THE Kahle Way®

Sales Systems

How to Kreate Kahle's Kalculation of Sales Productivity

By Dave Kahle

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Kahle's Kalculation of Sales Productivity

Kahle's Kalculation of Sales Productivity was developed by Dave Kahle in the early 1990s to address a specific issue: Sales leaders struggle with how to objectively measure the contribution of a sales person. As a result, many conversations among management and between management and the sales force become negotiations based upon feelings, opinions, and beliefs, rather than based upon reality. If we had a tool to clearly, fairly and objectively measure sales productivity, we could do away with all of that emotional conversation, and make reality-based decisions about our sales efforts.

Kahle's Kalculation of Sales Productivity is such a tool. The tool has since evolved into a measurement of the efficiency of a sales system, and of every part of that sales system. To date, the tool has been used by over 10,000 companies to gain an insight into the real costs and contributions of every sales person. In addition, it provides a way to objectively compare one sales group with another, to compare one year with a previous one, and to measure the relative contribution of every aspect of a sales system, as well as the system in total.

We work with companies and individuals to establish and refine sales systems that enrich sales people and sales organizations by creating content, tools and systems of substance, and delivering them through a variety of learning experiences that impact people, change the lives of sales professionals and transform selling organizations.

Kahle's Kalculation is how we measure our impact. We hope it will be a powerful tool in your hands as well.

Definition:

Kahle’s Kalculation is a process for creating a fair and objective measurement of sales productivity. You can use it to measure the productivity of each sales person, of each sales team, of each component in a sales system, and of the company-wide system as a whole.

Rationale:

In order to make major improvements in sales productivity, it's necessary to measure that productivity. After having created such a measurement, you can then determine the effect of efforts to improve sales productivity.

The measurement is useful in comparing the effectiveness of one company's sales efforts with another's, in comparing one branch or sales team with another, in comparing one sales person with another, and in comparing one sales method with another.

Additionally, the measurement can be used to compare efforts at any level from one period of time to another, (example: this year versus last year) in order to identify important trends.

Here's How:

There is an Excel spreadsheet with this document. All the directions that follow refer to the line numbers on that spreadsheet

I. Individual sales people

Begin with each individual salesperson. Using the tab on the bottom of the spreadsheet labeled, “By Salesperson,” do the following:

A. Identify a unit of time (for example, last fiscal year).

B. Enter the salesperson's salary, commissions, and any bonuses on lines **1 - 6**, regardless of the form in which it was paid. Then calculate the total W-2 (gross) earned by that salesperson that year on line **7** by adding lines **1 - 6**.

C. Calculate the total cost of fringe benefits paid to the salesperson for that period of time and enter that number on line **8**. Include all categories of benefits. Some potential accounts are:

   1. 401K, SEPP or other pension contributions by the company.
   2. Health and other insurance premiums paid by the company.
   3. Any other fringe benefits which can be calculated and attributed to an individual.

D. Calculate the total cost of matching taxes paid by the company for that individual and enter that number on line **9**. This includes FICA, Unemployment, etc.

E. Calculate the total costs of any expenses you may have reimbursed for this salesperson. Add the cost of cars or car allowances, cell phones, etc. Enter the total on line **10**.

F. Enter any additional costs that don't fit into any of the previous categories on line **11.**

G. On line **12,** total the sums of lines **7, 8, 9, 10** and **11**. Line **12** represents the total cost of this individual to the company for the time period in question.

H. Calculate the total gross profit produced by this person for the same period of time and enter on line **13**.

I. Compare the two numbers in a ratio: Costs to gross profit.

J. Line **14** should show the number as a percent. Calculate it by dividing costs (line **12**) by gross profit (line **13).** That will yield a productivity measurement. The lower the number, the more productive the salesperson.

Example of calculations for an individual salesperson.

Time period: fiscal year
Name: Joe Smith

total wages:	*$ 53,000.00*
fringes:	*6,000.00*
taxes:	*7,950.00*
expenses:	*5,345.00*
total costs:	*$ 72,295.00*

Gross Profit *$345,000.00*

ratio: 72295/345000

(divide costs by gross profits to yield productivity measurement)

sales productivity = 20.95%

K. Repeat this procedure for each salesperson.

II. The consolidated group of salespeople

Now that you have calculated a productivity number for each salesperson, create another section of the spreadsheet to calculate the KK (Kahle's Kalculation) for the entire sales force. Find the spreadsheet entitled "Total Salesforce" to use as an example. Add the combined numbers for each salesperson and put the totals in lines **1 – 11**. Add lines **7, 8, 9, 10**, and **11** and put the sum in line **12**. Now, enter the total gross profit produced by that group on line **13**. On line **14,** place the result of dividing line **12** by line **13.** Line **14** of this form shows you the productivity of the salesforce as a group. This number also indicates the average productivity of the sales people, and can be used as a standard against which to compare individuals.

III. Sales Groups

If you have several branches with salespeople working out of each branch, you can calculate the KK for each branch separately. If you have distinct groups of salespeople in any category, you may calculate the KK for each of those separately. If you have only one group or branch, then calculate this number for that group. Use the format entitled "Group 1."

A. Identify a period of time to examine. Use the same period as above.

B. Calculate the total costs of the sales force's salary, commission, and bonuses. Enter the numbers in lines **1 – 6**. Combine them for a total on line **7**. Do the same for lines **8 – 11**. Line **12** will show the total cost of the salespeople in this team.

C. Calculate the total costs of sales contests that might not have appeared on the salespeople's W-2s. Enter these numbers on lines **13 – 17.**

D. Enter the total training and recruitment costs on lines **18** and **19**. Add in such things as costs of outside seminars, books and tapes you may have purchased for the salespeople as well as recruitment costs such as newspaper ads, pre-hire assessment tests, etc. Then total lines **12** through **19** on line **20.** The total cost of the sales team will be on line **20**.

E. If you have a sales manager for this team, calculate all of the costs of that individual in the same manner as you did the individual salespeople.

Calculate a cost for "Sales Management" by entering his/her salary, commissions, and bonuses on lines **21 – 26** and the total on line **27**. Also enter in his/her travel costs, fringe benefits, taxes, and expense reimbursements on lines **28 – 31**. Then add these costs into a total cost of sales management on line **32**.

If you have a sales manager who is dedicated to this group, line **32** will accurately represent his/her cost.

If you're using a branch manager or an executive who has responsibilities other than just sales management, enter the percentage of time spent on the sales management function (hiring, training sales meetings, field visits with salespeople, etc.) on line **33**.

If you don't have a sales manager, you must still calculate the costs for the individual(s) who are performing the sales management function. For example, if you act as a part time sales manager, estimate the percentage of the time you spend on the sales management function (hiring, training sales meetings, field visits with salespeople, etc.) Calculate all of your costs in the same manner as the individual salespeople, and then multiply the total by the percentage of time you spend in sales management.

Multiply line **32** by the percentage on line **33** and put the answer on line **34.** The resulting number on line **34** is your "sales management" cost.

F. On line **35,** enter the sum of line **34** and line **20.** Line **35** is the total cost for this sales team.

G. Compare the total costs for this sales team to the total gross profit produced by the group. Enter the gross profit on line **36.** Develop a ratio.

H. Divide line **35** by line **36** and enter the result on line **37**. The productivity for the sales team can be seen on line **37** of the form.

IV. Retail businesses

The principles and processes are the same as with a group of sales people – to measure all of the direct costs of the sales and marketing system at that level.

A. On line 3, enter the cost of signage for that period of time. If you have invested in a major, fixed sign, amortize that cost for the period of time and add that to this line.

B. Sales people. On line 4, enter the total costs (W-2 gross earnings, plus the cost of fringes and taxes) for each of the sales people who were employed during this period of time.

C. Manager. On line 5, enter the cost of the manager(s). Add his/her W-2 earnings, plus the costs of fringes and taxes. Calculate what percentage of time the manager devotes to sales and marketing issues, as a percentage of his/her typical work week, and enter it on line 6. Multiply line 5 by line 6 to get a calculated cost of the manager and enter that on line 7

D. Advertising. Enter all costs of advertising for this period of time on line 8.

E. Marketing. Enter all costs of marketing, over and above the previous line on line 9.

F. Building. Enter all the costs of building: rent, utilities, maintenance, etc. on line 10. Make a determination as to what percentage of the building costs to attribute to sales and marketing. Enter that on line 11. Multiply line 10 by line 11and enter the total on line 12.

G. Other: Enter all other costs that you determine are aspects of the sales and marketing efforts for this location on line 13. Note, for your records, what costs you included, and the rationale for each.

H. Add up lines 3, 4, 7 8, 9, 12 and 13, and place the total on line 14.

I. Determine the amount of Gross Profit produced by this location for this period of time, and enter it in line 15.

Be careful not to double count gross profit. For example, if you have a counter operation, and the outside salespeople get credit for any sales made over the counter to their accounts, you can attribute the gross profit to the sales person, or to the location, but not to both.

J. Divide line 14 by line 15 to determine the Kahle's Kalculation number for this location. Enter it on line 16.

V. Web Businesses

The concept is the same as with a group of sales people – to measure all of the direct costs of the sales and marketing system at that level. Look at this as a unique piece of the sales system, and attribute the costs and gross profit to it in order to measure the productivity of the web effort.

A. Server: On line 3, enter your costs for the server for the period of time in question.

B. Software: On line 4, enter the costs of software or monthly services that run on the site. If you purchased software outright, amortize the purchase price to this period of time.

C. Webmaster. On line 5, enter the amortized cost of your design and creation of the website. On line 6, enter the costs for on-going maintenance – this could be the cost of an internal webmaster, or a sub-contractor.

D. SEO and other consultants. If you employ an SEO consulting firm, enter the costs on line 7. If you employ other consultants for this effort, enter those costs on line 8.

E. PPC. If you ran any PPC campaigns in this period of time, enter the costs on line 9.

F. Advertising. If you advertised the website in ways other than those accounted for on line 9, then add up the costs and enter them on line 10.

G. Marketing. If you used any other marketing efforts not accounted for above, then add those costs and enter them on line 11.

H. Other: If there are any other costs attributed to the sales and marketing system which have not yet been accounted for, enter them on line 12.

I. Add lines, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 and place the sum on line 13.

J. Determine the amount of gross profit produced by this location for this period of time, and enter it in line 14.

Be careful not to double count gross profit. For example, if the outside salespeople get credit for any sales made over the website to their accounts, you can attribute the gross profit to the sales person, or to the website, but not to both.

J. Divide line 13 by line 14 to determine the Kahle's Kalculation number for this location. Enter it on line 15.

VI. The company's total sales and marketing system

Using the tab labeled "Company," calculate the same number for the company as a whole.

A. Enter the numbers from the form labeled, "Total Salesforce" developed in section II, on lines **1 – 6** and **8 – 11**. Add lines **1 – 6** and enter the total on line **7.** Add lines **7 – 11** and enter the total on line **12.**

B. Using the numbers from the forms developed in section III, calculate the total costs of contests, training, and recruitment for your sales teams. Enter the numbers on lines **13 – 19**. Then add lines **12 – 19,** and place the sum on line **20.**

C. Using the same form from section III, add the total costs of all the sales managers together and enter into lines **21 – 26** and **28 – 31**. Add **lines 21 – 26,** and place the answer on line **27**. Add lines **27 – 31** and place the answer on line **32.** Also enter the amount of time spent on sales management functions on line **33.** Multiply line **32** by the percentage on line **33,** and place the answer in line **34.**

D. Add in the total costs of any marketing effort the company engages in on lines **35 - 40**. Include your web costs on line 40. Trade shows, trips for customers, literature created, mailings, databases, etc. should all be included here. Add lines **35 – 40**, and place the answer on line **41.**

E. If you have a marketing executive or a marketing department, calculate their costs in the same way you calculate the individual salespersons' costs, and enter them into lines **42 – 47** and **49 – 52**. Add lines **42 – 47** and place the answer on line **48.** Add lines **48 – 52** and place the answer on line **53.**

F. Add in the total costs of any advertising the company does on line **54**.

G. If you have senior sales executives above the level of sales manager whose costs have not been accounted for anywhere else, calculate those costs in the same manner as the individual salespeople, and enter them on lines **55 – 60** and **62 – 65**. Then add lines **55 – 60** and place the answer on line **61.** Next, add lines **61 – 65** and place the answer on line **66.**

H. Add lines **20, 34, 41, 53**, and **66** and put the answer on line **67**. Line **67** is the total cost of the company's sales and marketing effort.

I. Enter the total amount of gross profit the company generated on line **68**.

J. Divide line **67** by line **68** and place the answer on line **69**. Line **69** is the sales productivity of the company as a whole.

The big question…

At this point, the question on everyone's mind is …
What should the numbers be?

Great question. Here's the answer…

First, let's put this in perspective. My source for this answer is not a graduate school study of 10,000 companies. It comes, instead, from my own, personal experience. I generally have every company with whom I become involved create this measurement. Then, over the years, we have done sales system surveys for a number of national associations, and captured this number from those surveys. So, we are talking hundreds, not tens of thousands, of real numbers from real companies.

Having said that, I am absolutely convinced of the validity of the information I am about to share.

Level one:
Let's start at the level of the sales person. For field sales people, regardless of the territory, type of business, dollar size of their product, etc. the numbers are the same. Field sales people should be in the teens: 13 – 19 percent. At that range, I know they are profitable to you.

If a sales person is costing you less than 13 percent, he is very profitable to you, and may be underpaid. You may be risking losing him to a more lucrative position. Or, if he is happy with his income, it is possible that you are not providing adequate coverage to the accounts for which he is responsible, and he is just picking off the big dollar opportunities and not fully penetrating his/her accounts.

If a sales person is costing you more, there may be some variables that allow you to be profitable at higher numbers. For example, if much of your product is drop-shipped from an outside source, and you don't have to assemble it or handle it, the number can be as high as 25 percent. Much above that, however, and I believe that the sales person is taking too large a portion of the company's gross profit to allow you to profitably grow your business.

Level two:

This is the level where we consolidate the sales people's cost, and add in the cost of first level sales management. Unfortunately, I find too much variation at this level to be able to prescribe a profitable range. For example, one organization may have 20 sales people per sales manager, and another may have 6 sales people per sales manager. That impacts the productivity of the group dramatically. One organization may have the sales manager be personally responsible for some large accounts, another does not.

Level three:

This is the level where the rubber hits the road – the company's total sales and marketing system. At this level, for companies under $30 Million in annual sales, the productivity number should be 30 percent, +/- 4 percent, or in other words, 26 to 34 percent. As a company grows in size, the number should gradually shrink as the company experiences efficiencies of scale.

If your number is below this range, it tells me that you are probably not investing sufficiently in the growth of your business. So, you are not growing as rapidly as you should be growing. Or, it may be that you are taking money out of the business excessively, and it is coming from your sales efforts.

If your number is above this range, it tells me that you are not very efficient in your sales and marketing efforts, that too much of the corporate margin is being siphoned off by the sales effort, and that you are not nearly as profitable as you could be.

There are solutions for either extreme. Feel free to call to discuss them.

* To read more of Dave's insights into sales leadership, visit http://www.davekahle.com/article/salesexecarticles.html

* To consider how we can help you improve the productivity of your sales system, your sales force, and each individual sales person, visit http://www.davekahle.com/wordpressblogs/sales-force-system/.

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Salesperson #1

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #2

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #3

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #4

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #7

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #8

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #9

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #10

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #11

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #12

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #13

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #14

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #15

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #16

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #17

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #18

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Salesperson #19

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

Salesperson #20

		Last Year Actual	This Year Actual
1	Salary	0	0
2	Commissions	0	0
3	Bonus #1	0	0
4	Bonus #2	0	0
5	Bonus #3	0	0
6	Bonus #4	0	0
7	**Total W-2**	**0**	**0**
8	Fringe Benefits	0	0
9	Matching Taxes	0	0
#	Expense Reimbursement	0	0
#	Other Costs	0	0
#	**Total Cost to the Company**	**0**	**0**
#	Gross Profit	0	0
#	**Productivity**	**#DIV/0!**	**#DIV/0!**

Total Salesforce

	Last Year Actual	This Year Actual
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost to the Company	**0**	**0**
Gross Profit	0	0
Productivity	**#DIV/0!**	**#DIV/0!**

GROUP #1	Last Year Actual	This Year Actual
Salesforce		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost of the Salespeople	**0**	**0**
Sales Team		
Contest #1	0	0
Contest #2	0	0
Contest #3	0	0
Contest #4	0	0
Contest #5	0	0
Training Costs	0	0
Recruitment Costs	0	0
Total Cost of the Sales Team	**0**	**0**
Sales Manager		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of the Sales Manager	0	0
% of Time in Sales Management	0%	0%
Sales Management Cost	**0**	**0**
Total Cost of the Group	**0**	**0**
Gross Profit from Group	**0**	**0**
Productivity from Group	**#DIV/0!**	**#DIV/0!**

GROUP #2	Last Year Actual	This Year Actual
Salesforce		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost of the Salespeople	**0**	**0**
Sales Team		
Contest #1	0	0
Contest #2	0	0
Contest #3	0	0
Contest #4	0	0
Contest #5	0	0
Training Costs	0	0
Recruitment Costs	0	0
Total Cost of the Sales Team	**0**	**0**
Sales Manager		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of the Sales Manager	0	0
% of Time in Sales Management	0%	0%
Sales Management Cost	**0**	**0**
Total Cost of the Group	**0**	**0**
Gross Profit from Group	**0**	**0**
Productivity from Group	**#DIV/0!**	**#DIV/0!**

GROUP #3	Last Year Actual	This Year Actual
Salesforce		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost of the Salespeople	**0**	**0**
Sales Team		
Contest #1	0	0
Contest #2	0	0
Contest #3	0	0
Contest #4	0	0
Contest #5	0	0
Training Costs	0	0
Recruitment Costs	0	0
Total Cost of the Sales Team	**0**	**0**
Sales Manager		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of the Sales Manager	0	0
% of Time in Sales Management	0%	0%
Sales Management Cost	**0**	**0**
Total Cost of the Group	**0**	**0**
Gross Profit from Group	**0**	**0**
Productivity from Group	**#DIV/0!**	**#DIV/0!**

COMPANY	Last Year Actual	This Year Actual
Salesforce		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Other Costs	0	0
Total Cost of the Salespeople	**0**	**0**
Sales Team		
Contest #1	0	0
Contest #2	0	0
Contest #3	0	0
Contest #4	0	0
Contest #5	0	0
Training Costs	0	0
Recruitment Costs	0	0
Total Cost of the Sales Team	**0**	**0**
Sales Managers		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of the Sales Managers	**0**	**0**
% of Time in Sales Management	0%	0%
Sales Management Cost	**0**	**0**
Marketing Efforts		
Trade Shows	0	0
Customer Trips	0	0
Literature	0	0
Mailings	0	0
Database Management	0	0

Other Costs	0	0
Total Marketing Costs	**0**	**0**
Marketing Executive/Dept.		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of Marketing Dept.	**0**	**0**
Advertising Costs	**0**	**0**
Sales Executives		
Salary	0	0
Commissions	0	0
Bonus #1	0	0
Bonus #2	0	0
Bonus #3	0	0
Bonus #4	0	0
Total W-2	**0**	**0**
Travel Costs	0	0
Fringe Benefits	0	0
Matching Taxes	0	0
Expense Reimbursement	0	0
Total Cost of Sales Executives	**0**	**0**
Total Cost for Sales & Marketing	**0**	**0**
Gross Profit for Company	**0**	**0**
Productivity	**#DIV/0!**	**#DIV/0!**

Sales person's Name

	Last Year Actual	This Year Actual	Next Year-Good	Next Year-Poor	Two Years-Good	Two Years-Poor
Sales	0	0	0	0	0	0
Sales increase over last year	0	0	0	0	0	0
Sales increase %	0	0	0	0	0	0
KPF #1	0	0	0	0	0	0
KPF #2	0	0	0	0	0	0
KPF #3	0	0	0	0	0	0
KPF #4	0	0	0	0	0	0
KPF #5	0	0	0	0	0	0
KPF #6	0	0	0	0	0	0
Gross Profits	0	0	0	0	0	0
Salary	0	0	0	0	0	0
Bonus #1	0	0	0	0	0	0
Bonus #2	0	0	0	0	0	0
Bonus #3	0	0	0	0	0	0
Bonus #4	0	0	0	0	0	0
Total W-2	0	0	0	0	0	0
Expense reimbursement	0	0	0	0	0	0
Direct costs	0	0	0	0	0	0
Vehicle expense	0	0	0	0	0	0
Other fringes	0	0	0	0	0	0
Total Costs	0	0	0	0	0	0
Productivity	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

How to Create a Win/Win Sales Compensation Plan

Creating a new sales compensation program can be one of the riskiest initiatives you undertake. Yet most sales compensation programs are outmoded vestiges of days gone by. Make use of this program to guide you through the process, reduce your risks, and insure that you make the best decisions. Let Dave show you to create a win/win formula. Learn more here: http://www.thesalesresourcecenter.com/win-win/.