



## SALES OPTIMIZATION PROGRAM: SALES COMPENSATION

The Kaiser Companies Sales Optimization Program utilizes seven steps to thoroughly review, analyze and identify all opportunities that can be changed or improved to provide maximum results. The seven steps are part of our Strategy Analysis, Validation and Evaluation (SAVE) methodology to gather information, make recommendations and then implement solutions .

During the Sales Compensation phase of the Sales Optimization Program our experts evaluate the basic underlying motivator for performance—compensation. There are several considerations when modeling compensation. We begin by analyzing the strategic goals, sales cycles and profitability requirements of the company. The costs of selling must fit within the operating margin and provide sufficient profitability. This analysis provides the foundation for building the right compensation program based on your organization.

The Sales Compensation program is inclusive of evaluation and recommendation for all sales roles: inside “telesales”, qualifiers, outside “field” sales, account management, sales leadership. We assure the models of compensation support the required skill and responsibility of each contributor. We factor in the type of selling the organization requires: consultative, solution, closer and relationship builder styles to appropriately reward skills and behaviors that need to drive business.

The steps involved in the Sales Compensation phase of the Sales Optimization Program includes expert analysis and evaluation of existing compensation models and revenue projections. We will examine:

- Customer and target buying processes
- Product/Service life cycles
- Historical sales performance data
- Financial history and forecasts
- Impact analysis and change management capabilities
- Behavior modeling and KPI metrics
- Rewarding behaviors to positively impact the bottom-line

We work with our clients to match the buying processes and product life cycles to the right compensation model. Whether your products/services are in the introductory offer stage or your product is in the late stage of a product life cycle with heavy competition, we will help you align the skills and rewards that are best suited to generate business for every particular stage of an offerings life cycle.

Compensation can come in multiple forms— base salary, commissions, incentives, and bonuses. Historical performance and financial data will help qualify the weight of compensation forms for modeling analysis.

Sales compensation models need to account for the level of knowledge and skill required to position and close deals. Is your product or service considered high-tech or low-tech? How many contacts does it take to close business? Models need to consider measurable criteria such as customer satisfaction, length of sales cycles, contributions to profits, customer loyalty, customer churn, opportunity management, new business versus renewals and up-sells. Key Performance Indicators (KPIs) must align with metrics. Compensation must motivate the behaviors, ensuring achievement of KPIs that your organization uses to define success.

Kaiser Companies understands that change is difficult, especially when it comes to sales compensation. Careful and deliberate planning and communications will underline any proposed changes, coupled with implementation and change management recommendations to ensure success and reduce stress within the organization. Proper planning and rewards create a healthy, productive and rewarding environment.

For more information about the Kaiser Companies Sales Optimization Program, contact us at 602.792.6100 or email us at [partners@kaisercompanies.com](mailto:partners@kaisercompanies.com).