

Figure 1: Factors Determining the Salary/Incentive Ratio

Job Title or Job Family:
_____ :

Range of Ratio Alternatives
0/100 50/50 100/0

Factors and Rating Scale Descriptors

Company Oriented Factors (7)		1	2	3	4	5	
<i>Sales objectives</i>	One objective: volume	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Multiple objectives: volume + one or two other goals
<i>Company support provided to sales process</i>	Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Extensive
<i>Supervision</i>	Limited and reactive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Proactive and developmental
<i>Product portfolio</i>	Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Broad
<i>Product characterization</i>	Generic/unbranded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Specialty/branded
<i>Sales message/value proposition</i>	Low cost (relative to alternative offerings)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Value added
<i>Sales model (how sales adds value to the purchase process)</i>	Transaction selling	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Solution selling
Sales Role/Job (5)		1.4	2.8	4.2	5.6	7.0	
<i>Customer segment/level assignment</i>	Level 4 (small, low end of market)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Level 1 (major, strategic accounts)
<i>Presales work</i>	Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Extensive
<i>Sales process and associated time cycle from initial contact to "close"</i>	Short	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Long
<i>Influence over purchase decision</i>	Seller driven	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Company driven
<i>Relationship with account/customer</i>	Limited (e.g., to first or initial transaction)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	On-going
Total Score (12 Factors)		14	28	42	56	70	

Directions and Scoring

Each stakeholder, e.g., top sales executive, field sales managers, marketing staff, and HR/compensation staff, could profile the sales job in reference to the factors listed in the above chart. One outcome could be a composite score, the result of which could be compared to the guidelines below:

53 – 70: High salary/low incentive; complex, long-term selling process; unique product or service; team focus; high level customer relationships

31 – 52: Median salary/incentive ratio; evolving jobs and processes; diverse products or services; both individual and team contributions

14 – 30: High incentive/low salary; transactional sales; short selling cycle; commodity products; sales person controls the sales process