NETSUITE
ONE SYSTEM. NO LIMITS.

NetSuite *Incentive Management Module*

NetSuite offers the industry's first and only:

- Mid-market solution with built-in commissions management
- Online CRM solution with commissions management
- Built-In Commissions Payment Integrated into Payroll

NetSuite Incentive Management functionality includes:

Flexible Earnings Formulas

- **Schedules allow for compensation based on:**

- Quota
- Total Sale
- Profitability
- Products and Services

- **Formulas can be Flat or Scaled**
- **Scale Types Include:**

- Linear Percentage
- Linear Amount
- Margin Percentage
- Margin Amount

- **Split Commissions**

- Split commissions among multiple parties

- **Partner Comissions/Royaltis**

- Pay commissions to partners
- Same options as for employees

Multi-tiered Plans

- Schedules Roll Up to Plans for Added Flexibility
- Allows for Kickers, Spiffs, and Other Common Added Incentives
- Options for Manager/Executive Commission Schemes

Real-time KPIs Drive Productivity

- Sales Reps See Commission Increase With Every Order
- Accurate Visibility Into What Their Next Commission Check Will Be
- Managers Have Complete Commission Reporting With Drill-Through Capabilities

Integrated Payroll Simplifies Payment

- Optional Manager and Accounting Approval
- Reflected as Separate Line Item on Paycheck
- Direct-deposit Available

NetSuite's Incentive Management allows growing and midsized businesses to design, track, and pay sales commission plans. NetSuite and NetSuite CRM+ give companies an easy-to-use tool to address the challenges of creating and maintaining complex multi-tiered commission plans, including calculating sales compensation based on a myriad of criteria such as quota, product quantity, service item, product profitability and even ad hoc "spiffs." Processing commission payments through financial approval and adjustment cycles can also be automated within the system. NetSuite's Incentive Management provides real-time commission visibility to sales professionals to reward and motivate them.

Why NetSuite Incentive Management?

Centralize and Automate Commission Schedules

Commission programs can be managed centrally, providing real-time visibility to all stakeholders across the organization with the Incentive Management module. Executives, sales managers, and finance managers alike can manage compensation rules within commission schedules in a familiar spreadsheet-like interface. Your commission rules can be configured based on Quota — per period categorized by total sales, product or service, class of business, department or location; Sales — per order or period categorized by product or service, class of business, department or location; Quantity — per order or period and categorized by product or service, class of business, department or location; Profitability — per order categorized by product.

Scale Calculation Options

Within a compensation schedule, you can have commission calculated on a linear scale, a marginal scale, or no scale at all. For added incentives — such as kickers or spiffs for selling a particular product or service item — you would not require a scale. However, for more complex calculations, you may want to use a scale. A linear scale takes the total value of the order into account when determining the commission rate that should be paid while a marginal scale allots portions of the value of the order to each step of the scale when determining the commission rate to be paid.

Roll Up Commission Plans and Assignment

Commission schedules are rolled up into complete commission plans. Plans can include multiple rules and enforce effective dates when assigned to sales professionals. This multi-tiered roll-up approach handles complexity with ease and allows for maximum flexibility in sales compensation formulas to keep up with the dynamic needs of your businesses.

Track Manager and Executive Commissions

Calculate managerial commissions from sales team leads up to VPs of sales. Simply set up a schedule that applies to managers, and configure the commission rules based on the calculation type and rate your compensation plan calls for. Then when the sales people on the manager's team book any orders that qualify for the commission schedule, the amount will be reflected in the compensation due to the manager.

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Split Commissions
With Team Selling capabilities, you have the ability to split commissions between multiple parties on the same sales transaction. By specifying a contribution percentage, you can tell the system exactly how much credit for the sale each individual will receive. Commission schedules then use the contribution percentage to determine payout. In addition, you can pay commissions to any employee marked as eligible on their employee record.

Manage Partner Commissions/Royalties
NetSuite let¡¦s you pay commissions to partners. This can be used without Employee Commissions as a stand-alone feature or in conjunction with Employee Commissions. This means that you can pay both employees and partners on the same sales transaction, if needed. Other than a few exceptions, namely Quota-based schedules, Partner commissions can be calculated based on the same parameters as that of Employees, for example:

- Commission on Sales
- Quantity
- Inventory Profitability
- Inventory Total profit

Alternative Sales Amount is also available with Partner commissions in the event you need additional flexibility. Partners can also view their commissions in the Partner center.

Process and Pay Commissions with NetSuite
In NetSuite, you can decide whether you'll trigger the commission calculation when a customer is invoiced (billed) or once the invoice has been paid. In NetSuite CRM, an approved sales order triggers the commission calculation. Once the schedules and plans you have set up estimate the commission amount for a transaction, you can choose the approval process that meets your business needs: sales manager approval together with accounting approval or simply sales manager approval. Manual overrides are available during the commission approval process. Once compensation has been approved, payment can be made in NetSuite using automatic payroll processing, or by an adjusting journal entry. Over- and under-compensations (due to invoice changes) are both also handled by providing credit/debit towards the next pay cycle.

Motivate Sales Professionals with Real-time Visibility
Key Performance Indicators (KPIs) on NetSuite's real-time dashboards show sales professionals their estimated commission, as well as what they will receive in their next commission check. You can drill through from the indicator to examine which orders are represented in the commission amount as well as which plan and schedule contributed to the total, giving sales reps visibility they never had before. In addition, the estimated commission indicator acts as a great motivator to close more business since it updates the instant an order is booked. Sales managers can use the indicators to view their own commission, while summary and detailed reports allow them to analyze commission for their entire team.