.8.1 Viewing Transaction Requests

You can view requests you have already loaded.

Prerequisites

Transactions must be collected.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Load > View Requests

Steps

1. Enter parameters to narrow your search and click **Apply**.
2. You can click **View Log** to display the Process Log.

8.9 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 8.6.1, "Defining Imports"](#) and following pages).

If you intend to upload transactions directly into the CN_COMM_LINE_API table or import data from a spreadsheet, the table below provides a detailed description of key attributes of the CN_COMM_LINES_API table. See the *Oracle Incentive Compensation 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.

Column	Data Type	Description
TRX_TYPE	VARCHAR2(30)	<p>The type of the transaction. It can have any one of the following values:</p> <p>CBK: Claw Back (or Take Back)</p> <p>CM: Credit Memo</p> <p>GBK: Give Back</p> <p>INV: Invoice</p> <p>MAN: Manual Adjustment</p> <p>ORD: Booked Orders</p> <p>PMT: Payment Received</p> <p>WO: Write Off</p> <p>This is a mandatory column.</p>
EMPLOYEE_NUMBER	VARCHAR2(30)	<p>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.</p>
OBJECT_VERSION_NUMBER	NUMBER	<p>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.</p>

Column	Data Type	Description
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.
LOAD_STATUS	VARCHAR2(30)	<p>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:</p> <p>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.</p> <p>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.</p>

Column	Data Type	Description
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.
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 <i>not</i> 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.

Column	Data Type	Description
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.
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.

Column	Data Type	Description
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. Note: When the application collects nonrevenue transactions from Oracle Receivables, if there is a quantity value, it is zeroed out during collection.
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.

8.9.1 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: The transaction has been adjusted prior to the transaction interface loader being run and cannot be uploaded into the system.

FILTERED: 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: 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.

SCA_PENDING: The transaction has been transferred to the Sales Credit Allocation engine but has not been processed yet.

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.

Calculating Compensation

Sections in this chapter include:

- [Section 9.1, "Overview of Calculating Compensation"](#)
- [Section 9.2, "Preparing for Calculation"](#)
- [Section 9.3, "Submitting Calculation"](#)
- [Section 9.4, "Using Intelligent 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 Modes 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 supports two types of compensation calculation--Commission and Bonus. The Commission type of plan element is the most often used in Incentive Compensation, because it is based on transactions generated by a resource's sales activity. It can be quota or nonquota based. A Bonus type plan element is used to pay an extra amount to a resource for performance, but it has no links or references to specific transactions.

9.1.2 Two Modes of Calculation

Oracle Incentive Compensation performs calculation in two ways: Complete and Intelligent.

Complete Calculation

Complete Calculation calculates all transactions in the interval, 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.

Complete calculation erases the previous result and reruns the entire calculation process. Because it completely recalculates everything, it takes more time to finish compared to intelligent calculation. The advantage of Complete calculation is faster setup change because the system does not need to keep track of these changes.

Intelligent Calculation

Using Intelligent Calculation, the calculation engine of Oracle Incentive Compensation processes only transactions that are affected by a change. When you run Intelligent Calculation, the application uses the Notify Log, which tracks all changes made in the system since the last calculation. See [Section 9.4, "Using Intelligent 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 resources are to be calculated and performs validation. For example, it checks the resources to be sure that their compensation plans are complete, determines if they have any transactions within the specified dates, and verifies that the resources are assigned to a pay group.
- **Revert:** This feature restores the transactions within your specified parameters back to their original unprocessed state. When a complete 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 applicable revenue classification rules 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 marked as CLS (Classified). The classification rules packages consist of nested if-then-else clauses. The process starts from the top most rule; if the conditions for a rule are met, it moves to the child rule. If the conditions of the child rule are not met, the transaction is classified to the revenue class associated with the Parent Rule. Otherwise, the Transaction Attributes will be compared to the next rule at the same level. If no rule is matched, transaction is marked as XCLS (Failed Classification).

- **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 on 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. Lines that fail rollup are marked XROLL.
- **Population phase:** Oracle Incentive Compensation identifies the appropriate plan elements for every transaction by matching the revenue classes of the plan elements with the revenue classes of the transaction. The application updates each transaction with the plan element information. The status after this phase succeeds is Populated. Lines that fail to populate are marked XPOP.
- **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 evaluates the expressions defined on a given formula, looks up the rate from the rate table, calculates the commission amount, and updates the transactions and balance tables with the results. The transaction status is then displayed as Calculated. Lines that fail calculation are marked XCALC.

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. If this is the case, the rule needs to be re-created using an attribute column with a column_datatype of VARCHAR2 or NUMBER.

- **Failed Classification:** Transactions that do not match a predefined revenue classification rule receive the Failed Classification status (XCLS). 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. Classification rules and transaction attributes are case sensitive, so check to be sure that they match. Check the dates of failed transactions on the Unprocessed Transactions report (Navigation: Transaction > Report).
- **Failed Rollup:** If a resource is not in the hierarchy in a compensation group or has not been assigned Sales Compensation compensation group usage, the rollup fails, and a transaction status of XROLL is displayed.
- **Failed Population:** Population fails if a transaction does not match any plan element in the compensation plan for the credited resource. Transactions and plan elements are matched using revenue classes and the effective revenue class hierarchy. 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 fails if a resource is not in the hierarchy in a compensation group or has not been assigned compensation group usage of Sales Compensation. A transaction status of XROLL is 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 Managerial Rollup 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.

What to Do if Rollup Fails

If Rollup fails, verify the following:

- The resource on the transaction is assigned to a compensation group.
- The group the resource is assigned to has the usage of Sales Compensation.
- If the resource on the transaction belongs to more than one compensation group, the profile OSC: MULTI_ROLLUP_PATH is set to Y (not Yes or y).

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 within a compensation group.)
- 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 exist in the revenue class hierarchy. If not, add them to the revenue class hierarchy.
5. Make sure that the Revenue Class that the transaction was assigned is assigned to at least one Plan Element that is included in the resource's compensation plan.
6. Make sure that the Sales Compensation role that is assigned to the resource has either the Member or Manager box checked.
7. Make sure the resource's Sales Compensation role is a Group Member role for the date of the transaction.
8. Make sure that the group the resource is assigned to has the usage of Sales Compensation.
9. 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 within the specified parameters. It evaluates the expressions defined on a given formula, looks up the rate from the rate table, calculates the commission amount, and updates the transactions and balance tables with the results. Oracle Incentive Compensation displays a status for calculated transactions in the transaction status column.

The Calculation process calculates commission based on the Calculation Rules (defined in Plan Elements). Calculation Rules include Commission Rate (defined in the Rate Table), Accelerator (Payment factor, Quota factor, and Transaction factor), Accumulation or Non-Accumulation, Split or Non-Split, Interval-to-Date Quota or Annual Quota Individual or Group By. If the application is unable to calculate the commission for the transaction, the transaction is marked as 'XCALC' (Failed Calculation).

What to Do if Calculation Fails

If transactions failed to be calculated, Oracle Incentive Compensation displays a status of XCALC for those transactions. Check the following things if calculation fails for a transaction:

- The value passed to the Rate Table from the Input Expression is included in the Rate Table. (To prevent this problem always make the first tier of the rate dimension 0 to X instead of starting it as X to 10000, for example).

- No values in the Formula are divided by zero.
- All columns used in the formula to calculate are populated for the transaction.
- The formula packages are valid (regenerated).
- The number of inputs to the formula match the number of dimensions of the rate table.
- The type of formula input matches the rate table dimension type.

9.2 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 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 has an Open period status. You can only open a period if the current accumulation period status is 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.

9.2.1 Rollup Summarized Transactions

The rollup summarized transactions process results in a significant reduction in the number of transactions that need to be processed, which improves performance substantially.

Without the rollup summarized transaction 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:

$$10 \text{ transactions} \times 5 \text{ levels deep} \times 5 \text{ base reps} = 250$$

However, if the Rollup Summarized Transactions feature is turned on, 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 = $5 \times 5 = 25$ (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: $\text{rate} * \text{transaction_amount}$

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 $90 * 1\% = 0.9$

Transaction Amount is $20 * 1\% = 0.2$

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:

$$\text{Aggregated Transaction } 100 * 1\% + 10 * 3\% = 1.3 \text{ (with a non-proportional split).}$$

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 Oracle MetaLink Note 284723.1 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.

9.2.2 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%

Quantity	0-80%	80-90%	90-999%
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.

9.3 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.

The Request ID is stored as a column and a search parameter for any calculation request that is submitted concurrently. The Request ID is not recorded for calculation requests that are submitted as an online request.

Calculation can be run as often as necessary.

You can select commission calculation or bonus calculation. 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.

In the procedure below, 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 7.

Prerequisites

Transactions must already be collected and loaded.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Calculate

Steps

1. Click **Create**.

2. Enter a batch name in the Batch Name field or click a link on the page in the Batch Name column.
3. Select the beginning and end dates of the transactions to be calculated.
4. Select the type of calculation to be submitted, either Commission or Bonus. At this stage, the calculation status is Incomplete.
5. Click **Next**.
6. 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 selected resources
 - Resources in Notify Log: Calculates commission for resources affected by recent changes to their compensation setup, as recorded in the Notify Log. Used in Intelligent Calculation.

The following steps apply to batches that you have just created or previously created batches.

7. Check any of the three boxes as needed:
 - Entire Hierarchy
 - Concurrent Calculation
 - Incremental CalculationSee Guidelines for more information.
8. For Bonus calculation, select an interval type.

Bonus calculation often uses a different interval than Commission calculation. For example, a bonus can be paid once a year while commission is calculated monthly. Therefore, you must select one of the seeded interval types: Period, Quarter, or Year. Commission calculation can use any interval types as defined separately on the Administration tab.
9. Click **Previous** to view the previous Calculation Submission page.
10. Click **Next** to proceed with submitting the calculation.
 - a. If you selected All Resources or Resources in Notify Log in the Resource Option field previously, and you selected Commission type, the page that displays includes the information you entered along with a Calculate button. Click it to initiate calculation.

- In progress: The calculation is still in the process 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 parameters:

- Entire Hierarchy: Choosing this option submits calculation for a selected resource and all of that resource's subordinates.
- 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.
- Intelligent Calculation: Use Intelligent Calculation (incremental calculation) for most or all of your calculations. This option calculates only newly added transactions and transactions that are affected by the new transactions. This option also calculates the compensation for resources who are affected by events that happened since the previous calculation. See [Section 9.4, "Using Intelligent Calculation"](#).

9.3.1 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.

Prerequisites

Transactions must be collected and loaded.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Calculate

Steps

1. Query for the batch by name or select Failed from the Calculation Status drop-down list to list all failed batches.
2. Click **Apply**.
3. Click the batch name in the Batch Name column.
4. Click **Calculate**.
Calculation begins from the failed phase.

9.4 Using Intelligent 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. Intelligent Calculation, also known as incremental calculation, marks all predefined transaction events in a notification log table known as the Notify Log. By doing this, Oracle Incentive Compensation runs 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 complete calculation, transactions are completely deleted and returned to the Unprocessed state. But in Intelligent 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
- Salespeople hierarchy
- Payee assignment
- Team assignment to a resource

- Pay group assignment to a resource

To use Intelligent Calculation you must check the Incremental Calculation 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 Intelligent Calculation for every calculation you do not need to deselect the Incremental Calculation box. The Notify Log keeps track of changes and if a Complete 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 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 Intelligent 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.

9.4.1 How Intelligent Calculation Processes New Transactions

Intelligent Calculation, compared to Complete Calculation, has an effect on calculation times because it calculates only for new transactions. However, if any new transactions have a dependency on previous transactions, this may result in a

large number of recalculations, which can add to the time it takes Intelligent Calculation to run. This scenario shows how a new transaction can cause other transactions to be recalculated.

Rate table:

Transaction Amount	Rate (Percent)
0-500	1%
500-2000	2%
2,000-9,999,999	5%

Three transactions:

01-Jan-2004 100

05-Jan-2004 300

10-Jan-2004 1,000

A simple cumulative, no-split formula is used:

- Input Expression: Transaction Amount
- Output Expression: Rate * Transaction Amount

The commissions for these transactions are:

01-Jan-2004 100 $100 * 1\% = \$1$

05-Jan-2004 300 $300 * 1\% = \$3$

10-Jan-2004 1,000 $1,000 * 3\% = \$30$

A new transaction for \$900 on 04-Jan-2004 is loaded into the system and commissions for all four transactions are follows:

01-Jan-2004 100 $100 * 1\% = \$1$

04-Jan-2004 900 $900 * 3\% = \$27$

05-Jan-2004 300 $300 * 3\% = \$9$

10-Jan-2004 1,000 $1,000 * 5\% = \$50$

The \$900 transaction of 04-Jan-2004 has changed the rate for the 05-Jan-2004 and 10-Jan-2004 transactions, so when calculation is rerun, those transactions must be recalculated.

When you run Complete Calculation, the application redoes everything. Intelligent Calculation does not redo classification and rollup, which has already been done in the loading process. In Intelligent Calculation, the application goes through all of the calculation phases, in case there are pending setup changes to process. However, since the new transactions have already been classified and rolled up in the loading process, it goes through Classification and Rollup quickly. New transactions are populated in the Population phase. Therefore, much of the real time saving benefit of Intelligent Calculation is seen in the other phases before calculation itself.

9.4.2 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.

Intelligent 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.

9.4.3 Action Column

Action is a column in the Notify Log which in conjunction with Revert_to_State, optimizes Intelligent 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 Intelligent 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 Intelligent 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'.

9.4.4 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 9.4, "Using Intelligent Calculation"](#).

For a list of all Mark Events, see [Section 9.4.6, "All Mark Event List"](#)

Prerequisites

Resources must exist. An event must have taken place.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Notification Log

Steps

1. 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.

9.4.5 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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Notification Log > Personalize

Steps

1. Enter search parameters into the six fields in the Notify Log area.
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. Select which parameter you want to use first to sort the list.
5. Select Ascending or Descending. 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 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.

9.4.6 All Mark Event List

Event Code	Meaning/Description
CHANGE_SYS_PARA_RC	Change revenue class hierarchy used
CHANGE_SYS_PARA_SRP	Change sales person hierarchy and roll up flag
CHANGE_CLS_RULES_DATE	change classification ruleset date range
CHANGE_CLS_RULES	Change classification rules
CHANGE_RC_HIER	Change revenue class hierarchy
CHANGE_RC_HIER_DATE	Change revenue class hierarchy date range
CHANGE_RC_HIER_DELETE	Delete revenue class hierarchy effective interval
CHANGE_CLS_HIER	Change a hierarchy used in classification
CHANGE_CLS_HIER_DATE	Change a hierarchy date range used in classification
CHANGE_CLS_HIER_DELETE	Delete a hierarchy effective interval used in classification
CHANGE_CP_HIER_ADD	Add an edge to compensation group hierarchy
CHANGE_CP_HIER_DELETE	Delete an edge from compensation group hierarchy
CHANGE_CP_HIER_DATE	Change date range of a compensation group hierarchy edge
CHANGE_CP_ADD_SRP	Add a salesperson to a compensation group
CHANGE_CP_ADD_MGR	Add a manager to a compensation group
CHANGE_CP_DELETE_SRP	Delete a salesperson from a compensation group

Event Code	Meaning/Description
CHANGE_CP_DELETE_MGR	Delete a manager from a compensation group
CHANGE_CP_SRP_DATE	Change date range of a salesperson
CHANGE_CP_MGR_DATE	Change date range of a manager
CHANGE_FORMULA	Change a formula
CHANGE_RT_TIERS	Change rate table tiers
CHANGE_RT_INS_DEL	Insert or delete rate tiers
CHANGE_QUOTA_DATE	Change plan element date range
CHANGE_QUOTA_POP	Change plan element revenue class factors
CHANGE_QUOTA_UPLIFT_DATE	Change plan element uplift factors date range
CHANGE_QUOTA_CALC	Change plan element
CHANGE_QUOTA_ROLL	Change plan element revenue class
CHANGE_COMP_PLAN	Change compensation plan
CHANGE_COMP_PLAN_OVER_LAP_FLAG	Change compensation plan overlap flag
CHANGE_SRP_ROLE_PLAN	Change role/plan or role/salesperson assignment
CHANGE_SRP_ROLE_PLAN_DATE	Change date range role/plan/salesperson assignment
CHANGE_SRP_QUOTA_PAYEE_DATE	Change date range of payee assignment
CHANGE_SRP_QUOTA_POP	Change salesperson's uplift factors or payee assignment
CHANGE_SRP_QUOTA_CALC	Change salesperson's plan element
CHANGE_PERIOD_INTERVAL_NUMBER	Change a period's interval number
CHANGE_INSERT_TRX	Insert new transaction -- need recalculation
CHANGE_SRP_PAY_GROUP	Change pay group/salesperson assignment
CHANGE_SRP_PAY_GROUP_DATE	Change date range of pay group/salesperson assignment

Payment with Payruns

Sections in this chapter include:

- [Section 10.1, "Overview of Payment with Payruns"](#)
- [Section 10.2, "Payment Administrative Hierarchy and Payrun Sign-Off Report"](#)
- [Section 10.3, "Creating and Viewing Payruns"](#)
- [Section 10.4, "Accessing Payrun Information"](#)
- [Section 10.5, "Working with Worksheets"](#)
- [Section 10.6, "Working with Individual Worksheets"](#)
- [Section 10.7, "Approving Worksheets"](#)
- [Section 10.8, "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 Payable 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 Working with Pay Worksheets

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 describes the process of creating, approving, and paying a new payrun.

Step	OIC Page Used/Navigation
1. Manager assigns payment plan to resources (optional)	Payment Plan Resource > Resources > Payment Plans link
2. Super User creates a payrun	Create Payrun Transaction > Payment > Create Payrun button
3. Analyst views and adjusts payment worksheet details	Worksheets : <payrun name> Transaction > Payment > Click Analyst Payrun Total link Worksheet : <payrun name> : <resource name> Transaction > Payment > Worksheets : <payrun name> > Click Total Worksheet Amount link
4. Analyst locks payment worksheet	Worksheet : <payrun name> : <resource name> Transaction > Payment > Worksheet Summary > Click Total Worksheet Amount link
5. Analyst submits payment worksheet to manager	Worksheet : <payrun name> Transaction > Payment > Click Analyst Payrun Total link
6. Manager approves or rejects worksheet	Payrun Sign-Off Report Transaction > Payment > Click Signoff Report icon

Step	OIC Page Used/Navigation
7. Super User runs a pay payrun request	Requests > Payment > Submit Requests
8. 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 icon > click download icon

10.1.3 Integrating with a Third Party Payroll System

Prior to Release 11i, 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.

Release 11i has integration with Oracle Payroll and Oracle Payable. However, for integration with a third party payroll system, you must download the data to a CSV file.

Prerequisites

The payrun is already created (See [Section 10.3, "Creating and Viewing Payruns"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment

Steps

1. On the Payruns page, find the payrun that you want to download. Use another saved search if necessary.
2. Click the Analyst Payrun Total link.
3. Click the Total Worksheet Amount link for the resource(s) for which you want the information.

4. Click the download icon 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:

Prerequisites

The payrun is already created (See [Section 10.3, "Creating and Viewing Payruns"](#)).

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment

Steps

1. For the payrun that you want to download, click the Analyst Payrun Total link.
2. For the resources for which you want the information, click the Total Worksheet Amount link for the resource name you need.
3. Click the Commission Details link in the header of the Payment Transactions page.
4. 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 Pay Groups, Compensation Plans, and other Setups

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 the application determines if a resource is qualified to receive compensation.

To create a pay group, navigate to Administration > Incentive > Pay Group.

To assign a resource to a pay group, navigate to Resource > Resources, enter the name of the resource, and click the Pay Groups link. See [Section 7.5, "Assigning Pay Groups"](#) 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. 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.

Using the Pay by Transaction profile option, you can set up the application to pay by transaction or by summary. If you set the profile to Yes (Y), each transaction appears as a separate line on the pay worksheets. If you set the profile to No (N), then the application aggregates the transactions for the resource at the plan element level.

Each payment 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 a less detailed view 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.

If you pay by transaction, each transaction displays the plan element and pay element in the appropriate columns on the Payment Transactions page if the plan element is mapped to a pay element. However, if the Pay by Transaction profile is

set to No, the transactions are summarized at the plan element level. Unlike commission, payment recovery is set at the resource level, so when a payment recovery appears on the Payment Transactions page, the Plan Element field is not populated.

The Payment Administrative Hierarchy must be set up in order to pay a payrun. See [Section 10.2, "Payment Administrative Hierarchy and Payrun Sign-Off Report"](#) for details.

10.2 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 be assigned 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 Sales Compensation Payment Analyst is a new role type in this release. Use it whenever you define an analyst in Resource Manager for use in Oracle Incentive Compensation.

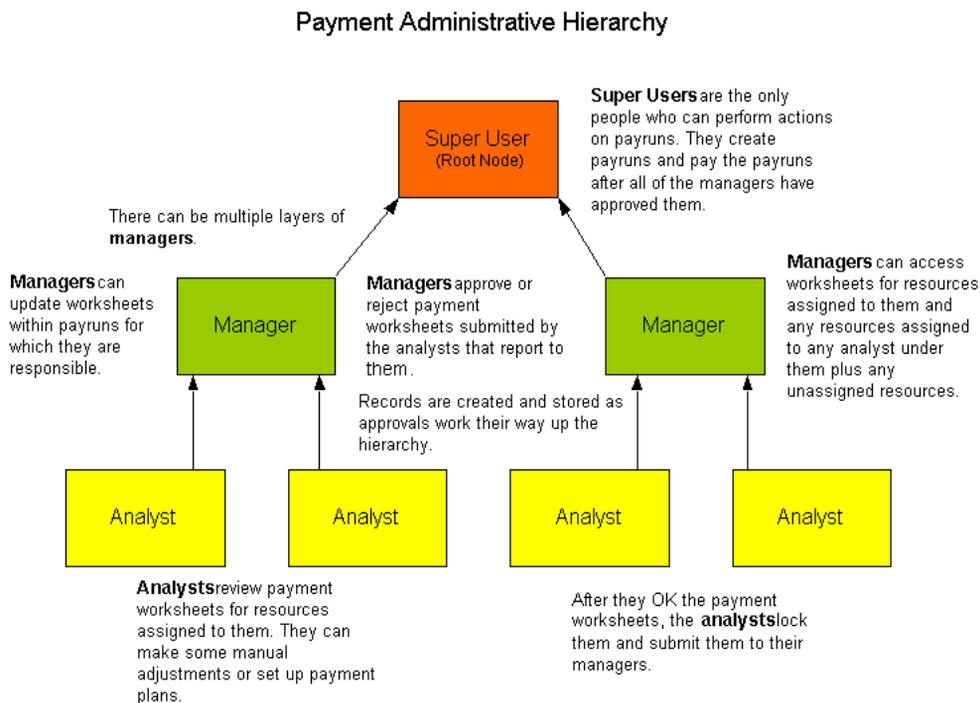
Resources that belong to groups with a usage of Sales Compensation Payment Analyst should be assigned only to a Sales Compensation Payment Analyst role,

and they should not be given salesrep numbers. A resource cannot be assigned to both a Sales Compensation Payment Analyst role and to a Sales Compensation role.

Analysts that were defined prior to this release that use a Sales Compensation role should have that role and group member role removed and be assigned the Sales Compensation Payment Analyst role.

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 10.7, "Approving Worksheets"](#) for details on the steps used by a hierarchy to approve a payrun. The diagram below illustrates a payment hierarchy.

Figure 10–1 Payment Administrative Hierarchy



10.2.0.1 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. If the responsibility cannot perform the activity, NA appears in the table.

Note: When performing multiple actions on a payrun or a worksheet, the selected records are processed one by one. If operation on any payrun or worksheet fails, the action rolls back completely. You must find and fix the problem and then perform the action again on all of the originally selected records.

Action	Activity	Super User	Manager	Analyst
Payruns	Access	U, P	U, P	U, P
Payruns	Create	U	NA	NA
Payruns	Freeze	U	NA	NA
Payruns	Unfreeze	U	NA	NA
Payruns	Remove	U	NA	NA
Payruns	Refresh	U	NA	NA
Payruns	Pay Payrun	U	NA	NA
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

Action	Activity	Super User	Manager	Analyst
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
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	NA
Worksheets - Assigned to Analysts	Create	U	U	NA
Worksheets - Assigned to Analysts	Lock	U	U	NA
Worksheets - Assigned to Analysts	Unlock	U	U	NA
Worksheets - Assigned to Analysts	Remove	U	U	NA
Worksheets - Assigned to Analysts	Refresh	U	U	NA
Worksheets - Assigned to Analysts	Hold Trx	U	U	NA
Worksheets - Assigned to Analysts	Waive Recovery	U	U	NA
Worksheets - Assigned to Analysts	Add Payment Plan	U	U	NA
Worksheets - Assigned to Analysts	Commission Adjustment	U	U	NA
Worksheets - Assigned to Analysts	Manual Pay Adjustment	U	U	NA
Worksheets - Assigned to Analysts	Add Analyst Note	U	U	NA
Worksheets - Assigned to Analysts	View Notes History	U, P	U, P	NA
Worksheets - Assigned to Analysts	Update History Notes	U	U	NA

Action	Activity	Super User	Manager	Analyst
Worksheets - Assigned to Analysts	Worksheet Status	U, P	U, P	NA
Worksheets - Assigned to Analysts	Current Earnings Due Report	U, P	U, P	NA
Worksheets - Assigned to Analysts	Download	U, P	U, P	NA
Worksheets - Assigned to Analysts	Add Unassigned Resources	U	U	NA
Signoff Report	Access	U, P	U, P	NA
Signoff Report	Approve	U	U	NA
Signoff Report	Reject	U	U	NA
Signoff Report	Hold Trx	U	U	NA
Signoff Report	Waive Recovery	U	U	NA
Signoff Report	Add Payment Plan	U	U	NA
Signoff Report	Commission Adjustment	U	U	NA
Signoff Report	Manual Pay Adjustment	U	U	NA
Signoff Report	Add Analyst Note	U	U	NA
Signoff Report	View Notes History	U, P	U, P	NA
Signoff Report	Update History Notes	U	U	NA
Signoff Report	Worksheet Status	U, P	U, P	NA
Signoff Report	Download	U, P	U, P	NA

10.3 Creating and Viewing Payruns

From the Payruns page you can create a new payrun or drill down on an existing payrun to see information about it on a summary page of worksheets.

10.3.1 Creating a Payrun

Prerequisites

In order to be paid, a resource must be created in Resource Manager, be assigned to a pay group, and be assigned a compensation plan.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > Create Payrun

Steps

1. Enter a payrun name.
2. Select a pay group.
3. Select a pay period.
Pay periods are defined in the Administration tab.
4. Select a payment incentive type.
All is the default.
5. Select a pay date. (See Guidelines)
6. Click **Update**.

Guidelines

Only someone with Incentive Compensation Super User responsibility 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, click the Pay Group subtab.

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.

The pay date of the payrun must be within the mapping date range of the pay element and the plan element for the pay element name to be displayed on the Payment Transactions page.

10.3.2 Create Worksheets for a Payrun

You can create worksheets for the resources in a payrun in two ways. The first method uses a concurrent request to create worksheets in mass for all resources that are on a payrun. Navigate to Requests > Payment > Submit Request and select Create Worksheet from the Request Name drop-down list.

The second method is used to add a resource to a payrun individually. On the Payruns page (Transaction > Payment), click the Analyst Payrun Total link and enter the name on the Worksheets page.

10.3.3 Viewing and Changing Existing Payruns

Prerequisites

Payrun must already exist.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment

Steps

1. Query for a payrun.

If the payruns listed do not include the one you want to see, select a different search.

2. You can click **Personalize** to create a custom search.
See [Section 10.3.4, "Creating a Custom Search for Payruns"](#) for steps.
3. For unpaid payruns, check the box in the Select column if you want to perform an action on the payrun. Actions include:
4. Click the link in the Payrun column to go view the Payrun Summary for that payrun. See [Section 10.4, "Accessing Payrun Information"](#).
5. Click the link in the Payrun Status column to view the Payrun History page (see Guidelines).
6. Click the link in the Analysts Payrun Total column to go to the Worksheet: <payrun name> summary page for the payrun. Many actions can be performed on this page. See [Section 10.5, "Working with Worksheets"](#) for details.
7. The Payrun Total column displays the total amount for all payment worksheets for the payrun.
8. If the Payrun Summary shows approved worksheets in the Worksheet Statuses column, you can click the **Signoff Report** icon to go to the Payrun Sign-Off Report page. This page supplies additional details about the payrun, and is used by managers to 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 an Incentive Compensation Super User, the fields display identical amounts, because you are at the top of the hierarchy.

The Payruns page can be sorted in ascending or descending order on any column except View Sign-Off Report.

On the Payrun History page, 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.

10.3.4 Creating a Custom Search for Payruns

You can create a custom search for payruns that you access frequently. You can set the search as the default if you want those payruns to be displayed automatically when the Payruns page appears.

To edit a payrun search, open the search, make changes, and save it with the same name. To create a new search, start with an existing search and save your changes with a new name.

When you open the Search configuration page, the default search name appears in the Saved Searches field. If you want to edit this search or base a new search on it, proceed with the steps. If you want to base a new custom search on a different search, select it from the drop-down list first.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > Personalize

Steps

1. In the Payruns area, enter any parameters that you want to use to narrow the search. The default setting for a text field is % and for a drop-down list is *All*.
2. In the Display Options area, select which columns that you want to display in your search. Use the shuttle box arrows in the center of the display to move columns back and forth between the Available Columns on the left to the Displayed Columns group on the right.

Highlight a column name and click a shuttle box arrow to move it. The double arrow boxes move the entire contents from one side to the other. **Note:** In this release, all columns except Worksheet Statuses are required, and they cannot be moved to the Available Columns side. See Guidelines.

3. Use the scroll bar to scroll through the column names if not all the names fit in the box.
4. To rearrange the column display order, highlight the column you want to move in the Displayed Columns box and click the up and down arrows to move it. **Note:** It is recommended that you do not move the Select column from the first row position.
5. Select how you want to sort the rows.
6. Enter the number of rows you want to display at a time.
7. In the Save As area, if you are creating a new search, give it a unique name. If you are editing an existing search, leave the name as it is.
8. Check the Default box if you want your new customized search to be the default selection on the Payruns page. This search displays automatically when you open the Payruns page.
9. Click **Save** to save the search, or **Save and Apply Search** to use the new saved search immediately.

Guidelines

You can set the number of rows that you want to display in step 6. However, you *cannot* change the number of rows that are displayed in any saved search that is seeded data. In addition, you *cannot* change the number of rows displayed in a customized search by clicking the Profiles icon in the upper right part of the page.

10.4 Accessing Payrun Information

A new, expanded Payrun Summary page incorporates bins that display worksheet status, Top Worksheets, Top Transactions, and Terminated Resources. The Top Worksheets and Top Transactions bins use icons to enable one-click access to detailed information for the individual listed worksheets. A graph area displays worksheet information at a glance. For ease of navigation, the page headers now display payrun and role information.

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.

Prerequisites

Payrun must already exist.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > Payrun link

Steps

1. The Worksheet Statuses bin displays a summary of worksheets by status: Unpaid, Locked, Submitted, or Approved.

If there are no worksheets in a particular status, no row is displayed. For example, if the payrun contains only Locked worksheets, that is the only row that appears.

2. For an Incentive Compensation Super User, the numbers in the number column and the Total Number are links. The Super User can click the Total number link to view a summary of all worksheets in the payrun, or can click the link in the Number column to display the worksheet summary page for the worksheets of a particular status. Incentive Compensation Payment Analysts can access

worksheets from the Payruns summary page. (See [Section 10.3, "Creating and Viewing Payruns"](#).)

3. The Percentage column shows the percentage of the total worksheets represented by that status. For example, if there are 8 worksheets and 2 of them are unpaid, the number in the Percentage column is 25%.
4. Next to the Worksheet Statuses area is a bar graph that displays the amounts of the worksheets by status. This display gives the relative amounts of the total worksheets in each status at a glance.
5. The Top Worksheets bin lists the top five worksheets by descending payment amount. Click the View Worksheet icon to go to the specific worksheet, which contains detailed information.
6. The Top Transactions bin lists the top transactions by descending payment amount. Click the View Worksheet icon to see the specific worksheet.
7. The Terminated Resources area displays resources that have been end dated in Resource Manager within the date range of the pay period.
 - a. Click the Resource Number link to see resource details.
 - b. Click the View Worksheet icon to see the specific worksheet.

10.5 Working with Worksheets

The Worksheet summary page is the entry point for viewing worksheet information and also performing actions to worksheets. This view provides analysts and payment managers summary information about the breakdown of earnings for each worksheet. An Incentive Compensation Super User can remove, refresh, lock, unlock, and submit payment worksheets.

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. You can create and save a custom search, and can also set it as the default search. The default seeded search has the My Analysts and the Unassigned Resources boxes checked, so when you search, it displays:

- All resources directly assigned to the login user
- All resources directly assigned to any analyst that reports to the login user
- All resources who are not assigned to any analyst

The worksheets that are available to you are defined by your position in the payment hierarchy. An Incentive Compensation Super User can create, remove, refresh, lock, unlock, submit, approve, or reject a worksheet.

On the Worksheets summary page, you can click the View Worksheet icon to go directly to the individual worksheet for a resource. You can also click the Total Worksheet Amount link to see the worksheet. Click the View Notes icon to see any notes made by the analyst on the resource's worksheet. Three additional links 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: <resource name>	The Details page lists data on the resource, including personal information, work location, and sales team details.
Worksheet Status	Payment Worksheet History	This page shows every status change made to the Payment Worksheet.
Current Earnings Due	Current Estimated Payout	The report breaks down the amount that is owed to the resource, displaying beginning balances and earnings.

For the listed resources, the Worksheets summary 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.

Prerequisites

The payrun must already be created (See [Section 10.3, "Creating and Viewing Payruns"](#)). A resource must already be assigned a role, a compensation plan, and a pay group.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment

Steps

1. You can click **Personalize** to create a custom search.

The Search configuration page appears. See [Section 10.6.1, "Creating a Custom Search for Worksheets"](#) for steps.

2. Click the name link in the Payrun column for the payrun that includes the worksheet you need.

3. In the Worksheet Statuses area, click the link in the number column in the Total row to see all worksheets for the payrun. To view a group of payruns of a specific status, such as Locked, click the number link in that row of the Worksheet Statuses area instead. See Guidelines.

4. Select from the Actions drop-down list to lock the worksheet or add a payment plan.

This cannot be done after the payrun has been paid.

5. To create a new worksheet for an unpaid payrun, enter a resource name or resource number.

6. Click **Update**.

7. For paid payruns, you can click on different links to display other pages (see preceding table).

8. Click the link in the Resource Name column if you want to see details about the resource.

9. Click the link in the Current Earnings Due column if you want to see details of the resource's current earnings.

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, "Current Estimated Payout Page"](#) for a list of the columns.

10. Click the amount in the Total Worksheet Amount column or the View Worksheet icon to go to the resource's worksheet.

11. To see or add an analyst note, click the Notes link.

The Analyst can leave or view useful reasons and comments while working on the worksheet for future reference by the analyst or by others. To leave an

analyst note, enter comments into the Additional Comments field and click **Update**.

12. The current worksheet status appears in the Worksheet Status column. Click the link 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

The Payrun Summary page displays information in a payrun regardless of the security access of the viewer. This means that the Worksheet Statuses bin total may show more worksheets than an analyst has access to view. For example, if the Total is 8, but only three resources are assigned to an analyst, those are the only worksheets that he will be able to view when he drills down.

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, create a search by the resource name and check the My Analysts box.

As a business process, a payrun can be populated with resource worksheets in two ways:

- The Super User runs the Create Worksheet concurrent request that creates all the worksheets for the members of the pay group for the specified payrun. The concurrent request is found under the Requests tab > Payment subtab.
- An Analyst manually adds a worksheet for each resource. See previous procedure for details.

You can sort the Worksheets summary page on any column except for Current Earnings Due or Earnings Difference. You can sort in ascending or descending order.

10.5.1 Current Estimated Payout Page

This view-only page appears when you click the Current Earnings Due link on the Worksheets : <payrun name> page. The report breaks down the total payment amount for the period for the resource into Quota and Bonus. 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.

This report is customizable by displaying the following columns for quota, bonus, or both:

- **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.

10.6 Working with Individual Worksheets

An individual worksheet displays the details of the total payment amount. It comprises manual payments, calculated payments, total payments, and recoveries.

Manual payments are not part of a compensation plan. Calculated payments use transactions, applied to a compensation plan. You can adjust bonus and commission amounts using the worksheet.

A manual pay adjustment can be made to the 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 box on the manual pay adjustment line.

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.

A resource may be assigned to an analyst on the Resource screen in Resource Manager, but it is not required. If a resource is assigned to an analyst, the analyst's name appears on the worksheet. A manager can view information only about resources assigned to the analysts who report to him or her, and can also view unassigned resources when the Unassigned Resources box is checked.

Prerequisites

A payment worksheet must already be created (See [Section 10.3.2, "Create Worksheets for a Payrun"](#)). An analyst can work only on worksheets assigned to him or her or that are unassigned.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment

Steps

1. Query for payruns.

If the default search does not list the payrun you need, use My Payruns.

2. To create a custom search, click **Personalize** to go to a Search configuration page (see [Section 10.6.1, "Creating a Custom Search for Worksheets"](#)).
3. Click the name link in the Payrun column for the payrun that includes the worksheet you need.
4. In the Worksheet Statuses area, the Incentive Compensation Super User, but not analysts, can click the link in the number column in the Total row to see all worksheets for the payrun.

To view a group of payruns of a specific status, such as Locked, an Incentive Compensation Super User can click the number link in that row of the Worksheet Statuses area instead. Incentive Compensation Analysts should access worksheets from the Payruns page.

5. Click the View Worksheet icon to view an individual worksheet.

Some worksheets can be accessed directly from the Payrun Summary page if they appear in the Top Worksheets or Top Transactions bins.

6. Click the Status link to display the Payment Worksheet History page.

The Status field not only indicates the status of the worksheet, it affects what appears on it. Unpaid worksheets contain more fields than approved worksheets. This allows room to enter information for plan element, payment amounts.

7. You can click the Earnings Statement icon to see the Earnings Statement report for the resource.
8. Enter comments into the Analyst Notes in the Worksheet Information area. These notes can be read later to explain any changes you make to the worksheet. Enter a comment on the Worksheet, or click the Notes link below the comment field to enter additional notes.
 - a. Select a reason code.
These are user defined.
 - b. Enter comments in the Comments field.
 - c. If the Notes link contains one or more notes, click it to see any previous notes. The most recent note is displayed on the Worksheet. You can make additional comments to previous analyst notes on the Analyst Notes page.
9. To add a manual payment:
 - a. Check the Recoverable box if you want the payment to be recoverable from future earnings.
 - b. Select a plan element name. The list includes any plan elements that are in the resource's compensation plan.
 - c. Enter a payment amount.
 - d. Click **Update**.
After you save the manual payment, the erase icon in the select column becomes a check box.
 - e. To remove a manual payment, check the Remove box and click **Remove**.
10. To manually adjust a payment amount for a calculated payment, select a plan element and click **Apply**. The default setting is All.
11. Enter the amount in the Payment Amount column for the transaction line. By default, the calculated amount appears in the column.
12. To hold a transaction, check the Select box next to a transaction and click **Hold Transaction**.
This delays payment for the transaction to a future payrun. See Guidelines.

13. Check the Waive Recovery box to waive recovery for a transaction. This means that the resource does not have to pay back the payment for the transaction.
14. Click **Update**.
15. Return to the Worksheets page and lock the worksheet. This must be done before submitting the worksheet for approval by the manager, or to prevent the information from being changed.
 - a. Check the Select box next to the worksheet listing.
 - b. Select Lock Worksheet in the drop-down list.
 - c. Click **Go**.

The page refreshes and the worksheet status changes to Locked.
16. Optionally on the Worksheets page, click the Payment Plan link to open the Payment Plans page, where you can add a payment plan to the resource that will be in effect for the pay worksheet.

Guidelines

The Plan Element Name and Pay Element Name fields are populated for transactions for which the plan element is mapped to a pay element.

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.

If the Pay by Transaction profile is set to Yes (Y), every transaction is listed on the worksheet, and the plan element and pay element can be displayed.

If the Pay by Transaction profile is set to No (N), the commission amounts are summarized at the plan element level. Therefore, the pay element name is displayed against the plan element name on the Payment Transactions page, if the mapping exists and the payrun date falls within the mapping date range. But, in the case of a payment recovery, the amounts are aggregated at the resource level and not at plan element level, so the pay element is listed but the plan element name is not displayed.

In the Calculated Payments area, the Calculated Amount column displays the total amount calculated for the resource at the time calculation was run. The Payment Difference column displays the difference between the Calculated Amount and Payment Amount, if any, for unpaid transactions.

Any changes to transactions will affect the total payment amount to the resource. 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.

10.6.1 Creating a Custom Search for Worksheets

You can create a custom search for worksheets that you access frequently. You can set the search as the default if you want those payruns to be displayed automatically when the Worksheets page appears.

To edit a worksheet search, open the search, make changes, and save it with the same name. To create a new search, start with an existing search and save your changes with a new name.

When you open the Search configuration page, the default search name appears in the Saved Searches field. If you want to edit this search or base a new search on it, proceed with the steps. If you want to base a new custom search on a different search, select it from the drop-down list first.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > Payrun Summary > Worksheets > Personalize

Steps

1. In the Worksheets area, enter any parameters that you want to use to narrow the search. The default setting for text fields is %, for drop-down lists is All, and for boxes is unchecked.
2. In the Display Options area, select which columns that you want to display in your search. Use the shuttle box arrows in the center of the display to move columns back and forth between the Available Columns on the left to the Displayed Columns group on the right.

Highlight a column name and click a shuttle box arrow to move it. The double arrow boxes move the entire contents from one side to the other. **Note:** In this

release, all columns except Status By and Analyst Name are required, and they cannot be moved to the Available Columns side. See Guidelines.

3. Use the scroll bar to view the column names if not all the names fit in the box.
4. To rearrange the column display order, highlight the column you want to move in the Displayed Columns box and click the up and down arrows to move it.
Note: It is recommended that you do not move the Select column from the first row position.
5. Select how you want to sort the rows. The application allows for three levels of sorting. In the three left hand fields, prioritize your sort columns from the drop-down lists. Use the right hand drop-down lists to select ascending or descending order.
6. Enter the number of rows you want to display at a time.
7. In the Save As area, if you are creating a new search, give it a unique name. If you are editing an existing search, leave the name as it is.
8. Check the Default box if you want your new customized search to be the default selection on the Worksheets page. This search displays automatically when you open the Worksheets page.
9. Click **Save** to save the search, or **Save and Apply Search** to use the new saved search immediately.

Guidelines

The default seeded query is My Worksheets. This search has the Unassigned Resources or the My Analysts boxes checked. It displays worksheets for resources assigned to the analyst who is running the search and also for any unassigned resources. For a manager to view worksheets that are assigned to an analyst that reports to them, the My Analysts box must be checked in the customized search.

You can set the number of rows that you want to display in step 5. However, you *cannot* change the number of rows that are displayed in any saved search that is seeded data. In addition, you *cannot* change the number of rows displayed in a customized search by clicking the Profiles icon in the upper right part of the page.

10.6.2 Payment Hold at the Transaction Level

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 Hold 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 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.

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 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
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	0	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.

10.7 Approving Worksheets

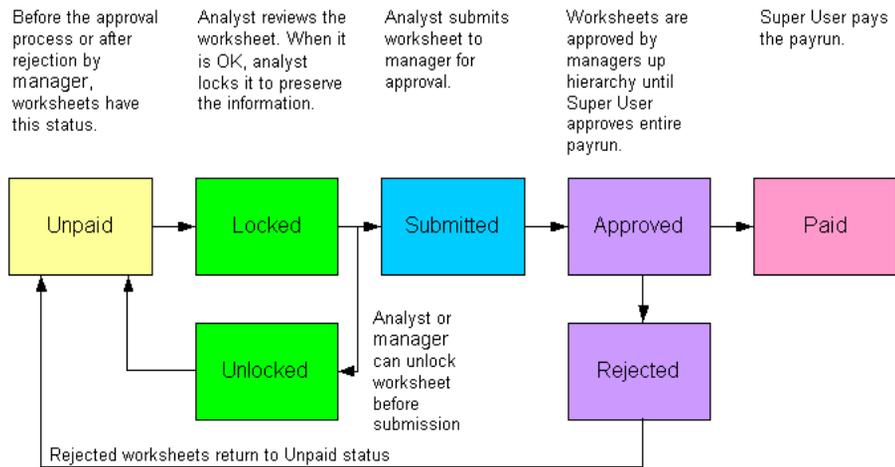
After a payrun has been created, it must be approved by the managers in the Payment Administrative Hierarchy. As payment worksheet approvals work their way up the hierarchy, records are created and stored.

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.

Figure 10–2 Payrun Approval Process

Payrun Approval Process



10.7.1 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.

Prerequisites

Payment worksheets must be submitted to the manager by the analyst.

Login

Log in to HTML Applications

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > Signoff Report

Steps

1. Click **Signoff Report** in the Signoff Report column next to the payrun you want to work on.
Note: The Signoff Report link does not appear for any payruns that were created before this release.
2. 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.
3. 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.
4. Click **Reject** or **Approve**.
5. 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.

10.7.2 Creating a Customized Sign-Off Report Search

The Sign-Off Report is designed to be customized. 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.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Transaction > Payment > View Signoff Report link > Personalize

Steps

1. In the Payrun Sign-Off area, enter or search for a payrun name in the Payrun Name field. To search, enter four or more characters, or use percent signs (%) as wildcards, and click **Go**.
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 box to specify that you want to search 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 box to set up your search for payruns assigned to analysts that report to you.

If you have no analysts reporting to you, then nothing will appear when you run the search.

6. Select from the Worksheet Status drop-down list to narrow your search by the status of the payrun worksheets:
7. To filter the search by quota group, select a Quota Group from the list.

8. Select a reporting currency from the drop-down list. Any currency that is already defined in General Ledger is displayed.
9. Select scaling of numbers if desired (see Guidelines).
10. 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. **Note:** The Select column is on the far left and contains a check box, so must be kept to maintain the correct display.

These are:

- Select
 - Resource Name
 - Resource Number
 - Worksheet Earnings
 - Total Payrun Amount
 - Worksheet Status
11. 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.
 12. Enter the number of rows you want to have displayed per page. The default is 10. See Guidelines.
 13. In the Save As area, give your search a unique name.
 14. Check the Default box if you want your new customized search to be the default selection on the Payrun Sign-Off Report page.
 15. Click **Save** to save the customized search, or click Save and Apply Search to use the newly created and saved search immediately.

Guidelines

The default credit type is Functional Currency. No other currency can be selected.

Scaling can make long numbers easier to understand. For example, if you scale by 1,000, 235,000 becomes 235. This can be helpful when data containing large numbers must be read quickly.

If you are creating a customized search, you can set the number of rows that you want to display in step 12. 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).

10.8 Submitting a Payrun for Payment

After all the worksheets have been approved by all necessary resources in the payment administrative hierarchy, the Incentive Compensation Super User can submit the payrun for payment.

There are two methods to submit a payrun for payment:

- An Incentive Compensation Super User can click the Pay Payrun button on the Sign-Off Report page. This invokes an online process, which is not suited to processing large payruns.
- An Incentive Compensation Super User or a user without Incentive Compensation Super User responsibility can create a concurrent request. This method is better for processing large payruns.

For the second method, use the procedures below.

10.8.1 View Requests

Use this page to view requests. The displayed information is helpful in determining the status of your current payruns, and in planning new payruns.

Prerequisites

Payrun must be approved by the Incentive Compensation Super User.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Requests > Payment

Steps

1. Query for a payrun using the search parameters:
2. Click **Apply**.

Any records that match the search parameters are displayed, in reverse chronological order, with the most recent record at the top.

10.8.2 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 Incentive Compensation Super User.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Navigation

Requests > Payment

Steps

1. In the Request Name field, select Create Worksheet, Pay Payrun, or Delete Unpaid Payrun.
2. Select a payrun name. All payruns that have been created in the Transaction tab are listed.
3. Click **Submit Request**.

A new row appears at the top of the table, with a Request ID number in the first column.

4. 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.

When performing multiple actions on a payrun or a worksheet, the selected records are processed one by one. If an operation on any payrun or worksheet fails, the process stops and the action rolls back completely. A payrun must be run in its entirety, including all worksheets. To process the payrun, you need to find and fix the problem and then perform the action again on all of the originally selected records.

10.9 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 Worksheet: <payrun name> <resource name> 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 Worksheet: <payrun name> <resource name> 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 approves it or rejects 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.

When all the worksheets for the payrun are approved by all levels of managers, the Incentive Compensation Super User submits a Pay Payrun. The payrun status then changes to Paid. If the Incentive Compensation Super User freezes the payrun, no changes can be made to the worksheets by analysts.

Sections in this chapter include:

- Section 11.1, "Overview of Oracle Incentive Compensation Reports"
- Section 11.2, "Incentive Planning Reports"
 - Section 11.2.2, "Quota Modeling Summary"
 - Section 11.2.3, "Average Quota Report"
 - Section 11.2.4, "Quota Overassignment Report"
 - Section 11.2.5, "Quota Range Report"
 - Section 11.2.6, "Compensation Contract Status Report"
 - Section 11.2.7, "Overlay Report"
 - Section 11.2.8, "Vacancy Report"
 - Section 11.2.9, "Transition Report"
 - Section 11.2.10, "Plan Activation Status Report"
 - Section 11.2.11, "Role to Compensation Plan Mapping Report"
- Section 11.3, "Compensation Reports"
 - Section 11.3.2, "Year To Date Summary"
 - Section 11.3.3, "Transaction Details Report"
 - Section 11.3.4, "Compensation Group Hierarchy Report"
 - Section 11.3.5, "Classification Rules Report"
 - Section 11.3.6, "Commission Summary Report"
 - Section 11.3.7, "Quota Performance Report"

- [Section 11.3.8, "Earnings Statement Report"](#)
- [Section 11.3.9, "Unprocessed Transactions"](#)
- [Section 11.3.10, "Commission Statement"](#)
- [Section 11.4, "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. A few of the reports can be viewed by resources who have access to the Compensation tab in Oracle Field Sales or Oracle Incentive Compensation using the Sales Force Incentive Compensation User responsibility.

In addition, ten Oracle Discoverer reports are supplied with this release. Oracle Discoverer is an ad hoc query, reporting, analysis, and web publishing tool. It is tightly integrated with Oracle E-Business Suite Release 11i. Oracle Discoverer is useful in Oracle Incentive Compensation for creating, modifying, and executing ad hoc queries and reports. See [Section 11.6, "Discoverer Workbooks"](#).

11.2 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.

11.2.1 The Ten Incentive Planning Reports

These are the ten Incentive Planning reports:

- [Section 11.2.2, "Quota Modeling Summary"](#)
- [Section 11.2.3, "Average Quota Report"](#)
- [Section 11.2.4, "Quota Overassignment Report"](#)
- [Section 11.2.5, "Quota Range Report"](#)
- [Section 11.2.6, "Compensation Contract Status Report"](#)
- [Section 11.2.7, "Overlay Report"](#)
- [Section 11.2.8, "Vacancy Report"](#)
- [Section 11.2.9, "Transition Report"](#)
- [Section 11.2.10, "Plan Activation Status Report"](#)
- [Section 11.2.11, "Role to Compensation Plan Mapping Report"](#)

11.2.2 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

11.2.3 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

11.2.4 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. Directs report the manager with no intermediary manager. Street level resources are those at the bottom of the Incentive Planning hierarchy. 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.

The Direct Overassignment field displays the compensation group manager's quota as a percentage of his/her directs' total quota. The Street Overassignment field displays the compensation group manager's quota as a percentage of street-level salespeople's total quota

Navigation

Quota > Report > Overassign Quota Summary

11.2.5 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

11.2.6 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.

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.

Navigation

Quota > Report > Compensation Contract Status

11.2.7 Overlay Report

The Overlay Report lists all overlay salespeople, if any, who are members of the compensation group and groups below this group. Overlay resources do not receive revenue sales credit and are not part of any overassignment of quota by a manager. 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

11.2.8 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

11.2.9 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

The search criteria produce a list of Compensation Groups. You must select one Compensation Group.

11.2.10 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 Incentive 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 their 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

11.2.11 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

11.3 Compensation Reports

Oracle Incentive Compensation provides nine Compensation Reports. A new Commission Statement report is introduced in this release. The previous Commission Statement report is now called the Earnings Statement report.

To use the new Commission Statement report, navigate to the Transaction tab and click the Commission Statement subtab. To use the other eight reports, click the Reports link and select the appropriate report name on the Summary of Compensation Reports page.

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.

11.3.1 The Nine Compensation Reports

These are the nine Compensation reports:

- [Section 11.3.2, "Year To Date Summary"](#)
- [Section 11.3.3, "Transaction Details Report"](#)
- [Section 11.3.4, "Compensation Group Hierarchy Report"](#)
- [Section 11.3.5, "Classification Rules Report"](#)

- [Section 11.3.6, "Commission Summary Report"](#)
- [Section 11.3.7, "Quota Performance Report"](#)
- [Section 11.3.8, "Earnings Statement Report"](#)
- [Section 11.3.9, "Unprocessed Transactions"](#)
- [Section 11.3.10, "Commission Statement"](#)

11.3.2 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 in Oracle Incentive Compensation by the Incentive Compensation Payment and Incentive Compensation Super User responsibilities. In Oracle Field Sales, the Year To Date Summary is accessible by the Manager and Salesperson responsibilities.

The figures are grouped by period and by plan element. The Incentive Compensation Super User can control which plan element appears as a quota or bonus category by checking the Quota Group 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.

Note: To reset the salesrep subledger balances (cn_srp_periods) to zero at the beginning of each fiscal year during calculation and payment, set the Reset Balances Each Year profile option to Yes. If it is set to No, the default setting, the balances carry over across fiscal years. You should decide which option you want to use for carrying forward balances and set it before using the application. If the profile is changed after the application has been used and calculations are run, you must rerun calculation to synchronize and accumulate the balances.

Navigation

Transaction > Report > Year to Date Summary

11.3.3 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

11.3.4 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

11.3.5 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

11.3.6 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.

The number of columns in the report varies, depending on how many quota groups are used.

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, System Profiles, for more specific information.

Navigation

Transaction > Report > Commission Summary

Steps

1. Select an Analyst. The default is All.
2. Select a period.
3. Select Functional Currency in the Credit Type field.
4. Select a Reporting Currency.
5. Click **Apply**.
6. Click the Personalize button at the end of the report to customize the report.

The Quota Performance Personalization page appears. Check the 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.

11.3.7 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.

- Interval to Date Bonus Total Target
- Interval to Date Bonus Unattained Target
- Interval to Date Quota Total Target
- Interval to Date Quota Unattained Target

Navigation

Transaction > Report > Quota Performance

11.3.8 Earnings Statement Report

The Earnings Statement Report, formerly known as 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 Earnings 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 Earnings Statement Report modification page and changing the parameters.

Note: The Compensation Category column name is changed to Plan Element Name in this release.

Prerequisites

The report columns must be selected on the Earnings Statement Report modification page.

Navigation

Transaction > Report > Earnings Statement

Also, you can drill down to this report from the Year to Date Summary.

Steps

1. Click the Earnings Statement hyperlink.

2. Change the report parameters as needed.
3. 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**.
4. If you want to run the reconfigured report without saving it, click **Run Report**.
5. To download the report to a CSV file, click the download icon next to the Modify Parameters button.
6. 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 Earnings 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 3 above.

After the report is displayed, you can drill down on a amount in the Invoice Number column to display the Invoice Detail page. **Note:** You must set the Enable Earnings Statement Drilldown system profile to YES at the site level and Application level for this drilldown to work correctly. See *Oracle Incentive Compensation Implementation Guide*, Appendix C, System Profiles for more information.

You can click the amount in the Order Number column to display the Order Detail page. **Note:** As with the Invoice Detail page, you must set the Enable Commission Statement Drilldown profile to YES at the site level and Application level for this drilldown to work correctly.

11.3.9 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

11.3.10 Commission Statement

The new Commission Statement report is designed to be easily understood. It includes a Balance Summary that shows balances, earnings, recoverable and nonrecoverable amounts, payment due and ending balance. In the Commission Summary section you can select details for commission, bonus, or payment adjustments. This section also includes a graph.

The Commission Statement Report from the previous release remains, but is renamed the Earnings Statement Report. See [Section 11.3.8, "Earnings Statement Report"](#)

You can access the Commission Statement report in Oracle Incentive Compensation on the Transaction tab or on the Compensation tab in Oracle Field Sales. When you log in from Oracle Field Sales, the salesperson name and salesperson number are already populated.

You can select the Compensation Reporting Hierarchy usage in Resource Manager to determine user access to the Commission Statement report. This usage makes it easier to set up reporting structures so that managers have access to commission statements for the people that report to them. This usage can be selected within a site-level system profile, OSC: Reporting Hierarchy (See the Oracle Incentive Compensation Implementation Guide, Appendix C).

Login

Log in to Oracle HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Sales Force Incentive Compensation User

Field Sales Manager

Field Sales User

Navigation

Transaction > Commission Statement (OIC)

Compensation > Commission Statement (Oracle Field Sales)

Steps

1. Query for a salesperson or salesperson number.
2. Select a reporting currency.
If you are logged in as a salesperson this field automatically defaults to your local currency.
3. Query for a payrun.
The Payrun list of values is associated with the salesperson selected.
4. Click **Run**.
5. In the Commissions Summary area, select Commission, Bonus, or Payment Adjustments and click **Apply**.
6. In the Commission: Plan Element Details area, select a specific plan element or all plan elements from the View drop-down list and click **Go**.
7. Click the Export button to download the report information to a spreadsheet using Oracle Web ADI.

Note: The downloaded report includes all possible columns, not just the ones that are selected for on-screen display. Also, any user-defined column titles displayed on the screen revert to their original attribute column titles in the downloaded report.

Guidelines

In Oracle Field Sales, Oracle Field Sales Managers have access to a list of values that displays the manager plus all subordinates in the hierarchy. For Field Sales Users, no list of values is used, but the Salesperson Name value defaults to the logged-in user. For Incentive Compensation Analysts, all available salespersons are displayed.

11.4 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 reports, you can change the name of the column labels in the report. For example, in the Earnings 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
- Earnings Statement
- Unprocessed Transactions

Changing Label Names

Note: Some JSP reports share the same region in the Application Core Module. Therefore, any changes you make in the region to hide or show a column affect all reports that reference the same region.

For example, the Commission Summary report and Quota Performance report share the Quota Summary region name. Also, the Commission Statement report and Unprocessed Transactions report share the Adjustments Report region.

Login

Log in to Oracle Forms.

Responsibility

System Administrator

Navigation

Navigator > File

Steps

1. Select Application Developer Common Modules. Click **OK**.
The Navigator - Application Developer Common Modules screen appears.
2. Double-click **Define Regions**.
3. Query the specific JSP name of report. See Guidelines for a table of specific Region IDs for the reports.
 - a. With the cursor in the Region ID field, click **View** in the toolbar and select Query by Example > Enter from the menus. The fields turn blue.

- c. Click **View** in the toolbar and select Query by Example > Run in the menus. The Regions screen appears, displaying a list of Region IDs.
 - d. Scroll down to the Region ID you want and click in the field.
4. Click the Region Items button in the lower right corner.
 5. Find the Attribute or Column name in the list and then select the Node Display box to show the column or deselect the Node Display box to hide the column.
 6. If you are setting a column to show, scroll over to the V Align column and select **Top** from the List of Values.
 7. Scroll over to the Long Label field and enter a descriptive name for the attribute.
 8. Click **Save**.
 9. Bounce the Middle Tier server.

Guidelines

The table below displays the Region ID, Region Name, and jsp Name for each report:

Report	Region ID	Region Name	jsp Name
Year to Date Summary	CN1152_YTD_SUMMARY	Year to Date Summary	cnytdsum.jsp
Transaction Details Report	CN1152_ADJUST_DTL	Adjustments Report	cnadjdtl.jsp
Compensation Group Hierarchy Report	CN1152_CG_HIER	Group Hierarchy Report	cncghier.jsp
Classification Rules Report	CN1152_RULES	CN1152_RULES	cnclrls.jsp
Commission Summary Report	CN1152_QUOTA_SUMMARY1	Quota Summary	cnquota.jsp
Quota Performance Report	CN1152_QUOTA_SUMMARY1	Quota Summary	cnquota.jsp
Commission Statement Report	CN1152_COMMISSION	Adjustments Report	cnCommStatRepRun.jsp
Unprocessed Transactions	CN1152_ADJUST_DTL	Adjustments Report	cnunprdl.jsp

Report	Region ID	Region Name	jsp Name
Quota Model Summary	CN_QM_SUMMARY	CN QM Summary	cnranqms.jsp
Average Quota Report	CN1152_REP_AQS	Average Quota Summary	cnranaqs.jsp
Quota Overassignment Report	CN1152_REP_OAS	Overassign Quota Sum	cnranoas.jsp
Quota Range Report	CN1152_REP_QMR	Quota Range Summary	cnranqmr.jsp
Compensation Contract Status	CN_ANAL_REP_PLANSUMMARY	Plan Summary Region	cnranprs.jsp
Overlay Report	CN1152_REP_OSR	Overlay Summary	cnrvaosr.jsp
Vacancy Report	CN1152_REP_TBH	To be Hired Report	cnrvatbh.jsp
Transition Report	CN1152_REP_TSR	Transitional SP	cnrvatsr.jsp
Plan Activation Status Report	CN1152_COMP_GEN_STS	Plan Generation Status	cnrgests.jsp
Role to Compensation Plan Mapping	CN1152_ROLE_PLAN_MAP	Role Plan Mapping	cnrgemap.jsp

11.5 Report Access by Responsibility

The headings list eight Incentive Compensation report users. A Yes indicates that the report is accessible with the corresponding default responsibility; a No indicates that it is not. The Incentive Compensation Developer responsibility does not have access to reports.

A new responsibility, Sales Force Incentive Compensation User, has been created to enable resources to view four reports without access to Oracle Field Sales. The reports that they can view are:

- Year to Date Summary
- Quota Performance
- Commission Statement (new)
- Earnings Statement (formerly Commission Statement)

	Incentive Planning Analyst	Incentive Planning Contract Approver	Incentive Planning Finance Manager	Incentive Planning Sales Manager	Incentive Comp. Super User	Incentive Comp. Payment	Incentive Comp. Analyst	Incentive Comp. Reports
Incentive Planning Reports	-	-	-	-	-	-	-	-
(Quota tab)								
Quota Model Summary	Yes	Yes	Yes	Yes	Yes	No	No	No
Average Quota Summary	Yes	Yes	Yes	Yes	Yes	No	No	No
Quota Overassignment Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Quota Range Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Compensation Contract Status	Yes	Yes	Yes	Yes	Yes	No	No	No
Overlay Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Vacancy Summary	Yes	Yes	Yes	Yes	Yes	No	No	No
Transition Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Plan Activation Status Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Role To Compensation Plan Mapping Report	Yes	Yes	Yes	Yes	Yes	No	No	No
Compensation Reports	-	-	-	-	-	-	-	-
(Transaction tab)								
Year to Date Summary	No	No	No	No	Yes	Yes	Yes	Yes

	Incentive Planning Analyst	Incentive Planning Contract Approver	Incentive Planning Finance Manager	Incentive Planning Sales Manager	Incentive Comp. Super User	Incentive Comp. Payment	Incentive Comp. Analyst	Incentive Comp. Reports
Transaction Details	No	No	No	No	Yes	Yes	Yes	Yes
Compensation Group Hierarchy	No	No	No	No	Yes	Yes	Yes	Yes
Classification Rules	No	No	No	No	Yes	Yes	Yes	Yes
Commission Summary	No	No	No	No	Yes	Yes	Yes	Yes
Quota Performance	No	No	No	No	Yes	Yes	Yes	Yes
Earnings Statement	No	No	No	No	Yes	Yes	Yes	Yes
Unprocessed Transactions	No	No	No	No	Yes	Yes	Yes	Yes
Commission Statement	No	No	No	No	Yes	Yes	Yes	Yes

11.6 Discoverer Workbooks

Oracle Discoverer is an ad hoc query, reporting, analysis, and web publishing tool. It is tightly integrated with Oracle E-Business Suite Release 11i. Oracle Discoverer is useful in Oracle Incentive Compensation for creating, modifying, and executing ad hoc queries and reports.

Ten predefined Discoverer workbooks are provided in this release. For more information on these two reports, see below.

To install Discoverer, refer to the Oracle Discoverer End User Layer notes on OracleMetaLink.

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, "Resources with Pay Group Assignment Different than Compensation Plan Dates"](#)
- [Section 11.6.5, "Earnings Statement Report"](#)
- [Section 11.6.6, "Transaction Details Report"](#)
- [Section 11.6.7, "Formula Definitions"](#)
- [Section 11.6.8, "Resource Assignments Overview"](#)
- [Section 11.6.9, "Contract Status Report"](#)
- [Section 11.6.10, "Transaction Status Report"](#)

11.6.1 Calculation Batch Process Report

This workbook allows the monitoring and analysis of batch calculation processes as they run.

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.

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.

11.6.4 Resources with Pay Group Assignment Different than Compensation Plan Dates

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.

11.6.5 Earnings 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.

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.

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.

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.

11.6.9 Contract Status Report

The Contract Status report is used with Incentive Planning information to determine where along the contract process a contract currently resides. The Incentive Planning contract process is made up of these steps:

1. Create contract
2. Submit to a contract approver
3. Distributed to sales force
4. Accepted by sales force
5. Activated for commissions

The Contract Status report can be used to report the progress of a contract to a manager who can expedite its completion.

You can use parameters to search by compensation Group, Plan Status, Activation Status, or Effective Date.

11.6.10 Transaction Status Report

The Transaction Status report enables analysts to obtain transactional data for all of their resources that are in a specific status. From viewing the results of this report, the analyst can then select a single transaction and initiate a query that returns all the records that share the same transaction header ID. This means that the analyst can have a 360 degree view of all reversals, obsoleted transactions, frozen transactions, split transactions, RAM adjustments, and so on, for a single transaction.

Sales Credit Allocation

Sections in this chapter include:

- [Section 12.1, "Overview of Sales Credit Allocation"](#)
- [Section 12.2, "Credit Rules Setup"](#)
- [Section 12.4, "Defining, Editing, and Deleting Credit Rules"](#)
- [Section 12.5, "Transferring Transactions to the Sales Credit Allocation Rules Engine"](#)
- [Section 12.6, "Processing Transactions in the Sales Credit Allocation Rules Engine"](#)

12.1 Overview of Sales Credit Allocation

Oracle Incentive Compensation calculates and pays variable commission to resources using rule-based compensation plans. However, other considerations can make the proper allocation of sales credit a much more complicated matter. Sales Credit Allocation is introduced in this release to address these considerations:

- At what point in the business process should credit receivers be identified?
- What criteria should be used to determine a credit receiver?
- Can these criteria change over the duration of the activity?
- How is credit allocated?
- Can credit be based on the specific contribution of the resource to the activity?

Sales Credit Allocation is designed to automate the credit allocation process by systematically applying a set of consistent rules. This minimizes errors, thereby reducing the time analysts must spend reconciling them.

Because the sales process varies from company to company, Sales Credit Allocation is flexible enough to cover many different scenarios.

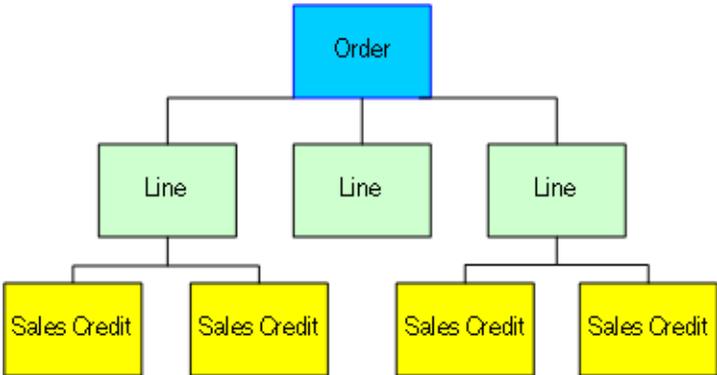
Credit rules can be based on different types of territory. Territories are assigned to maximize sales force productivity. Territories can be set up according to:

- Geography: For example, state, county, or postal code.
- Customer: Useful when customer relationships are especially important. For example, Acme Computers (one large customer), 25 dealerships (many small customers).
- Product: Useful when strong product knowledge is crucial, for example, in complex industrial machinery.
- Multiple criteria: Combines two or more of the above three territory types. Example: the California (geography) offices of Acme Computer (customer).

A territory can have a single dedicated resource assigned to it, or it may have many resources assigned. In other situations, a single resource may be responsible for a single territory or multiple territories. When multiple sales resources are involved, Sales Credit Allocation determines who receives credit for each transaction, how much credit each resource receives, and at what stage of the sales process he or she receives it.

Order data that is collected from Oracle Order Management may contain multiple transaction lines. Typically, there is a transaction line for each item (see diagram below). The transaction line includes, among other things, a product name, quantity, and transaction amount. At the next level down, each transaction line may contain multiple sales credit lines. This data includes resource name, percentage, amount of sales credit, and revenue type (Revenue, Non Revenue). The Sales Credit Allocation engine generates percentages based on the credit rules that you create and on the sales credit information from the order. The Sales Credit Allocation engine does not change the transaction lines themselves, so the quantity and transaction amounts appear unchanged even if the resource receives less than 100 percent of the sales credit.

Figure 12-1 Sales Credit Allocation Hierarchy



	<u>Item</u>	<u>Quantity</u>	<u>Transaction Amount</u>
Transaction Line	Product A	100	\$1,000
	<u>Resource</u>	<u>Percentage</u>	<u>Sales Credit</u>
Sales Credit	John Smith	50%	\$500

The sales credit allocation process is divided into two main areas:

- Credit Rules Setup
- Credit Rules Engine Transaction Processing

12.2 Credit Rules Setup

The Setup section of sales credit allocation is where you create a hierarchy of rules that defines how much credit each resource should receive.

The seeded transaction sources for sales credit allocation in this release are Oracle Incentive Compensation and Oracle Quoting. You can also set up a custom user defined source.

Credit rules are defined by using credit rule attributes, which you set up for each transaction source. You can assign a user-defined name to each attribute. These attributes include:

- Source Transaction Column Name
- User Defined Column Name
- Data Type
- Value Set
- Transaction Source

Credit rules evaluate inputs using attributes to determine if credit should be allocated to credit receivers. Credit rules also specify the allocation percentage by revenue type (Revenue, Non Revenue) for each role. Each resource that shares a role receives either the allocation percentage or a proportional share of the allocation percentage, depending on how the allocation percentages are defined.

You must assign a numeric rank to credit rules. If a transaction matches more than one rule during processing, the application applies the rule with the lowest rank. If multiple rules with the same rank apply to the transaction, the application uses the first one it finds. Ranking does not have to be unique for each credit rule.

A credit rule hierarchy maintains and links rules in a logical manner. A child credit rule automatically inherits the conditions of the parent rule.

A credit rule consists of the following:

- Name (of rule)
- Description
- Date Effectivity
- Rank
- Parent Rule
- Transaction Source

Credit rule conditions determine whether a credit rule can be applied to a set of transactions. A credit rule can have one or more conditions. Credit rule conditions are made up of the following:

- Credit Rule Attribute
- Operator
- Value(s)

Allocation percentages indicate how much revenue credit or non revenue credit each resource associated with a role receives. You can assign one or more allocation percentages to each credit rule. Revenue percentages are split evenly among the

resources that have the same role. Non revenue percentages can be split evenly or all resources can receive the same percentage. The application requires that revenue allocation add up to 100 percent. You can create, update, or delete allocation percentages, and make them date-effective.

Allocation percentages have the following definition:

- Sales Role
- Revenue Credit Percent
- Non Revenue Credit Percent (optional)
- Non Revenue Credit Split (check box)
- Effective Date

Guidelines

The data type of the credit rule attribute must match the data type of the transaction attribute column value or rules engine processing will fail. For example, if the data type in the rule attribute is Numeric, the credit rule condition is Between 100,000 and 200,000, and the transaction attribute value is ABC, the rules engine will reject the transaction, because ABC is not numeric data.

The rules engine processes transactions in bulk, so the log does not list the specific transactions that caused the failure.

12.3 Set Up a New Transaction Source

To define a transaction source and rule attributes, perform the following procedure.

Note: If the transaction source is Oracle Incentive Compensation, this mapping information is used to generate a dynamic PL/SQL package. This package is picked up when you transfer transactions to the Sales Credit Allocation Rules Engine.

Prerequisites

Transaction sources that are not seeded must be added to the CN_LOOKUPS table in the Forms application. This is required so that the transaction source can be selected in step 2 following.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Incentive Planning Analyst

Navigation

Administration > Incentive > Source Table Mapping

Steps

1. Query for a user name.
2. Select a transaction source.
Oracle Incentive Compensation and Oracle Quoting are the only seeded selections.
3. Click **Apply**.
4. To add a new attribute, enter a name in the User Name column next to the first available destination name (for example, ATTRIBUTE51).
5. Enter a value set name if an attribute has been assigned a valueset.
6. Select a data type: Alphanumeric, Date, or Numeric. See Guidelines.
7. Select an OIC Source.
8. To set up the rule attribute for use by a credit rule condition, check the Enable box.
9. Click **Update** to save your changes.
10. If you are using Oracle Incentive Compensation as a transaction source, click **Generate**.

12.4 Defining, Editing, and Deleting Credit Rules

To define, edit, or delete Credit Rules, perform the following procedures. A bubble train at the top of the page shows where you are in the definition and editing processes.

A rule must have at least one condition specified on the Assign Conditions page and one date range specified on the Assign Allocation Percentage page.

When you create rules, you can selectively use the Cancel, Back, and Next buttons to navigate from one page to another. Use the Next button to proceed through the normal rule creation and editing processes. Use the Back button to return to the *previous* page without changing any data. Use the Cancel button to return to the *summary* page without changing any data.

Warning: When creating, editing, or deleting a rule, and after you have made changes to the data, do not use the Back and Forward browser buttons to navigate to the rule summary or search pages. This can cause stale data errors. Instead, use either the Cancel button or the View Full Hierarchy button to return to the Credit Allocation Rules search and summary pages. When switching between a simple and advanced rule search, always use either the Simple Search or Advanced Search navigation the buttons provided. Do not use the Back and Forward browser buttons.

12.4.1 Creating Credit Rules

Prerequisites

Transaction source is seeded or defined in the CN_LOOKUPS table.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Incentive > Credit Rules

Steps

1. On the Credit Allocation Rules page, click **Select** next to the hierarchy node under which you want to add a rule. Example: Oracle Quoting.
2. Click **Create**.

Note: If you do not perform step 1, when you click **Create** you will receive an error message and be unable to continue.

3. Enter a name for the new rule.

A rule name must be unique across a transaction source and also cannot be the same as a transaction source name.

4. Enter a rank.

The lower the rank number, the higher priority the rule. So, rank 1 is highest priority. See Guidelines.

5. Enter a start date and an end date.

If the rule is the child of a parent rule that has an end date, then an end date is required.

6. If you want to change the parent of a rule, select one from the list of values.

7. Click **Next**.

8. In the Select and Apply area, click the search icon.

9. Enter a filter item in the drop-down list and enter a value in the text field.

10. Click **Go**.

11. Click the Select button next to a value and click **Select**.

12. Click **Apply**.

Only if Between is selected can you enter both a Value From and a Value To.

13. Enter a value in the Value From field.

14. Click **Next**.

15. In the Select and Apply area, enter a start date.

You can define allocation percentages for more than one date range. See Guidelines. **Note:** Date ranges cannot overlap.

Note: If the rule has an end date, then the end date of the allocation is required.

16. Click **Apply**.

You can use the new row if you are setting up multiple date ranges. Enter information for the second period of date effectiveness.

17. Select a sales role from the drop-down list.

You can assign multiple roles. All resources that are assigned the sales role receive sales credit. You cannot assign the same role more than once in a single date period. You can assign a role non revenue credit only, without assigning revenue credit.

- 18.** If you want all resources that share the sales role to receive revenue credit, enter a revenue credit percentage.

Revenue credit results in a commission payment. Non revenue credit does not generate a payment, but can be used to measure performance. Revenue credit percentages must equal 100%.

- 19.** If you want all resources that share the sales role to receive non revenue credit, enter a non revenue credit percent.

Non revenue credit does not need to add up to 100%. You can enter a role to receive only non revenue credit.

- 20.** If you entered a non revenue credit percent, you can check the Non Revenue Credit Split box to split the non revenue percent evenly between all resources that share the sales role.

If you want all resources that share the sales role to receive the full amount of the non revenue credit, leave the box unchecked.

- 21.** If you made changes in the Revenue Credit Percent or Non Revenue Percent columns, click **Update** to refresh the total amount.

- 22.** If you are defining allocation percentages for more than one date range for the role, return to the Select and Apply area and repeat steps to set up the second date range, assign it to the sales role, and indicate sales credit percentages.

- 23.** Click **Next**.

- 24.** Carefully review the information. If it is correct and complete, click **Finish**.

Changes made to a rule on the previous three pages are saved. The Rules Summary page appears, with a confirmation message, and the new rule appears in its place in the rule hierarchy. You can select the new rule and view the four pages that you used to create the rule.

Guidelines

Rank is relative within a hierarchy. If two rules have the same rank but one has a parent with a higher rank, then the rule with the higher ranking parent takes priority. In this example, rules 1 and 6 both have the rank of 10, but they are in different hierarchies. Rule 6 takes priority, however, because its parent rule at the top of the hierarchy, rule 4, has a rank of 5, while rule 1, which is at the top of the other hierarchy, has a rank of 10. Child rules take the rank of the rule at the top of their hierarchy.

Hierarchy 1

Rule 1 - Rank 10

Rule 2 - Rank 5

Rule 3 - Rank 3

Hierarchy 2

Rule 4 - Rank 5

Rule 5 - Rank 3

Rule 6 - Rank 10

12.4.2 Editing Credit Rules

You can edit rules that you have already created. The main difference between editing and creating rules is that you use the Update Credit Allocation Rule page instead of the Create Credit Allocation Rule page at the beginning of the process. This page contains the same fields as the Create Credit Allocation Rule page, but they are filled in with data.

When you are editing rules, unless you know exactly in which node the rule you want exists, you can use the Simple Search and Advanced Search to find it. See [Section 12.4.5, "Simple and Advanced Rule Searches"](#) for steps to this procedure.

You can change the name, description, rank and the start and end dates of a rule. You can also change the conditions of a rule, including the Credit Rule Attribute, Operator, and Value columns.

Prerequisites

The credit rule has already been created.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Incentive > Credit Rules

Steps

1. On the Credit Allocation Rules page, open the hierarchy node that contains the rule that you want to edit.
2. Select the button next to the rule you want to edit.
3. Click **Update**.
4. Change the data in the fields as necessary.
5. Click **Next**.
6. Change the data in the fields as necessary.
You can add or delete attributes as well as changing the values for attributes.
7. Click **Next**.
8. Change dates, date ranges, credit percentages, or the non revenue credit split as necessary.
9. Click **Next**.
10. Review the changes, and click **Finish**.

Guidelines

When you edit rules, you can selectively use the Cancel, Back, and Next buttons to navigate from one page to another. Use the Next button to proceed through the normal rule creation and editing processes. Use the Back button to return to the *previous* page without changing any data. Use the Cancel button to return to the *summary* page without changing any data.

12.4.3 Deleting Credit Rules

You can delete rules if you no longer want them to be used in the Credit Rules Hierarchy. You can delete a rule in three places:

- The Credit Allocation Rules hierarchy page
- The Simple Search Results page
- The Advanced Search Results page

The deletion process on each page is the same.

Prerequisites

The credit rule has already been created.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Incentive > Credit Rules

Steps

1. To delete a rule on the Credit Allocation Rules page, skip to step 4.
If you need to open a hierarchy node to find the rule, click the node containing a plus sign to drill down to greater detail.
2. To delete a rule from the Simple Search Results page, enter search parameters at the top of the Credit Allocation Rules page and click Go. To delete the rule, continue from step 4.
3. To delete a rule from the Advanced Search Results page:
 - a. Click the Advanced Search button on the Credit Allocation Rules page.
 - b. On the Advanced Search page, select parameters and values.
 - c. Click **Search**.
 - d. To delete the rule, continue from step 4.
4. Click **Select** next to the rule that you want to delete.
5. Click **Delete**.
See Guidelines.
6. Click **Apply** to confirm the deletion or click **Cancel** to cancel the deletion and return to the previous page.

Guidelines

Depending on the type of rule to be deleted (leaf-node rule or parent rule), the dialog page contains a radio button selection. The application provides two types of parent rule deletion--cascading and noncascading. In a cascading deletion, the parent rule and all of its child rules are deleted. In a noncascading deletion, only the

parent rule is deleted, and its child rules are promoted to the level of the deleted parent rule.

12.4.4 Synchronizing Credit Rules

Any time you make changes to one or more rules, you must synchronize the rules in the Credit Rule hierarchy. This procedure ensures that when transactions are sent to the Credit Rules Engine they are processed based on the most recent rule conditions. For example, changes to the rank of a rule, or the allocation percentage of a rule must be up to date to deliver the desired results.

Prerequisites

The Transaction Source must be mapped. The Credit Rule hierarchy must be created.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Requests > Allocation Process > Submit Request

Steps

1. Select **Synchronize Credit Rules** from the Request Type drop-down list.
2. Select the transaction source from the Transaction Source drop-down list.
3. Click **Submit Request**.
4. Click **OK**.
5. The process information at the bottom of the page displays a Phase of *Pending*. Click **Refresh Data** periodically until the Phase displays *Completed*.
6. Click the Process Log icon to see the Process Log.

12.4.5 Simple and Advanced Rule Searches

On Sales Credit Allocation rule creation summary pages, you can perform a simple or advanced search to find and display rules. A simple search can be performed directly on the Sales Credit Allocation main page. The advanced search enables a more detailed search process. Both searches are described below.

Login

Log in to Oracle HTML Applications

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

12.4.5.1 Simple Rule Search

If the rule you need is not displayed on the Sales Credit Allocation rules summary page, you can use the simple search at the top of the page to display rules by rule name, sales role, or effective date. In addition, you can access the Simple Search page from the Advanced Search page by clicking the Simple Search button.

Navigation

Incentive > Credit Rules

Steps

1. Enter search parameters.
2. Click **Go**.
3. If you need to use the Advanced Search, click the Advanced Search button.
4. To return to the Credit Allocation Rules summary page, click **View Full Hierarchy**.

12.4.5.2 Advanced Rule Search

If a simple search is not sufficient, use the Advanced Search page to search for rules by any of six parameters.

You can set up a wide search to look for rules that match or are like *any* specified parameter or create a narrow search that looks for rules that match or are like *all* specified parameters. The search results are displayed at the bottom of the page.

If your search results are not what you need, you can change the parameters and rerun the search. Or, you can return to the Simple Search page by clicking the Simple Search button.

Navigation

Incentive > Credit Rules > Advanced Search button

Steps

1. On a Sales Credit Allocation summary page, click the Advanced Search button.
2. Select a radio button to determine whether the results of the rule search will be filtered based on meeting all conditions or any conditions. The default is All.
3. Next to each parameter that you want to use, select Equal or Like from the drop-down list.
Like is useful if you want to narrow your search to a category or enter only the first part of the parameter.
4. You can enter an Effective Date.
5. Click **Search**.
6. If the table of search results is long, use the Next and Previous buttons to move through the list.
7. If necessary, change the parameters and rerun the search. Enter the new parameter information or change the existing parameter and click **Search**.
8. To use a simple search, click **Simple Search**.
9. To return to the Credit Allocation Rules summary page, click **View Full Hierarchy**.

12.5 Transferring Transactions to the Sales Credit Allocation Rules Engine

The Credit Allocation Engine determines which credit rules are applied to a transaction and provides the names of eligible credit receivers and the credit rule percentages for those credit receivers based on their roles.

For each transaction, the rules are evaluated to find rules that match the transactions. Among matching rules, the rules with the lowest rank take highest

precedence for evaluation. If multiple rules apply with the same rank, then the rule found first by the application is selected.

The Sales Credit Allocation module provides a common interface for all calling modules. After the rules engine processes the input transactions and finds the matching rules and percentages, the role and percentage information is loaded into an output interface table, which then can be used by the calling module for further processing.

Loading transactions into the Sales Credit Allocation engine is performed separately from the processing of the transactions. That way, you can load transactions several separate times and then perform the processing later.

A filter is provided for processing transactions by date range. The rules engine processes only transactions with a process date within the given date range.

Prerequisites

The Transaction Source must be mapped. The Sales Credit Rule hierarchy must be created.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Requests > Allocation Transfer

Steps

1. Click **Submit Request**.
2. Enter a date in the **Transfer Date From** field.
3. Enter a date in the **To** field.
4. Check the Rerun previous results box if you want to rerun the previous set of transactions.
5. Click **Submit Request**.
6. Click **View Log** to see the Process Log.

7. Click **Refresh Data** periodically until the phase is displayed as Completed.
After the transfer is completed, you can go to Requests > Allocation Process to process the transactions in the Sales Credit Allocation rules engine. Or, you can wait until more transactions have been transferred before starting the allocation process.
8. To view the request status of any previously submitted, click **View Request Status**.
9. Click **Apply** to display all requests. Or, enter search parameters to narrow the criteria for the display:
 - Submission Date: Click the calendar icon.
 - Phase: All (default), Completed, Inactive, Pending, Running.
 - Status: Eighteen selections in drop-down, including Normal, Cancelled, and Terminated.
 - Request ID: For opening a specific transaction request.
10. Click **Apply**. Any transfer requests matching the search parameters are displayed.

Guidelines

In this release, transactions are loaded into fixed format input interface tables. The CN_SCA_HEADERS_INTERFACE_ALL table holds the transaction data and CN_SCA_LINES_INTERFACE_ALL holds the corresponding resources and their roles.

12.6 Processing Transactions in the Sales Credit Allocation Rules Engine

Transactions are processed in either Batch mode or Online mode. Use Batch mode for processing large volumes of transactions. Online mode is best if you want to create a manual transaction and need to find resources and their corresponding allocation percentages in real time.

The two modes use different process flows. For batch processing, you call a concurrent request using the Requests tab. For online processing, you must call a PL/SQL API.

Sales Credit Rules are specific to each transaction source. The rules engine checks the transaction source for each input transaction.

The following describes the Batch mode of processing transactions in the Sales Credit Allocation rules engine.

Prerequisites

The Sales Credit Rule hierarchy must be created. The transactions must have a revenue type of REVENUE (meaning that there is revenue credit) in order for Sales Credit Allocation to successfully allocate credit.

Login

Log in to HTML Applications.

Responsibility

Incentive Compensation Super User

Incentive Compensation Analyst

Navigation

Request > Allocation Process

Steps

1. Click **Submit Request**.
2. Select a Request Type of Run Credit Allocation.
3. Select a transaction source.
Seeded transaction sources are Oracle Incentive Compensation and Oracle Quoting. You can also select any previously defined custom source.
4. Enter a start date and an end date.
5. Click **Submit Request**.
6. You can click **View Log** to see the Process Log.
7. Click **Refresh Data** periodically until the phase is displayed as *Completed*.
8. To view the status of previously requested credit allocation requests, click **View Request Status**.
9. In the search parameters, select a Request Type, phase, status, or request ID.
10. Click **Apply**. Any credit allocation submissions matching the search parameters are displayed.

Guidelines

The Sales Credit Allocation engine generates percentages based on the credit rules that you create. In Oracle Incentive Compensation, these percentages are then applied only to sales credit amounts. The percentages are not applied to order line attributes, such as quantity. However, the generated percentages could be used in a different application for other purposes.

Sometimes, the generated percentages may not appear to add up to exactly 100 percent. This is because data that is displayed in the application is rounded to the precision of the currency and does not display the entire precision. However, data in the database is stored in the full precision and does add up to 100 percent. This is the behavior of several number fields in the application and is not specific to Sales Credit Allocation.

In the case of multiple transactions with identical invoice/order numbers, resource name, and line number, the transaction amounts are aggregated into a single sales credit allocation transaction. Zero amount transactions are created for the other source transactions. To avoid this situation, be sure that line numbers are unique for transactions with the same invoice/order number and resource name.

You can set up Sales Credit Allocation to use Workflow to call a PL/SQL program when processing is complete.

12.6.1 Using Workflow to Check and Update the Revenue Allocation Percentage

During credit allocation processing, the credit rules engine checks whether the total output revenue allocation percentage is equal to 100%. If the total revenue allocation percentage is not equal to 100%, then the status of the transaction is updated to REV NOT 100.

These transactions are processed by Workflow based on a system profile value. You can set how you want to handle transactions that are not able to be processed normally.

There are three options provided with the Sales Credit Allocation module.

- **Even Distribution:** The remaining revenue percentage is distributed evenly among the existing sales roles.
- **Weighted Average:** The remaining revenue percentage is distributed based on the weighted average.
- **Custom:** You can add custom code if none of the seeded choices suits your business requirements. You can use the Custom option to set up for the Workflow process to not process the transaction.

The option is set in the system profile *Total Rev % Not 100*. If you do not set the value at the application level, it defaults to the site level. If no selection is made, the Workflow process fails.

For example, the allocation percentages for a transaction are 60% to Role 1, 20% to Role 2, and 20% to Role 3. However, during transaction processing, only two roles are associated with the credit rule. What is to become of the remaining 20%?

Using Even Distribution, each of the two roles receives 10% credit, or half of the remaining 20% credit. Using the Weighted Average, The first role gets 15% and the second receives 5% of the sales credit, because 60% represents three times the 20% of the second role. Each of the resources assigned to the roles that resulted in revenue output receives additional credit.

Compensation Scenarios

Sections in this chapter include:

Section A.1, "Introduction"

Section A.2, "Compensation for Individual Transactions"

Section A.3, "Compensation for Transactions Grouped by Interval"

Section A.4, "Compensation for Accumulated Transactions"

Section A.5, "Compensation for Cumulative Achievement to Date"

Section A.6, "Compensation for Transactions Using Multiple Commission Rates (Rate Tier Splits)"

Section A.7, "Multiple Input Formula"

Section A.8, "Bonus Compensation"

Section A.9, "Interdependent Plan Elements"

Section A.10, "External Table Based Expressions Used in Formula for Both Input and Output"

Section A.11, "Compensation for Transactions Using Four Different Types of Rate Dimensions"

Section A.12, "External Table Based Bonus"

A.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](#)
- [Compensation for Transactions Using Multiple Commission Rates \(Rate Tier Splits\)](#)
- [Multiple Input Formula](#)
- [Interdependent Plan Elements](#)
- [External Table Based Expressions Used in Formula for Both Input and Output](#)
- [Compensation for Transactions Using Four Different Types of Rate Dimensions](#)
- [Bonus Compensation](#)

A.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. See [Section 6.7.2, "Creating a Compensation Plan"](#).

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	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 updated.
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. See [Section 6.6.2, "Changing Plan Element Details"](#).

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	User-defined; Standard is the default 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	box	Use if you want to assign payment to a resource other than the one who earned sales credit.
Sum amounts from Revenue Classes	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. See [Section 6.5, "Defining Formulas"](#).

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	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	box	Check to use accumulated transactions to determine the rate tier applied to transactions.
Interval To Date	box	Check to use interval-to-date calculation.
Planning	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. See [Section 6.4, "Defining Rate Tables"](#).

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.
Type	Read-only text field	Indicates type of dimension--Amount or Percent.
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. See [Section 6.2, "Defining Calculation Expressions"](#).

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.

A.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"](#).

A.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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 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.

A.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 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 box is checked.

See [Section 6.5, "Defining Formulas"](#) for steps.

A.3.1 Setup

Expressions

Input Expression: Sum(Transaction Amount)

Output Expression: Rate Result*Sum (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 box: *Checked*

Interval to Date box: Unchecked

Planning 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 box: Unchecked

Transactions

Resource	Processed Date	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 A.2, "Compensation for](#)

[Individual Transactions](#)"). That is because commission for all three transactions is calculated using the 5% tier of the rate table.

A.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.

See [Section 6.5, "Defining Formulas"](#).

A.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 box: Checked

Interval to Date box: Unchecked

Planning 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 box: Unchecked

Revenue Classes

The plan element must have at least one revenue class assigned to it so that classification will work.

Transactions

Resource	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.

A.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 boxes to be checked.

In this example, the rate tiers are not split. For examples of splitting rate tiers, see [Section A.6, "Compensation for Transactions Using Multiple Commission Rates \(Rate Tier Splits\)"](#).

See [Section 6.2.4, "Defining an Expression"](#) and [Section 6.6, "Defining Plan Elements"](#).

A.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 box: Checked

Interval to Date box: *Checked*

Planning 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 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	Quarter	Amount	Transaction Type	Commission
Rep 1	14-Jul-03	3	\$3,500	Revenue	\$35

Resource	Processed Date	Quarter	Amount	Transaction Type	Commission
Rep 1	17-Aug-03	3	4,500	Revenue	125
Rep 1	5-Sep-03	3	3,000	Revenue	170
Rep 1	21-Oct-03	4	10,000	Revenue	0
Rep 1	7-Nov-03	4	12,000	Revenue	220
Rep 1	24-Nov-03	4	30,000	Revenue	1,340

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 ($\$3,500 * .01 = \35). Interval to Date calculation is cumulative, so transaction 2 is added to transaction 1 for calculation purposes, placing the amount in the third tier -- 80% of quota ($\$8,000 * .02 = \160). The amount paid on the first transaction is then taken out, for a total of \$125 commission ($\$160 - \$35 = \125). Transaction 3 moves cumulative achievement past 100%, so the fourth tier applies to the \$11,000 transaction total ($\$11,000 * .03 = \330). The first two commission payments are deducted, for a total commission payment of \$170 ($\$330 - \$35 - \$125 = \170). The commission rates rise for each tier, increase the earning potential as the resource works toward achieving 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 more than three times 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 box is checked, it is combined with transaction 4, and applied to the rate table in tier 2 ($\$22,000 * .01 = \220). The commission on Transaction 4 was \$0, so there is nothing to deduct, and the full \$220 is paid. Transaction 6, combined with transactions 4 and 5, moves the resource just over the quarterly quota, so the \$52,000 total is calculated using tier 4 of the rate table ($\$52,000 * .03 = \$1,560$). Subtracting the amount of transaction 5 brings the commission paid to \$1,340 ($\$1,560 - \$220 = \$1,340$). 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.

A.6 Compensation for Transactions Using 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 6.5, "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 A.6.2, "Proportional Split"](#)).

A.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 box: Checked

Interval to Date box: Checked

Planning 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 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	Transaction Type	Commission with Split	Commission 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 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 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.

A.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

Expression Name	Expression
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 box: Checked

Interval to Date box: Checked

Planning 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 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 with Split	Commission 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 commission.

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 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.

A.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.

A.7.1 Setup

Expressions

Input Expression: Transaction Amount, State Code

Output Expression: Rate Result*Transaction Amount

Rate Table

Name: Multidimensional Amount Percent

In the table below, columns 2 through 4 show the commission percentage for each state code.

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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 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 the table below. Columns 2 through 4 display commission percentage for each state code.

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.

A.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.

See [Section 6.6, "Defining Plan Elements"](#).

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 box: Checked

Interval to Date box: Unchecked

Planning 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 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.

A.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 6.6.4, "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.

A.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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 box: Unchecked

A.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 box: Checked

Interval to Date box: Unchecked

Planning 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 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.

A.10 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.

See [Section 6.2.4, "Defining an Expression"](#).

A.10.1 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) * Transaction Amount * Employee Code Number

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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 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

$$\$21,000 \text{ is in tier 3, so } \$21,000 * .03 = \$630.$$

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

$$\$3,000 \text{ is in tier 1, so } \$3,000 * .01 = \$30$$

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

$$\$8,000 \text{ is in tier 2, so } \$8,000 * .02 = \$160$$

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.

A.11 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 6.3, "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

State
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).

A.11.1 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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 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.

A.11.2 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 box: Checked

Interval to Date box: Unchecked

Planning 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 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.

$$\$21,000 * .05 = \$1,050$$

A.11.3 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 A.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.

A.12 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.

See [Section 6.2.4, "Defining an Expression"](#).

A.12.1 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 box: Unchecked

Interval to Date box: Unchecked

Planning 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 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

Glossary

These are the terms most commonly used in Oracle Incentive Compensation.

Accelerator

An accelerator is a type of incentive that varies compensation. Payment accelerators work by multiplying 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.

Account Generation

Account Generation is an option in System Parameters that you can use to populate account codes in General Ledger. You can select the appropriate detail level and from where the application pulls expense and liability information. Account Generation is set at the application level.

Accumulation Period

An accumulation period is the time interval during which commissions are collected. For example, a resource can have an accumulation period of a month and a pay period of semimonthly.

Activate

Contracts created in Incentive Planning are activated to become compensation plans in the commission section of Oracle Incentive Compensation.

Adjust Transaction

Use this feature in Collections to correct errors and make any manual changes that are needed.

Agreement

An agreement is an early stage of a compensation plan created in Incentive Planning. After an agreement is accepted, it becomes a contract, and can be activated to become a compensation plan in the commission section of Oracle Incentive Compensation.

Allocation Percentage

In Sales Credit Allocation, allocation percentages indicate how much revenue credit or nonrevenue credit each resource associated with a role receives. You can assign one or more allocation percentages to each credit rule. You can create, update, or delete allocation percentages, and make them date-effective.

Anchor

Anchors are used in Incentive Planning to indicate the maximum that can be earned at each tier of a selected rate table. Anchors can use two types of calculation--line and step. Step calculation simply uses the amounts in the anchor. It can be used only for the amount rate type. The line method calculates commission on a sliding scale, with commission depending on the exact rate in each separate tier of the rate table.

Application Programmable Interface (API)

An application programmable interface is a set of procedures used to import or export information to and from Oracle Incentive Compensation.

At Risk Percentage

In modeling, at risk percentage uses pie charts to compare the amount of fixed compensation to variable compensation for each agreement.

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 displayed in the Compensation Contract, and show earnings for each level of achievement.

Average Quota Report

With this report, you can view the average quota value by role in various compensation groups and organizations. Additionally for reference, the planned sales figure to be delivered by the selected compensation group is shown by means of a summary table.

Batch Mode

In Sales Credit Allocation, transactions are processed in either Batch mode or Online mode. Use Batch mode for processing large volumes of transactions. For batch processing, call a concurrent request using the Requests tab. See Online Mode.

Bonus

A percent of base pay, or fixed dollar amount, for accomplishing objectives; may be capped or uncapped. A bonus is typically paid for meeting a goal, including quantitative and qualitative goals. A Bonus plan element has no links or references to individual transactions. Bonus formulas calculate only against Individual transaction options.

Calculation

Calculation is a process used by the application to calculate commission and bonus plans for salespeople. Oracle Incentive Compensation supports two types of compensation calculation--Commission and Bonus. Commission calculation is based on transactions identified for a Commission type of plan element, which is associated with a commission type formula. Bonus calculation is based on a Bonus type plan element, which is associated with a Bonus type formula. A Bonus type formula has no links or references to transactions.

There are two modes of calculation:

- Complete calculation includes all resources. It is the default setting.
- Intelligent calculation runs only for those resources that have new transactions or changes.

Calculation goes through phases: Revert, Classification, Rollup, Population, and Calculation.

Calculation Phase

During the Calculation Phase of calculation, Oracle Incentive Compensation performs calculation on all transactions within the specified parameters. 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. The process calculates commission based on the Calculation Rules (defined in Plan Elements).

Child Node

A child node rolls up to a parent node in a rules hierarchy. A child node can roll up to only one parent node.

Classification Rules

Classification rules are user defined categories used to classify sales transactions. Classification rules 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 resources are compensated.

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. You can download a CSV file and open it in a spreadsheet program.

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.

Clawback

See Takeback.

Club Eligibility

To reward high achieving resources, you can establish a club level reward. The qualification threshold is written into the Contract text (see Administration > Incentive > Settings). For example, the text may say "If you exceed 100% of your yearly quota, you will be eligible for Vision Enterprises' Fiscal Year-End Caribbean Cruise."

Collection Query

The Collection Query specifies the exact tables and rows from those tables that you need to perform a collection from a source other than the standard collection sources.

Collections

The Collections function collects the transactions it needs to calculate commission for resources. You can collect data from different sources, based on the configuration and mapping defined between the source tables and destination tables. Oracle Receivables and Oracle Order Management are the seeded transaction sources in Oracle Incentive Compensation, but you can set up the application to collect from any other source.

Commission

Compensation paid as a percentage of sales measured in either dollars or units.

Commission Statement Report

This report has been redesigned in this release. It includes a Balance Summary that shows balances, earnings, recoverable and nonrecoverable amounts, payment due and ending balance. The Commission Statement Report from the previous release remains, but is renamed the Earnings Statement Report.

Commission Summary Report

This report is a snapshot of resource 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.

Compensation Basis

In modeling, compensation basis uses pie charts to display the percentage of the total agreement for each component at 100 percent attainment for each agreement.

Compensation Contract Status Report

This report shows the number of people whose contracts are at each state of the approval process for a selected manager in a compensation group.

Compensation Group

A compensation group is a set of resources who share sales credit, directly or indirectly, when a sale is made. A compensation group hierarchy sets up the relationship of different compensation groups to each other.

Compensation Group Hierarchy Report

This report displays compensation groups and the resources in each, and also shows the rollup hierarchy of the groups in relation to each other.

Compensation Plan

A compensation plan is 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 resources, such as a payment plan or pay group, and compensation rates can be individually adjusted as well.

Compensation Transaction

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.

Component

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. A computed component uses a formula to derive its values from two or more non-computed components.

Concurrent Program

Concurrent programs run in the background while you are using 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.

Contract

After an agreement is created in Incentive Planning, it can be generated into a contract. Contracts can be generated individually or in mass. After the contract is reviewed and approved by the Incentive Planning Contract Approver, it is distributed to resources for acceptance. Accepted contracts are activated into compensation plans.

Credit Memo

A credit memo is generated when an invoice is fully or partially reversed and posted to Oracle General Ledger. Credit memos are later collected and applied against transactions.

Credit Rule

Credit rules are defined for Sales Credit Allocation using credit rule attributes, which you set up for each transaction source. Credit rules evaluate inputs using attributes to determine if credit should be allocated to credit receivers. Credit rules also specify the allocation percentage by revenue type (Revenue, Non-revenue) for each role.

Credit Rule Hierarchy

A credit rule hierarchy maintains and links rules in a logical manner. A child credit rule automatically inherits the conditions of the parent rule.

Credit Type

Credit types must be defined for use in Oracle Incentive Compensation. The credit type is normally the preset functional currency, but it can be any type that you define in the application, such as points or air miles.

CSV File

A CSV file is a data file in which the values are delimited by commas. The acronym CSV is used to represent Comma Separated Value.

Cumulative

A type of performance cycle. A performance cycle is cumulative when the performance of the resource is measured over subsequent performance periods.

Customized Box

Check the Customized box if you want to customize a role for a resource. If the Customized box is checked, subsequent changes to the agreement may not affect the resource.

Customized Flag

If you leave the Customized Flag 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 box, the contents of the customized plan element are not affected by any changes you make to the plan element at the role level.

Deal Split

Use the Deal Split function in Collections to split up sales credit for 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.

Debit Memo

A debit memo is generated to fully or partially increase an invoice. It is posted to Oracle General Ledger. Debit memos are later collected and applied against transactions.

Dimension

See Rate Dimension.

Direct Sales Credit

Direct sales credit is credit that is directly assigned to a resource in a transaction in a feeder system, such as Oracle Quoting or Order Management, or another non-Oracle legacy system. See: Indirect Sales Credit.

Draw

A draw is a mechanism to pay a resource a minimum amount of compensation for a specified period of time. You can define the period that the draw and recovery will be in effect by using a payment plan. As part of the agreement with resources, this amount can be recoverable or nonrecoverable.

Drill Down, Drilldown

Drill down (verb) means to click a link to go to a greater level of detail. Drilldown is the noun form.

Earnings Statement Report

This report, formerly known as 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 parameters that you select in the parameters modification page.

Expense Account

An expense account is an account type segment in Oracle General Ledger. Expense accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified expense account in Oracle General Ledger. See the *Oracle General Ledger User Guide* for more information.

Export

See Import and Export.

Expression

Expressions are interchangeable, reusable parts that are used as input and output expressions of formulas, in expression-based rate dimensions and in performance measures. Input expressions tell Oracle Incentive Compensation what to evaluate from the transactions and how to match the results to the corresponding rate table. Output expressions instruct the application how much to pay resources.

External Formula

External formulas are used when the formula requires some data that is not in the application. They 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. For external formulas, you must enter the name of the PL/SQL package in the Package Name field.

External Table

Oracle Incentive Compensation can accommodate external tables, as long as the tables are properly registered in the application.

Failed Records

Sometimes records fail during the import process. This often 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, and the reasons for failure.

Fixed Amount

Fixed Amount is a constant amount in a compensation plan that is used for calculation purposes. Resources do not have a view or access to the fixed amount.

Fixed Component

See Component.

Formula

A formula is a set of instructions that determines how compensation is calculated. Formulas are built from input expressions, output expressions, and rate tables. Formulas used in Incentive Planning must be designated as planning formulas with a specific combination of rules. For these formulas, only one input expression is permitted. A bonus formula has no links or references to transactions. You can use an external formula when defining a plan element. See External Formula.

Functional Currency

Functional currency is the currency in which Oracle Incentive Compensation performs all calculations. It is the currency used by General Ledger to record transactions and maintain accounting data for the set of books. After functional currency has been set up for an organization, it does not change.

Goal

Goal is the amount that management sets as the actual goal expected of the resources in a compensation plan. This amount is typically used for reporting purposes and is not exposed to the resources.

Group By Interval

When you use a Group by interval, all transactions from a predefined period are submitted together for calculation. This period can be a month, quarter, or year. Group by Interval calculation requires that you check the Cumulative box. Commission is calculated by applying the total amount of the grouped transactions to the rate table.

Import and Export

In Oracle Incentive Compensation, you can import data to spreadsheets and export data from spreadsheets. You can import data into Oracle Incentive Compensation for hierarchies, classification rulesets, calculation expressions, and revenue classes. You can also import personalized agreements that were downloaded and personalized by a manager offline, or contracts that were approved offline by a contract approver. You can import transactions during the Collection process. You can export data from Oracle Incentive Compensation for hierarchies and expressions.

Income Planner

Income planner enables resources to plan their sales volumes to reach their commission earning goals. In Oracle Field Sales, a resource can enter a Commission Forecast number and see the amount of commission he or she will earn, based on their compensation plan.

Indirect Sales Credit

Indirect sales credit is inherited by a resource according to his or her place in the resource hierarchy. Indirect sales credit typically rolls up from a resource to a manager.

Intelligent Calculation

Intelligent Calculation marks all predefined transaction events in a notification log table known as the Notify Log. By doing this, Oracle Incentive Compensation runs calculation only for the resources that require it.

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 to Date

Use an Interval to Date plan element in a compensation plan if you want to pay compensation based on accumulated achievement during a specified period. This type of plan element calculates commission based on achievement towards cumulative quota targets, such as Period to Date (PTD), Quarter to Date (QTD), or Year to Date (YTD).

Interval Type

An interval type is the time period of an interval. Commonly used interval types are month, quarter, and year. You can define a custom interval.

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. Sales roles must be assigned to job titles for quota modeling purposes.

Liability Account

A Liability Account is an account type segment in Oracle General Ledger. Liability accounts can be identified at the plan element level. Earnings for the plan element are assigned to the specified liability account in Oracle General Ledger. See the *Oracle General Ledger User Guide* for more information.

Listing Notification

During data collection, this feature makes a list of all individual transaction lines from the transaction Source for which compensation is payable.

Manual Transaction

A manual transaction is created by a user to reverse or change sales credit.

Mapping

Mapping is the set of rules defining collection that connect the table columns of a feeder system to the transaction columns in Oracle Incentive Compensation. 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. Indirect mapping is more complex, and uses From and Where clauses in an UPDATE statement.

Modeling

Modeling is used by incentive planners to experiment with different versions of agreements before assigning a final version to the sales field; it then becomes the actual assigned compensation plan.

Move Credits

Move Credits is used in Collections 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.

Notification Log

The Notification log, also known as 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. This is especially useful when performing Intelligent Calculation.

Notification Query

A notification query shows the exact query which will be used to create the Notification list of line-level transactions which are eligible for compensation. It is used when collecting from a source other than the standard transaction sources.

On Target Earnings

On Target Earnings are the total earnings if a resource assigned to a role achieves 100% of quota. It is derived from information entered in the Fixed Pay Amount and Commission at 100% Attainment fields on the Sales Role Detail page.

Online Mode

Transactions are processed in either Batch mode or Online mode. Online mode is best if you want to create a manual transaction and need to find resources and their corresponding allocation percentages in real time. For online processing, you must call a PL/SQL API. See Batch Mode.

Open Collections

Oracle Incentive Compensation can collect transaction information from any source, including legacy systems, provided that the other system's data can be accessed in the same database instance.

Org Striping

Org striping means marking something, such as a role, by organization. This is used to limit access to data to those who need it.

Overlay Report

This 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.

Overlay Salespeople

Overlay salespeople are not part of a distributed quota of a manager. They may have some part in a sale, but do not receive revenue sales credit. An overlay salesperson is not included when a manager uses overassignment when assigning quota.

Parent Node

A parent node is a node in a rules hierarchy which 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.

Pay Group

A pay group is an assignment that determines the frequency with which a resource receives payment. Pay group assignment is necessary for a resource to be paid. A resource cannot belong to more than one pay group at a time. You can assign a pay group to a role, in the same way that a compensation plan is assigned to a role. Resources inherit the pay group when the role is assigned to them. You can perform individual pay group assignment to a resource.

Pay Period

A pay period is a range of dates over which calculated commissions are summarized for payment. You must activate a pay period before paying a payrun.

Payee Assignment

Use Payee Assignment if you want to assign the payment to someone other than the resource receiving the sales credit. For example, use payee assignment if a credit receiver leaves the company and a new resource takes over the account.

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.
- **Oracle Payroll Integration:** The application collects data and creates a file that can be used by Oracle Payroll.

Payment Analyst Hierarchy

A Payment Analyst Hierarchy is a hierarchy in Resource Manager 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.

Payment Group

The payment group setting enables you to assign multiple payment plans to a resource as long as the payment groups are in different payment groups for a specific date range. The payment group codes are customizable; the default setting is Standard.

Payment 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 include incorrect revenue recognition, credit holds, and company policies, such as holding high commissions.

Payment Plan

A payment plan is an optional 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.

Payrun

Oracle Incentive Compensation uses payruns to determine payment amounts. The payrun process considers:

- Who is paid
- Which transactions are paid
- How much is paid

- When payment occurs

Payrun Signoff 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 the information that you need to approve the payment worksheets.

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.

Performance Payout

In modeling, performance payout compares commission earnings at different attainment percentages using a vertical bar graph with agreements displayed in contrasting colors.

Period

The time span over which performance is measured for incentive purposes. The typical period in Incentive Compensation is a month, but it can be a quarter, a year, or a custom definition.

Plan Activation Status Report

This report lists the compensation plan activation status for all resources in the selected compensation group. The activation process is related to passing approved compensation plans from Incentive 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 their non-active status.

Plan Element

Plan elements are the parts from which compensation plans are built. Plan elements 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. Interdependent plan elements use the calculated totals of one plan element to calculate for commission for another plan element.

Population Phase

During the Population phase of calculation, 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.

Preprocessed Code

In Collections, the Preprocessed Code drop-down list contains 16 combinations of skipping the four main phases of calculation: Classification, Population, Rollup, and Calculation. You can also skip all phases or skip nothing. There are a variety of reasons for skipping phases of calculation. The main benefit is saving time. See Chapter 8 for details.

Profile Option

Profile options enable an organization to configure the application to suit its business requirements. Some profile options are required and some are optional. Most profile options have preset default values that you can change as needed.

Push

Push is a way of referring to the activation of an approved and accepted compensation plan from Incentive Planning into the commissions section of Oracle Incentive Compensation.

Quota

A quota is the total amount that a resource or manager is expected to sell. Management uses quotas to distribute the organization's sales commitment to all resources.

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 overassignment effect reverberating through lower levels of the organization hierarchy

Quota Overassignment

Quota overassignment means that the quotas allocated to subordinate salespeople from a manager add up to more than 100 percent of the manager's quota. This can help managers to make their quota.

Quota Overassignment Report

This report shows the overassignment value and percentage effect on the immediate level of salespeople and the street level salespeople when a manager overassigns quota. This report displays only salespeople with manager roles.

Quota Performance Report

This report is a snapshot of resource 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.

Quota Range Report

This report lists 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.

Rate Dimension

Rate dimensions define the tiers that a rate table uses to calculate commission percentages. There are four kinds:

- Amount: The rate tiers are amounts.
- Percent: The rate tiers are percentages of a quota.
- Expression: These rate dimensions reference calculation expressions, and can be used to create more complex rate tiers.
- String: The rate tiers are alphanumeric, such as product numbers or the names of states.

Rate Table

A rate table is used to establish compensation percentage rates or fixed amounts for different performance levels. As part of a formula, along with input and output expressions, a rate table determines the amount of compensation based on amount or percentage of achievement compared to quota. Rate tables can use percent or amount, or both, to calculate commission percentages. A multidimensional rate

table uses more than one dimension to calculate commission percentages, for example, State and Product.

Recoverable, Nonrecoverable

These terms define whether compensation can be recovered from (paid back by) the resource who receives it or not.

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, if 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.

Request ID

When submitting calculation, the request ID is stored as a column and a search parameter for any calculation request that is submitted concurrently. The Request ID is not recorded for calculation requests that are submitted as an online request.

Resource

Anyone who is set up to receive compensation in Oracle Incentive Compensation, including salespeople, managers, and administrators.

Responsibility

People are assigned different responsibilities in Oracle Incentive Compensation to allow them appropriate access to the application. For example, the Incentive Compensation Super User has access to everything in the application, while other responsibilities, such as Incentive Planning Analyst, can access only the areas in the application that are required to perform their jobs.

Responsibility Group

Oracle Incentive Compensation uses responsibility groups to assign access privileges to responsibilities. These groups determine which groups and resources the person assigned to the responsibility can work on. 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.

Revenue Class

A revenue class is 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 determine whether classified sales credit is applied toward a compensation payment.

Revenue Class Rules

Revenue class rules contain one or more conditions that a transaction must meet to classify into a given revenue class. Revenue class rules are combined into a ruleset.

Revenue Class Hierarchy

A revenue class hierarchy is an arrangement of revenue classes and subclasses in which the broadest classes are at the top of the structure.

Role

A role describes a set of resources who share a common compensation structure. Examples are Salesperson, Consultant, and Regional Sales Manager. In Oracle Incentive Compensation, each individual resource is assigned a predetermined role, which can be customized. Changes to a role affect everyone assigned to that role who does not have the Customized box checked on the compensation plan. A resource can have more than one role at the same time.

Role to Compensation Plan Mapping Report

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

Rollup Phase

During the Rollup phase of calculation, 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 Summarized Transactions

The rollup summarized transactions process significantly reduces the number of transactions that need to be processed, which improves performance.

Root Node

Root node is the highest level of a rules hierarchy. You can place as many nodes under the root node as necessary to meet your business objectives. Oracle Incentive Compensation provides the flexibility to create multiple root nodes.

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.

Ruleset

A ruleset is a collection of rules. There are three types of Rulesets, which are used for revenue classification, account generation, and plan element classification.

- 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.
- Plan Element Classification is used to classify quotes, opportunities, and so on, for the Projected Compensation API.

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.

Sales Credit

An amount of revenue or nonrevenue credit that is awarded to a resource.

Sales Credit Allocation

Sales Credit Allocation automates the credit allocation process by systematically applying a set of consistent rules. This minimizes errors, thereby reducing the time analysts must spend reconciling them.

Sales Role

See Role.

Sales Credit Allocation

This is an automated process that accurately determines who should receive credit and how much credit should be given to each credit receiver. Credit allocation can be applied at different times within the sales cycle, for example, opportunities, quotes, orders, and invoices.

Seasonality, Seasonality Schedule

Seasonality relates to sales patterns that change over the course of a year. Seasonality schedules are used to distribute product/service income or cost/expense throughout the year, expressed in percentages of the year's total. Seasonality schedules can be assigned to multiple agreements in Incentive Planning, and agreements can use multiple seasonality schedules for different components.

Set of Books

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 the *Oracle General Ledger User Guide*).

Split

Components of an Incentive Planning agreement can use a split when calculating quota against a rate table. When you split tiers of a rate table, you pay commission at the lowest tier possible in the rate table. Splits are proportional or nonproportional. A nonproportional split is used with rate tables that pay based on percentages of the transaction amount. For rate tables that pay an amount instead of a percentage, a proportional split is used to take the amount of the transaction that falls within a tier and divide it by the entire amount paid for that tier. This generates a percentage that can be applied against the transaction amount in the tier.

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.

Standard Transaction Sources

The standard transaction sources for collection are Oracle Receivables and Oracle Order Management Collections. These seeded sources are set up when the application is shipped.

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.

Target

Target is the specific amount set for resources as their attainment amount in a Compensation Plan. Resources have views of this figure through their contract. The most common way that a target is used in an expression is for evaluating transactions as a percentage of quota.

Team Compensation

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. Teams are set up in Resource Manager. However, although team members all receive credit for the transaction, the sales credit rolls up a sales hierarchy only on the original transaction.

Threshold

Minimum level of performance that must be achieved to earn compensation on a rate table.

Transaction Batch Size

Along with the Salesperson Batch Size, the Transaction Batch Size determines how many transaction batch runners get submitted for concurrent calculation. This is a setting in System Parameters.

Transaction Calendar (Workday Calendar)

A transaction calendar 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 should be assigned every year as the dates of holidays and weekends will differ.

Transaction Details Report

This report shows transactional details for a 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.

Transaction Factor

A transaction factor stages sales credit over the life of a sale, assigning percentages of the transaction amount to important events in the sales process, including Invoice, Order, and Payment. Transaction factors must add up to 100%.

Transaction Filters

Transaction filters allow you to define criteria to remove unwanted transactions during collection. Transaction filters are especially relevant to Receivables and Order Management, because you cannot change the collection query for those standard transaction sources.

Transition Report

This 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.

Unprocessed Transactions Report

This 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.

User Code Blocks

User code blocks are single or multiple PL/SQL statements (functions and procedures) that you can insert at defined points in the Collection procedure. User code blocks can be inserted at:

- 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

Vacancy Report

This 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.

Variable Component

See Component.

What-If Scenario

In a what-if scenario, you enter values for variables used in a 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. What-if scenarios are used in modeling.

Worksheet

An individual worksheet displays the details of the total payment amount for a resource. It comprises manual payments, calculated payments, total payments, and recoveries. Worksheets are part of a payrun.

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 Incentive Compensation Super User and Incentive Compensation Payment responsibilities. In Oracle Field Sales, the Year To Date Summary is accessible by the Manager and Salesperson responsibilities.

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