HEADCOUNT AND COMPENSATION PLANNING

PERFORMANCE BLUEPRINT

WEB-BASED PLANNING FOR MANAGING HEADCOUNT AND SALARY DECISIONS

VERSION 1.0

COGNOS | **INNOVATION CENTER**
for Performance Management™

COGNOS®

AN IBM® COMPANY

EXECUTIVE SUMMARY

This application brief demonstrates a web-based planning process for managing headcount and the compensation process projections using IBM Cognos 8 Planning. By implementing the *IBM Cognos Headcount and Compensation Planning Blueprint*, a company will have forward-looking visibility into workforce decisions at the divisional level, and at the company level as a whole. The headcount projections can be leveraged as a driver in other planning processes of the organization. The *Blueprint* and processes described in this document are generic for employees in any industry in the US, but can be configured to support the complexity of fixed and variable compensation requirements for any industry across many countries.

OVERVIEW

Employee related expenses are often the largest expense lines on a company's Profit and Loss statement. At the corporate level, best efforts are being taken to manage employee-related spending, while at the divisional level, line managers are making salary and headcount decisions to optimize the efficiency and output of their staff. Collaboration needs to occur on a forward-looking basis so that divisional level decisions are in line with corporate expectations.

Proper headcount assignment can be dependent upon a number of drivers, including Sales Volume trends, and Customer Service KPI objectives, and also may be affected by business operational issues such as Business Unit Relocation, and Restructuring.

Headcount can also be a driver for many other areas, such as Help Desk support, IT spending, Call Center Support planning, and even Sales Volume when revenue projections are tied to revenue productivity of sales agents.

Therefore, it is critical that tactical workforce decisions made at the divisional level are aligned with corporate strategy and objectives.

Employee Compensation can also be a key driver towards employee productivity. Merit increases tied to individual, team, divisional and corporate performance objectives can act as an incentive with much more return for the company than an arbitrary annual pay increase.

BLUEPRINT OBJECTIVES:

The IBM Cognos *Headcount and Compensation Planning Blueprint* achieves a number of planning objectives:

1. Manages headcount for both Existing and New Employees
2. Manages Salary, Merit and Bonus decisions at the employee and/or group level.
3. Determines Benefit and Tax Expenses
4. Links Salary and Headcount projections as a driver for other items on an expense plan
5. Demonstrates variable compensation capabilities
6. Demonstrates internal transfer planning capabilities

KEY BENEFITS OF THE COGNOS ENTERPRISE PLANNING SOLUTION:

- Flexible *Blueprint* development using IBM Cognos 8 Planning to support any Headcount and Compensation Blueprint;
- Web based deployment of models for data collection and consolidation;
- Real-time workflow;
- Real-time consolidation;
- Real-time calculations in the browser for immediate results;
- Scalable architecture with proven deployments to thousands of line managers;
- Linking functionality to provide collaboration between all areas of the corporation;
- Capability to perform form-based planning with selection boxes to drive application logic and calculations.

EMPLOYEE INFORMATION

The first tab in the *Blueprint*, named "Employee Information" contains information uploaded from your current payroll system that will be used in calculating both Salaries and Benefits.

There are no selections to be made on this tab as it is for informational purposes only.

EXISTING EMPLOYEE STATUS

The second tab of the *Blueprint*, named "Existing Employee Status" is where we manage the Headcount of our Existing Employees.

Fields in GRAY are non-editable and are linked over from the "Employee Information" tab. Fields in WHITE are editable and used to manage our existing Headcount.

As changes are made they are highlighted in BLUE along with any cells affected by the change. As changes to this table are made, the Headcount and Salary impacts are being made automatically to the subsequent tabs affected by the changes.

The selections in this *Blueprint* are below:

Action Code – The Action Code field is a list of codes describing the reason for the Status Change. Each of the codes has different business rules associated with it, and the financial ramifications are calculated automatically month-by-month for the user using standardized assumptions. There are no set limits to the number of Action Codes that can be set up in the system, and any business rules and conditions can be set up.

Action Date – The Action Date provides the effective month for the Status Change and the corresponding Action Code. The Action Date drives the financial month-by-month changes that occur based upon Status Changes.

There are additional fields to the right:

	Action	Action Date	Current Department	Transfer to	Severence	WARNING
CUNNINGHAM, LARA M	Change Merit month to:	Jun	6001		0	
FLETCHER, JENNIFER G	Term w/Severance	Jul	6001		1,200	
GUPPY, ROSE MARIE	Transfer	Aug	6001	6005	0	
JOHNSON, MARIE	Suspension	Sep	6001		0	
MAJZEL, JOAN E	Suspension w/Pay	Oct	6001		0	
MALENSKY, NANCY	Leave	Nov	6001		0	
MCCRARY, SUSAN B	Leave w/Pay	Dec	6001		0	
MCQUERN-WEBB, MARLYN J	Retirement	Mar	6001		0	
MIZEUR, EVA	Termination	Apr	6001		0	
PACKENHAM, NANCY J	Term w/Severance		6001		0	Selected Action Requires an Action Date
PARROTT, SANDRA			6001		0	
STEINDL, KIMBERLY I			6001		0	
TEBRUGGE, PRISCILLA			6001		0	
VESPER, DENISE D			6001		0	
6001					**1,200**	

Administration | Help

Employee Information | Existing Employees Status | New Employees | Compensation Planning | Salary Calc | Salary Calc New | Headcount & Comp Summary | Corporate Guideline

Transfer To – Companies often have difficulty planning employee transfers in the upcoming year. Employees can sometimes "fall through the cracks" as a department recognizes the transfer out on their plan while the receiving department fails to recognize the incoming employee. The collaborative capabilities of the Cognos planning solution allow for processes to manage planned employee transfers effectively.

Severance – When choosing an Action that requires Severance pay, a warning would be issued to enter the Severance amount. Other WARNINGS would be issued based upon the selections made. As an example, all Actions would require an Action Month.

NEW EMPLOYEES

Help

Administration ▼

	Position	FTE	FT/PT	Start Month	Location	Health Plan	Differential %	Target Base	Market Adjustment	Hiring Salary	Bonus
1	Accountant ▼	1	FT	Feb	Minneapolis, MN	Individual Plan	100.00%	32,500		32,500	7%
2	Accounting Clerk	.75	PT	Feb	Los Angeles, CA	Individual + 1	120.00%	22,500	2,500	25,000	5%
3	Accounting Clerk	1	FT	Mar	New York, NY	Family Plan	135.00%	33,750		33,750	5%
4	Accounts Processor I	1	FT	Apr	New York, NY	Individual Plan	135.00%	24,300		24,300	3%
5	Actuarial Assistant	1	FT	Aug	Dallas, TX	Family Plan	100.00%	21,000		21,000	3%
6	Admin Asst III	1	FT	Nov	Sioux Falls, SD	Individual Plan	80.00%	16,800		16,800	3%
7	Business Analyst	1	FT	Oct	Seattle, WA	Family Plan	105.00%	39,375	(3,375)	36,000	8%
8	Regional Vice President	1	FT	Sep	Chicago, IL	Family Plan	115.00%	126,500	(2,250)	124,250	14%
9	Senior Buyer	1	FT	Dec	Wash., D.C.	Individual + 1	118.00%	44,250	(2,000)	42,250	8%
10	Sr Accountant	1	FT	Oct	Minneapolis, MN	Family Plan	100.00%	65,000	5,000	70,000	10%
11	Intern	.5	PT	Jun	Minneapolis, MN		100.00%	7,500		7,500	3%
12											
13											
14											
15											
16											
17											
18											
19											
20											
Total							110.06%	433,475	(125)	433,350	9%

The third tab of the *Blueprint*, "New Employees" is where we manage the Headcount or hiring of our New Employees.

The manager for this department enters the projected hiring schedule for the upcoming year. All of the fields that are editable are in WHITE. Those fields in GRAY are determined based upon the choices made in the white fields. For example, entering an employee's FTE (Full Time Equivalent) as 1 would designate the employee as FT (Full Time), making a choice of .75 or .5 would designate the employee as PT (Part Time). All of the text fields are selected by dropdown.

As before, the changes that are made are highlighted in BLUE. As changes to this table are made, the Headcount and Salary impacts are being made automatically to the subsequent tabs affected by the changes.
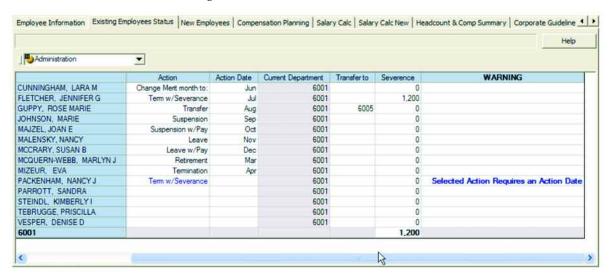
Planning by position:

> A selection is made from a list of pre-approved positions.
>
> The Employees FTE is chosen.
>
> The FT/PT field will be instantly calculated.
>
> A start month is selected.
>
> A location where this employee will be working.
>
> The employee's Health Plan Choice.

Our *Blueprint* allows a differential to be paid based upon where the employee will be located. Minneapolis is our baseline, so a location of Minneapolis would pay 100% of the recommended midpoint for this position. Someone working in New York, as you can see, would get a differential equal to 135% of the midpoint, while someone working in Sioux Falls, SD would get 85% of the midpoint.

Each position has an associated salary grade. It is the combination of this salary grade and differential choice that causes the Target Base to be populated. The Manager then has the capability to make a Marketing Adjustment to the Target Base in order to arrive at a Hiring Salary.

The Bonus % is arrived at using business rules embedded in the model. Based upon the grade, and assuming all first year employees perform at mid level a Bonus % is brought via a lookup table. Our model pays a bonus to employees who serve at least six months in the calendar year. That bonus is spread over their entire pay period. These rules are assumptions made within the existing *Blueprint*. It is very easy to modify a Blueprint to reflect a customer's own set of Headcount and Payroll Assumptions.

The form-based paradigm of this tab allows a user to prepare a plan based upon the decisions they'll make to manage their employees, rather than burdening them with the month-by-month calculations of cost and headcount. This makes workforce planning easy for the department manager, while providing visibility for corporate into the decisions that make up changes to the workforce, rather than just receiving the change in dollar spend in a department.

COMPENSATION PLANNING

Tabs									
Employee Information	Existing Employees Status	New Employees	Compensation Planning	Salary Calc	Salary Calc New	Headcount & Comp Summary	Corporate Guideline Summary	Corpo ◄ ►	

Help

Administration ▼

	Base Salary	FTE	Salary	% of Midpoint	Performance	Merit Target %	Rec. Merit Increase	Merit Adjustment $	Merit Adjustment %
CUNNINGHAM, LARA M	103,000	1	103,000	103.00%	Star	7.50%	4,506	7,655	11.81%
FLETCHER, JENNIFER G	48,960	1	48,960	102.00%	Star	7.50%	918	1,097	4.12%
GUPPY, ROSE MARIE	22,470	.75	16,853	107.00%	Low	0.00%	0	302	1.79%
JOHNSON, MARIE	23,000	1	23,000	92.00%	Low	1.00%	77	115	0.83%
MAJZEL, JOAN E	28,050	1	28,050	102.00%	Low	1.00%	117	0	0.42%
MALENSKY, NANCY	74,100	1	74,100	114.00%	Star	6.00%	1,112	1,661	3.74%
MCCRARY, SUSAN B	33,313	1	33,313	102.50%	Medium	3.00%	999	1,008	6.03%
MCQUERN-WEBB, MARLYN J	31,460	1	31,460	96.80%	High	5.00%	1,573	2,467	12.84%
MIZEUR, EVA	31,363	1	31,363	96.50%	Medium	3.00%	706	1,054	5.61%
PACKENHAM, NANCY J	35,425	.5	17,713	109.00%	High	4.00%	709	2,501	18.12%
PARROTT, SANDRA	29,040	1	29,040	105.60%	Low	0.00%	0	434	1.49%
STEINDL, KIMBERLY I	25,825	.75	19,369	103.30%	Medium	3.00%	484	1,013	7.73%
TEBRUGGE, PRISCILLA	47,040	1	47,040	98.00%	High	5.00%	1,764	2,177	8.38%
VESPER, DENISE D	86,234	1	86,234	101.45%	Star	7.50%	3,234	4,058	8.46%
6001	619,279		589,493	102.87%		4.99%	16,198	25,541	7.08%

In the first three tabs we've made decisions regarding Headcount Planning. In the fourth tab, "Compensation Planning", we manage our Existing Employees Compensation. Doing so will require making a decisions around four main areas.

Our first decision will be to select a Performance level for each employee from a drop down list of predetermined choices. In our *Blueprint*, an employee may fall into the category of Star, High, Medium, or Low. This information combined with where an employee stands relative to their midpoint salary determines the recommended Merit Increase.

The Recommended Merit Increase may then be adjusted by the user to reflect the user's ultimate desire. This adjustment may be made by adjusting either the Merit Adjustment $, or the Merit Adjustment %. Manipulating either will reflect in a New Salary being calculated for the employee.

Having arrived at a New Salary, the user may then, if desired make an adjustment to the Recommended Bonus. The Bonus % is looked up in a table based upon the Employees performance and what Grade level they are. The Bonus % is therefore a corporate guideline. As with the Merit Increase, the Recommended Bonus may be adjusted using either the Bonus Adjustment $ or the Bonus Adjustment % fields. Adjusting either will cause a New Salary with Bonus to be calculated.

Our fourth and final decision centers on Equity. The user may grant Stock Options, RSU's (Restricted Share Units), or "other" compensation to the employee.

Once having completed these four decisions, the *Blueprint* has all the information it needs to go forward and calculate the monthly Salary, Benefits and Headcount for the user.

It should be noted, that the user could plan at both the individual employee level or for all employees at one time. Planning at the Total Department level allows Managers to Target specific corporate guidelines in areas such as Merit Compensation or Department Bonuses.

SALARY CALC

Employee Information | Existing Employees Status | New Employees | Compensation Planning | Salary Calc | Salary Calc New | Headcount & Comp Summary | Corporate Guideline Summary

Administration | MALENSKY, NANCY

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Year
Base Salary	74,100	74,100	74,100	74,100	74,100	74,100	74,100	74,100	74,100
Merit %						3.74%			
Merit % Cumm						3.74%	3.74%	3.74%	
Action							Leave		
Action Cumm	0	0	0	0	0	0	8	8	16
Bonus	2,460	2,460	2,460	2,460	2,460	2,460	0	0	24,599
Severance	0	0	0	0	0	0	0	0	0
Total Salary	8,635	8,635	8,635	8,635	8,635	8,866	0	0	86,580
Headcount	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00
Social Security	535.36	535.36	535.36	535.36	535.36	166.52	0.00	0.00	4,984.80
Medicare	86.35	86.35	86.35	86.35	86.35	88.66	0.00	0.00	865.80
SUI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	90.00
FUTA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.00
Other Benefits	1,726.98	1,726.98	1,726.98	1,726.98	1,726.98	1,773.18	0.00	0.00	17,316.01
Health Plan	Individual Plan	Individual Plan	Individual Plan	Individual Plan	Individual Plan	Individual Plan	Individual Plan	Individual Plan	
Health Plan Cost	125	125	125	125	125	125	125	125	1,500
Health Plan Expense	125	125	125	125	125	125	0	0	1,250
YTD Salary	43,175	51,809	60,444	69,079	77,714	86,580	86,580	86,580	86,580
YTD Salary Lag	34,540	43,175	51,809	60,444	69,079	77,714	86,580	86,580	86,580
Status (beginning)	Active	Active	Active	Active	Active	Active	Active	Active	
Social Security Rate %	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%
Social Security Cap	$80,400	$80,400	$80,400	$80,400	$80,400	$80,400	$80,400	$80,400	$80,400
Medicare Rate %	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
SUI Rate %	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
SUI Cap	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000	$9,000
FUTA Rate %	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
FUTA Cap	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000	$7,000
Benefit Rate %	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Salary	6,175	6,175	6,175	6,175	6,175	6,175	0	0	61,750
FTE	1	1	1	1	1	1	1	1	
FTE	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	12.00
Bonus %	39.84%	39.84%	39.84%	39.84%	39.84%	38.40%	0.00%	0.00%	33.08%

Tabs five and six of the *Blueprint*, "Salary Calc" and "Salary Calc New" are where we do the calculations by Employee or New Position for their monthly Salary, Merit Increases, Bonuses, Government Impositions, Benefits, and Headcount. All calculations are reflective of the choices made on the preceding tabs. It is not necessary to show this information to the user. We have included them as a courtesy for informational purposes. An Administrator of the Contributor application could make the determination to hide these tabs and allow the user to see the results in the following "Headcount & Comp Summary" tab.

As Staffing changes were made on the previous tabs, the appropriate financial impact was automatically calculated for each month and is highlighted in BLUE. **Notice how many calculations are performed automatically by just a few changes to the plan!!** Managers are relieved of having to figure out the financial impact of workforce changes, allowing the system to do it automatically.

The Salaries, Variable Comp, Bonus, and Severance lines are calculated by entries on the previous tabs. The Benefits lines are calculated as a standard rate per active employee. Social Security, Medicare, and FUTA taxes are calculated employee-by-employee using the appropriate rates and taxable caps.

Headcount can be a driver for additional expense line items. Many of the IT Allocations are sensitive to Headcount changes since they're utilizing a standard cost rate per active employee. So, as the employee headcount changes, the associated IT expenses would automatically be calculated.

Additional driver-based planning sensitivities could be adopted in the *Blueprint*. For example, Travel expenses could be driven by headcount but also made sensitive to the employee's position. A sales person role could have a higher travel cost estimate than an Administrative Assistant. The travel expenses could be automatically estimated based the staffing and they types of positions within the department.

HEADCOUNT & COMP SUMMARY

Help

Administration ▼

		Aug	Sep	Oct	Nov	Dec	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total Year
Existing Employees	Salary	38,405	36,488	36,488	30,313	30,313	144,752	131,668	114,702	97,114	488,236
	Merit	2,555	2,555	2,786	2,555	2,555	2,178	3,752	7,680	7,896	21,506
	Merit %	6.65%	7.00%	7.63%	8.43%	8.43%	1.50%	2.85%	6.70%	8.13%	4.40%
	Total Salary	40,960	39,043	39,274	32,868	32,868	146,929	135,420	122,382	105,010	509,741
	Bonus	10,303	10,303	10,303	7,843	7,843	48,837	39,064	30,908	25,988	144,797
	Equity (Cost Basis)	822	792	795	653	653	3,141	2,799	2,478	2,102	10,520
	Severence	0	0	0	0	0	0	0	1,200	0	1,200
	Total Employee Comp (less Equity)	51,262	49,346	49,577	40,711	40,711	195,767	174,484	154,490	130,998	655,739
	Total Employee Comp (Including Equity)	52,085	50,137	50,372	41,364	41,364	198,907	177,283	156,968	133,100	666,259
	Headcount	9.25	8.25	8.25	7.25	7.25	12.00	11.00	8.25	7.25	7.25
	Bonus %	25.15%	26.39%	26.23%	23.86%	23.86%	33.24%	28.85%	25.26%	24.75%	28.41%
New Employees	Salary	12,004	22,358	31,192	32,592	36,113	12,396	29,513	44,617	99,896	186,421
	Merit	0	0	0	0	0	0	0	0	0	0
	Merit %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total Salary	12,004	22,358	31,192	32,592	36,112	12,396	29,513	44,617	99,896	186,421
	Bonus	646	998	1,180	1,180	1,311	0	0	1,644	3,671	5,316
	Equity (Cost Basis)	0	0	0	0	0	0	0	0	0	0
	Severence	0	0	0	0	0	0	0	0	0	0
	Total Employee Comp (less Equity)	12,650	23,356	32,372	33,772	37,424	12,396	29,513	46,261	103,567	191,736
	Total Employee Comp (Including Equity)	12,650	23,356	32,372	33,772	37,424	12,396	29,513	46,261	103,567	191,736
	Headcount	5.25	6.25	8.25	9.25	10.25	2.75	4.25	6.25	10.25	10.25
	Bonus %	5.38%	4.46%	3.78%	3.62%	3.63%	0.00%	0.00%	3.68%	3.68%	2.85%
Total Employees	Salary	50,409	58,846	67,680	62,905	66,426	157,147	161,180	159,319	197,010	674,657
	Merit	2,555	2,555	2,786	2,555	2,555	2,178	3,752	7,680	7,896	21,506
	Merit %	5.07%	4.34%	4.12%	4.06%	3.85%	1.39%	2.33%	4.82%	4.01%	3.19%
	Total Salary	52,964	61,401	70,466	65,460	68,980	159,325	164,933	166,999	204,906	696,162
	Bonus	10,949	11,300	11,483	9,023	9,154	48,837	39,064	32,552	29,659	150,113
	Equity (Cost Basis)	822	792	795	653	653	3,141	2,799	2,478	2,102	10,520
	Severence	0	0	0	0	0	0	0	1,200	0	1,200
	Total Employee Comp (less Equity)	63,913	72,702	81,948	74,482	78,134	208,163	203,996	200,751	234,565	847,475
	Total Employee Comp (Including Equity)	64,735	73,493	82,744	75,136	78,788	211,303	206,796	203,229	236,667	857,995
	Headcount	14.50	14.50	16.50	16.50	17.50	14.75	15.25	14.50	17.50	17.50
	Bonus %	20.67%	18.40%	16.30%	13.78%	13.27%	30.65%	23.68%	19.49%	14.47%	21.56%

The seventh tab in the *Blueprint*, "Headcount & Comp Summary", consolidates the information in the two preceding tabs to give us a view of the entire Headcount and Compensation proposed for the department.

A user who is also a reviewer for more than one department may re-orientate this tab to view the Compensation for all their reporting departments for easy comparisons and evaluation.

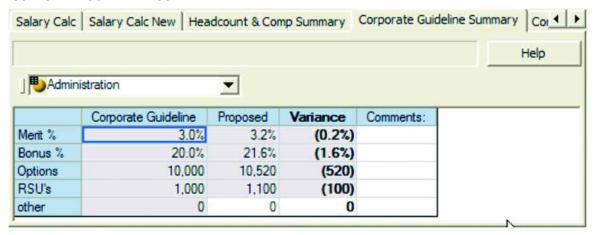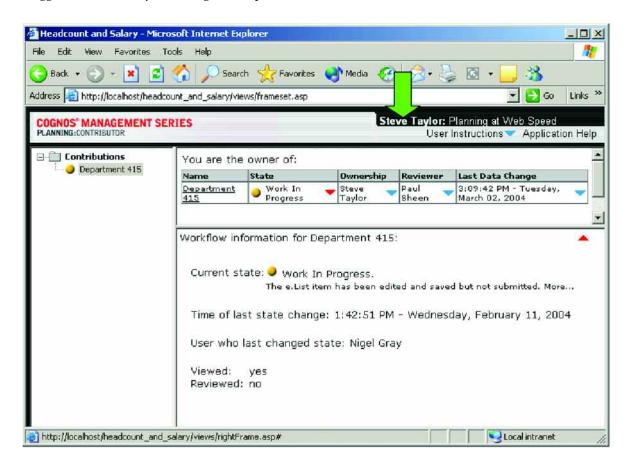|		Total Company	Administration	Finance	Operations	Sales	Legal	HR	IT
Existing Employees	Salary	10,995,169	488,236	1,321,207	1,439,942	1,549,229	1,414,421	1,166,811	3,615,322
	Merit	481,678	21,506	49,029	67,592	70,527	50,054	46,787	176,183
	Merit %	4.38%	4.40%	3.71%	4.69%	4.55%	3.54%	4.01%	4.87%
	Total Salary	11,476,847	509,741	1,370,236	1,507,534	1,619,756	1,464,475	1,213,598	3,791,506
	Bonus	2,441,107	144,797	277,467	309,250	364,962	285,614	253,290	805,728
	Equity (Cost Basis)	70,682	10,520	9,952	10,050	9,985	10,000	10,120	10,055
	Severence	6,200	1,200	0	0	0	0	0	5,000
	Total Employee Comp (less Equity)	13,924,154	655,739	1,647,703	1,816,784	1,984,718	1,750,090	1,466,888	4,602,233
	Total Employee Comp (Including Equity)	13,994,836	666,259	1,657,655	1,826,834	1,994,703	1,760,090	1,477,008	4,612,288
	Headcount	231.00	7.25	31.00	33.25	36.00	30.50	23.00	70.00
	Bonus %	21.27%	28.41%	20.25%	20.51%	22.53%	19.50%	20.87%	21.25%
New Employees	Salary	1,356,024	186,421	181,731	139,821	204,319	258,341	127,858	257,533
	Merit	0	0	0	0	0	0	0	0
	Merit %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Total Salary	1,356,024	186,421	181,731	139,821	204,319	258,341	127,858	257,533
	Bonus	64,977	5,316	5,316	4,685	13,975	16,179	6,047	13,460
	Equity (Cost Basis)	0	0	0	0	0	0	0	0
	Severence	0	0	0	0	0	0	0	0
	Total Employee Comp (less Equity)	1,421,001	191,736	187,047	144,506	218,293	274,521	133,905	270,993
	Total Employee Comp (Including Equity)	1,421,001	191,736	187,047	144,506	218,293	274,521	133,905	270,993
	Headcount	63.00	10.25	10.25	10.25	7.25	7.75	7.25	10.00
	Bonus %	4.79%	2.85%	2.92%	3.35%	6.84%	6.26%	4.73%	5.23%
Total Employees	Salary	12,351,192	674,657	1,502,938	1,579,763	1,753,548	1,672,762	1,294,670	3,872,855
	Merit	481,678	21,506	49,029	67,592	70,527	50,054	46,787	176,183
	Merit %	3.90%	3.19%	3.26%	4.28%	4.02%	2.99%	3.61%	4.55%
	Total Salary	12,832,870	696,162	1,551,967	1,647,355	1,824,075	1,722,816	1,341,457	4,049,038
	Bonus	2,506,084	150,113	282,782	313,935	378,936	301,794	259,337	819,188
	Equity (Cost Basis)	70,682	10,520	9,952	10,050	9,985	10,000	10,120	10,055
	Severence	6,200	1,200	0	0	0	0	0	5,000
	Total Employee Comp (less Equity)	15,345,155	847,475	1,834,749	1,961,290	2,203,011	2,024,610	1,600,793	4,873,226
	Total Employee Comp (Including Equity)	15,415,837	857,995	1,844,701	1,971,340	2,212,996	2,034,610	1,610,913	4,883,281
	Headcount	294.00	17.50	41.25	43.50	43.25	38.25	30.25	80.00
	Bonus %	19.53%	21.56%	18.22%	19.06%	20.77%	17.52%	19.33%	20.23%

Tabs: Salary Calc New | Headcount & Comp Summary | Corporate Guideline Summary | Corporate Guidelines | Benefit Assumptions | Grade-level by Position | Bonus Plans | Recommended Mid-Salary | Different

Total Year

CORPORATE GUIDELINE SUMMARY

| Salary Calc | Salary Calc New | Headcount & Comp Summary | Corporate Guideline Summary | Co ◄ ► |

Help

▦ Administration ▼

	Corporate Guideline	Proposed	Variance	Comments:
Merit %	3.0%	3.2%	(0.2%)	
Bonus %	20.0%	21.6%	(1.6%)	
Options	10,000	10,520	(520)	
RSU's	1,000	1,100	(100)	
other	0	0	0	

The eighth and final tab of our *Blueprint*, "Corporate Guideline Summary", compares the Proposed Merit Increase, Bonuses granted, and Equity awarded to the corporate guidelines that have been set. This tab may also be re-orientated to give us a few across multiple Departments.

| Salary Calc New | Headcount & Comp Summary | Corporate Guideline Summary | Corporate Guidelines ◄ ► |

Help

Proposed ▼

	Merit %	Bonus %	Options	RSU's	other
Administration	3.2%	21.6%	10,520	1,100	0
Finance	3.3%	18.2%	9,952	1,208	0
Operations	4.3%	19.1%	10,050	1,150	0
Sales	4.0%	20.8%	9,985	986	0
Legal	3.0%	17.5%	10,000	1,000	0
HR	3.6%	19.3%	10,120	985	0
IT	4.5%	20.2%	10,055	1,045	0

REAL-TIME WORKFLOW VISIBILITY

Logged in as Steve Taylor, manager of Department 415.

Steve Taylor is the manager of Department 415 so when Steve logs in, the workflow perspective contains only the departments that Steve is responsible for. Steve can view additional information regarding the status of the plan by clicking on the down triangles within each cell.

Before data is entered, the state of the plan is designated as ⭕ **Not started**. Once a plan is saved, the state becomes 🟡 **Work in progress** and remains accessible for further editing. When an item is submitted, the plan is 🔒 **Locked** and no more changes can be made. The Locked state indicates that the plan is ready for review. A reviewer can review the plan in any state, but can only reject a Locked plan item. When a locked plan is rejected, it returns to a state of Work in progress, making it editable once again for the departmental manager.

REAL-TIME WORKFLOW VISIBILITY

Logged in as Nigel Gray, manager at the Total Company level.

As managers are making changes to the departmental plans, the upper level managers have real-time visibility to the workflow status of the completion of the company-wide headcount and salary plan.

In this example, Nigel Gray is the manager at the Total Company level, and can see the workflow status of each submission. Nigel can see that Steve Taylor, manager of Department 415 is still working on the plan for this department. Nigel can view Steve's plan and can also see the consolidated expense plan for all departments in the Retail Bank or consolidated at the entire Total Company level.

The workflow status changes, data consolidation and aggregation all occur in real-time, without the need for a batch process to be performed on the database.

ABOUT THE COGNOS INNOVATION CENTER FOR PERFORMANCE MANAGEMENT

The Cognos Innovation Center was established in North America and Europe to advance the understanding of proven planning and performance management techniques, technologies, and practices. The Innovation Center is dedicated to transforming routine performance management practices into "next practices" that help cut costs, streamline processes, boost productivity, enable rapid response to opportunity, and increase management visibility.

Staffed globally by experts in planning, technology, and performance and strategy management, the Innovation Center partners with more than 600 Cognos customers, academicians, industry leaders, and others seeking to accelerate adoption, reduce risk, and maximize the impact of technology-enabled performance management practices.

COGNOS®

AN IBM® COMPANY