NetSuite Sweetens its Employee Compensation Process with SpiraLinks

At NetSuite Inc., the #1 cloud ERP provider, among the many start-of-the-year priorities is sending out the employee compensation letters to employees with updates for the coming year. But NetSuite's rapid growth in both total revenue and total employees caused this process to become particularly unwieldy, as executives were forced to dig through spreadsheets, manually draft and input data into a Word document then create a .pdf, delaying notifications, introducing the chance of errors, and reducing the overall efficiency of the compensation team.

Enter SpiraLinks and FocalReview®, its compensation and performance management planning suite.

By deploying FocalReview® in 2013, NetSuite was able to automate management of its employee salary, bonus, and stock plans on different timetables for different employee populations in the currencies of all 12 countries where NetSuite has offices.

As the #1 cloud ERP provider, NetSuite underwent rapid growth as businesses began to abandon on-premise software in favor of cloud-based business suites. To accommodate that growth, NetSuite had to add to its head count significantly, but the Excel-based processes for employee compensation that had worked when the company had less than 2,000 employees could not scale as that number grew. In addition, integrating the spreadsheet data into NetSuite's financial system was a lengthy, cumbersome process that introduced the risk of manual errors. Managers had spreadsheets for employee compensation dispersed on a per country basis with the finance team doing ad hoc currency conversions.

Working closely with the SpiraLinks support team, NetSuite was able to customize the system to its specific needs, including integration with its stock compensation plan, and now helps NetSuite to automate the compensation process for more than 4,500 NetSuite employees worldwide.

Now, as they determine compensation for each employee, managers have access to real-time employee reviews and equity history from within FocalReview®. Additionally, NetSuite has configured the system so that managers can adjust salaries based on recommendations embedded within the tool that take into account budgets within the department and the company as a whole. The system forwards the reviews up the chain of approval as getting those done in a timely and efficient manner is paramount.

"The FocalReview® software from SpiraLinks has improved our employee compensation process tremendously," said Kathy Zwickert, Chief People Officer at NetSuite. "We now have an automated system with tight controls that gives us the ability to create a strong pay-for-performance culture based on objective, transparent processes that align rewards with performance."

And those start-of-the-year letters? With FocalReview®, they're generated automatically and sent out to managers to distribute the good news.