

NetSuite Incentive Management

Flexible Sales Commissions Management

KEY BENEFITS

- Motivate sales professionals with real-time visibility into commissions
- Reduce sales commission errors
- Roll out new commission plans with ease

KEY CAPABILITIES

- Calculate commission rules based on multiple criteria
- Calculate and report on partner commissions
- Multiple scale options: linear, marginal, target factor
- Split commissions between team members on same sales transaction
- Process commission payments through sales managers and/or accounting personnel
- Use analytics to forecast commission earnings

NetSuite's Incentive Management module allows businesses to design, track and pay sales commission plans. NetSuite provides an easy-to-use solution to address the challenges of creating and maintaining complex multi-tiered commission plans, including managing and calculating sales compensation based on criteria such as quota, quantity sold, service item, product profitability and even one-time "spiffs." With NetSuite, sales teams get a clear view into their incentives through automated commission reporting, ensuring that sales reps understand their incentives and are aligned with business goals.

Centralize and Manage Commission Plans with Ease

With NetSuite Incentive Management, commission programs can be managed centrally and collaboratively. Executives, sales managers and finance managers alike can manage compensation rules within commission schedules in a familiar spreadsheet-like interface. Commission rules can be configured with different performance measures including:

- **Quotas:** Per period (monthly, quarterly, annually, year-to-date) categorized by total sales, product or service, subsidiary*, class of business, department or location.
- Total Sales or Quantity Sold: Per order or period categorized by product or service, class of business, department or location.
- Profitability: Based on each order categorized by product.
- **Custom Measurement:** For all quota- and sales-based commission plans, NetSuite offers the ability to calculate commissions based on custom criteria.

With NetSuite Incentive Management, multiple commission schedules can be rolled into comprehensive commission plans that can include multiple rules and enforce effective dates. This provides flexibility into how you structure and deploy your commission plans.

Supports Sophisticated Commission Rules

NetSuite provides sophisticated rule management to ensure that you can structure commissions and payments the way you want them:

- With NetSuite, commissions can be calculated on a linear scale, a marginal scale, a target factor
 or no scale at all. A linear scale uses the total value of the order to determine the payment. A
 marginal scale allots portions of the order value to each step of a scale. A target factor enables a
 single schedule to be set using a linear scale to award a percentage of the target factor.
- Easily calculate indirect commissions that are due to managers and executives from sales at the field level. Simply set up a schedule that applies to sales managers and executives. When field sales personnel on the manager's team book orders that qualify, the amount will be reflected in the compensation due to the manager or other qualified individuals in the organizational hierarchy.
- Set up split commissions when needed. With Team Selling capabilities, you have the ability to
 split commissions between multiple parties on the same sales transaction. Simply specify the
 appropriate contribution percentages for each sales individual involved in the transaction, and
 commission schedules automatically use the contribution percentage to determine the payout.

Manage Partner Commissions and Royalties

NetSuite Incentive Management extends to calculate and provide reporting on partner commissions. Both employees and partners can be paid on the same sales transaction:

- Partner commissions can be calculated based on the same parameters used for employees, such as commissions on sales, quantities, profitability and more
- Partner commissions can also be calculated using custom criteria for additional flexibility

To find out more, contact NetSuite Inc. at 1-877 NETSUITE or visit www.netsuite.com.

^{*}NetSuite OneWorld only



Flexible and Adaptable Approval Processes

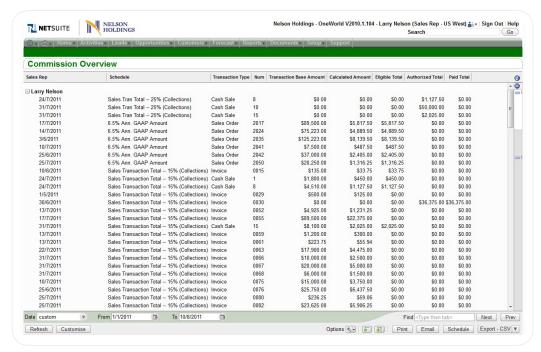
NetSuite's Incentive Management provides numerous ways to process and approve commission payments:

- Commission calculations can be triggered when a customer is invoiced or once the invoice has been paid. In NetSuite, an approved sales order triggers the commission calculation
- Commission amounts can go through 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 through accounts payable, or automatic integrated payroll processing
- Overpayments and underpayments due to invoice changes are handled by providing a credit or debit towards the next pay cycle

Sales Commission Reporting and Analytics

NetSuite provides complete reporting and analytics from sales, to sales ops, to finance:

- Allow salespeople to forecast their earnings and see summary detail commission reports integrated into their sales dashboard and sales force automation (SFA) activities
- Simplify compensation management for your channel—even allow partners to view their sales commissions in the online Partner Center
- Ensure that sales, sales operations and finance can monitor sales trends, quota performance, attainment distributions, and summary and detailed compensation using role-based, real-time dashboards and reporting



Gain in-depth visibility and reporting of commissions