

Performance Rating Calibration in Oracle HCM Cloud

Calibrating Performance Rating through Workforce Compensation

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Introduction

Performance Calibration is a process used mainly by organizations to discuss the performance of workers among managers and agree on performance evaluation ratings. It is focused on performance within a given time period.

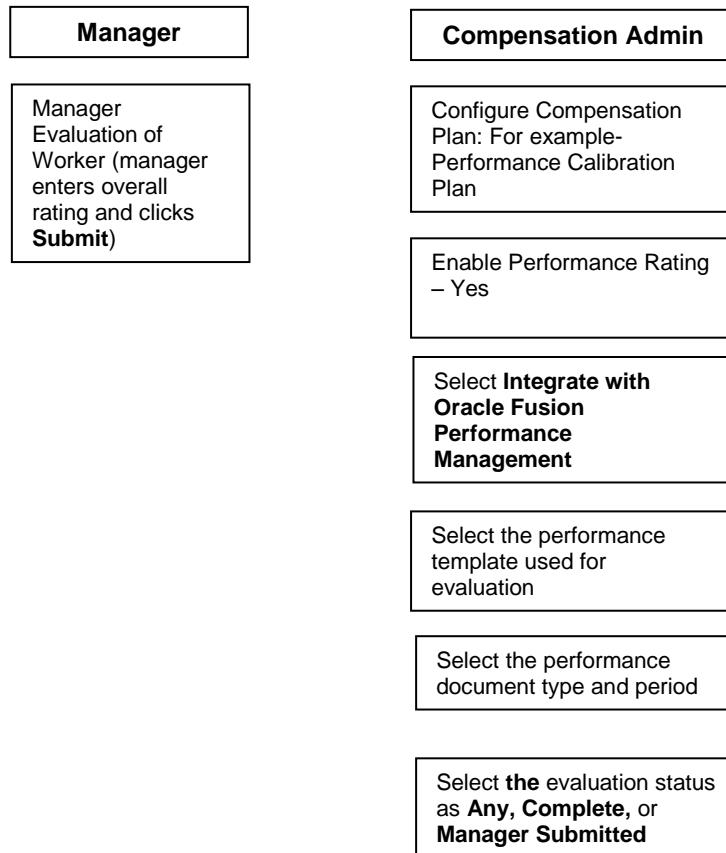
This technical white paper guides you in how to achieve performance calibration through Oracle Fusion Performance Management Cloud Services and restricted usage of Oracle Fusion Workforce Compensation Cloud Services modules.

Business Requirement

- » Managers evaluate each employee's overall performance rating.
- » The rating is not shared with employees, as it's not the final rating. Managers and HR specialists calibrate the performance ratings before making them visible to employees.
- » While calibrating, managers ensure they meet the company's recommended performance rating distribution.
- » Post calibration, overall performance ratings are updated to reflect calibration outcome.

Performance Calibration Process

The diagram shows the roles and processes required to calibrate performance ratings.



Performance Management

The manager begins the Manager Evaluation of Workers task, enters the overall rating and comments, and submits the document. To access the Manager Evaluation of Workers task, select My Team > Performance > My Manager Evaluations.

Compensation Management

The Compensation Administrator must create a new compensation plan which must be linked with performance ratings and performance documents. Use the Manage Compensation Plans task in the Setup and Maintenance work area.

1. On the Manage Workforce Compensation Plans page, click **Create**.
2. In the **Create Workforce Compensation Plan** dialog box, in the **Plan** field, enter a name for the compensation plan (for example, **Performance Calibration**) in configure plan details.
3. Click **Create**.
4. On the Define Workforce Compensation page, for the Configure Plan Details task, click **Go to Task**, and on the Configure Plan Details page, fill out all required fields as required for your business process.
5. Click **Next**.
6. On the Configure Plan Eligibility page, select eligibility options as required for your business process. Click **Next**.
7. On the Configure Plan Cycles page, create plan cycles as needed for your business process. Click **Next**.
8. On the Configure Hierarchies page, configure hierarchies to determine workers included in worksheets and manager's approval. Click **Next**.
9. On the Configure Plan Currency page, enter values as required. Click **Next**.
10. On the Configure Plan Access page, select the plan access as needed. Click **Next**.
11. On the Configure Feedback Survey page, from the **Enable Feedback Survey** list, select **No**. Click **Next**.
12. On the Configure Plan Information page, select plan information as needed. Click **Next**.
13. On the Configure Budget Pools page, from the **Enable Budgeting** list, select **No**. Click **Next**.
14. On the Configure Budget Display page, configure budget pools as needed. Click **Next**.
15. On the Configure Compensation Components page, from the **Enable Components** list, select **No**. Click **Next**.
16. On the Configure Performance Ratings page:
 - a. In the Performance Ratings section:
 - i. From the **Enable Performance Ratings** list, select **Yes**.
 - ii. For Performance Rating to use, select **Integrate with Oracle Fusion Performance Management**.
 - b. In the Performance Document Properties section:

- i. From the **Performance Template** list, select the applicable performance template for performance calibration or leave the performance template blank.
- ii. For the **Evaluation Status**, select **Any**, **Complete**, or **Manager submitted** as required for your business process.
- iii. From the **Performance Document Type** list, select the performance document type specified in the performance template.
- iv. For the **Timing**, select **Most recent** to use the latest period performance document, or **Period specific** to select a period name from the list.

17. Click **Next**.

18. On the Configure Approvals page, specify whether to enable or disable approvals. Click **Next**.

19. On the Configure Compensation Change Statements page, enter values as required for your business process. Click **Next**.

20. On the Configure Worksheet Display page, for task type, select **Performance**.

21. In the Configure the Task Layout column, click the **Configure** icon to configure the worksheet page layout. You may select required summary columns like Performance Rating, Workers with Compensation, Detail Tables, Actions, and so on. Click **Next**.

22. On the Configure Alerts page, select and configure alerts as required for your business process. Click **Next**.

23. On the Configure Modeling page, from the **Enable Modeling** list, select **No**. Click **Next**.

24. On the Configure Reports page, select **Enable** to enable delivered reports to be visible on screen. Click **Next**.

25. On the Configure Report Dimensions, select **Enable** to enable report dimensions. Click **Next**.

26. On the Configure Filters page, select **Enable** to enable filters.

Configure Performance Rating

Configure performance ratings in the compensation plan for performance calibration, as shown in the following table and screenshot. Use the Configure Performance Ratings task.

Field	Value
Enable Performance Ratings	Yes
Performance Ratings to Use	Integrate with Oracle Fusion Performance Management
Performance Template	Annual Evaluation
Evaluation Status	Manager submitted
Performance Document Type	N/A



Timing	Period specific
Period Name	As required

Configure Performance Ratings

Plan Performance Calibration

Performance Ratings

Enable Performance Ratings Yes ▾

Performance Ratings to Use Integrate with Oracle Fusion Performance Management
 Use compensation performance ratings
 Both

Performance Document Properties

Performance Template Performance Document Type Period Name

Evaluation Status Any
 Complete
 Manager submitted

Timing Most recent
 Period specific

2012 Annual Evaluation
2013 Annual Evaluation
2014 Annual Evaluation
2015 Annual Evaluation
2016 Annual Evaluation
2017 Annual Evaluation

Search...

Back | Next | Save | Save and Close | Cancel

Figure 1. The figure shows the settings you use to configure performance ratings in compensation plan

After managers enter and submit their initial evaluations, they can navigate to the Workforce Compensation work area to see the performance calibration for the workforce compensation plan. Managers select a compensation plan and see a summary table and graph of the overall performance ratings submitted as well as the target distribution of the ratings.

Rating Distribution Chart

You can also set up rating distribution charts to check ratings provided by managers that meet the target rating distribution set by the organization. To meet the rating distributions, the team can review the rating distribution graph and adjust the ratings as required in the worksheet. This analytic updates in real time as performance ratings are adjusted in the worksheet.

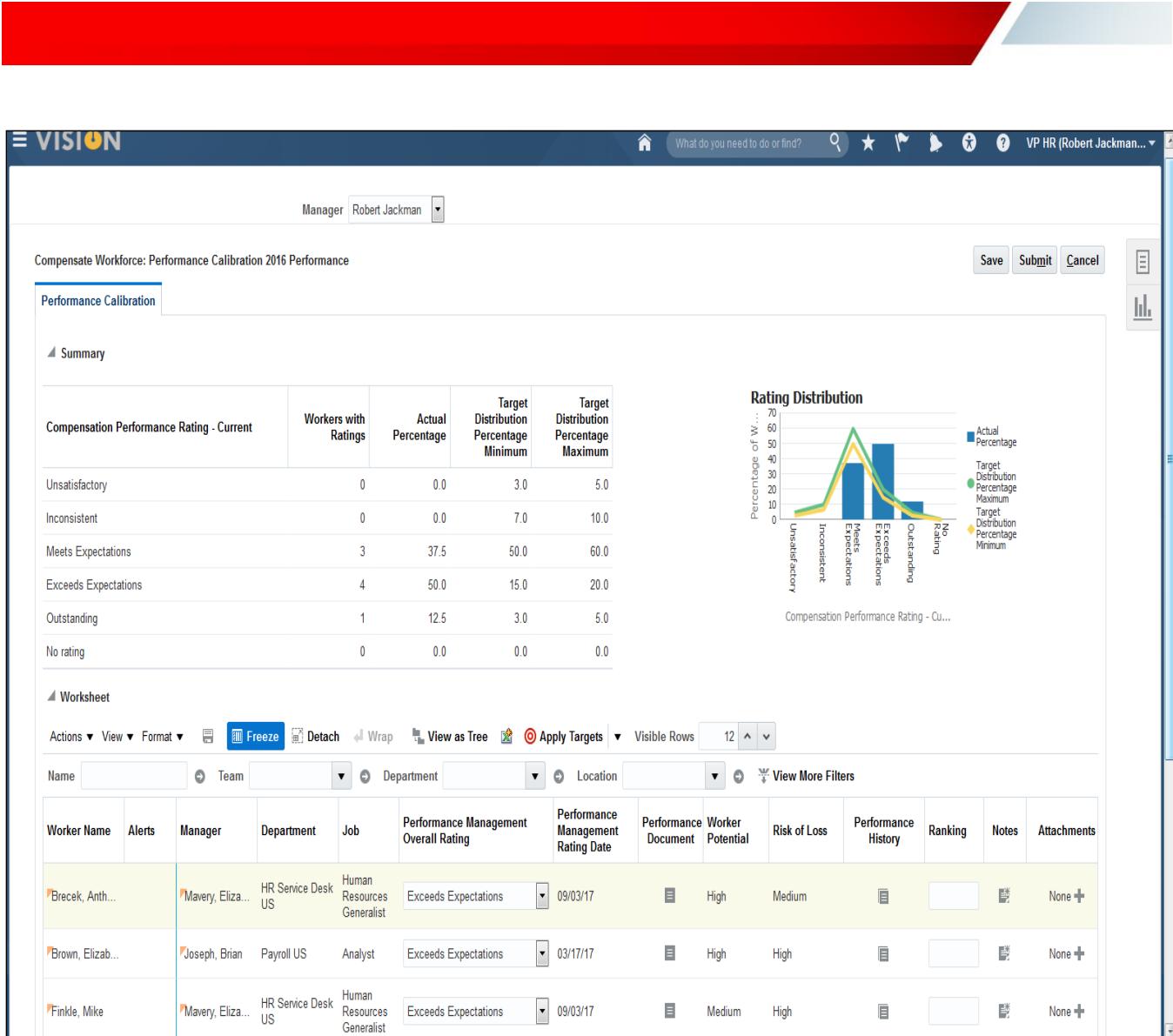


Figure 2. View the performance calibration plan with rating distribution and worksheet

When you make changes in the Performance Management Overall Rating column and click Save or Submit, the application automatically overrides the rating for those workers in their performance documents. You might need to go back into the performance document to make comments about the changes.

Additionally, you can add notes and attach documents for each worker to support the rating or the adjustment.

Audit Trail

You can view the changes in an audit trail, if enabled. The audit trail shows original and new values for each worker.

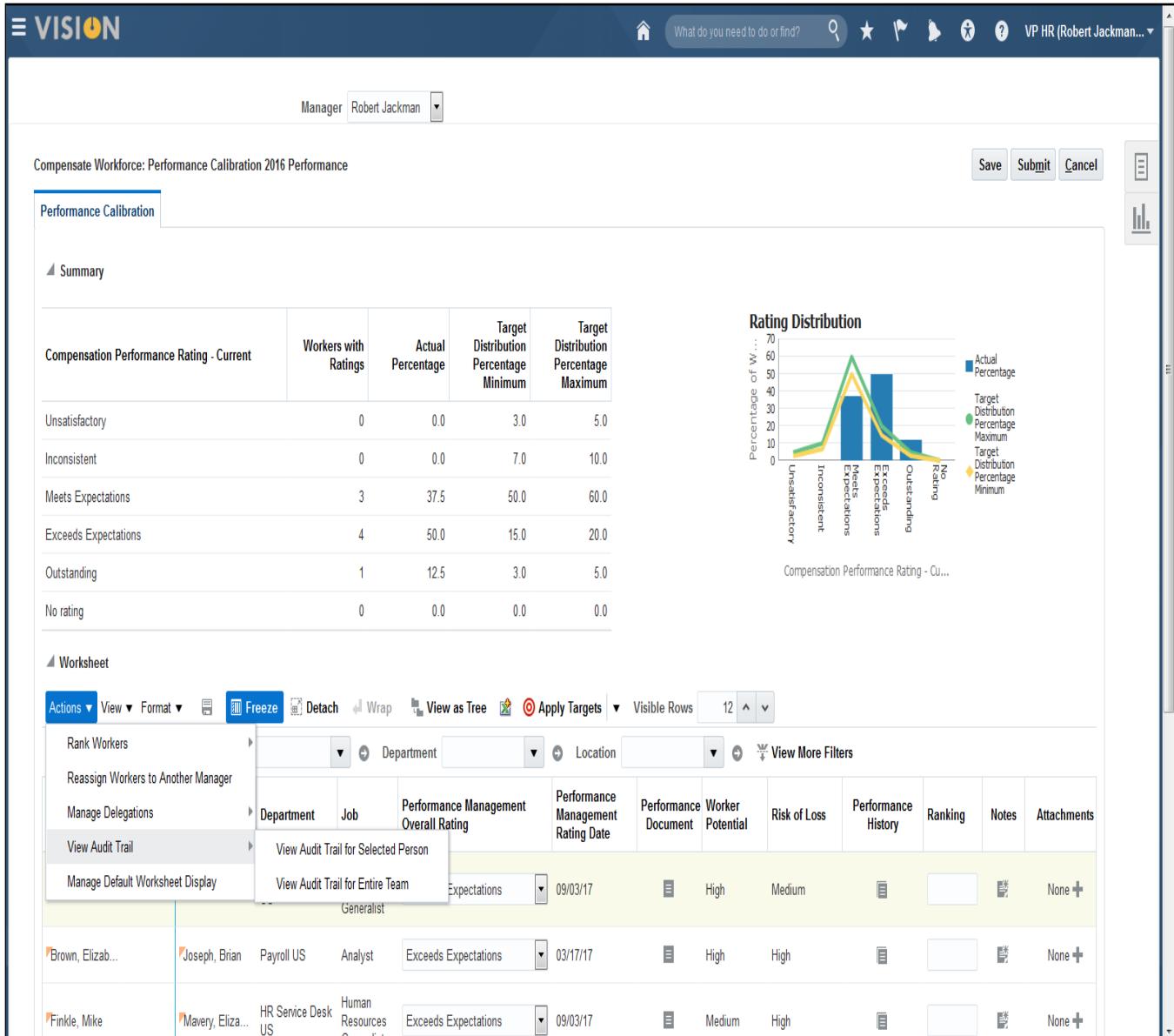


Figure 3. View the audit trail by clicking Actions in the worksheet

Add More Workers to an Ongoing Calibration Plan

As a line manager or senior manager you can check the status of the target rating distribution for your workers at any time. You can also refresh the list to view workers whose managers submitted ratings later.

To refresh data in a compensation plan with changed HR data, sign in as a compensation administrator and run the Refresh Data process.



To refresh data to start a workforce compensation cycle, sign in as a compensation administrator and run the Refresh Data process.

To run the Refresh Data process:

1. Select Compensation.
2. On the Administer Workers page, in the Tasks panel, select **Run Batch Processes**.
3. On the Run Batch Processes page, for the Refresh Workforce Compensation Data process, click the **Run** icon.
4. On the Refresh Data page, from the **Plan** list, select **Performance Calibration**.
5. Select values from the **Cycle** and **Refresh Date** lists.
6. In the Refresh Options section, select **Full refresh**.
7. Click **Submit**.

The screenshot shows the 'Refresh Data' configuration screen. At the top, there are fields for 'Name' (Refresh Workforce Compensation Data) and 'Description' (Synchronizes workforce compensation data with H...). The 'Schedule' is set to 'As soon as possible'. On the right, there are buttons for 'Process Options', 'Advanced', 'Submit', and 'Cancel'. Below these are sections for 'Parameters', 'Population Filters', and 'Refresh Options'. The 'Parameters' section includes dropdowns for 'Plan' (Performance Calibration), 'Cycle' (2015 Performance Calibrations), and 'Refresh Date' (Actual Process Run Date). Under 'Population Filters', there is a dropdown for 'Person Selection Formula'. The 'Refresh Options' section contains several checkboxes: 'Full refresh' (checked), 'Refresh HR data' (checked), 'Refresh base and eligible salary' (checked), 'Refresh primary manager hierarchy' (checked), and 'Refresh secondary manager hierarchy' (checked). The 'Submit' button is visible at the bottom right of the form.

Figure 4. . The figure shows the settings you use to run the Refresh Data process

Additional Points to Consider:

Organizations adopt different approaches to restrict and control the access of manager ratings to the worker until the performance calibration is done.

Two possible approaches to control when the worker views the manager rating are:

1. **Control Manager rating at manager level:** To control when the worker views the manager rating, you can add the Share Performance Document task after the Manager Evaluation of Workers task in the performance process flow which is attached to the performance document in the performance template. Use the Manage Performance Process Flows task. With this additional task the manager can control the timing that the manager rating and comments are released to the employee.

2. **Control Manager rating at HR department level:** Some organizations like to control when the worker views the final rating with HR department. In such cases, organizations can exclude the Share Performance Document task from the performance process flow and use Page Composer personalization to hide the **Submit** button conditionally on the Manager Evaluation of Workers page using EL expression. Then managers can save, but not submit the evaluation. Once HR is ready for the managers to release the documents they can unhide the button.

Following points to be noted while adopting this approach:

- » Exclude the Share Performance Document Task from the performance process flow.
- » Select **Any** instead of **Manager Submitted** while creating a compensation plan for performance calibration.

Refer to steps16 (b)(ii) in the Creating Compensation Plan for Performance Calibration procedure.

Sample EL Expression to Hide Submit Button in Performance Documents

The **Submit** button can be hidden conditionally using EL expression. For more information on hiding the **Submit** button, refer to the following:

- <https://cloudcustomerconnect.oracle.com/posts/5e3093dccf?commentId=50767#50767>
- https://support.oracle.com/epmos/faces/DocumentDisplay?_afrLoop=216608139678703&id=1619981.1&_afrWindowMode=0&_adf.ctrl-state=jflwio66c_4

Things to note

- » If your organization uses more than one performance document template, leaving the performance template selection blank allows for the current evaluation document for each worker to be picked up.
- » This process only works when the **Use calculated ratings only** check box is not selected in the performance template.



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