

2016 Employee Compensation Survey

A survey of fiscal 2015 wages & benefits

An Excel spreadsheet version of this survey is available at www.profitplanninggroup.com/surveys

FPDA is a co-sponsor of the 2016 Employee Compensation Survey. This Profit Planning Group survey provides an analysis of management and employee pay, benefits and salesforce practices across a broad spectrum of wholesalers. The survey results are especially valuable to executives who must demonstrate to the IRS that their compensation is "reasonable".

Cost

There is NO COST to participate in this survey.

Participants receive a copy of the two volume Employee Compensation Report which includes FPDA Results and Cross-Industry Results.

Completing this survey -- *read carefully!*

- Report **annualized** data as of year-end 2015.
- A blank is **not** a zero! Enter '0' if an answer is zero.
- A blank is **not** a "no"! Enter 'N' if an answer is no.
- Do not truncate figures to 10s, 100s, 1000s, etc.
- Reasonable estimates are always better than blank answers.
- Send questions to surveys@profitplanninggroup.com.

Send completed surveys directly to Profit Planning Group

Submit by email to surveys@profitplanninggroup.com or by FAX to **303.444.9245** or by mail to Profit Planning Group, 4800 Baseline Rd., Suite E-104 #251, Boulder, CO 80303-2643.

Report Recipient (*required* -- reports are distributed only to this individual -- provide an address authorized to receive sensitive material)

Name (only one)

Title

Firm

Address Line 1

Address Line 2

City

State or Province

ZIP or Postal Code

Telephone (only one)

Fax (only one)

Email Address (only one)

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How were you notified about this survey? (answer all y/n)

1 Email

2 FAX

3 Mail

4 Telephone

What is the best way to notify you? (1-4 from the list above)

Who notified you? (1=the association, 2=Profit Planning Group, 3=both)

	y/n
	y/n
	y/n
	y/n
	1-4
	1-3

Profit Planning Group's Statement of Confidentiality

Profit Planning Group recognizes your data are highly confidential. To protect sensitive data, Profit Planning Group enforces strict security measures. For over 30 years, Profit Planning Group has managed confidential data for over 50,000 different firms without a security incident.

Major features of Profit Planning Group's secure data management include:

- ***Secure Storage***

To protect against intrusion, your firm's data are purposely **not** stored in databases on internet servers.

- ***Anonymous Data***

Your identity is not stored with your data. The data are identified with a code. A list of codes to participants is maintained separately.

- ***Restricted Access***

Access to data is strictly limited to Profit Planning Group's staff. Surveys are submitted directly to Profit Planning Group. Profit Planning Group prepares and returns the reports directly to you.

- ***Aggregated Results***

Reports present aggregated results. Aggregated results don't reveal individual participant data. Strict masking procedures blank results for small samples.

- ***Document Destruction***

Forms and documents submitted for the survey are destroyed after processing.

Firm Information

Ownership

- 1 Private company
- 2 Public company

1-2

Organization

- 1 Sole Proprietorship
- 2 Partnership
- 3 S Corporation
- 4 C Corporation
- 5 Limited Liability Corporation (LLC)
- 6 Limited Liability Partnership (LLP)

1-6

Operations

- 1 Local
- 2 Regional
- 3 National
- 4 International

1-4

2015 annual company sales. Please report this figure which is essential to the analysis.
Note! Enter numbers only. Do NOT truncate to 10s, 100s, 1000s, etc.

\$

Number of locations operated including the headquarters and all branches

#

Employee Turnover Report Full-Time Equivalents (FTEs)

Use 2080 annual work hours to convert part-timers to FTEs (e.g. 30 hrs/week all year = 0.75 FTE).

Total FTE employees at the beginning of the year

- + Number of employees hired during the year
- Number of employees who have left during the year for any reason
- = Total number of FTE employees at the end of the year

FTE
+FTE
–FTE
=FTE

Executive Compensation and Benefits

Total Annual 2015 Executive Compensation -- estimate if necessary

Report each top executive in the most appropriate position. If an executive has multiple roles, use the single most applicable position. Do not report individuals employed less than one year.

	CEO/ President/ #1 Officer	COO/ Vice President/ #2 Officer	Chief Financial Officer	Chief Marketing Officer
Age				
Years with the company (must be >= one year)				
Company ownership (% of equity owned)	%	%	%	%
Company founder (y/n)				
Total annual compensation				
Minus base salary				
= Bonus (will be calculated)				
Change in total compensation (2014 to 2015)	%	%	%	%

Executive Benefits & Perquisites Offered (answer all y/n)

	CEO (y/n)	COO (y/n)	CFO (y/n)	CMO (y/n)
Company car & expenses				
Supplemental life insurance*				
Supplemental medical insurance*				
Tax return preparation				
Club dues & expenses				
Personal tax & financial planning				
Annual physical examination				
Low or no-interest loan				
Supplemental retirement plans*				
Deferred compensation				
First class air travel				
Use of corporate aircraft				

*Beyond customary company-wide benefits

Is an executive bonus program used?

y/n

If yes, which of the following are used as a basis to allocate executive bonuses? (answer all y/n)

Discretionary	<input type="text"/> y/n
Achievement of sales or operating goals	<input type="text"/> y/n
Achievement of profit goals	<input type="text"/> y/n
Percentage of sales	<input type="text"/> y/n
Percentage of profit	<input type="text"/> y/n
Return on equity/assets/sales	<input type="text"/> y/n

Employee Compensation

Policies used to determine employee raises (answer all y/n)

Cost of living adjustment (COLA)

Annual merit raise

Lump sum (in lieu of merit increase)

Variable pay plan (bonus awards, incentives, recognition bonuses)

No raises (salaries/wages are frozen at current level)

No set policy for raises, discretionary each year

	y/n
	y/n
	y/n
	y/n
	y/n
	y/n

Are employee bonuses paid?

If yes, which of the following are used as a basis to allocate bonuses? (answer all y/n)

Special recognition bonus

Achievement of individual performance goals

Achievement of company/department/team goals

Cash profit sharing

CEO/Owner discretion

	y/n
	y/n
	y/n
	y/n
	y/n

Are retention bonuses offered?

	y/n
--	-----

Is a severance plan in place?

If yes, how many years of service are required for eligibility?

If yes, what is the maximum number of weeks of pay offered?

	y/n
	years
	weeks

Employee Compensation

Total Annual 2015 Employee Compensation for Selected Positions -- estimate if necessary

- Only report employees that can be reasonably classified into these positions. Data for others are **not** collected.
- Report compensation for **only one typical full-time employee** in each position.
- In the first column, report the approximate **total** number of FTE employees in each position at all locations.
- For each position, report the typical total annual compensation first, then report base salary. Bonus will be calculated.
- Do not include fringe benefits. Report annual W-2 (T-4) wages prior to employee deductions.
- If a position is filled with part-timers, report compensation one employee would receive if they were full-time.

Report annual compensation (unless noted)
for **ONE** typical full-time employee in each position

Selected Positions (these may not include all employees) Note! Report inside & outside sales positions and branch managers on the branches page.	Aprox. Number of FTE Employees in each position	Typical Total Compensation for each position	=	Typical Base Salary for each position	+	OT, Bonus, Commission, & Incentive (calculated)
Sales & Service						
Sales Manager (not CMO)						
Sales Assistant (supports sales)						
Customer Service Rep						
Counter Salesperson						
Warehouse & Delivery						
Operations Mgr. (not COO)						
Warehouse Supervisor						
Warehouse Employee						
Driver/Delivery Personnel						
Information Technology						
Chief Information/Technology Officer (CIO/CTO)						
MIS/Data Processing Manager						
Systems Administrator						
IT Clerk						
General & Administrative						
Purchasing Manager						
Purchasing Agent/Buyer						
Controller (not CFO)						
Accountant/Bookkeeper						
Credit Manager						
Credit/Collections Clerk						
Human Resources Manager						
Office Manager						
Office/Clerical Personnel						
Other Positions						
Inside Sales Manager						
Applications Engineer						
Power Unit Designer						
Power Unit Technician						
Power Unit Assembler						

Employee Benefits

Is a cafeteria plan allowing a choice between cash and qualified benefits offered?

(a "Section 125" flexible benefit program)

	y/n
--	-----

Healthcare

Are health benefits offered to employees?

	y/n
	y/n

If no, skip to the retirement section. If yes, does the firm self-insure in any way?

Medical Plans Offered

Traditional (indemnity health insurance)

HMO/EPO (Health Maintenance/Exclusive Provider Org.)

POS (Point of Service)

PPO (Preferred Provider Organization)

HDHP (High Deductible Health Plan)

Opt-Out of Coverage

Offered? Answer all	% of Emps. Covered
	%
	%
	%
	%
	%
	%

If HDHP plans are offered, answer the following (otherwise skip to Typical Plan Coverage)

Which HDHP plans are offered?

HRA (Health Reimbursement Account)

HSA (Health Savings Account)

	y/n
	y/n
	y/n
	y/n

If offered, does the firm fund the plan(s)?

If yes, is the firm's funding for singles different from the firm's funding for families?

If not different, what is the annual \$ funding? (leave blank if not offered)

HRA (Health Reimbursement Account)

HSA (Health Savings Account)

If different, what is the annual \$ funding? (leave blank if not offered)

HRA (Health Reimbursement Account)

HSA (Health Savings Account)

Singles	Families

Typical Plan Coverage

Leave blanks for plans which are not offered.

If rates vary by age/gender, report for a 35 year old male employee.

Traditional Single, Employee Only

Employee+Family

HMO/EPO Single, Employee Only

Employee+Family

POS Single, Employee Only

Employee+Family

PPO Single, Employee Only

Employee+Family

HDHP Single, Employee Only

Employee+Family

Monthly Premium \$ Employee + Employer	Employer Paid %	Annual Deductible \$ per Person	# of Family Members That Need to Meet the Deductible
	%		n/a
	%		#
	%		n/a
	%		#
	%		n/a
	%		#
	%		n/a
	%		#
	%		n/a
	%		#

Co-Pay & Co-Insurance (other than mail order)

Leave blanks for plans which are not offered.

Co-Pay \$ Amount

Traditional

HMO/EPO

POS

PPO

HDHP

Co-Insurance Percentage

Traditional

HMO/EPO

POS

PPO

HDHP

Office Visit	Generic Drug	Preferred Drug	Non-Pref. Drug
\$	\$	\$	\$
%	%	%	%

Employee Benefits

Other health benefits offered (answer all y/n)

Dental Plan

Vision/Optical Plan

Retiree Medical Insurance Coverage (FASB 106)

Prescription Drug Plan

Mail-Order Drug Plan

Group Term Life Insurance

Long-term Disability Insurance

Short-term Disability Insurance

Long-term Care Insurance

Employee Assistance Program*

*Program to handle personal & work related issues such as drug dependency, mental health, financial, legal, etc.

	y/n
	y/n
	y/n
	y/n
	y/n
	y/n
	y/n
	y/n
	y/n
	y/n

Are wellness programs offered?

If yes, are participation incentives offered?

If yes, do any incentives include premium reductions?

If yes, do any incentives provide funding to a HRA or HSA?

	y/n
	y/n
	y/n
	y/n

Have any of these steps been taken in response to the Affordable Care Act?

1=yes, 2=no, 3=plan to in the next 12 months

Eliminate health insurance for employees entirely

Convert to a flat payment to employees to purchase their own insurance

Change the structure of plans to avoid excise tax on "Cadillac" plans

Limit the hiring of new employees

Convert full-time employees to part-time status

	1-3
	1-3
	1-3
	1-3
	1-3

Change in health insurance premiums due to ACA obligations (estimated + or - %)

	%
--	---

Retirement

Are retirement plans offered to employees?

If yes, which of these plans are offered? (answer all y/n)

401(k) Plan (with or without employer contribution)

Profit Sharing Plan (discretionary employer contribution)

Payroll Deduction/SEP/SIMPLE IRA (Group RRSP in Canada)

Defined Benefit Plan (fixed, pre-established benefit)

Money Purchase Plan (required employer contribution)

	y/n
	y/n
	y/n
	y/n
	y/n
	y/n

If a 401(k) is offered...

What % of eligible employees are enrolled in the 401(k) plan?

Are employees auto-enrolled in the plan?

Which 401(k) plans are offered? (answer all y/n)

Traditional 401(k)

Safe Harbor 401(k)

SIMPLE 401(k)

Does the 401(k) plan provide for designated Roth contributions?

Are catch-up contributions allowed for eligible employees aged 50 and over?

Does the firm contribute to the employee's 401(k)?

If yes, what \$ amount is contributed for a full-time employee for each \$1 of their contribution?

If yes and if contributions are limited to a % of an employee's pay, what is the limit?

If yes and if contributions are limited to an annual \$ cap for each employee, what is the \$ limit?

	%
	y/n
	y/n
	y/n
	y/n
	y/n
	y/n
	%
	%

Employee Benefits

Time Off

Does the firm have a Personal Time Off (PTO) program?

(PTO programs combine vacation, sick days, and personal leave)

	y/n
--	-----

If the firm DOES have a PTO program... (skip if not using a PTO)

Does the program include paid and floating holidays?

	y/n
--	-----

Does the program include vacation time-off?

	y/n
--	-----

How many days off are accrued per year by a full-time employee after 5 years?

	days
--	------

At what year of service does the amount of vacation accrual top-out?

	yrs
--	-----

Can accrued PTO be carried over to the following year?

	y/n
--	-----

What is the maximum PTO which can be accrued?

	days
--	------

What is the waiting period before PTO can be used by new hires? (report zero for none)

	days
--	------

If the firm DOES NOT have a PTO program... (exclude short-term disability; skip if using a PTO)

How many paid sick days are allowed for SALARIED employees each year? (report 0 for none)

	days
--	------

How many paid sick days are allowed for HOURLY employees each year? (report 0 for none)

	days
--	------

What is the waiting period before sick leave can be used by new hires? (report zero for none)

	days
--	------

Holidays (Note! Skip if using a PTO program which includes these holidays)

How many paid **fixed** holidays are allowed each year? (report zero for none)

	days
--	------

How many paid **floating** holidays are allowed per year? (report zero for none)

	days
--	------

How many paid or unpaid holidays are observe annually? (Christmas, New Year, Easter, etc.)

	days
--	------

Vacation (Note! Skip if using a PTO program which includes vacation)

How many annual vacation days are accrued by a full-time employee after 5 years?

	days
--	------

At what year of service does the amount of vacation accrual top-out?

	yrs
--	-----

Can accrued vacation time be carried over to the following year?

	y/n
--	-----

What is the maximum vacation time which can be accrued?

	days
--	------

What is the waiting period before vacation can be used by new hires? (report zero for none)

	days
--	------

Other Paid Time-Off (answer all y/n)

Paid parental leave (maternity/paternity, adoption leave)

	y/n
--	-----

Paid jury duty

	y/n
--	-----

Paid military leave

	y/n
--	-----

Other Benefits

Which of these is given to full-time employees at Christmas or year-end? (answer all y/n)

Cash (nominal amount, not annual bonus)

	y/n
--	-----

Gift (including gift certificates, food items, etc.)

	y/n
--	-----

Party

	y/n
--	-----

Year-end bonus (not tied to profits)

	y/n
--	-----

Which of these other employee benefit programs and policies apply? (answer all y/n)

Flexible spending account for health expenses

	y/n
--	-----

Flexible spending account for dependent care expenses

	y/n
--	-----

Flexible spending account for adoption assistance

	y/n
--	-----

Child care (allowance or facilities)

	y/n
--	-----

Flexible work scheduling

	y/n
--	-----

Educational assistance for employees

	y/n
--	-----

Pre-retirement counseling

	y/n
--	-----

Annual computerized benefits statement

	y/n
--	-----

Smoking restrictions in the workplace

	y/n
--	-----

Employee policy manual

	y/n
--	-----

Sales Practices

Outside Sales

Note! Report the practices most commonly used throughout the firm

Are outside salespeople on staff? (employees, not reps)

y/n

If no, skip to the inside sales section

Is a written employment contract typically used with outside salespeople?

y/n

Most common method used to compensate outside salespeople

1-8

- 1 Straight salary
- 2 Salary & bonus
- 3 Salary & commission
- 4 Salary & commission & bonus
- 5 Straight commission (no salary)
- 6 Commission & bonus (no salary)
- 7 Draw (against commission) and commission
- 8 Other

If commissions are paid...

What method is most commonly used to allocate commissions?

1-5

- 1 Flat percentage of sales
- 2 Escalating percentage of sales
- 3 Flat percentage of gross margin
- 4 Escalating percentage of gross margin
- 5 Other

Outside salespeople are eligible for commissions on which of the following? (answer all y/n)

- Prompt payment or other billing discounts
- Service
- Repair parts
- Accessories & tooling
- Finance plans
- Collection of cancellation charges

y/n
 y/n
 y/n
 y/n
 y/n
 y/n
 1-4

For commission accounting purposes, when are sales most commonly credited to the salesperson?

- 1 Order booked
- 2 Order shipped
- 3 Upon billing
- 4 Payment received

Is a ceiling incorporated to prevent windfalls?

y/n

Is a quota set which must be exceeded before commissions are earned?

y/n

Are new salespeople paid commission on the backlog in their territory?

y/n

Are outside salespeople charged back for bad debts?

y/n

Upon termination, are commissioned salespeople paid on existing backlog?

y/n

Annual sales of the LOWEST volume outside salesperson in established territories

Gross profit contribution of the lowest volume outside salesperson

Annual sales of the HIGHEST volume outside salesperson in established territories

Gross profit contribution of the highest volume outside salesperson

Are sales contests typically used?

1-3

- 1 Never
- 2 Rarely
- 3 Regularly

If used, which of these prizes are typically awarded? (answer all y/n)

- Cash
- Travel
- Merchandise
- Other

y/n
 y/n
 y/n
 y/n

Sales Practices

Inside Sales

Are inside/telemarketing salespeople on staff? (not counter personnel)

	y/n
	1-6

If yes, what method is most commonly used to compensate inside salespeople?

- 1 Straight salary
- 2 Hourly (including bonus/commission)
- 3 Salary & commission
- 4 Salary & bonus
- 5 Salary & commission & bonus
- 6 Other

Practices

Most common method used to cover travel and entertainment expenses

	1-5
--	-----

- 1 All expenses reimbursed
- 2 Per diem payment
- 3 Compensation covers expenses
- 4 Travel expenses only reimbursed
- 5 Fixed monthly expense allowance

Most common method used to provide salespeople with cars

	1-4
--	-----

- 1 None
- 2 Company-leased
- 3 Company-owned
- 4 Employee-owned reimbursement

If the method is employee-owned reimbursement, what basis is most commonly used?

- 1 Mileage (if mileage, also report the mileage rate)
- 2 Gas & oil
- 3 Monthly allowance

Mileage Rate (¢/mile) =

	1-3
	¢

Most common method used to provide salespeople with cell phones

	1-5
--	-----

- 1 None
- 2 Company-provided phone for business-related calls
- 3 Reimburse employee for business calls on personal phone
- 4 Monthly phone allowance
- 5 Other

Complete the column for the primary location then a column for each branch.
Submit additional survey forms for more than 17 branches.

Branch Information

Your Branch ID Number (to uniquely identify the branch)

Branch Manager Compensation

Minus base salary

=OT, Bonus, Commission, & Incentive (will be calculated)

Is the branch manager eligible to receive a bonus? (y/n)

Discretionary

Achievement of sales goals

Achievement of gross margin \$ goals

Achievement of profit goals

Percentage of sales

Percentage of gross margin

Percentage of profits

Return on equity/assets/sales

Average length of employment of these salespeople (years)

Senior Sales Consultant (more than 10 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Typical Outside Salesperson (2 to 10 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Beginning Outside Salesperson (less than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Average length of employment of these salespeople (years)

Typical Inside Salesperson (more than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Beginning Inside Salesperson (less than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Report compensation for **only one typical, full-time employee** in each position. Estimate if necessary Exclude fringe benefits. Report annual W-2 (T-4) wages prior to employee deductions.

If a position is filled with part-timers, report what one employee would receive if they were full-time.

	Primary Loc	Branch 1	Branch 2	Branch 3	Branch 4	Branch 5

Complete even if the firm has only 1 location (the headquarters)
Complete the column for the primary location then a column for each branch.
Submit additional survey forms for more than 17 branches.

Annual Branch Compensation

Branch Information

Branch ZIP (5 digits only) or Postal Code

Your Branch ID Number (to uniquely identify the branch)

2015 annualized sales at the branch

Branch Manager Compensation

Total branch manager annualized compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Is the branch manager eligible to receive a bonus? (y/n)

If yes, which of these apply for bonus allocation? (answer all y/n)

Discretionary

Achievement of sales goals

Achievement of gross margin \$ goals

Achievement of profit goals

Percentage of sales

Percentage of gross margin

Percentage of profits

Return on equity/assets/sales

Number of Outside Salespeople

Average length of employment of these salespeople (years)

Senior Sales Consultant (more than 10 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Typical Outside Salesperson (2 to 10 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Beginning Outside Salesperson (less than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Number of Inside Salespeople (not counter personnel)

Average length of employment of these salespeople (years)

Typical Inside Salesperson (more than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Beginning Inside Salesperson (less than 2 yrs. sales experience)

Total Annualized Compensation

Minus base salary

= OT, Bonus, Commission, & Incentive (will be calculated)

Branch 6

Branch 7

Branch 8

Branch 9

Branch 10

Branch 11

Complete the column for the primary location then a column for each branch.
Submit additional survey forms for more than 17 branches.

Branch Information

Your Branch ID Number (to uniquely identify the branch)

Branch Manager Compensation

Minus base salary

Is the branch manager eligible to receive a bonus? (y/n)

Discretionary

Achievement of gross margin \$ goals

Percentage of sales

Percentage of profits

Return on equity/assets/sales

Average length of employment of these salespeople (years)

Total Annualized Compensation

=OT, Bonus, Commission, & Incentive (will be calculated)

Total Annualized Compensation

= OT, Bonus, Commission, & Incentive (will be calculated)

Total Annualized Compensation

= OT, Bonus, Commission, & Incentive (will be calculated)

Average length of employment of these salespeople (years)

Total Annualized Compensation

= OT, Bonus, Commission, & Incentive (will be calculated)

Total Annualized Compensation

= OT, Bonus, Commission, & Incentive (will be calculated)
