



## Oracle Incentive Compensation



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# Key Takeaways

- Oracle Incentive Compensation is #1 in the Enterprise Incentive Management market
- Oracle Incentive Compensation is the only enterprise solution with best-of-breed functionality
- Oracle Incentive Compensation drives cost-effective management of incentive-based compensation programs

# Oracle Incentive Compensation (OIC) Market

## #1 in Sales Incentive Compensation Management

Global market leader with:

- 250+ live customers
- 1,150,000 payees in production

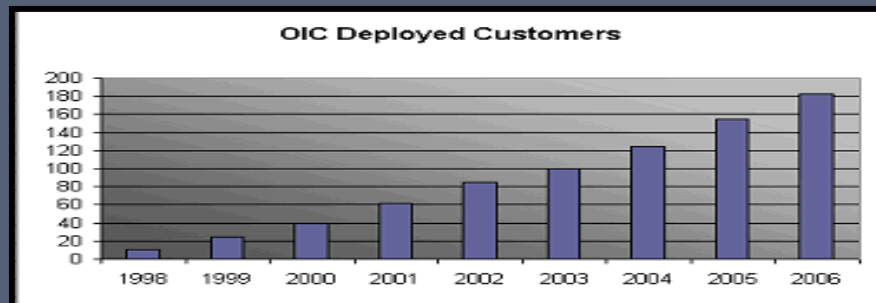
Brand Name companies have chosen chosen OIC:

- Cisco; EMC; Symantec; Liberty Mutual; Edward Jones; Best Buy; Nordstrom; JC Penney.

Broad industry coverage incl.  
Mfg/Tech, Retail, Telco, Fin Serv

Global market momentum &  
references

## #1 in number of customers live



## 1,150,000+ payees in production

- British Telecom – monthly plans for 18,000 agents
- JC Penney – 1100 stores live, 192,000 payees
- La Poste – 30,000 payees
- Nordstrom – quarterly targets & goals for 15,000 managers; 40,000+ total payees
- Best Buy – 90,000 payees

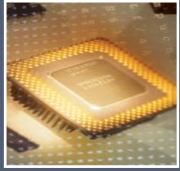


## 500,000+ payees implementing

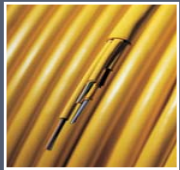
- MoneyGram – 300,000
- Cisco – 13,000
- Edward Jones – 10,000
- Liberty Mutual – 30,000



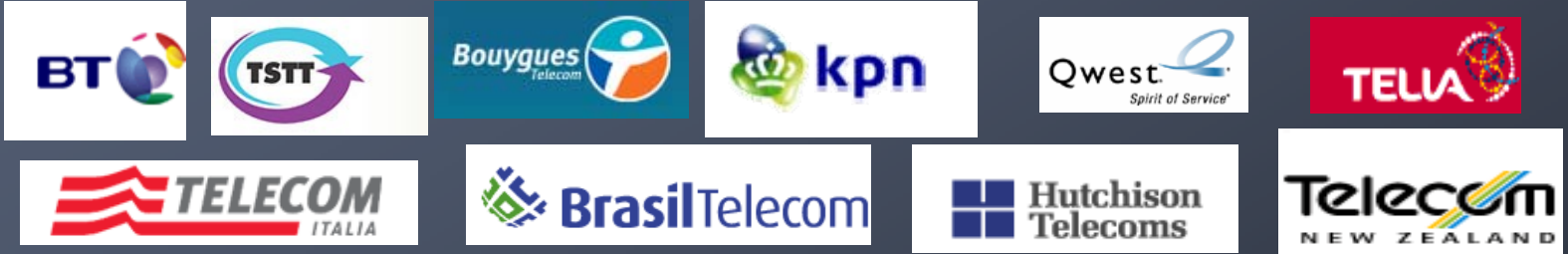
# Successful Customers Select Oracle!



IT



Telecom



Retail



Manuf.





# Successful Customers Select Oracle!



## Finance



## Healthcare



## Other



Juma Al Majid Group



# OIC Analyst Recognition

Oracle “best-of-breed enterprise class solution” has “ the advantage of offering a strong enterprise incentive compensation solution that [can be deployed as] part of a larger suite of functionality ... [or] standalone”.

*Liz Herbert, Forrester, 2006*

Figure 1. MarketScope for Sales Incentive Compensation Management Software, 2007

	RATING				
	Strong Negative	Caution	Promising	Positive	Strong Positive
ACTEK		x			
Callidus Software				x	
Centive			x		
Oracle (E-Business Suite)				x	
Pradique Associates		x			
SAP		x			
Syngy				x	
Trilogy-Versata			x		
Varicent Software			x		
Westport Software Group		x			
Xactly			x		

Source: Gartner (July 2007)

“Oracle has managed to support clients with high scalability requirements in terms of number of payees (in the thousands) and transactions (more than 1 million per month).”

Clients “should consider OIC on their shortlists.”

*Michael Dunne, Gartner, 2007*



# Oracle Incentive Compensation Solution

# Oracle Incentive Compensation



**Order Management**  
 Orders

**Receivables**  
 Invoices  
 Billing

**ORACLE INCENTIVE COMPENSATION**

**Collect, Calculate, Pay**

**Payroll**  
 Employees

**Payables**  
 Resellers  
 Vendors  
 Partners  
 Agents

**Discoverer & out-of-the-box Reports**

- Commission Statements
- Performance Reports
- Year to Date Summary
- Administrative Reports
- + End User Layer
- Seeded Workbooks

**Oracle Business Intelligence EE**

- Compensation Data mart
- Role based Dashboards
- Flexible personalization



# OIC Core Components

Legacy  
External  
Systems



Order Entry



Receivables



Billing

## ORACLE INCENTIVE COMPENSATION



### Collection Interface Tables

- Configurable data mappings
- Transformation & enrichment
- Post collection actions / filters



### Calculation Engine

- Multi-threaded/Grid processing
- Retro active calculation
- Incremental calculation



### Compensation Plans

- Complex formulas
- Flexible expression builder
- Link to external logic
- Linked objectives
- Multiple rate dimensions
- Date effective components
- Reusable components
- Currency conversion

Legacy  
External  
Systems



Payroll



Payables

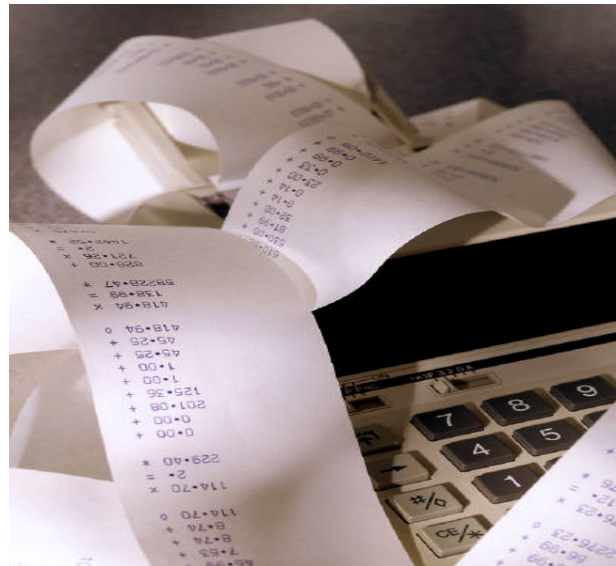


Compensated  
Individuals

# ORACLE®

## Powerful, Flexible Plan Design

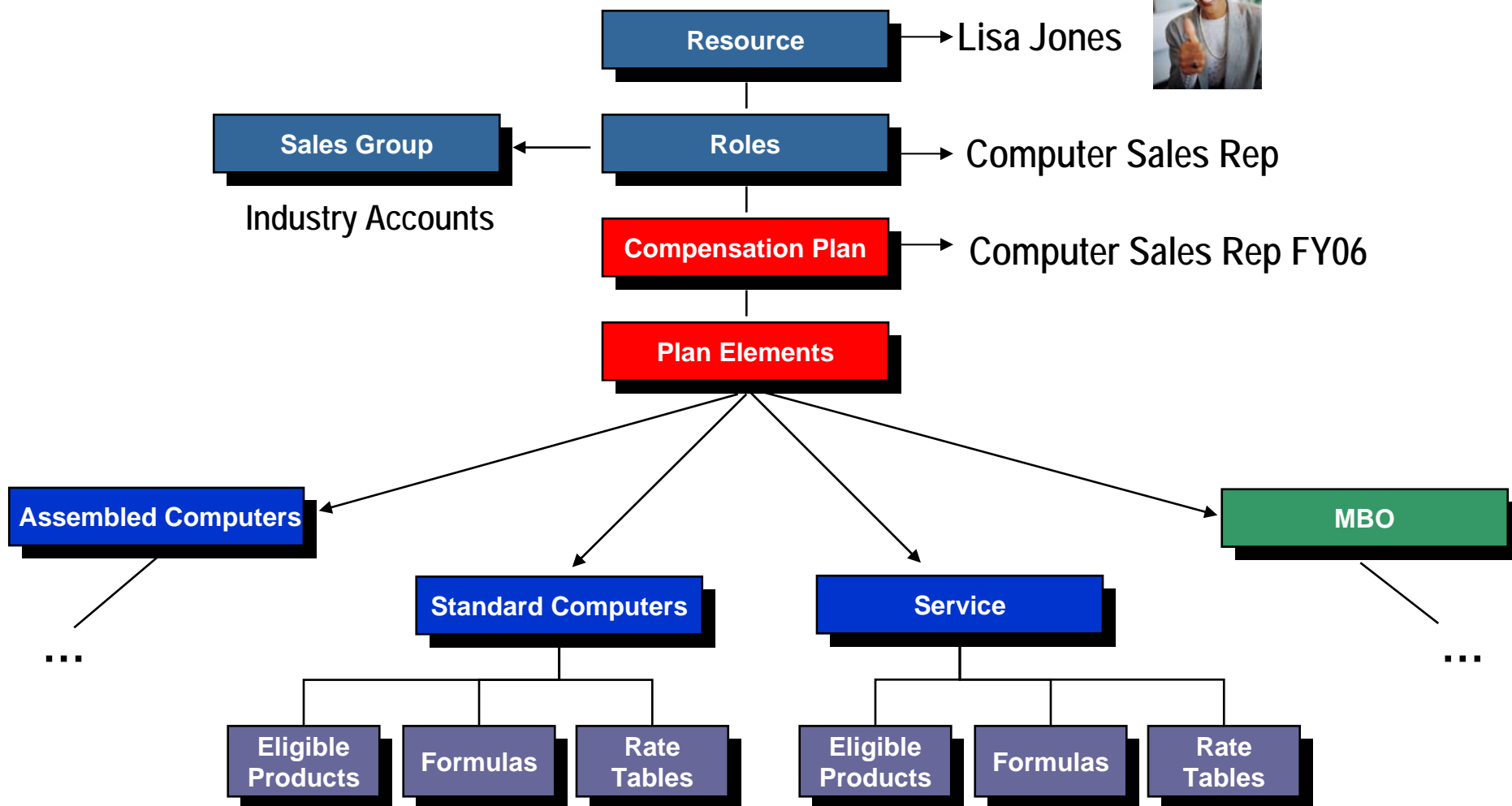
### *Plan Elements, Formulas & Calculations*



ORACLE®

# Incentive Compensation

## Computer Sales Representative



## **Nordstrom wanted an EIM system that could:**

- Support a new compensation strategy geared toward increasing revenues and profitability by improving customer satisfaction
- Handle the complexity of compensating employee varying commission rates depending on ringing department

## **Implementation details**

- Live on 11.5.10
- Solution footprint includes OIC, Core HR, Time and Labor, Payroll, Advanced Benefits
- Nordstrom uses OIC for all of its stores to compensate more than 45,000 employees and managers

## **Key benefits**

- Increased store employee productivity through integrated compensation and time and labor management
- Reduced cost and time of plan and HR administration
- Increased speed of changing plans through strategic objective modifications

## **BT wanted an easy to use ICM system that would:**

- Enable rapid changes of plan metrics
- Handle many different factors contributing to compensation
- Provide daily information to compensated individuals

## **Implementation details**

- Live on 11.5.10
- Deployed standalone, with Siebel Call Centre, PeopleSoft HR and SAP R/3
- Compensating 16,000+ employees and contract staff including telesales staff, sales managers, call centre managers and call centre directors
- Calculations run daily; 3 million transactions a month

## **Key benefits**

- Flexibility of the system for handling complex plans
- Easy to add in a new plan element
- Full audit trail of compensation
- Improved cost of ownership with increased performance



# Incentive Compensation Value & ROI

## Improved financial controls

- Improved regulatory compliance & financial predictability
- Reduced administration errors & over payments
- Improved accountability over incentive expenditure

**"Our implementation of Oracle Incentive compensation improved accuracy, provided more control and reduced interpretation and subjectivity of compensation plans"**

**ADP Inc**

## Improved adaptability

- Improved time to market with new products & business initiatives
- Accelerated new fiscal year compensation rollouts
- Reduced incentive management staffing costs

**"Our implementation of Oracle Incentive compensation provided a low cost of ownership with tight integration to backend systems in a global rollout"**

**Silicon Graphics**

## Improved alignment

- Optimized target distribution aligned with corporate goals
- Increased sales & channel partner productivity
- Full sales line of sight for focused sales execution

**"Our implementation of Oracle Incentive compensation improved call center agents productivity with alignment to corporate objectives."**

**British Telecom PLC**

# OIC Key Takeaways

## #1 in EIM market

- *Largest live EIM install base*
- *Global market momentum*
- **Penetration of *key verticals***

## Only enterprise solution with best-of-breed functionality

- *Complete, end-to-end enterprise solution set*
- *Flexible, scalable design to address complex plan requirements*
- *Open architecture for ease of integration with external systems*

## Drives cost-effective management of compensation programs

- **Improves *financial control* & cost management**
- **Delivers compensation *adaptability* & effectiveness**
- **Ensures sales & channel partner *alignment* with corporate objectives**

