

Peopleclick Authoria Case Study: Exelon Corporation

Exelon Corporation at a Glance

INDUSTRY: Energy/Utilities

HEADQUARTERED:
Chicago, Illinois

EMPLOYEES: 19,000

GOALS:

- Manage many different, complex incentive plans using centralized processes
- Access salary and incentive information for strategic decision making

SOLUTION:

Peopleclick Authoria
Compensation

RESULTS:

- Company now has 255 bonus plans (scenarios), 4 salary plans and 4 stock plans all in place and managed with Peopleclick Authoria
- The entire system runs faster, more smoothly and without “pain and grief”
- Product is very configurable, making it easier to manage complex plans
- Peopleclick Authoria solution navigates more efficiently and effectively
- Implementation was on time and under budget

At a time of growing awareness of climate change, Exelon Corporation believes environmental leadership is not only appropriate, but profitable for an energy company. Headquartered in Chicago, Exelon is one of the nation’s largest electric utilities. With a nationwide reach and strong positions in the Midwest and Mid-Atlantic, Exelon delivers electricity and gas to millions of customers while generating nuclear energy more cleanly and efficiently than ever. Key to its industry leadership is building a *High-Performance Culture* – leveraging Peopleclick Authoria solutions to manage a large variety of complex incentive programs to attract and retain the best talent.

Challenges

Thought leadership, innovation and passion are keys to success in the energy industry and are embodied by Exelon and its leadership. To meet the demands of a dynamic energy market at a time of growing environmental awareness, the company has a stated mission to build a *High-Performance Culture*. Effective talent management is a key business driver, and Exelon has over 250 incentive plans (scenarios) in place to attract and retain the best people in the industry.

With one of the industry’s largest portfolios of electricity-generation capacity, Exelon distributes electricity to approximately 5.4 million customers in Illinois and Pennsylvania, and gas to 485,000 customers in the Philadelphia area. Exelon’s operations also include energy generation and power marketing, and it operates the largest nuclear fleet in the U.S. and the third-largest commercial nuclear fleet in the world. For a company of its size and complexity, Exelon’s leadership rests on a highly-educated and motivated workforce, with a strong concentration of engineers.

High-quality engineering talent is a scarce commodity. To align compensation with performance, Exelon’s HR leadership had developed a great variety of bonus, salary and equity plans for the company’s 19,000 employees. However, the company was saddled with disconnected compensation systems that were inefficient, manual, time-consuming and error-prone. The home-grown solutions resided on aging legacy mainframe systems, forcing managers to rely on spreadsheets for tracking compensation, merit increases, equity and bonus programs.

“Peopleclick Authoria demonstrated it could handle the complexity of our incentive plan design without requiring IT resources for extensive customization. We’ve heard from many managers that Peopleclick Authoria Compensation is easy to use, easy to understand and so much more personalized. HR’s role is now more strategic by supporting line management needs instead of dealing with the heavy process administration load they had before Peopleclick Authoria. Peopleclick Authoria Compensation is much more effective.”

*— George Kaspar & Lorilyn Andor, Compensation Consultants
Exelon*

The tedious process of sending out spreadsheets, rolling them back up, submitting them, re-checking and re-entering data when employees needed to supply more information was increasingly unmanageable, and the inevitable errors of this manual process required endless revising and editing. It was inefficient, frustrating, costly, not secure, error-prone and not sustainable for a growing, high-performance company.

Exelon needed to upgrade and integrate its compensation systems to make it easier to manage, report, track and audit employee compensation. According to George Kaspar, a Compensation Consultant & IT Project Manager with responsibility for HR systems, “Reporting was a huge manual effort that required too much time, and we needed to eliminate payout errors and other mistakes. And sorting errors could be devastating – if a manager somehow sorted a spreadsheet incorrectly, it could really create confusion. We knew we could do better.”

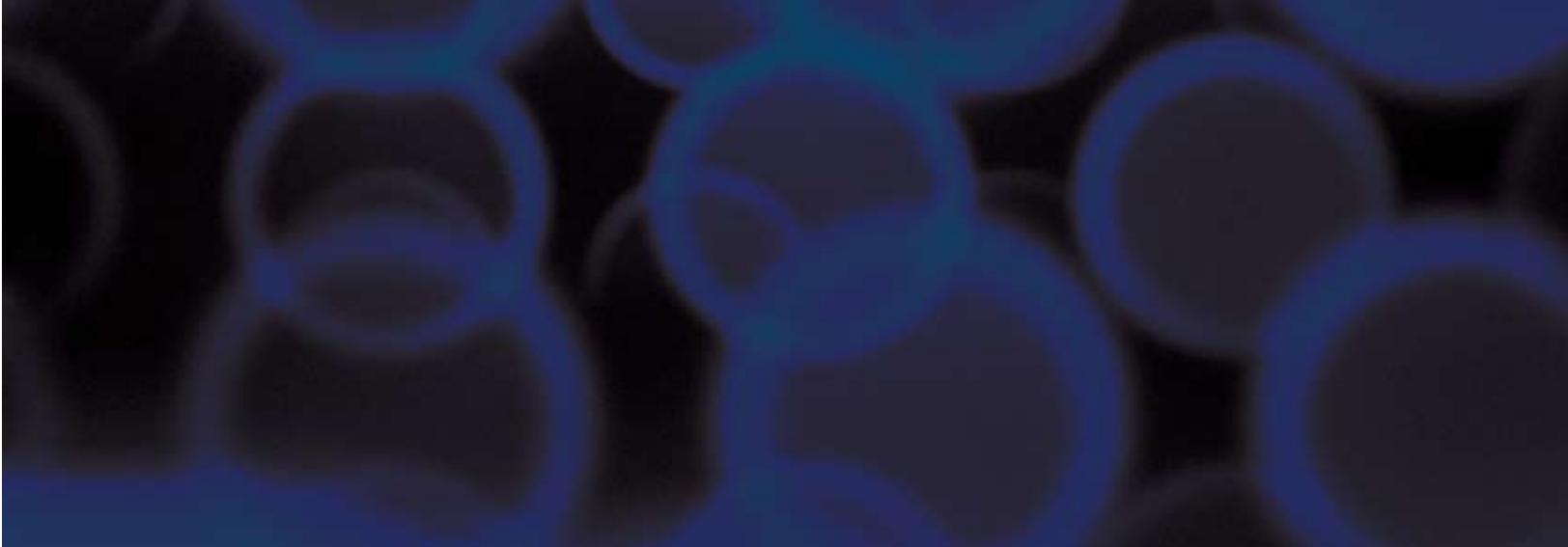
Solution

Exelon’s HR and IT leadership were tasked with creating, rolling out and maintaining an electronic compensation system that could handle all 255 bonus plans, four or five salary plans, and four different stock/long-term incentive plans for its 19,000 employees.

The company evaluated three software vendors, one of which was too small to handle the complexities of Exelon’s equity and salary planning systems. One was too rigid and would require too much costly customization. Of the three, Peopleclick Authoria best demonstrated it could handle the complexity of Exelon’s plan design without requiring IT resources for extensive customization.

Exelon selected Peopleclick Authoria Compensation as a strategic solution to attract, retain and motivate employees to achieve business goals. With an integrated solution, Exelon could allocate salary and incentives to retain top performers and reduce flight risk. Delivered as a web-based, on-demand solution, Peopleclick Authoria Compensation would also provide flexibility to business managers while adhering to corporate standards.

In light of the current scarcity of engineering talent, Peopleclick Authoria Compensation is designed to enable Exelon’s managers to allocate salary and incentives to retain top performers and ensure their compensation is competitive. And it helps managers maintain a strong pipeline of high performers to fill critical positions.



With Peopleclick Authoria Compensation, line-of-business managers can use compensation to attract, retain and motivate employees to achieve business goals. It allows managers to use compensation strategically. It is easy to learn and easy to use, and it helps managers motivate employees to achieve strategic goals and reward them for strong performance.

The solution allows managers to allocate salary and incentives to retain top performers and ensure their compensation is competitive. And for compensation professionals, Peopleclick Authoria Compensation automates the process of setting, calculating, allocating and tracking merit, bonus and stock-based awards. The solution ensures that awards are calculated efficiently, accurately and in compliance with policies and regulations. It also establishes a secure process that protects confidential information.

Results

Because of its technology-savvy workforce, Exelon was potentially a tough audience for any solution vendor. However, the Peopleclick Authoria solution won rave reviews during the roll-out process. Because of its web-based, Software-as-a-Service (SaaS) architecture, the transition was seamless, and managers throughout the company appreciated its efficiency, easy navigation and user-friendly design.

Using Peopleclick Authoria Compensation, Exelon's HR management was able to create and roll out total compensation planning worksheets and communications, which are critical in retaining employees. The solution minimized errors, changes and fixes. HR only has to make changes to reflect compensation increases, and there is very little administration involved. IT rarely needs to be involved in making changes to the system.

Exelon's many bonus, salary and stock plans are now all managed in one place. The entire system runs faster, more smoothly and without the "pain and grief" its managers experienced in the past. The Peopleclick Authoria solution is very configurable, making it easier to manage complex plans. And the entire implementation was on time and under budget.

Using Peopleclick Authoria Compensation has significantly streamlined the compensation process and increased overall accuracy. Managers can check in online and quickly fix any issues or make updates within the established guidelines. The online system works much more smoothly than the previous system and helps HR better manage the entire process.

Perhaps the most significant improvement was a unified view of Exelon's performance data. Now Exelon managers have more access to more data, so they can see critical employee performance data and trends that previously were too difficult to uncover. This is essential to tying compensation to performance.

What's Next?

Peopleclick Authoria Compensation is now a strategic weapon in Exelon's mission to add to its *High-Performance Culture*. The solution has been greeted with enthusiasm from HR leaders, and managers alike, and as Exelon's experience and data grow, so will the benefits of the system.

Finding a better way to manage a large number of complex compensation plans has helped Exelon meet its goal of attracting and retaining the best people, and assure its continued leadership and competitiveness in the dynamic energy market.

About Peopleclick Authoria

Peopleclick Authoria is transforming Talent Management through best-of-breed technology and expertise. With a deep focus on business intelligence and analytics, the Company's technology gives clients the actionable insight required to make strategic decisions that drive better business results. Nearly 60 percent of the Fortune 100 use Peopleclick Authoria Talent Acquisition, Talent Management and Workforce Compliance and Diversity solutions to manage salaried, hourly and contingent labor across their organization. These solutions manage the entire talent lifecycle from recruiting to onboarding and through the ongoing management of each individual's career while helping organizations measure, analyze and empower their existing workforce. Both founded separately in 1997, the two human capital management companies joined together in 2010 to form Peopleclick Authoria. The Company's solutions currently support more than 2,400 organizations ranging in size from large, global corporations to small and medium-sized businesses in more than 214 countries and territories.



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