



Networking & Communications Firm



Business Challenges

A leading networking and communications provider, which had been planning compensation for its global operations using three disparate homegrown applications, was looking to consolidate these processes into a single robust solution for greater flexibility and control. The company wanted a tool that would not require significant IT resources. That way, HR could “own” and manage the solution independently while reducing the overhead associated with the legacy compensation planning tools.

The IT-oriented company considered building the replacement system instead of implementing a best-of-breed solution from an established vendor. After initially going down this road in partnership with a consultancy firm, the company elected to customize an in-house solution based on its ERP system. However, cost overruns and significant functionality gaps prompted the firm to abandon this approach and decide upon deployment of a hosted solution as the best course of action.

The networking and communications giant — with global operations and more than 61,000 employees worldwide — set out to find a hosted solution capable of meeting its rigorous requirements including:

- Focal planning that supports complex compensation programs
- Off-cycle compensation actions to empower divisions with responsive compensation strategies
- Flexibility to plan multiple elements in conjunction with one another or individually
- Configuration of strict operational controls for plan administrators
- Robust security features to protect sensitive data

By leveraging a single solution for planning all compensation elements throughout the year, the company was seeking to gain greater visibility into the planning process through roll-ups and reports as well as enterprise-wide transparency in compensation decisions.

Solution

The networking and communications provider selected Workscope Compensation Planner™ – Focal and Compensation Planner – Off-Cycle as a global solution for its managers. The Workscope solution, which provides the ability to view all planning elements on a single screen, best supported the company’s goal to improve planning process

efficiencies. What's more, Workscope had a proven implementation record with international clients — an important consideration for a large organization with global operations.

The company was planning to roll out the new compensation planning solution during a period of economic uncertainty. As a result, the flexibility to plan multiple pay elements simultaneously or one at a time — either across the organization or varied by region or division — was critically important for responding to changing business and economic needs. The combined offering of Workscope Compensation Planner for focal and year-round planning was unique in its ability to fully support this objective. In addition, the company decided to use Workscope SmartSync, which enabled it to select whether each planning program should “lock down” data during a focal period or continue to take daily feeds from the system of record and adjust processes accordingly. This capability provided enterprise-wide flexibility in compensation strategy and administration throughout the year.

Results

The company first rolled out Workscope Compensation Planner – Off-Cycle to nearly 10,000 managers in the Americas, APAC, and EMEA. Supporting a global workforce of more than 61,000, the solution was put to immediate use for incenting and rewarding employees outside of their focal programs.

In the first full quarter following solution deployment, managers were averaging more than 100 approved transactions a day as part of the normal course of business. Managers leveraged the real-time views of their remaining budgets to reward their group's top performers in the final weeks of the quarter. As a result, Compensation Planner – Off-Cycle processed 250-500 approved transactions per day during this period.

The company's compensation transaction totals were impressive and strongly validated the decision to roll out one compensation planning solution worldwide. More than \$10 million in merit increases; more than \$6 million in bonuses; 170,000 equity shares awarded; and \$1.5 million in promotion spend had all been automated, tracked, and approved using the Workscope solution.