Stock Focal: Managing Stock Allocations using Oracle Compensation Workbench

2014 NorCal OAUG Training Day

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Safe Harbor Statement

Agenda

1. Introductions
2. CWB Overview
3. Implementing Stock Plan in CWB
   - Planning
   - Building Blocks
   - Challenges & Other Considerations
   - Benefits
   - Lessons Learned
4. About Jade Global
5. Q & A

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Introductions

CWB Overview

Oracle's Compensation Workbench (CWB) provides your enterprise with a web–based solution for determining and allocating compensation awards, including:

- Salary increases
- Bonuses
- Stock options (our Topic today)

Planning your Equity Compensation

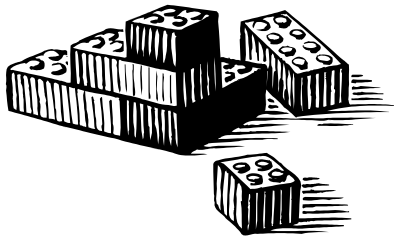
- Local or Global in design?
- Who is eligible? (Eligibility Criteria)
- What are the periods/frequency for each?
- What are the limits, minimum/maximums?
- What if any, recommendations are required?
- What tasks can a manager perform?

Planning your Equity Compensation

- Can a manager reserve shares for later?
- At what level are allocations allowed?
  - line manager, directors, VPs
- Who will be distributing the budget?
- What data do you want to capture in the database?
  - Grants, Price, effective date, vesting date, vesting schedule
- What information does the managers need to make a decision?

Setup Building Blocks

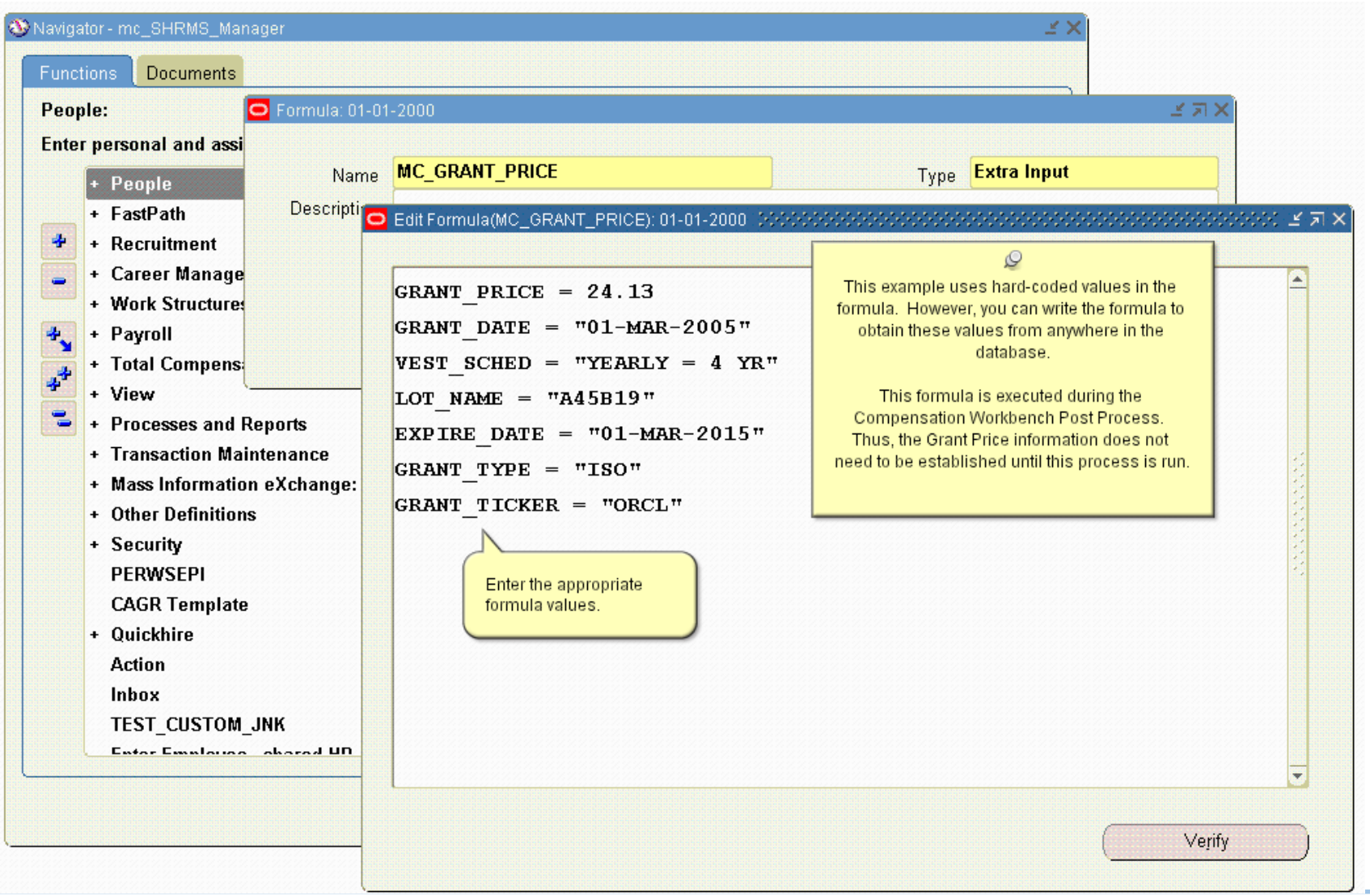
- Define elements to hold each distribution
- Define FastFormulas for calculations
- Define eligibility profiles
- Define Life Event(s)
- Define plan type (Stock)
- Define the plan(s)
- Define plan enrollment requirements
- Define standard rates
- Enable SSHR menus / Worksheet personalization's



Stock Plan Challenges

- Stock Element Definitions
- FastFormulas
- Posting of Stock values
  - Use FastFormulas to define extra input values
- If you are using Standard Benefits or ICD make sure that all unrestricted Life Events are closed before running participation process.

Stock FastFormula



Stock Element

Element: 01-01-2000

Name: Stock Options
Reporting Name:
Description:
Primary Classification: Supplemental Earnings
Benefit Classification:

Effective Dates
From: 01-01-2000
To:

Define your stock option plan element as appropriate.

Processing
Standard | Advanced | Advance Pay

Type
- Nonrecurring
- Recurring

Termination
- Actual Termination
- Final Close
- Last Standard Process

Priority: 2500
Skip Rule:

- [x] Multiple Entries Allowed
- [ ] Additional Entry Allowed
- [ ] Closed for Entry
- [x] Process in Run
- [ ] Once Each Period
- [ ] Indirect Results(K)
- [ ] Adjustment Only(J)
- [ ] Third Party Payment

Currency
Input: USD
Output: USD

Qualifying Conditions
Age:
Length of Service:
Units:

- [ ] Standard [ ]

Further Information:

Input Values | Balance Feed Control(z) | Frequency Rules(q)
Exclude Balances | Extra Information(g) | Usages

Click Input Values

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Stock Element

Element: 01-01-2000

Name: Stock Options

Description

Input Values(Stock Options): 01-01-

Create input values that represent the amounts that are to be captured in Compensation Workbench. Amounts may have a unit of measurement of shares for the number of shares, or money for the value of a grant.

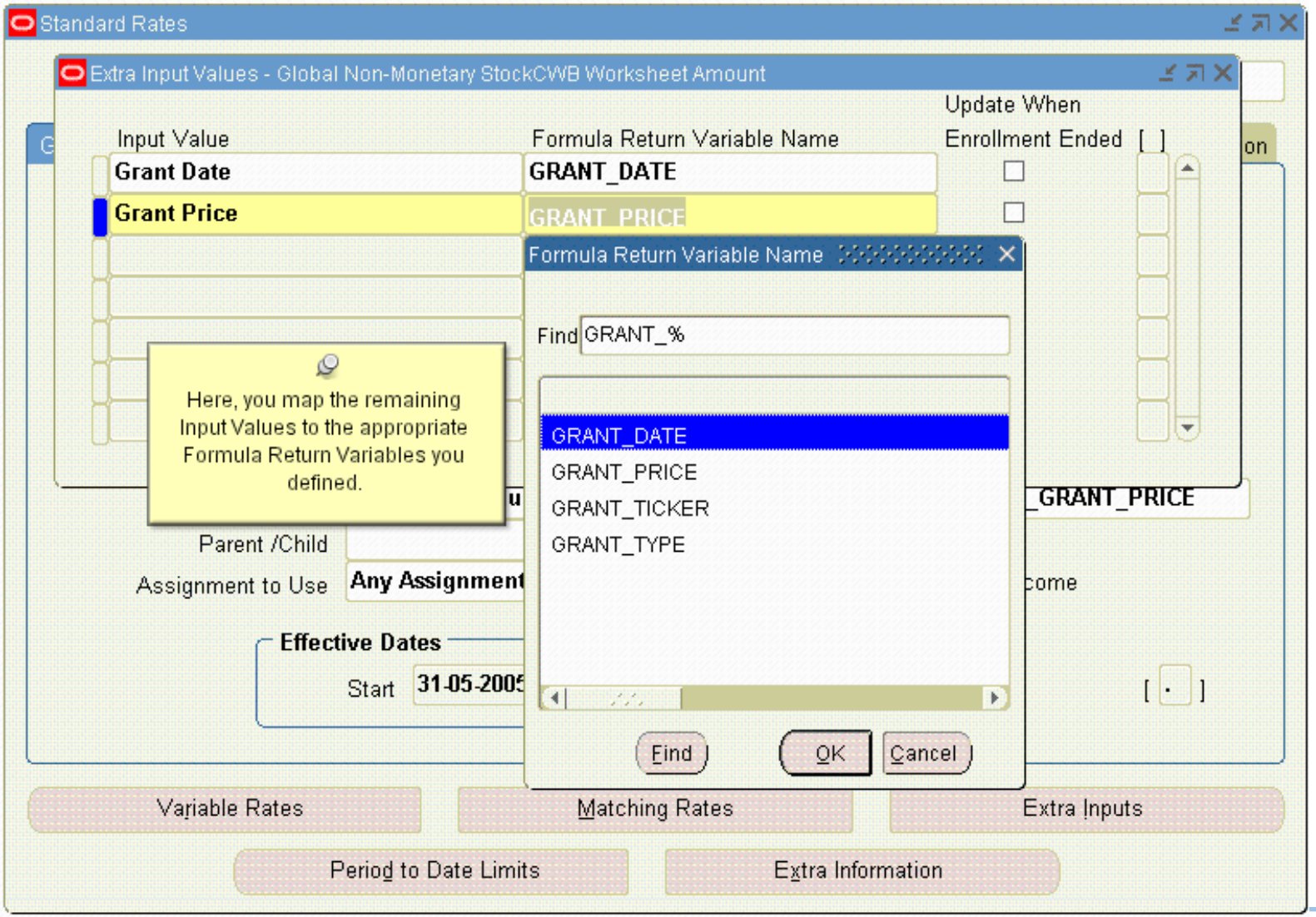
Also include input values for each of the return values defined in your formula such as Grant Date and Vesting Schedule.

Name	Units	Sequence	Required	Enterable	Database Item
Pay Value	Money	1	☐	☑	☑
Shares	Number	2	☐	☑	☐
Grant Price	Money	3	☐	☑	☐
Grant Date	Date	4	☐	☑	☐
Vesting Schedule	Character	5	☐	☑	☐

Input Values | Balance Feeds | Balance Feed Control(z) | Frequency Rules(q)

Exclude Balances | Iterative Rules(O) | Extra Information(g) | Usages

Stock Standard Rate Extra Inputs



Stock Plan Other Considerations

- Manager’s Worksheet Layouts
- Global vs. Local recommendations
- Reserves
- Employee Statements
- Reports

CWB Stock Plan Benefits

- Distributing compensation management to line managers
- Manager’s have better visibility into how their employee's are compensation
- Online reporting in CWB
- Better management/controls over approval processes
- Avoiding Excel based processes (Go Paperless)
- Data available for reporting, budgeting, costing

Lessons Learned

- Must plan your cycle to include Board approval times
  - Comp Admin's change window, posting dates, etc.
- Define a separate Life Event for each Stock plan to avoid a overlapping issues.
  - Executive plan vs. IC plans
- With multiple business groups, define one Global plan and multiple local plans for each business group
- Use plan design copy feature if your defining multiple Stock plans.
- Use plan export/import feature to migrate plans between instances.
- Oracle's CWB viewlets provide additional & helpful information.

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Microsoft Partner
Gold Small Business
Gold Digital Advertising
Gold Collaboration and Content

salesforce CLOUD ALLIANCE PARTNER

tableau PARTNER

amazon web services Partner Network CONSULTING PARTNER

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