



DATE: April 18, 2018

TO: EA Members

FROM: Angie Ecklund

RE: **EA Special Mini-Survey Request – Sales Commissions**

This request is being sent to companies that responded to sales positions in the annual Office Salary Survey.

1) Please describe the roles/levels that have incentive or commission pay, i.e. Client Manager, Lead Sales, Technical Specialist, Account Manager, etc.

- 2 cos Account Executive
- 2 cos No commissioned employees
 - Account Manager
 - Senior Account Manager
 - Sales Representative
 - Lead Sales/Business Development
 - Sales Manager

2) Is there a minimum sales threshold to achieve any incentive or commission?

- 2 cos NO
- 3 cos YES

Please describe: Employed more than 6 months prior to fiscal year end and must be responsible for \$100K+ in total gross profit.

3) What methods do you use to incentivize representatives?

- 0 cos Vary the payout rate based on product/deal gross margin
- 2 cos Pay on gross profit dollars
- 0 cos Do not incorporate price into the plan
- 0 cos Pay on gross margin percent
- 1 co Pay on net bookings
- 0 cos Pay on average selling price
- 1 co Other:

Please describe: Multipliers for completion of (KPI) key performance indicators (organizational responsibilities)

4) Do you use caps to limit the amount of incentive pay earned?

- 0 cos Absolute cap on incentive earnings
- 1 co No cap and no decelerator
- 0 cos Decelerator that slows earning increases beyond a specific performance level
- 0 cos Per deal cap applied to each sale separately

5) How do you reward reps for selling multi-year service arrangements?

0 cos Multi-year deal results in a kicker/accelerator on base earnings

0 cos Reward reps for the first X years in the contract

1 co Reward reps for all revenues in the contract

1 co Other:

Please describe: The month in which the sale is invoiced

6) How do you split sales credit?

1 co We do not split sales credit

0 cos By percent sold in different geography

0 cos Fixed split percentage based on rep involvement

0 cos Based on rep product responsibility

1 co Other

Please describe: 1 rep per customer. Encourage teamwork using multipliers of KPIS

7) How are incentives/commissions paid?

1 co Monthly

3 cos Quarterly

1 co Annually

8) Provide percent of earnings paid at the following points (responses must sum 100).

When an order is booked 100 % - 1 CO

When an order is invoiced 100 % - 1 CO

When an order is paid 100 % - 1 CO

9) On average, base salary is what percent of total compensation by role?

Manager of Sales 15 % - 1 CO

Account Manager 20 % - 1 CO

80 % - 1 CO

Lead Generator 20 % - 1 CO

Technical Specialist 80 % - 1 CO

10) Total sales compensation cost of sale (base salary + incentives as a percentage of revenue in last fiscal year?)

1 co 1.4%

1 co 1%

11) What other rewards do use for sales reps?

1 co Recognition as top performer, President's club, etc.

1 co Contests

0 cos Spot awards (management discretion)

0 cos Long-term incentives such as stock options, stock grants, tc.

1 co Profit-sharing or other company-wide plans

0 cos None

12) What resources do you use to benchmark competitive rates for sales?

Industry surveys of similar sized companies in similar businesses

Networking and informal relationships