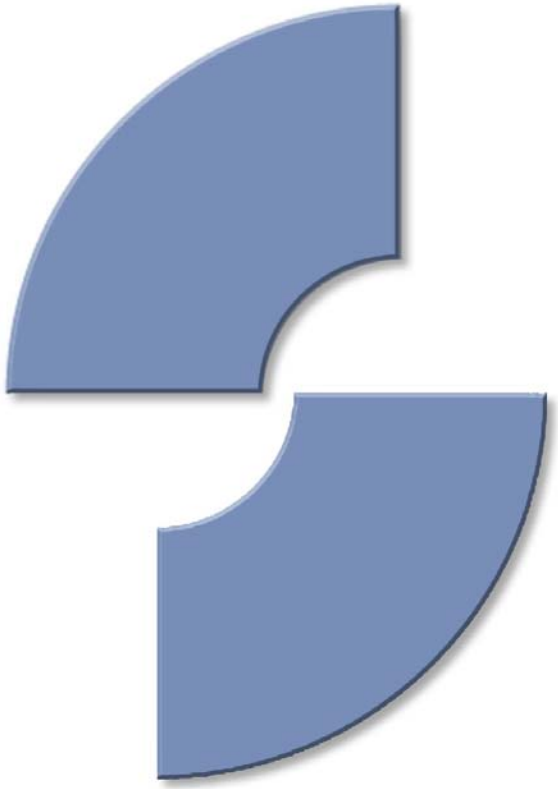

Compensation Workbench Implementation at University Hospitals

Marie Medaris
Chetan Jain

OAUG Collaborate ‘08

Agenda

- About University Hospitals and Solbourne
- UH Oracle Environment
- Key Drivers for CWB
- Project Scope and Team
- Plans and Options
- Plan Design and Details
- Tips and Gotchas

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About University Hospitals

- 2nd largest employer in Northeast Ohio
- Nine entities (including Community Hospitals,
- Home Health and Physician Practices)
- 14,000+ Employees
- 1,000+ Supervisor/Managers/Directors
- University Hospitals Rainbow Babies & Children's Hospitals has ranked best in the Midwest and #5 in the country in US News & World Report's

Solbourne

ORACLE CERTIFIED ADVANTAGE PARTNER

About Solbourne

- National Consulting Firm Headquartered in Boulder, CO
- Over 130 Employees
- Oracle Family of Applications Focused Since 1994
  - Fusion Middleware Technology
  - E-Business Suite
  - PeopleSoft Enterprise
  - Education and Change Management
- Oracle Certified Advantage Partner – Highest Level
- Over 260 Oracle Applications Projects – Commercial and Public Sector

Solbourne

ORACLE CERTIFIED ADVANTAGE PARTNER

UH Oracle Environment

- Application version 11.5.10
- HRMS Family Pack K RUP 2
- Using HR, Payroll, OAB, Self-Service HR, iRecruitment, OLM
- 16 additional Oracle products related to Financials and Supply Chain suite of applications

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Key Drivers for CWB

- The previous compensation process was manual, spreadsheet based
- Six compensation plans across a population of 14,000+ employees, and 1,000+ managers required thousands of spreadsheets
- Need for an automated process to save thousands of man hours spent on making the manual process work
- Key emphasis on “Pay for Performance” culture

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Project Scope

- Big bang approach for implementation of seven Compensation Workbench plans – Three plans for Salary Increase, and Four plans for Bonuses
- Complex Eligibility and Rate Calculations for most of the plans
- Performance Ratings given in CWB on the same worksheet as the increase

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Project Scope

- Use of Dynamic Columns in most of the plans for calculations, conditions etc.
- Worksheets heavily personalized by plan
- Supervisor Hierarchy for approvals
- Letter configuration for most plans

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Project Team

- UH Project Sponsor
- Project Manager from UH
- UH Compensation and Benefits Manager
- UH Compensation Analysts – Four (4)
- UH Applications Specialist
- Solbourne Project Manager/CWB Functional Consultant
- Solbourne Technical Consultant

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Salary Plans

- Pay for Performance for Non-management employees
- Management Pay for Performance
- Proficiency Skills Program (PSP)

Bonus Plans

- Special Performance Award (SPA)
- Retention Bonus
- Per Visit Productivity Bonus

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Options

Management Pay for Performance

- Options
  - Merit
  - Market Adjustment
  - Management Incentive Plan

Pay for Performance

- Options
  - Merit
  - Market Adjustment

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Plan Design

Pay for Performance

- Annual salary increase plan for Management employees
- Comprises components like Merit, and Market Adjustment
- Management PFP plan also comprises a stand alone bonus component for MIP
- Budgets used
- % of Eligible Salary used for merit and market adjustment computations

Design Discussions

- Two plans for PFP or one?
- A separate plan for Management Incentive plan, or an option within Management Pay for Performance plan?
- Lump Sum Option for PFP?
- Hourly Budgets or Annual Budgets?
- What Performance Rating Type to use?
- How many tasks to use in CWB?
- What columns to display in worksheet?

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Design Discussions

- What capabilities to give to the managers?
- Validations, conditions, and calculations in CWB worksheets
- Use Views capability or not?
- Column Titles and Sequence in CWB worksheets

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Eligibility

- Pay for Performance
  - Exclude employees from certain GREs
  - Exclude certain jobs
  - Exclude certain position titles (Position Title is one of the segments of the Position KFF structure at UH)
  - Exclude employees eligible for PSP program (PSP eligibility is captured in an SIT at the employee level)
  - Exclude Bargaining Unit employees
  - Exclude certain Employment Categories
  - Exclude employees based on seniority date requirement (stored in Person level DFF attribute)

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Eligibility Profiles

- Standard ELPROs for
  - Exclude employees from certain GREs
  - Exclude certain jobs
  - Exclude Bargaining Unit employees
  - Exclude certain Employment Categories
- Creative solutions for ELPRO rules for
  - Exclude certain position titles
  - Exclude PSP eligible employees (from SIT)
  - Exclude employees based on seniority date (from DFF)

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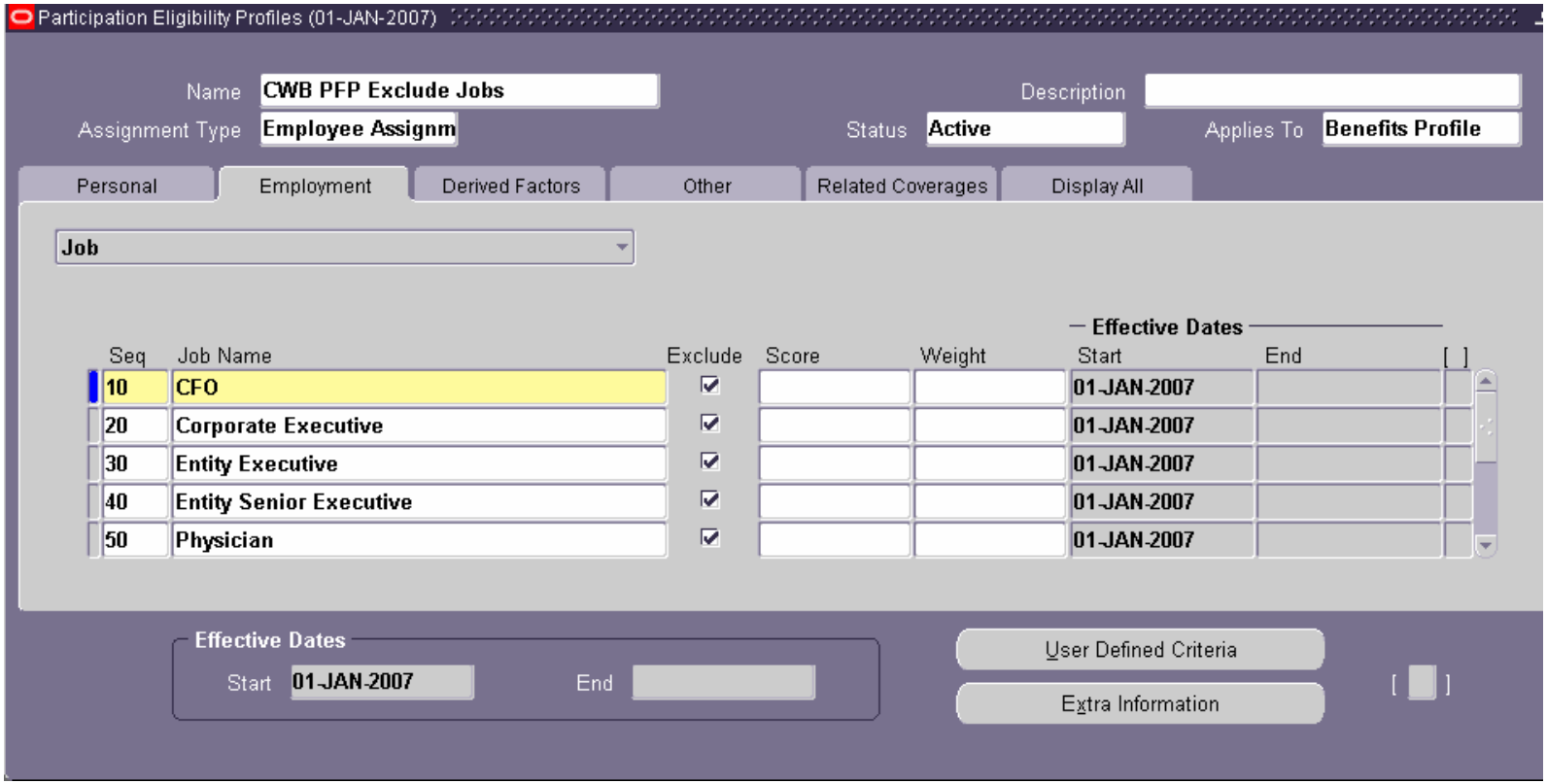
Standard ELPRO



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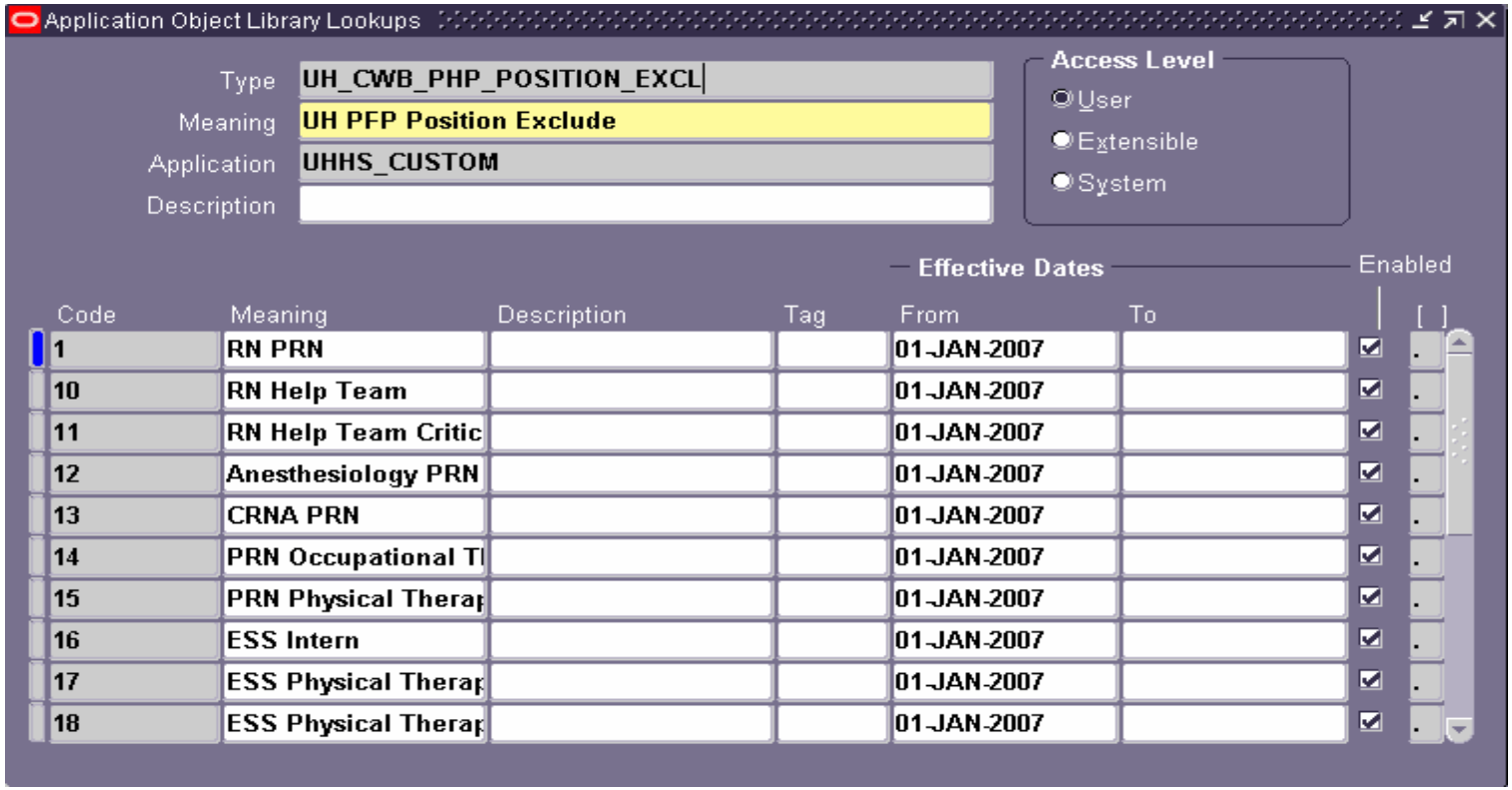
Creative solution for complex requirements



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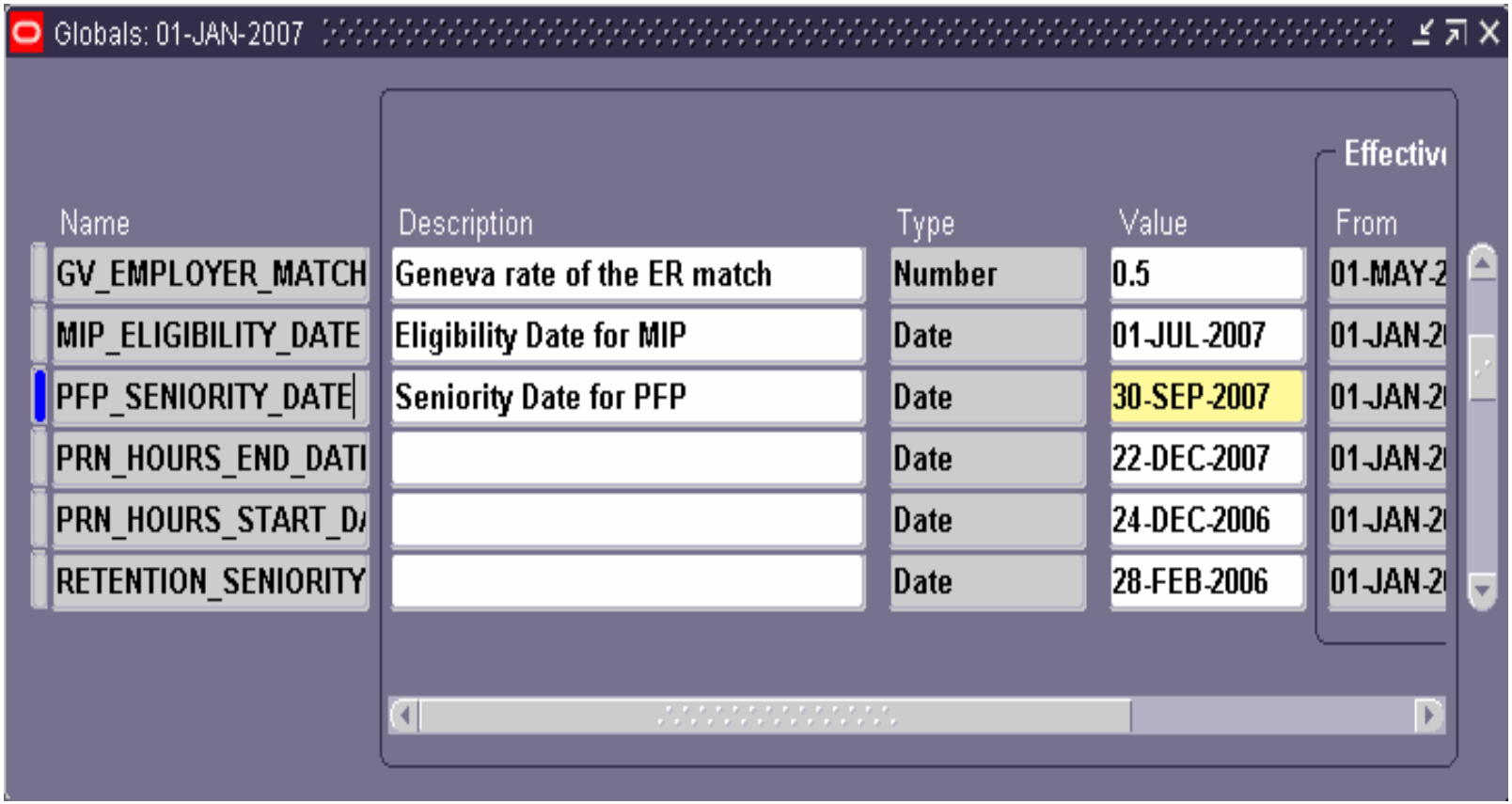
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Description
Type
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From
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Geneva rate of the ER match
Number
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01-MAY-2
MIP_ELIGIBILITY_DATE
Eligibility Date for MIP
Date
01-JUL-2007
01-JAN-2
PFP_SENIORITY_DATE
Seniority Date for PFP
Date
30-SEP-2007
01-JAN-2
PRN_HOURS_END_DATI
Date
22-DEC-2007
01-JAN-2
PRN_HOURS_START_D
Date
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01-JAN-2
RETENTION_SENIORITY
Date
28-FEB-2006
01-JAN-2

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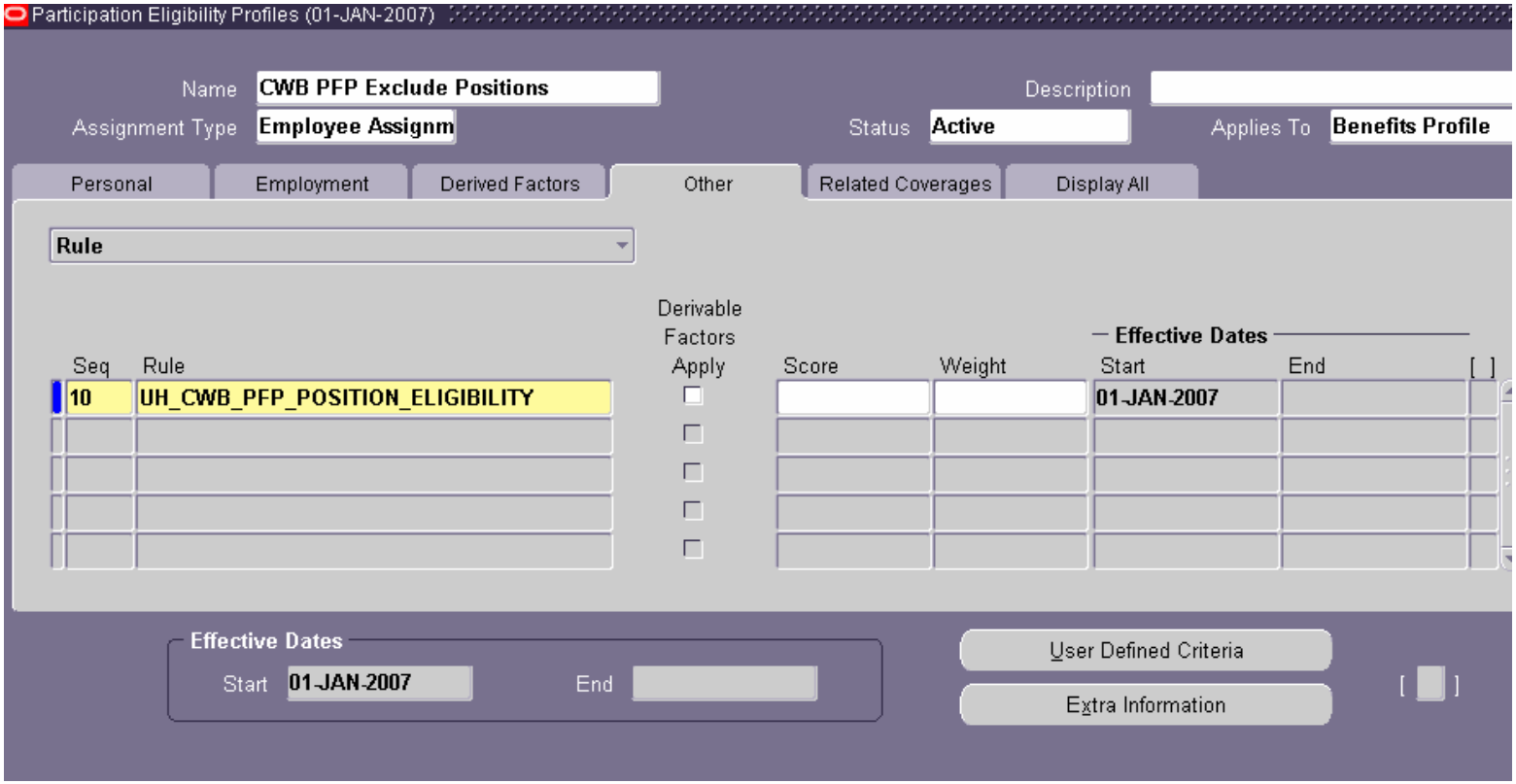
ELPRO Rule



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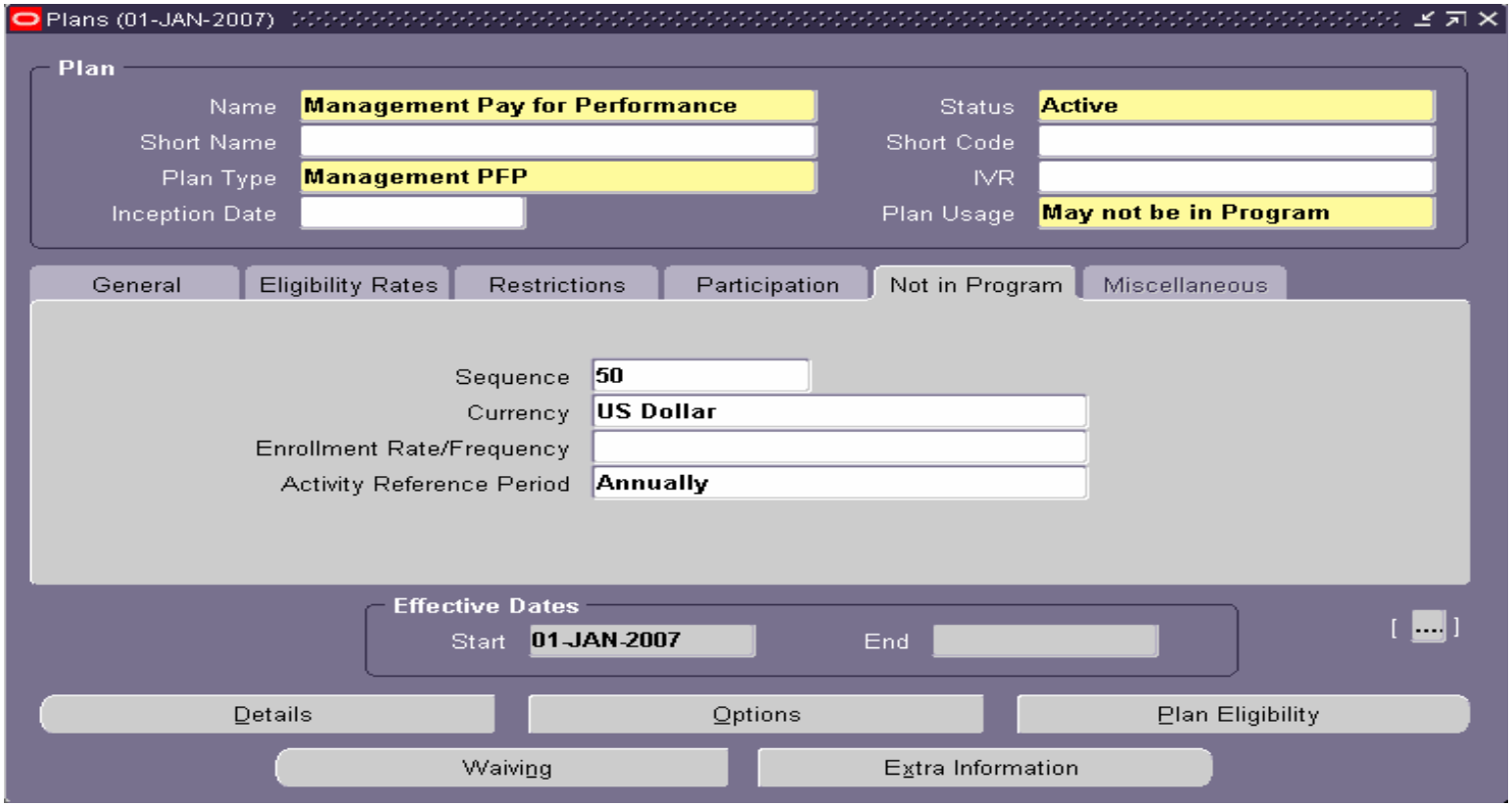
Plan Definition



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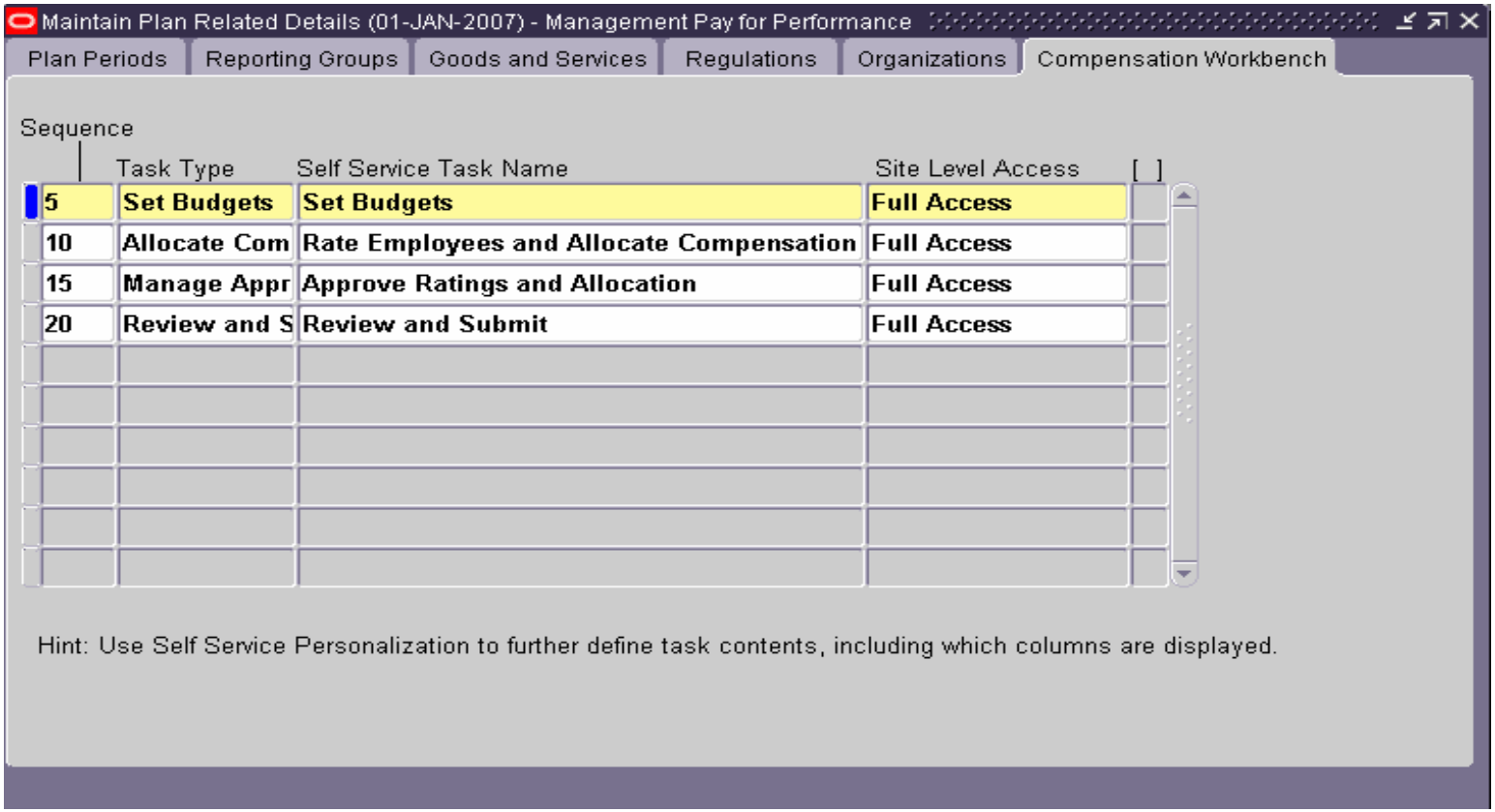
CWB Tasks



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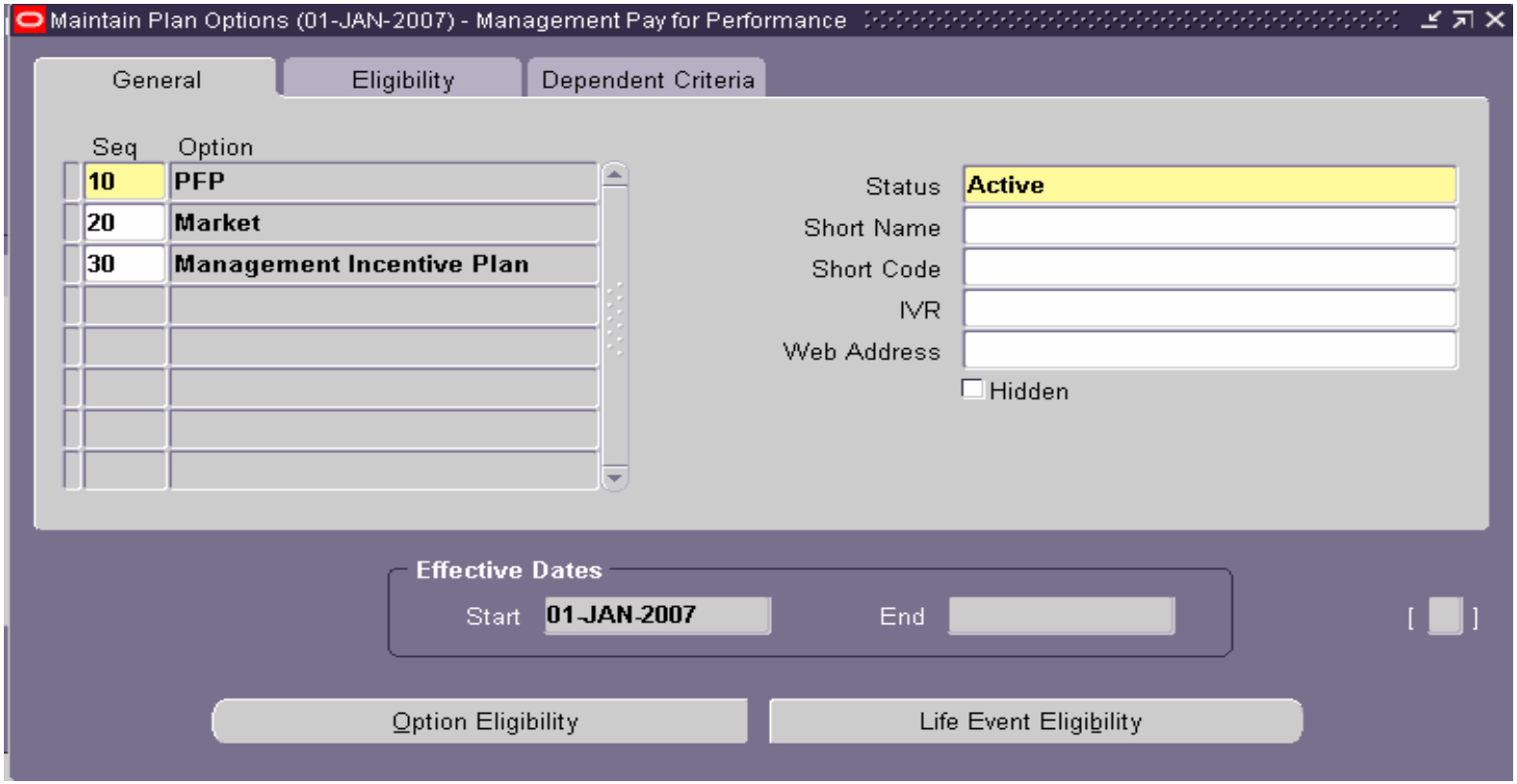
Options in Plan



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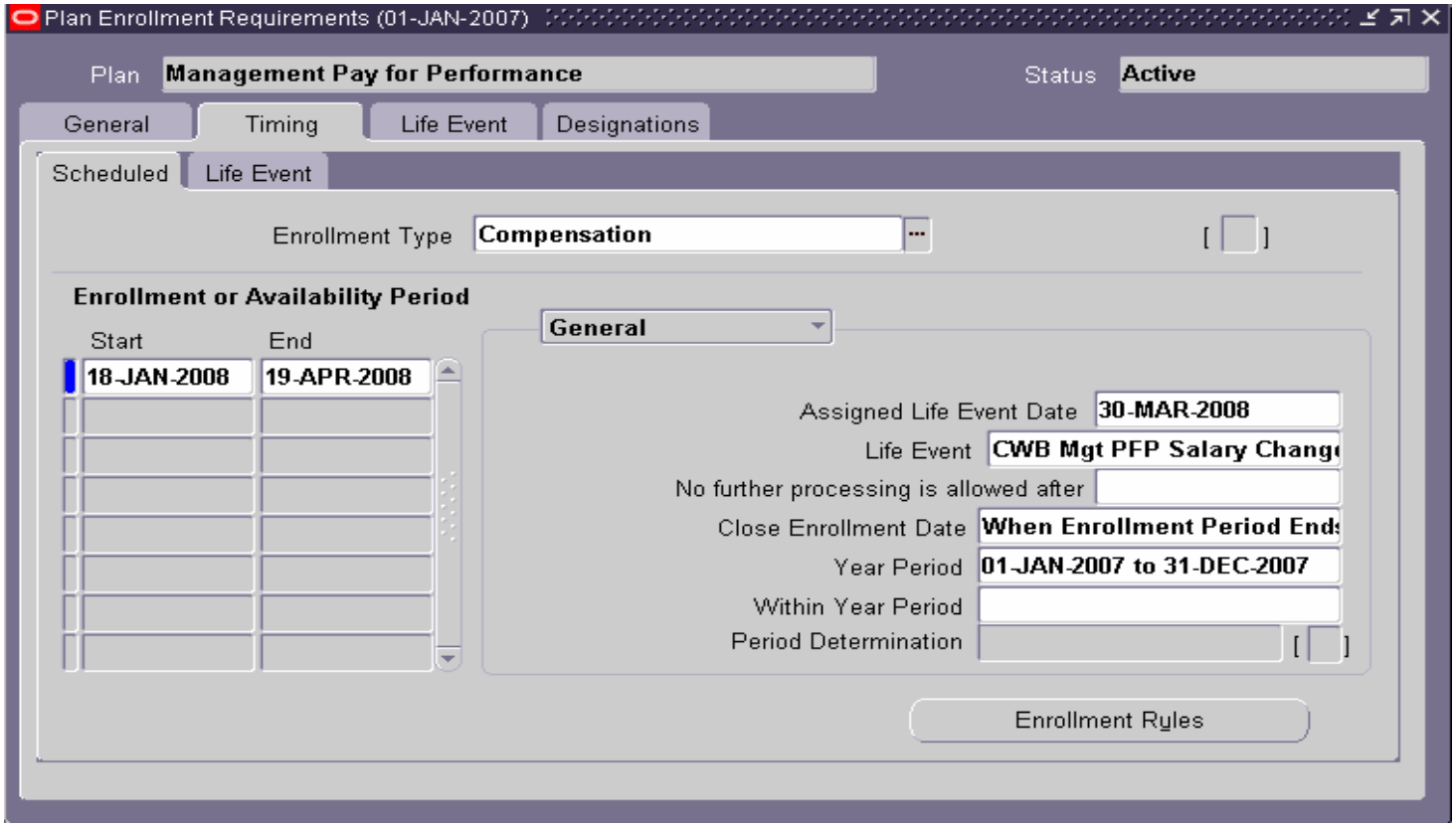
Plan Enrollment Requirements



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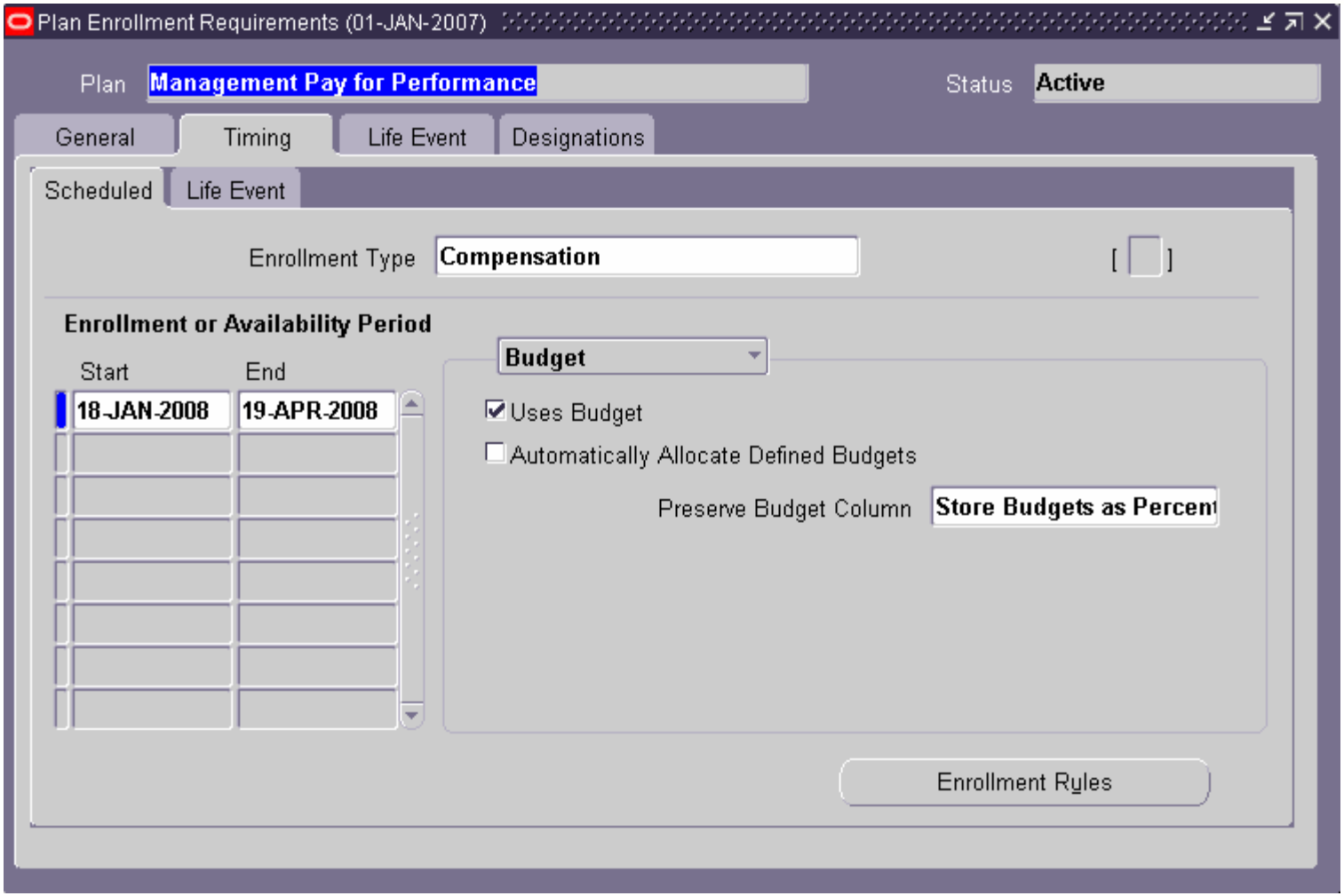
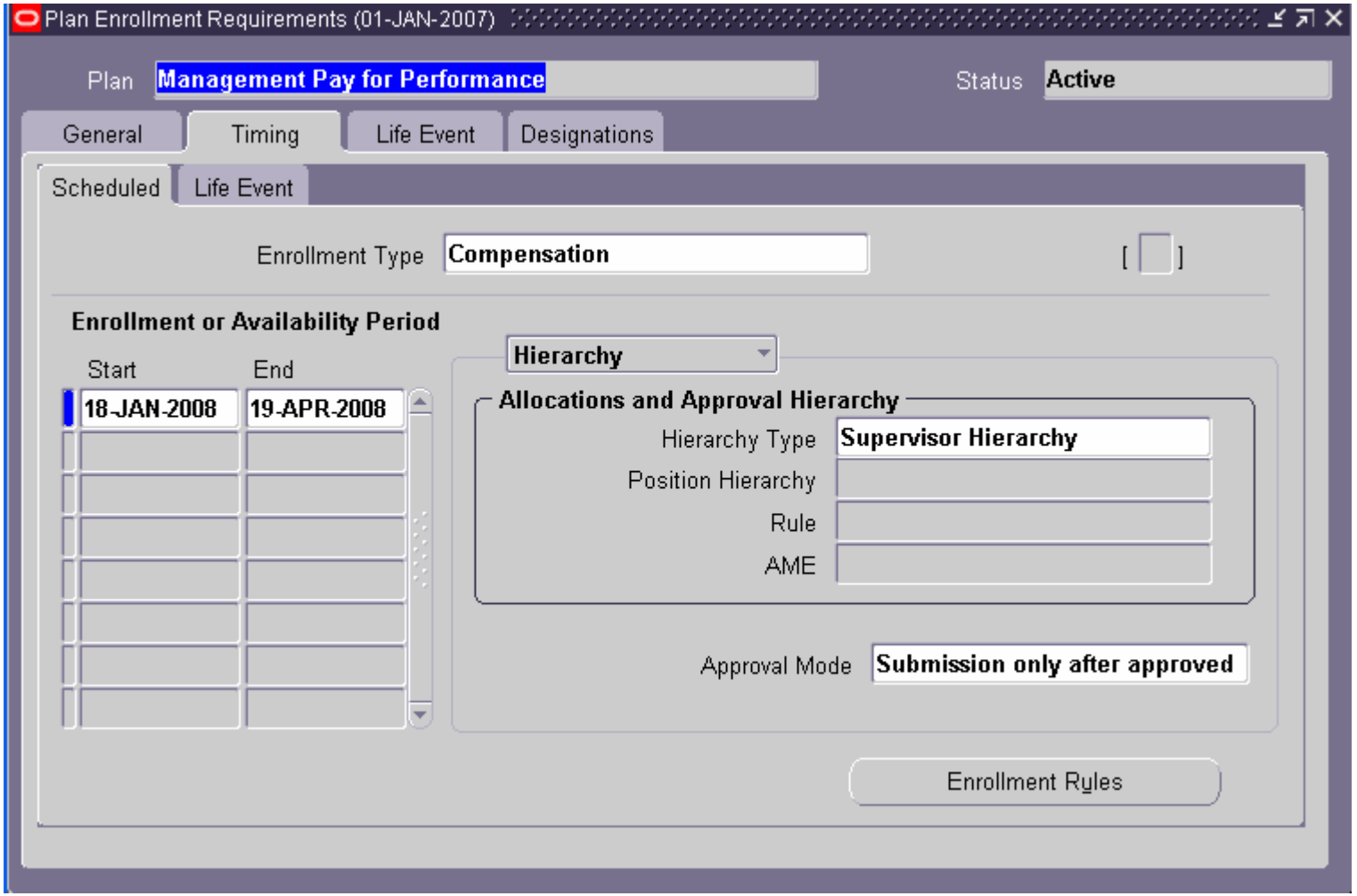

Plan Enrollment Requirements (01-JAN-2007)
Plan
Management Pay for Performance
Status
Active
General
Timing
Life Event
Designations
Scheduled
Life Event
Enrollment Type
Compensation
Enrollment or Availability Period
Start
End
18-JAN-2008
19-APR-2008
Budget
Uses Budget
Automatically Allocate Defined Budgets
Preserve Budget Column
Store Budgets as Percent
Enrollment Rules

Solbourne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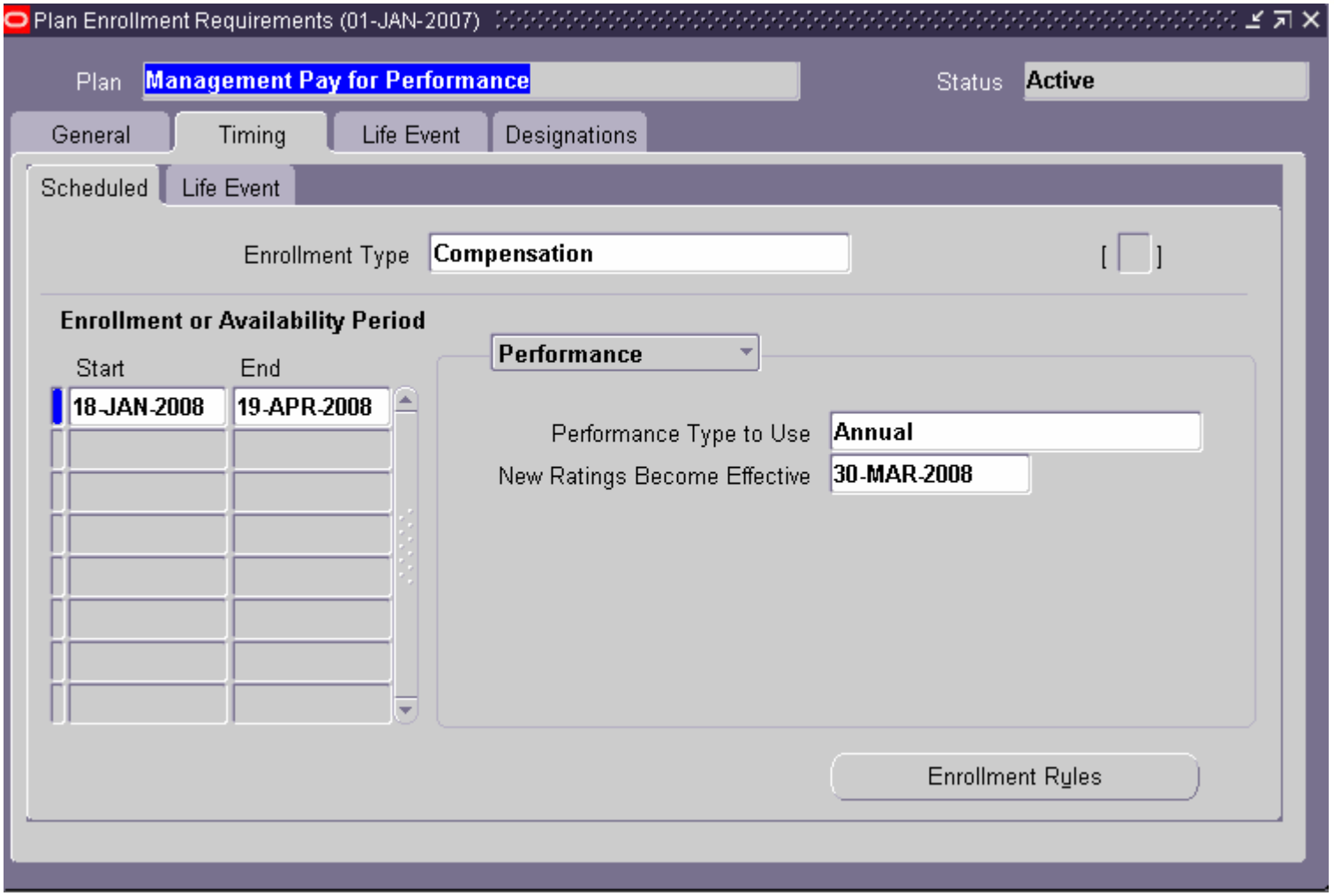
General
Timing
Life Event
Designations
Scheduled
Life Event
Enrollment Type
Compensation
Enrollment or Availability Period
Start
End
18-JAN-2008
19-APR-2008
Hierarchy
Allocations and Approval Hierarchy
Hierarchy Type
Supervisor Hierarchy
Position Hierarchy
Rule
AME
Approval Mode
Submission only after approved
Enrollment Rules

Solbourne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Status
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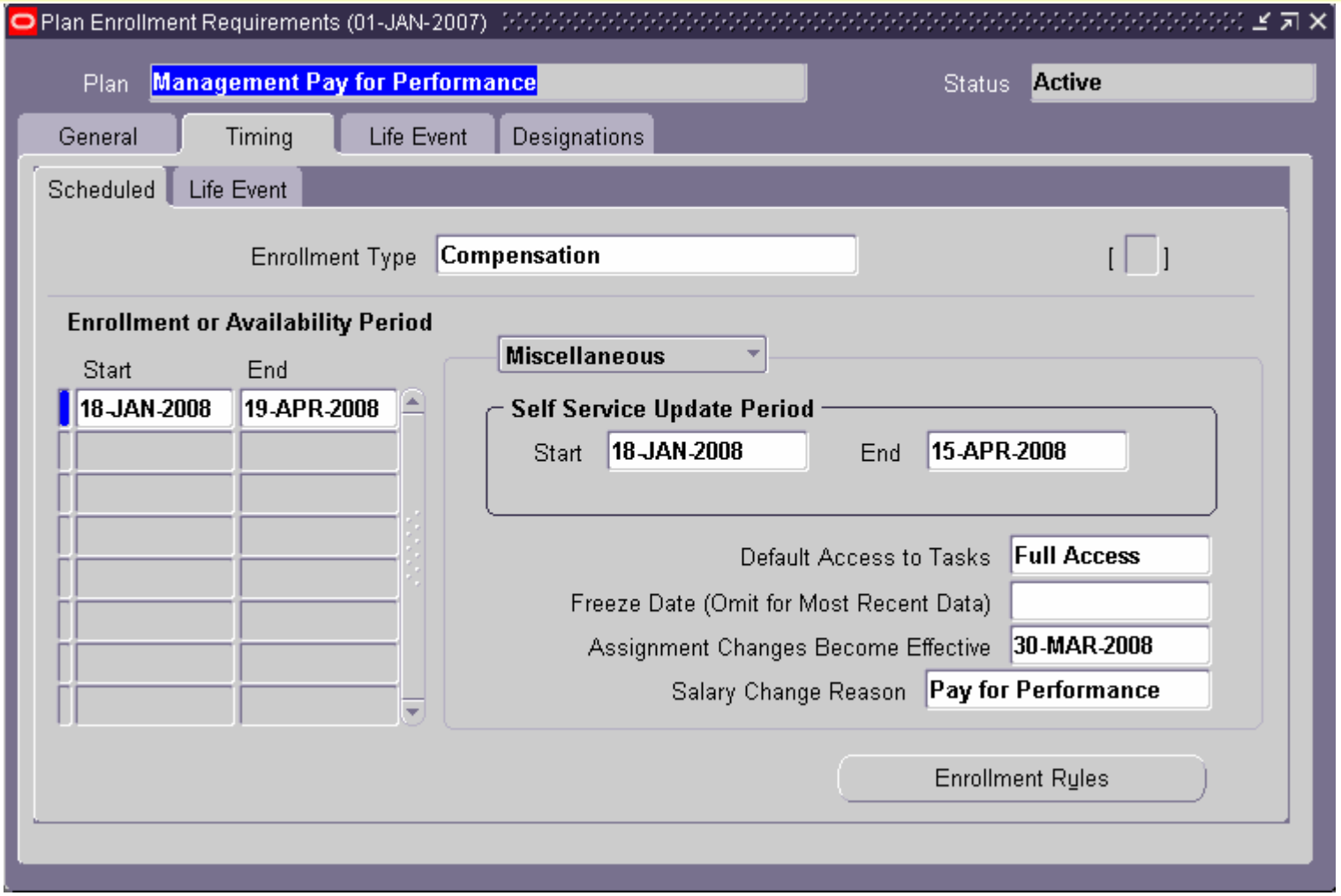
General
Timing
Life Event
Designations
Scheduled
Life Event
Enrollment Type
Compensation
Enrollment or Availability Period
Start
End
18-JAN-2008
19-APR-2008
Performance
Performance Type to Use
Annual
New Ratings Become Effective
30-MAR-2008
Enrollment Rules

Solbourne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General
Timing
Life Event
Designations
Scheduled
Life Event
Enrollment Type
Compensation
Enrollment or Availability Period
Start
End
18-JAN-2008
19-APR-2008
Miscellaneous
Self Service Update Period
Start
18-JAN-2008
End
15-APR-2008
Default Access to Tasks
Full Access
Freeze Date (Omit for Most Recent Data)
Assignment Changes Become Effective
30-MAR-2008
Salary Change Reason
Pay for Performance
Enrollment Rules

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Standard Rates

Activity Types used by UH

- CWB Distribution Budget
- CWB Worksheet Budget
- CWB Eligible Salary
- CWB Worksheet Amount

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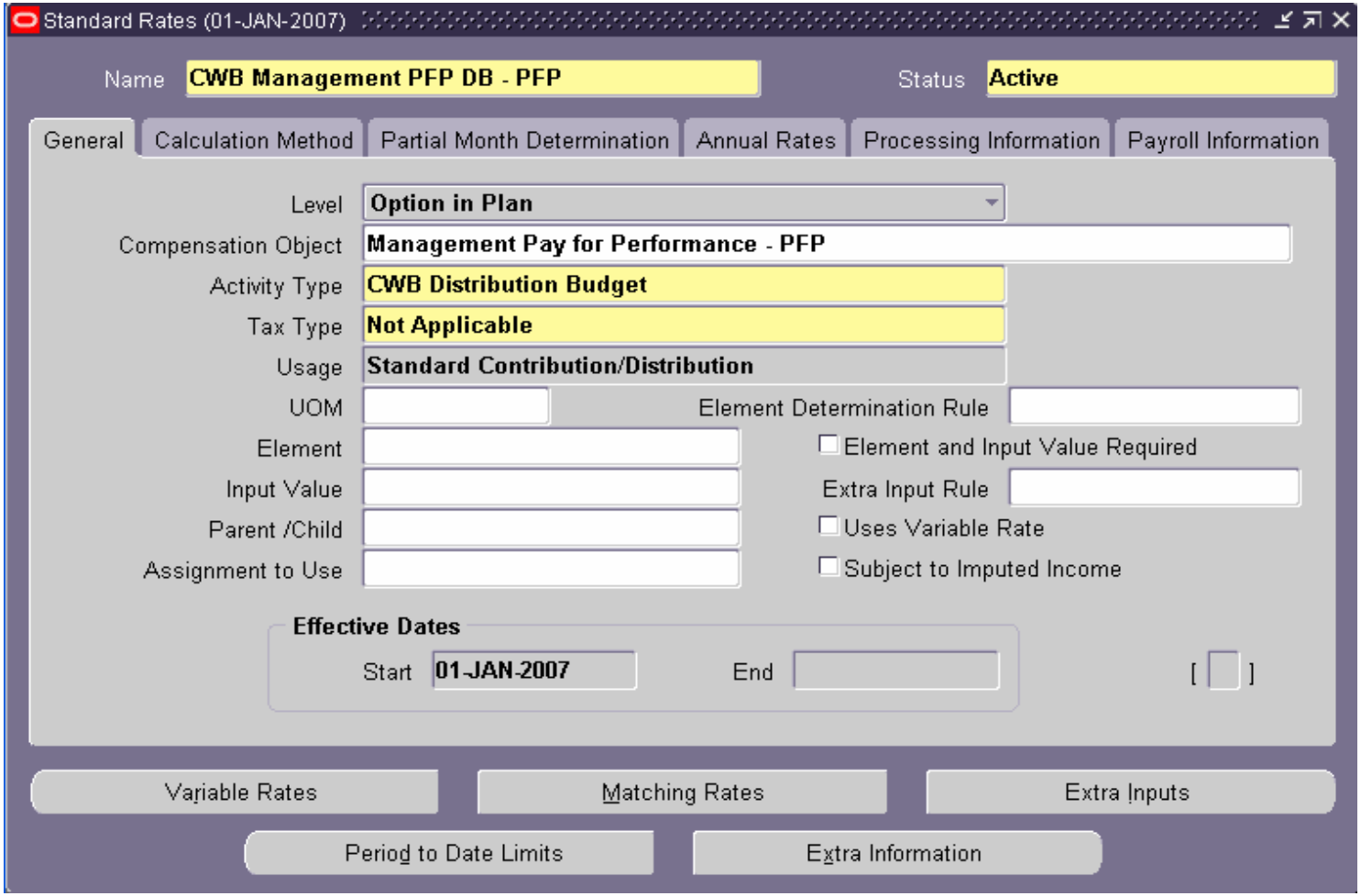
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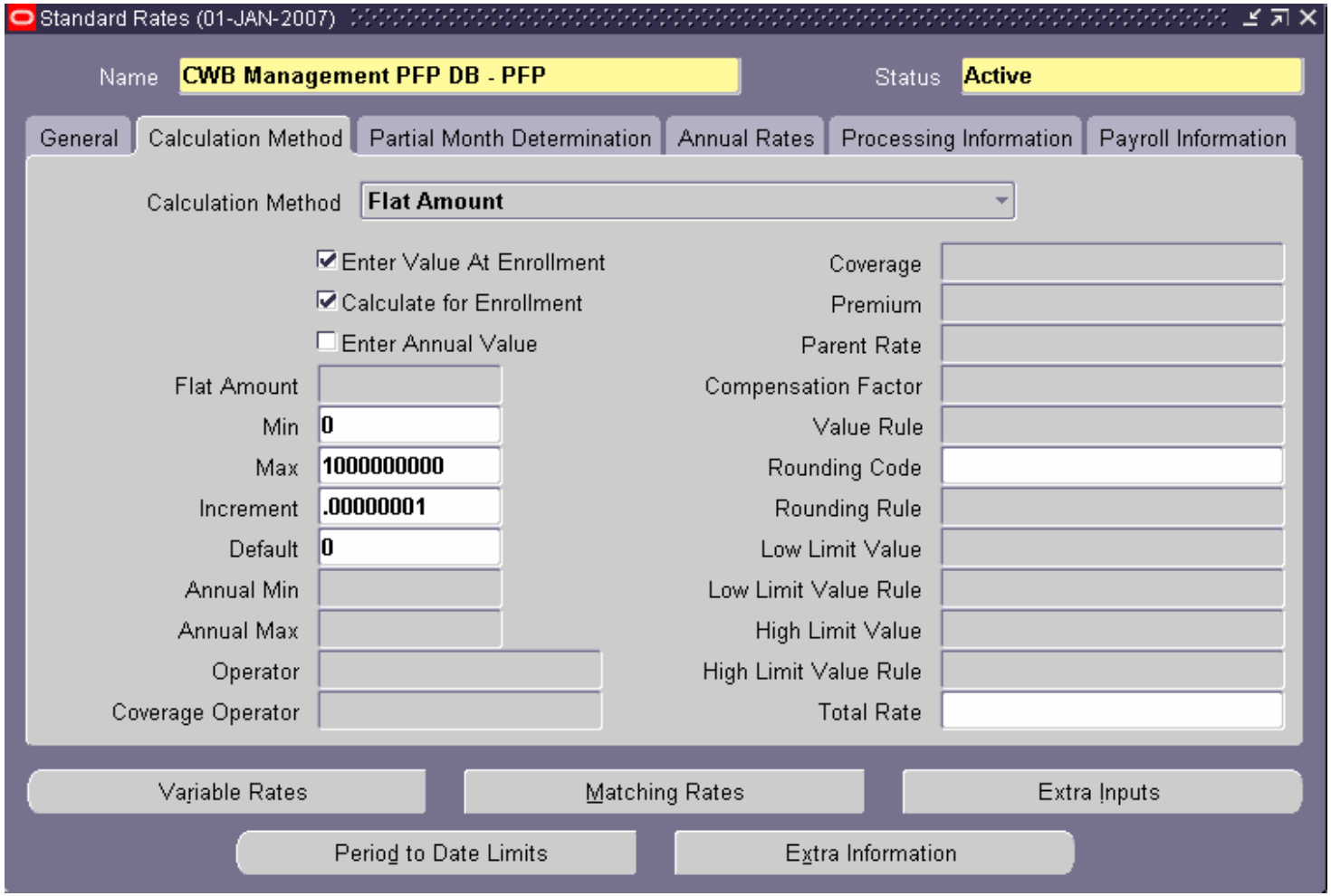
Status
Active
General
Calculation Method
Partial Month Determination
Annual Rates
Processing Information
Payroll Information
Level
Option in Plan
Compensation Object
Management Pay for Performance - PFP
Activity Type
CWB Distribution Budget
Tax Type
Not Applicable
Usage
Standard Contribution/Distribution
UOM
Element Determination Rule
Element
Element and Input Value Required
Input Value
Extra Input Rule
Parent /Child
Uses Variable Rate
Assignment to Use
Subject to Imputed Income
Effective Dates
Start
01-JAN-2007
End
Variable Rates
Matching Rates
Extra Inputs
Period to Date Limits
Extra Information

Solbourne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Status
Active
General
Calculation Method
Partial Month Determination
Annual Rates
Processing Information
Payroll Information
Calculation Method
Flat Amount
Enter Value At Enrollment
Calculate for Enrollment
Enter Annual Value
Flat Amount
Min
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Max
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Increment
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Default
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Annual Min
Annual Max
Operator
Coverage Operator
Coverage
Premium
Parent Rate
Compensation Factor
Value Rule
Rounding Code
Rounding Rule
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Low Limit Value Rule
High Limit Value
High Limit Value Rule
Total Rate
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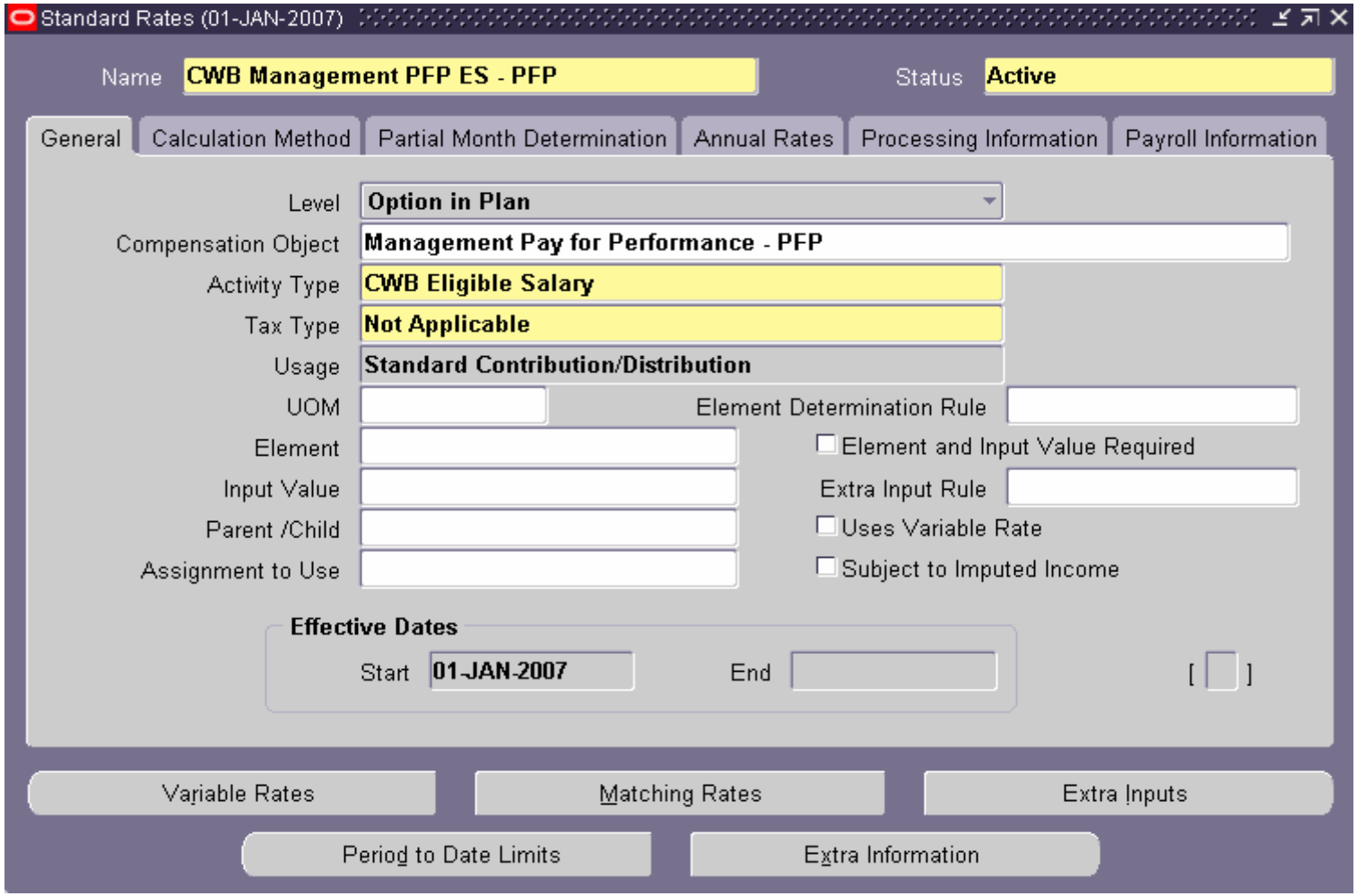
Matching Rates
Extra Inputs
Period to Date Limits
Extra Information

Solbourne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Calculation Method
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Annual Rates
Processing Information
Payroll Information
Level
Option in Plan
Compensation Object
Management Pay for Performance - PFP
Activity Type
CWB Eligible Salary
Tax Type
Not Applicable
Usage
Standard Contribution/Distribution
UOM
Element Determination Rule
Element
Element and Input Value Required
Input Value
Extra Input Rule
Parent /Child
Uses Variable Rate
Assignment to Use
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Start
01-JAN-2007
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Variable Rates
Matching Rates
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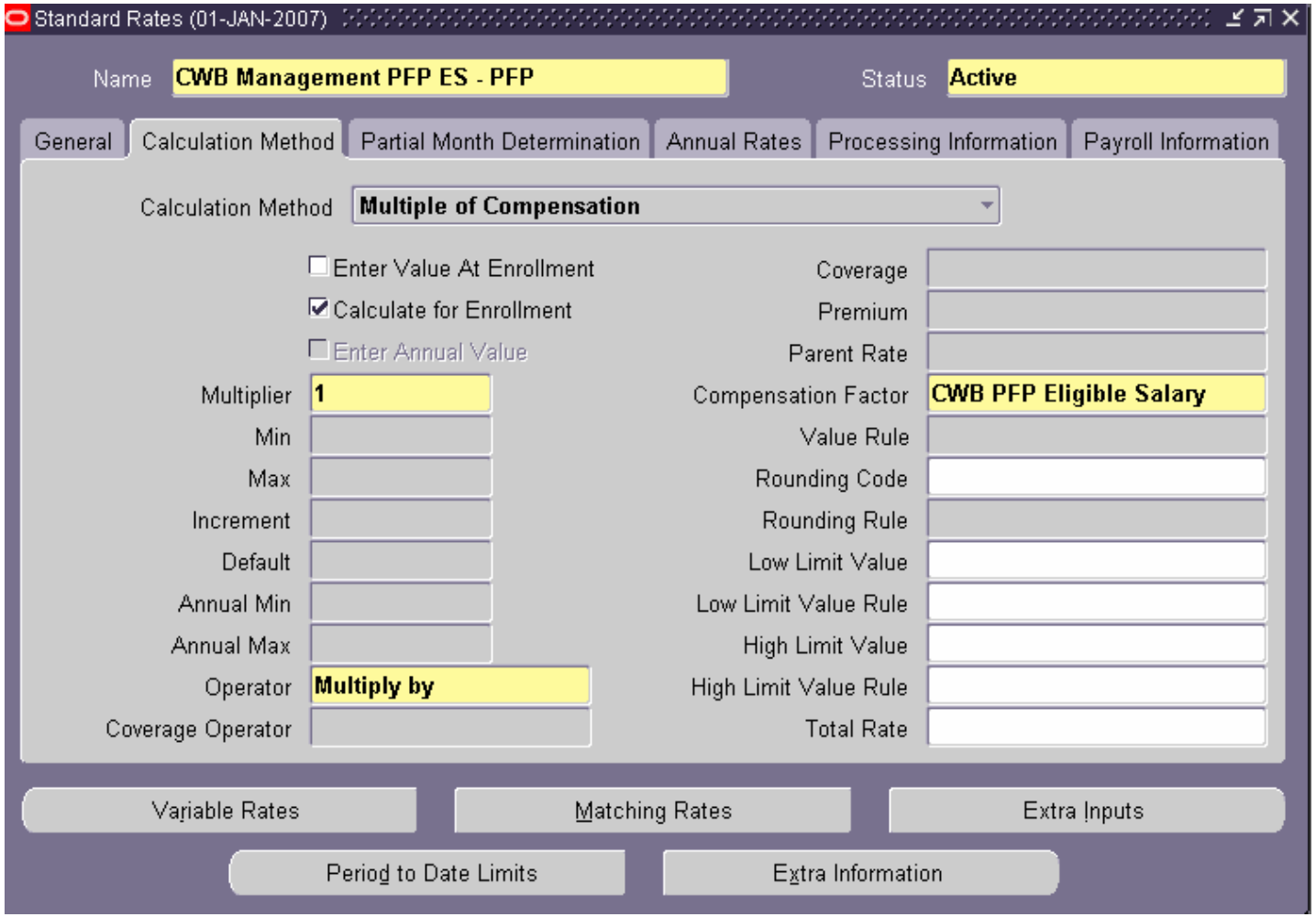
Solbourne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Payroll Information
Calculation Method
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Calculate for Enrollment
Enter Annual Value
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Max
Increment
Default
Annual Min
Annual Max
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Coverage Operator
Coverage
Premium
Parent Rate
Compensation Factor
CWB PFP Eligible Salary
Value Rule
Rounding Code
Rounding Rule
Low Limit Value
Low Limit Value Rule
High Limit Value
High Limit Value Rule
Total Rate
Variable Rates
Matching Rates
Extra Inputs
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Extra Information

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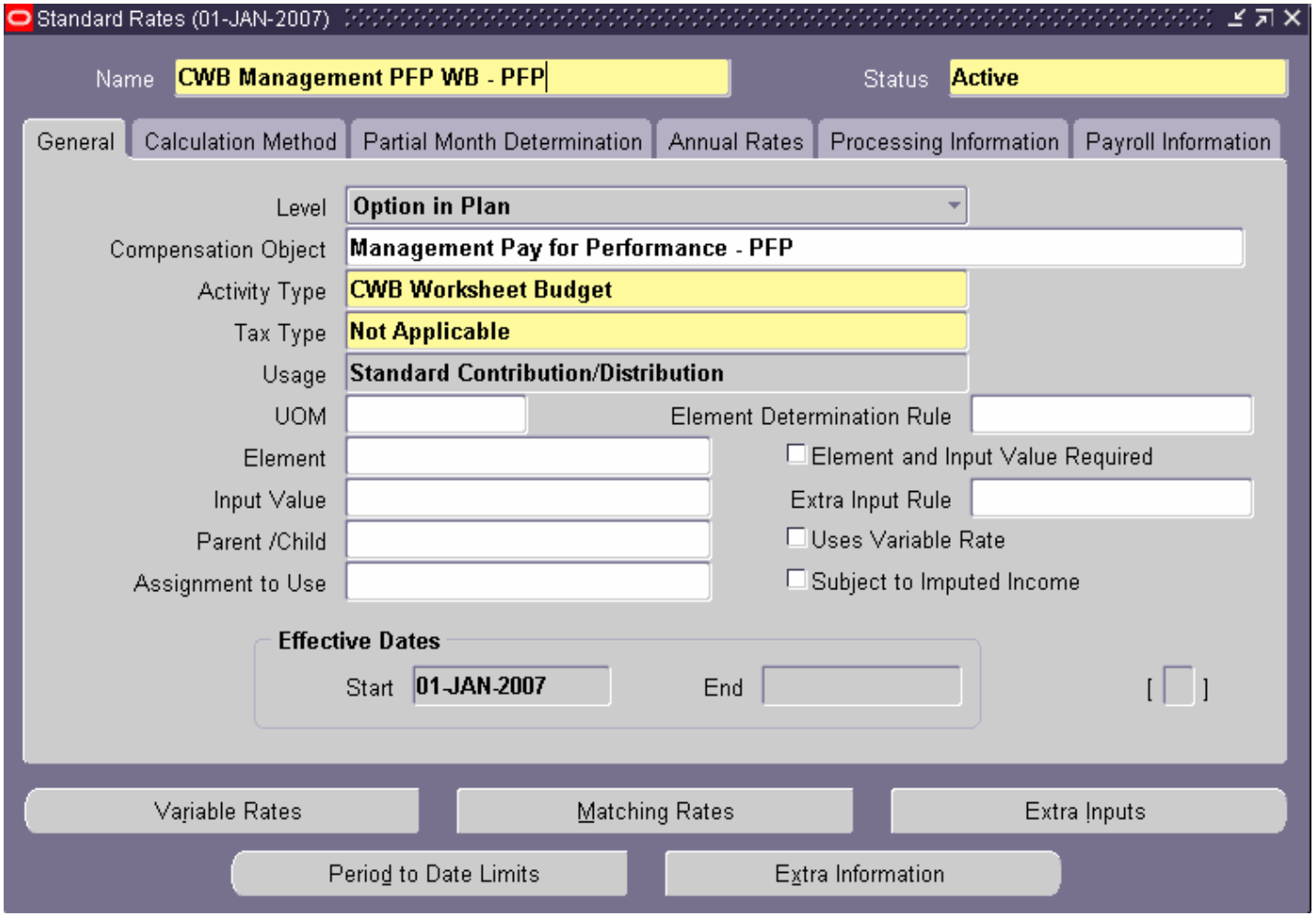
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Annual Rates
Processing Information
Payroll Information
Level
Option in Plan
Compensation Object
Management Pay for Performance - PFP
Activity Type
CWB Worksheet Budget
Tax Type
Not Applicable
Usage
Standard Contribution/Distribution
UOM
Element Determination Rule
Element
Element and Input Value Required
Input Value
Extra Input Rule
Parent /Child
Uses Variable Rate
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Subject to Imputed Income
Effective Dates
Start
01-JAN-2007
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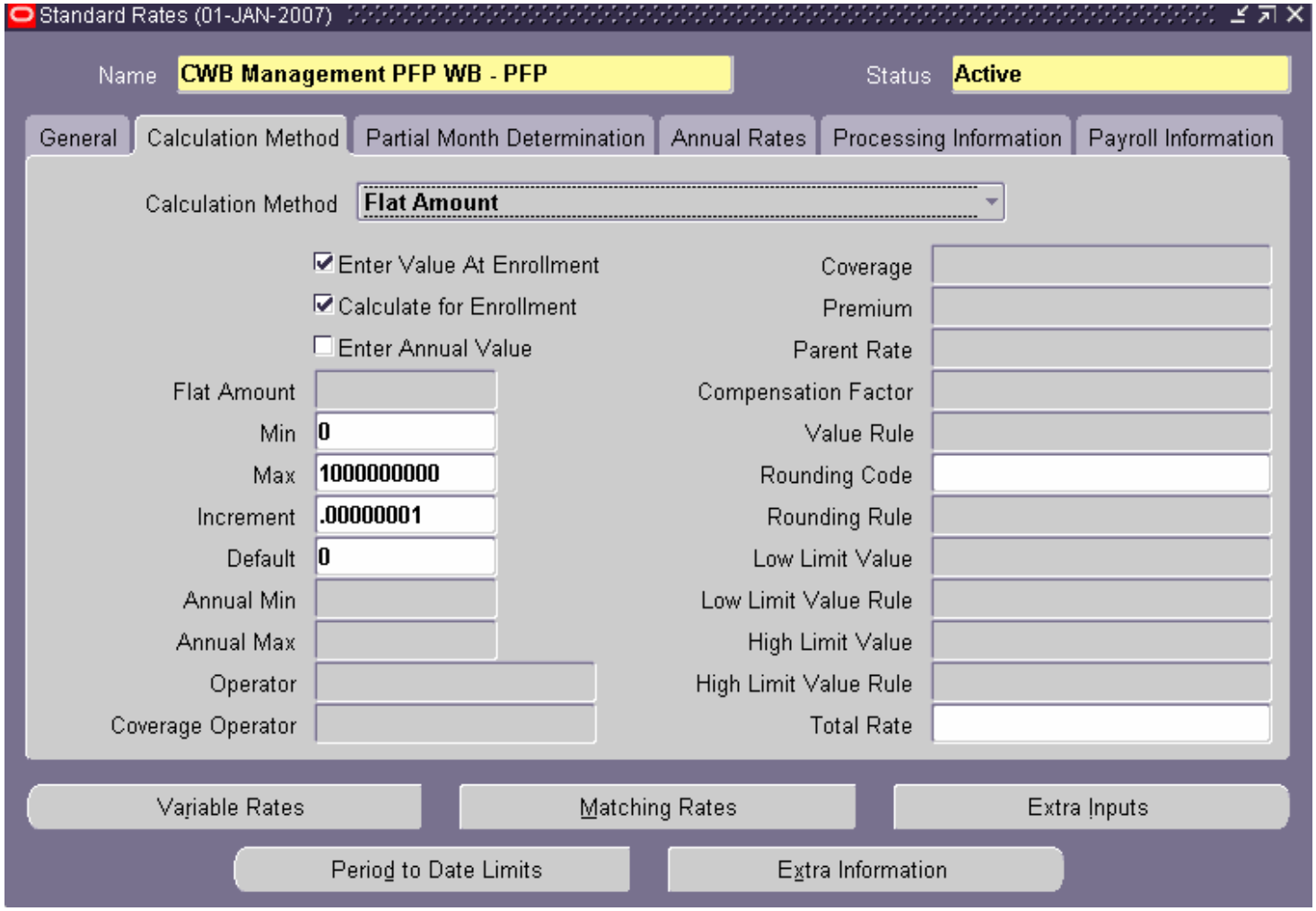
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Calculate for Enrollment
Enter Annual Value
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Annual Min
Annual Max
Operator
Coverage Operator
Coverage
Premium
Parent Rate
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Value Rule
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Total Rate
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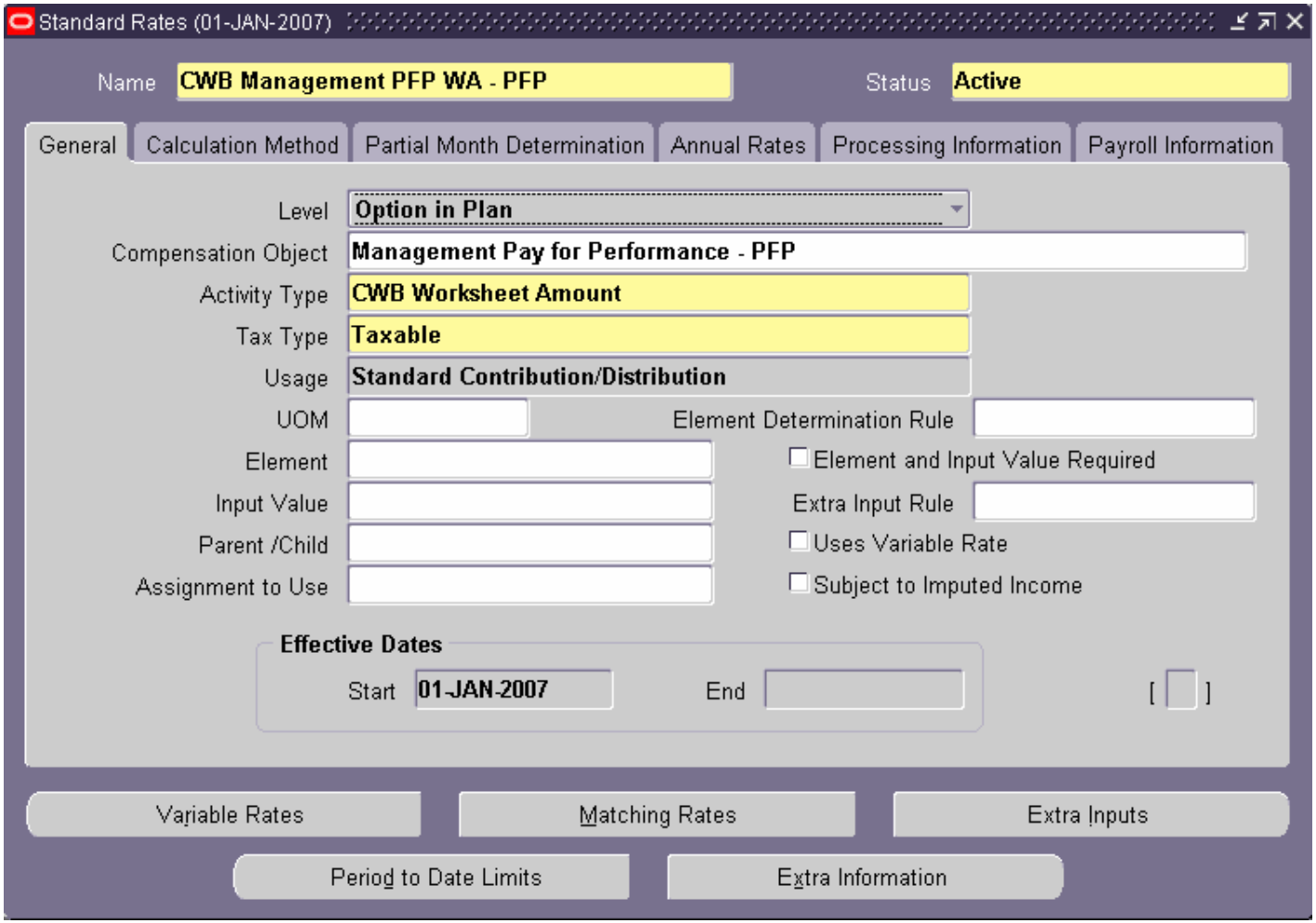
Solbourne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Option in Plan
Compensation Object
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CWB Worksheet Amount
Tax Type
Taxable
Usage
Standard Contribution/Distribution
UOM
Element Determination Rule
Element
Element and Input Value Required
Input Value
Extra Input Rule
Parent /Child
Uses Variable Rate
Assignment to Use
Subject to Imputed Income
Effective Dates
Start
01-JAN-2007
End
Variable Rates
Matching Rates
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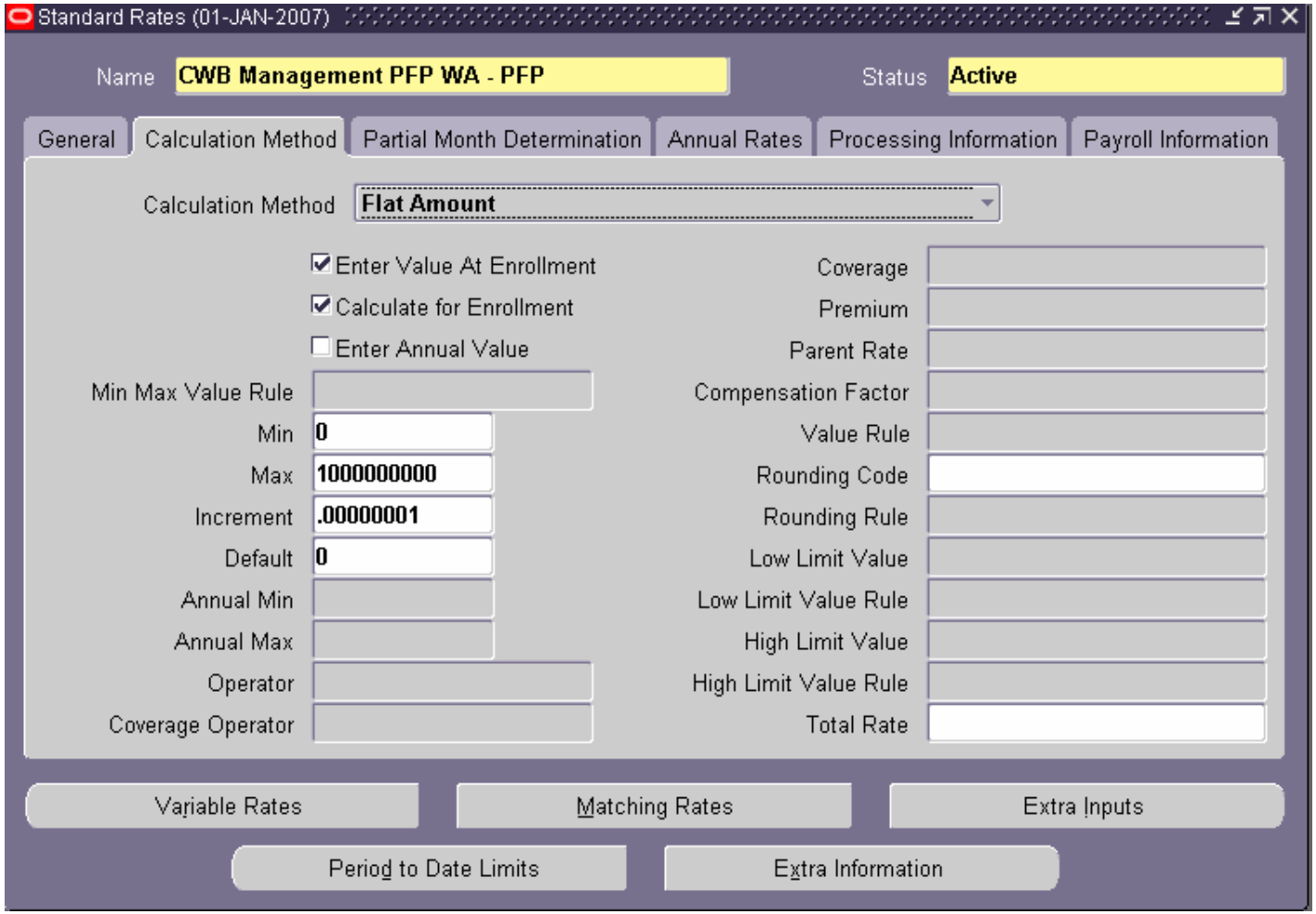
Period to Date Limits
Extra Information

Solbourne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Calculation Method
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Calculate for Enrollment
Enter Annual Value
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Max
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Increment
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Default
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Annual Min
Annual Max
Operator
Coverage Operator
Coverage
Premium
Parent Rate
Compensation Factor
Value Rule
Rounding Code
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Total Rate
Variable Rates
Matching Rates
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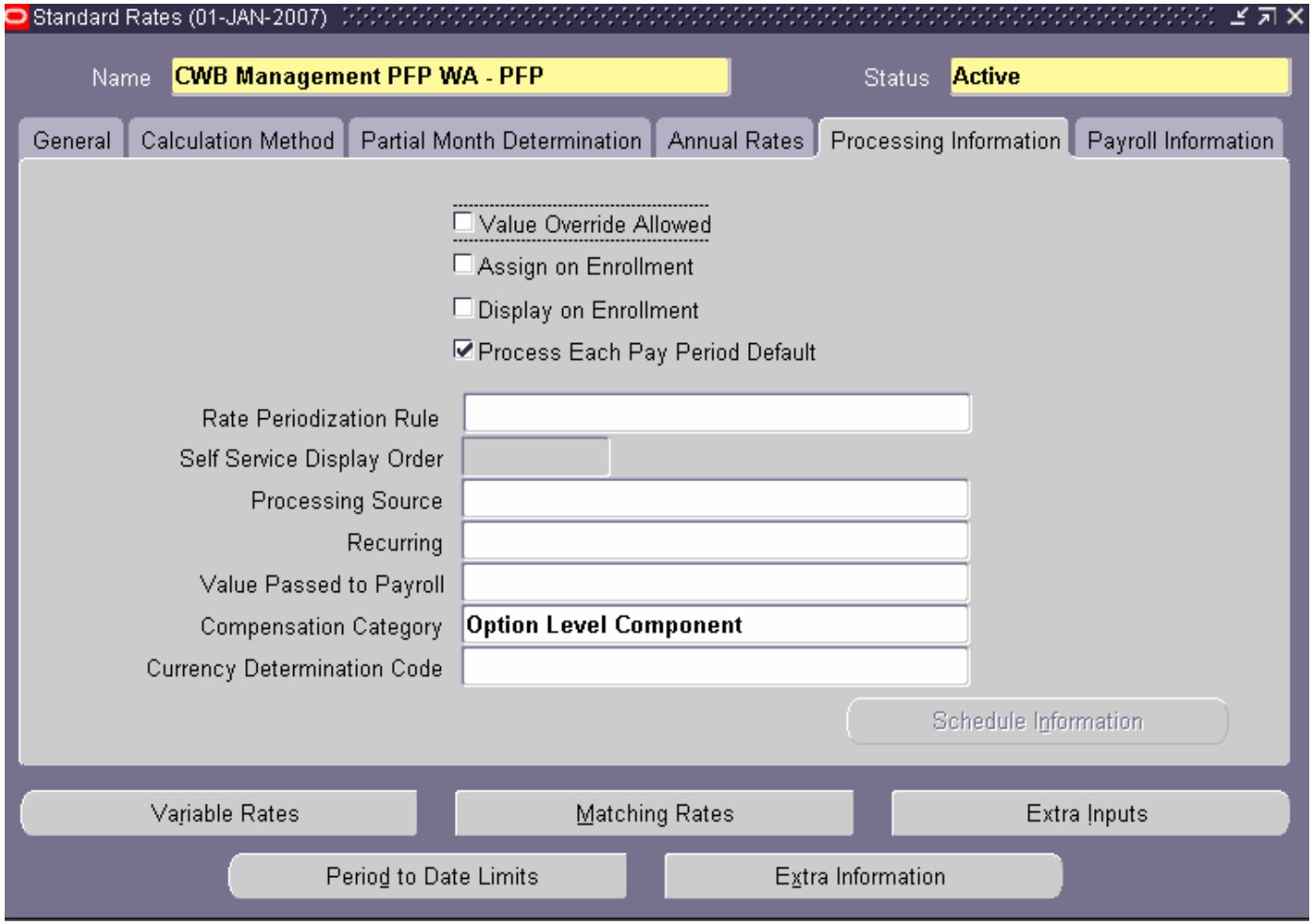
Solbourne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Value Override Allowed
Assign on Enrollment
Display on Enrollment
Process Each Pay Period Default
Rate Periodization Rule
Self Service Display Order
Processing Source
Recurring
Value Passed to Payroll
Compensation Category
Option Level Component
Currency Determination Code
Schedule Information
Variable Rates
Matching Rates
Extra Inputs
Period to Date Limits
Extra Information

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Task	Access	Last Updated	Status	Go To Task
All Tasks				
PSP Salary Increase (Aug-07 - Jan-08)				
Review PSP Rate Change	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	◔	
Retention Bonus (Aug-07 - Jan-08)				
Review Retention Eligibility	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	✔	
SPA (Jan-07 - Dec-07)				
Review SPA Eligibility	Full Access		■	
Generate Employee Letter	Full Access		■	
Management Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008	◔	
Rate Employees and Allocate Compensation	Full Access		■	
Approve Ratings and Allocation	Full Access		■	
Review and Submit	Full Access		■	
Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008	◔	
Rate Employees and Allocate Compensation	Full Access		■	
Approve Ratings and Allocation	Full Access		■	
Review and Submit	Full Access		■	

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Plan Design

Proficiency Skills Program

- Salary plan for nurses
- Performance Rating used to capture “level” for the nurses
- Eligibility based on Person level SIT segment value
- Salary rate is a factor of several factors, including
  - GRE
  - Position
  - Performance Rating
  - Salary Basis
  - Shift

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Design Discussions

- How to factor in a run time performance rating into salary rate calculation?
- Need to replace the current salary with the new worksheet amount as opposed to adding it
- Budgets or no budgets?
- Are managers allowed to make changes?
- Are approvals needed?

Compensation Workbench Home

Checklist: Zenty, Thomas F III

Personalize "Checklist"

Expand All | Collapse All

Task	Access	Last Updated	Status	Go To Task
All Tasks				
PSP – Proficiency Skills Program (Aug-07 - Jan-08)				
Rate PSP Level	Read Only		■	
Approve PSP Level	Read Only		■	
Review and Submit	Read Only		■	
PSP Salary Increase (Aug-07 - Jan-08)				
Review PSP Rate Change	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	⏱	
Retention Bonus (Aug-07 - Jan-08)				
Review Retention Eligibility	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	✓	
SPA (Jan-07 - Dec-07)				
Review SPA Eligibility	Full Access		■	
Generate Employee Letter	Full Access		■	
Management Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008	⏱	
Rate Employees and Allocate Compensation	Full Access		■	
Approve Ratings and Allocation	Full Access		■	
Review and Submit	Full Access		■	

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Plan Design

Retention Bonus

- 2.5% of eligible earnings paid during a certain time frame
- Eligibility tracked on Position level DFF attribute
- Primarily based on seniority date
- Employees with Performance score of “C”, or with Corrective Actions excluded from eligibility
- Semi-annual plan

Compensation Workbench Home

Checklist: Zenty, Thomas F III

Personalize "Checklist"

Expand All | Collapse All

Task	Access	Last Updated	Status	Go To Task
All Tasks				
PSP – Proficiency Skills Program (Aug-07 - Jan-08)				
Rate PSP Level	Read Only		■	
Approve PSP Level	Read Only		■	
Review and Submit	Read Only		■	
PSP Salary Increase (Aug-07 - Jan-08)				
Review PSP Rate Change	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	◔	
Retention Bonus (Aug-07 - Jan-08)				
Review Retention Eligibility	Read Only		■	
Generate Employee Letter	Read Only	19-Feb-2008	✓	
SPA (Jan-07 - Dec-07)				
Review SPA Eligibility	Full Access		■	
Generate Employee Letter	Full Access		■	
Management Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008	◔	
Rate Employees and Allocate Compensation	Full Access		■	
Approve Ratings and Allocation	Full Access		■	
Review and Submit	Full Access		■	

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Plan Design

Special Performance Award (SPA)

- Majority of the workforce is eligible
- Seniority Date, GRE, Job, Position, Hours worked (for PRN positions) play a role in eligibility
- Employees with Corrective Actions are excluded
- Annual Bonus
- Bonus amount based on seniority date

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Compensation Workbench Home

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Rate PSP Level	Read Only		■	
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PSP Salary Increase (Aug-07 - Jan-08)				
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Generate Employee Letter	Read Only	19-Feb-2008	◷	
Retention Bonus (Aug-07 - Jan-08)				
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Generate Employee Letter	Read Only	19-Feb-2008	✓	
SPA (Jan-07 - Dec-07)				
Review SPA Eligibility	Full Access		■	
Generate Employee Letter	Full Access		■	
Management Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008	◷	
Rate Employees and Allocate Compensation	Full Access		■	
Approve Ratings and Allocation	Full Access		■	
Review and Submit	Full Access		■	

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Plan Design

Per Visit Productivity Bonus

- Annual Bonus for Per-Visit nurses
- Eligibility based on assignment category
- Flat amount Bonus based on Performance
- Performance Rating given at the same time as bonus allocation
- “Simplest” of all our seven plans! We mean, relatively speaking!

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SPA (Jan-07 - Dec-07)				
Review SPA Eligibility	Full Access			
Generate Employee Letter	Full Access			
Management Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008		
Rate Employees and Allocate Compensation	Full Access			
Approve Ratings and Allocation	Full Access			
Review and Submit	Full Access			
Pay for Performance (Jan-07 - Dec-07)				
Set Budgets	Full Access	14-Feb-2008		
Rate Employees and Allocate Compensation	Full Access			
Approve Ratings and Allocation	Full Access			
Review and Submit	Full Access			
Per Visit Productivity Bonus (Jan-07 - Dec-07)				
Rate Employees and Allocate Bonus	Full Access			
Approve Ratings and Bonus Allocation	Full Access			
Review and Submit	Full Access			
Generate Employee Letter	Full Access			

Notifications

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Project Highlights

- User hooks and dynamic columns used extensively and with a lot of success
- Great success with plan rollouts
- Effective training model
- Super users and end users very comfortable with the system
- Great feedback received from managers (Manager Feedback report utilized for measuring feedback)
- Efficiency in compensation process for everyone

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Tips and Gotchas

- Use Flat Amount calculation method in Standard Rates WB, DB, WA activity types even while storing Budgets as Percentage of Eligible Salary
- Note “Enrollment or Availability Period” is different from “Self-Service Update Period”
- Personalizations in worksheets can be done by plans, but any other personalizations on the CWB main page cannot be done by plans (but at responsibility, function or site level)

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Tips and Gotchas

- Recommended Amount activity type works really well in CWB worksheets, and provides icons for managers to use for min, max and target amounts
- Utilize Information and Links section for URLs applicable to your business needs
- Custom messages can be configured for Mass Notification functionality for target population – Use Advanced Benefits application for this
- Pay attention to the sequence numbers used for mathematical calculations and conditions in dynamic columns

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Tips and Gotchas

- Prepare a consolidated spreadsheet with lists of all the columns used for different CWB plans, and their labels
- Be aware of the number and types of dynamic columns used
- Use Preferences for date tracking functionality in CWB
- Use Forms Toolbar – Text Form functionality in .rtf template to format the amounts on Employee Statements to have separators and decimal values (See Metalink Note 463041.1 for details)

Tips and Gotchas

- Four types of budget distribution options available – Automatic, Manager Roll Down, Employee Rollup, Administrative Modeling
- Consider combining related CWB tasks to reduce the number of tasks
- Consider using Views to avoid horizontal scrolling in CWB spreadsheet
- Employee Administration link can be utilized for backing out and reprocessing CWB plans for specific employees

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Metalink Notes

- 399879.1 - CWB Overview Viewlets
- 314378.1 - Patch List
- 301163.1, 301160.1, 302084.1 – Sample Setup
- 311702.1 - Employee Statement Setup
- 294465.1 -Various other links

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Questions & Answers

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