

# Information and Instructions

## Capabilities of this Commissioning Pay Plan

- \* 30 Individual Sales Commission Worksheets and Expandable
- \* 2 Vehicle Commissionable Sales Packs, New and Used Units
- \* 8 New Unit Minimum Commission Levels, based on Gross Profit or Unit Type
- \* 4 Used Unit Minimum Commission Levels, based on Unit Type, e.g. Pre-Owned, Certified, and 2 Dealer assigned
- \* Commissionable Percentage Tier Qualifier, Unit Sales Types and CSI Standards
- \* 4 Base Commission % Tiers - Base on Total Unit Sales Count
- \* 4 Finance Reserve and Aftermarket Payout Percentages
- \* 4 Miscellaneous Add-on Bonuses assigned by Dealer, e.g. Conquest, Retention, Spots, Reviews, etc.
- \* Monthly CSI Commission Bonus Add-on
- \* 2 Miscellaneous Commission Dollar Adjustment Fields
- \* Tracks 5 weeks of Commission Advance Payments
- \* Provides Transaction Comment Fields
- \* Allows 50 Commissioned Transactions per Salesperson, per Month

## Key Features of this Program

Each Sales Transaction is entered by using a Excel Form that validates the commission data entered

All Commission Calculations after setup are hard-coded meaning no more calculator or calculation errors

Limited actual spreadsheet interaction, thus eliminating potential errors

Cumulative totaling of sales commission earnings and payable as sales transactions are processed

Managerial view of each salespersons total actual vehicle gross profit and average PVR income

Main Menu Summary Report that offers a quick overview of Salespersons Performance and Commission

## Commission Program Basics

Only Cells "**Yellow**" in color allow sales data entry

There are no worksheet Tabs. Use the "**Grey**" forms buttons to navigate throughout this workbook.

There are Only 3 Uniquely Different worksheets in this workbook

- 1) **Main Menu** which Summarizes Sales Commissions and Performance, plus provides access to individuals
- 2) **Pay Plan Control** worksheet where the Commission Structure is established

On this worksheet you will enter each salespersons name, ID#, and weekly salary if one.

Also on this worksheet the basics of a pay plan are entered. Some experimentation is required and if a payout option is not used by your dealership either enter a zero value or reply NO to the option

- 3) **Individual Salespersons** Commission Worksheet - 30 Standardized Commission Sheet

A large majority of all data entered on this worksheet is done by completing an Excel Form which

appears by clicking the "**Add Sale**" forms button. There are a few entry fields on this sheet which are

self-explanatory. A transaction may be re-commissioned by using the "**Recall**" button on this worksheet.

# Pay Plan Structuring and Setup

## Understanding the Tier % Qualifier

The Tier Qualifier is built into this commission package for the purpose of limiting the commission percentage paid out on both vehicle sales and finance sales. In general the idea behind it is that a salesperson must meet minimum requirements to advance to the next higher commission percentage calculation payout.

In this case to advance tier percentages as defined by Base Commission % Tiers - Sold Unit Counts, the salesperson must sell a minimum of 2 qualifying pre-owned vehicles (Totaling 2 points) and meet the established dealership **minimum CSI standards**.

## How to Override Tier % Qualifier if not part of current pay plan

Within Fields 1 and 2, simply type the word "Override" and assign 1 point count to each. This totals the minimum of 2 points required to advance percentages. Next, for the CSI Standards Met, just select within the Drop Down List, "Yes". The salesperson will now advance Commission % Tiers based on unit sales count only.

## Understanding Minimum Sales Commissions - New and Used

When setting up minimum sales commissions keep in mind that what you are actually doing is creating a Drop down list which appears when commissioning each individual sales transaction. This Drop down list will appear on the commissioning form as a question when calculating a commission payable. It is then compared to the calculated percentage payable and which ever is higher is used as the final commission payable.

## Base Commission % Tiers - Sold Units

Within this program there are 4 Tiers for unit sales count percentage calculations that determine what percentage of commissionable gross (Gross Profit - Vehicle Sales Pack) is to be paid a salesperson on both vehicle sales and finance income. **Note:** Tier 4 is the lowest % and Tier 1 is the highest % and remember that for a salesperson to progress from Tier 4 to a higher percentage (Tier 3 up to 1), the **Tier % Qualifier must be meet**.

As for entering Vehicle % and Finance % values, the lowest payout % should be entered into the **"Yellow"** cells of **Tier 4**. And, as percentage payouts increase based on total sold unit count, the Tier levels progresses to Tier 1.

When entering the number of unit sold counts, you would enter the highest unit sold number within the percentage payout range in Tiers 4, 3, 2. In Tier 1 (The highest % payout) enter the lowest unit sold count.

| <b>Example:</b> | Desired Payout | Units | Veh. % | Fin. % |           |                             |
|-----------------|----------------|-------|--------|--------|-----------|-----------------------------|
| Tier 4          | < or = 7.5     | 7.50  | 20.00  | 0.00   |           |                             |
| Tier 3          | 8 thru 13      | 13.00 | 25.00  | 3.00   |           | <b>Maximum Commission %</b> |
| Tier 2          | 13.5 thru 19   | 19.00 | 30.00  | 5.00   | Vehicle % | 35.00                       |
| Tier 1          | 19.5 plus      | 19.50 | 35.00  | 7.00   | Finance % | 7.00                        |

## Add-on Sales Bonuses

This commission option becomes useful if you want to pay an additional flat added commission if a salesperson achieves a specific dealership goal. This flat can be just about anything from Aged Unit to Spot Delivery Bonuses. It is basically up to your dealership as to what you would like to offer within a pay plan. It also may be used to pay flat commissions on finance department products, instead of paying out a percentage of income.

## 4 Steps to Getting Started

### Step 1: Access Individual Commission Worksheets

From the Main Menu, click the forms button next to the first Salesperson name on the list of 30 available  
Review the worksheet and print it. Understanding this sheet is likely going to help you with the pay plan setup process

While on the individual Salesperson Commission worksheet, click the "Add Sale" Excel forms button. This will help you better understand how sales transactions are commissioned. Once again, understanding this Excel Form is likely going to help you with the pay plan setup process and understand how commissions are processed.

Feel free to attempt to complete the form, by clicking the drop down list or entering values into the entry fields. You will then notice how the form Validates data and what your options may be during setup.  
Click the "Cancel" forms button when done experimenting and the entry will not be Validated or Recorded.

You should now understand the basics on how to commission a sales transaction.

### Step 2: Access Pay Plan Structure Setup

Returning to the Main Menu, you will now notice the Forms button "**Controls**", click it. This will direct you to the worksheet that is used to both enter a salespersons name and setup the dealership pay plan.

To begin, if one doesn't exist, enter your first salespersons name. Remember that only Cells "Yellow" in color allow sales data entry. You may also at this point enter a salespersons ID# and weekly salary. These values do not effect the commissioning of a salesperson but exist for your reference.

### Step 3: Pay Plan Base Commission Standards

On the Administrative Controls worksheet, same one used to enter salespersons name, you will setup the commission pay plan. Now, to give you the exact answer how to, is somewhat impossible since pay plans vary between auto dealerships, so you will need to do some experimentation. But, the basic choosing of each dealerships pay plan should exist.

#### Optional Choices:

Vehicle Sales Pack - New and Used

Base Commission % Tiers - Based on # of Sold Units

Minimum Sales Commissions - New and Used

Add-on Sales Bonuses - Miscellaneous Sales Bonuses

#### Comments:

Finance Department % payout values are linked to % Tiers or you could use Add-Sales and pay a flat

If all Levels-Tiers are not required within a category, clear description field and enter a zero % or dollar value

### Step 4: Commission Sales Transaction

Return to Main Menu, click the forms button next to Salesperson name and attempt to commission a sales transaction

#### Special Note:

If you find that your having difficulties with the setup or if for some reason this workbook requires modification to meet your dealership pay plan structure, IntactAuto Holdings is available for you. Nearly anything is possible.