

# Performance Pay and Sales Incentive Report - 2020

Sample Report

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## 2020 Performance Pay and Sales Incentive Data - Asia Pacific

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27 | Australia

38 | China

49 | Hong Kong

60 | India

71 | Indonesia

82 | Japan

93 | Malaysia

104 | Philippines

115 | Singapore

126 | South Korea

137 | Taiwan

148 | Thailand

159 | Vietnam

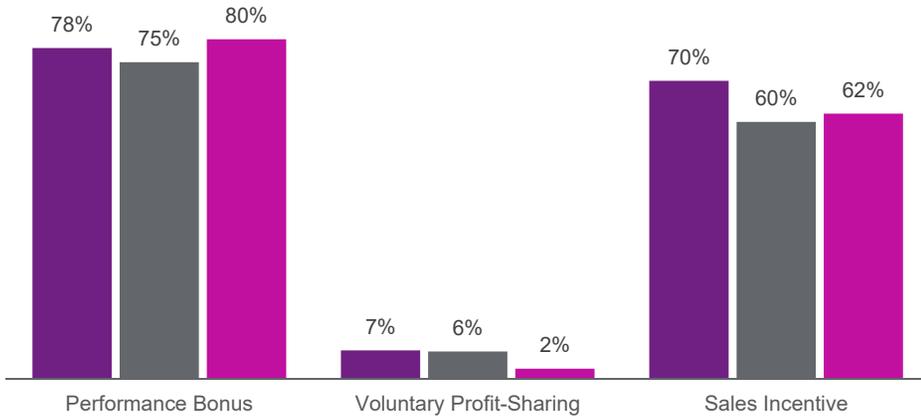


# Market Practice Snapshot

## Sample Country

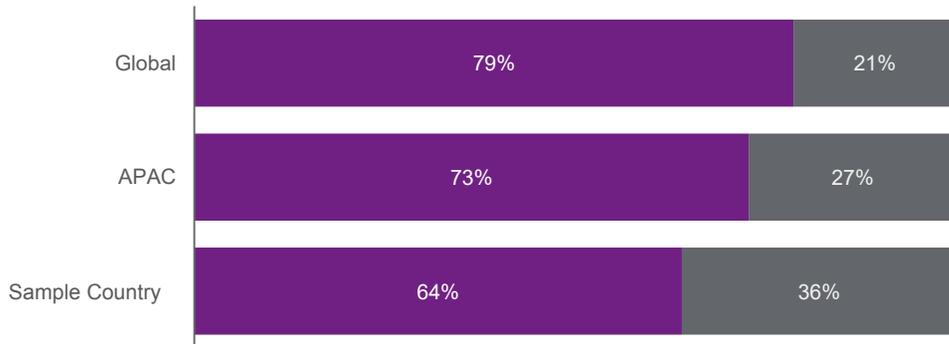
### General Variable Pay Plan Prevalence by Type

Global APAC Sample Country



### Performance Bonus Plan Management

Formula-Driven Performance-Based Bonus Plan  
Discretionary Performance-Based Bonus Plan



### Local Environment and Insights

The regulatory environment does not mandate the provision of performance bonuses or profit-sharing. Similarly, there are no related tax incentives for variable pay or profit-sharing. It is subject to normal personal income tax and social security.

### Variable Pay Eligibility by Category

Uncommon (0% - 33%) Common (34% - 66%) Very Common (67% - 100%)

		PLAN		
		Performance Bonus	Voluntary Profit-Sharing	Sales Incentive Targets
NON-SALES	Business Unit Head and Country Manager	Very Common	Uncommon	Diagonal
	Executive	Very Common	Uncommon	Diagonal
	Middle Manager and Senior Professional	Very Common	Uncommon	Diagonal
	Supervisory and Professional	Very Common	Uncommon	Diagonal
	Technical and Business Support	Very Common	Uncommon	Diagonal
	Production and Manual Labor	Very Common	Uncommon	Diagonal
SALES	Executive In the Sales Function	Very Common	Uncommon	Common
	Sales Manager	Very Common	Uncommon	Common
	Sales Manager (Manages Client Accounts)	Very Common	Uncommon	Common
	Senior Sales Professional and Sales Professional	Diagonal	Diagonal	Common
	Product/Technical Sales Support Staff	Diagonal	Diagonal	Common
	Telesales Representative (Call Center)	Diagonal	Diagonal	Uncommon

# Policies and Practices

Sample Country

## Short-Term Incentive/Variable Pay Plan Eligibility

Organization offers any type of Short-Term Incentive/Variable Pay Plan (excluding Sales Incentive/Commission Plans)

Number of Responses	Percent Responding Yes
556	71.7%

### Employee Categories Eligible for Short-Term Incentives/Variable Pay

	Business Unit Head and Country Manager	Executive	Middle Manager and Senior Professional	Supervisory and Professional	Technical and Business Support	Production and Manual Labor
Number of Responses	277	304	379	356	310	137
Performance-Based Bonus Plan (includes target based and discretionary schemes)	98.2%	98.7%	99.2%	98.9%	98.7%	99.3%
Voluntary Profit-Sharing Plan	6.5%	4.9%	5.5%	5.3%	4.8%	2.9%

Organization offers a Performance-Based Bonus Plan and/or Profit-Sharing Plan to Sales Employees

Number of Responses	Percent Responding Yes
422	31.5%

### Sales Employee Categories Eligible to Participate in a Performance-Based Bonus Plan and/or Profit-Sharing Plan

	Executive in the Sales Function	Sales Manager Who Does Not Formally Manage Client Accounts	Sales Manager Who Also Formally Manages Client Accounts	Senior Sales Professional and Sales Professional	Product/ Technical Sales Support Staff	Telesales Representative (Call Center)
Number of Responses	77	78	104	103	83	47
Performance-Based Bonus Plan	94.8%	96.2%	97.1%	98.1%	98.8%	97.9%
Voluntary Profit-Sharing Plan	10.4%	9.0%	8.7%	7.8%	7.2%	10.6%

# Policies and Practices

Sample Country

## Performance-Based Bonus Plan

### Organization's Performance-Based Bonus Plan is Formula-Driven OR Discretionary

	Business Unit Head and Country Manager	Executive	Middle Manager and Senior Professional	Supervisory and Professional	Technical and Business Support	Production and Manual Labor
Number of Responses	169	194	237	231	213	66
Formula-Driven Performance-Based Bonus Plan	46.2%	43.8%	46.4%	44.6%	42.3%	37.9%
Discretionary Performance-Based Bonus Plan	53.8%	56.2%	53.6%	55.4%	57.7%	62.1%

### Measures used to determine Performance-Based Bonus Amounts

	Percent of Responses
Number of Responses	222
Overall organization performance	72.5%
Organization performance within the country/region	30.2%
Business unit performance	40.1%
Department performance	24.3%
Team performance	15.3%
Individual performance (job-related)	81.5%
Discretionary	30.6%
Other	5.4%

# Policies and Practices

Sample Country

## Performance-Based Bonus Plan (continued)

### Target Bonus and Maximum Bonus Potential for the Last Fiscal Year as a Percent of Base Salary

	Number of Responses	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Average
<b>Business Unit Head and Country Manager</b>							
Target bonus	50	13.8%	20.2%	31.7%	62.5%	146.0%	63.1%
Maximum bonus potential	41	26.0%	40.0%	50.0%	133.0%	300.0%	108.7%
<b>Executive</b>							
Target bonus	61	11.1%	17.5%	25.0%	50.0%	120.0%	60.4%
Maximum bonus potential	48	25.7%	34.8%	50.0%	120.0%	300.0%	108.2%
<b>Middle Manager and Senior Professional</b>							
Target bonus	78	10.0%	14.3%	19.0%	45.3%	100.0%	52.8%
Maximum bonus potential	63	20.0%	23.5%	40.0%	100.0%	297.2%	92.3%
<b>Supervisory and Professional</b>							
Target bonus	77	8.3%	10.0%	15.0%	40.0%	100.0%	49.9%
Maximum bonus potential	61	15.0%	20.0%	34.0%	100.0%	300.0%	90.1%
<b>Technical and Business Support</b>							
Target bonus	64	7.3%	10.0%	15.5%	41.6%	100.0%	51.0%
Maximum bonus potential	51	12.7%	20.0%	34.0%	100.0%	300.0%	92.6%
<b>Production and Manual Labor</b>							
Target bonus	16	10.0%	12.0%	21.0%	100.0%	243.0%	77.2%
Maximum bonus potential	15	13.9%	21.5%	35.0%	243.0%	330.0%	124.4%

# Policies and Practices

Sample Country

## Sales Incentive Plans

### Organization offers Sales Incentive/Commission Plan

Number of Responses	Percent Responding Yes
164	72.6%

### How Sales Incentive Awards are Calculated

	Executive in the Sales Function	Sales Manager Who Does Not Formally Manage Client Accounts	Sales Manager Who Also Formally Manages Client Accounts	Senior Sales Professional and Sales Professional	Product/ Technical Sales Support Staff	Telesales Representative (Call Center)
Number of Responses	48	61	80	104	45	25
Commission (Fixed Percentage of Sales Revenue ONLY)	8.3%	6.6%	8.8%	10.6%	11.1%	8.0%
Commission (Fixed Amount per Item Sold)	6.3%	3.3%	5.0%	3.8%	4.4%	8.0%
Achievement of Predetermined Targets	41.7%	41.0%	38.8%	35.6%	46.7%	44.0%
Combination of Fixed Percentage of Sales Revenue and Achievement of Predetermined Targets	43.8%	49.2%	47.5%	50.0%	37.8%	40.0%

# Policies and Practices

Sample Country

## Sales Incentive Plans (continued)

### Target Award (at 100% Achievement of Objectives)

	Number of Responses	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Average
Executive in the Sales Function	12	25.5%	32.3%	61.0%	100.0%	100.0%	63.8%
Sales Manager Who Does Not Formally Manage Client Accounts	15	22.0%	25.0%	40.0%	67.5%	100.0%	49.5%
Sales Manager Who Also Formally Manages Client Accounts	24	18.6%	25.0%	34.0%	58.8%	94.0%	45.0%
Senior Sales Professional and Sales Professional	26	20.0%	26.3%	40.0%	92.8%	100.0%	52.8%
Product/Technical Sales Support Staff	10	24.5%	26.3%	45.0%	73.8%	100.0%	52.5%
Telesales Representative (Call Center)	8	-	37.5%	46.5%	57.5%	-	52.3%

# Policies and Practices

Sample Country

## Sales Incentive Plans (continued)

### Organization's Sales Incentive/Commission Payouts at 90% and 120% Achievement of Sales Incentive Target

	Sales Incentive/Commission Payout at 90% achievement of Target (as a Percent of Target Incentive)							Sales Incentive/Commission Payout at 120% achievement of Target (as a Percent of Target Incentive)						
	Number of Responses	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Average	Number of Responses	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile	Average
Executive in the Sales Function	19	24.0%	41.5%	85.0%	90.0%	100.0%	67.7%	17	100.0%	120.0%	140.0%	174.0%	200.0%	147.7%
Sales Manager Who Does Not Formally Manage Client Accounts	27	0.0%	27.5%	65.0%	90.0%	90.0%	55.6%	24	120.0%	123.8%	150.0%	200.0%	214.0%	160.3%
Sales Manager Who Also Formally Manages Client Accounts	37	0.0%	11.0%	50.0%	90.0%	95.2%	49.5%	36	113.5%	123.8%	150.0%	200.0%	225.0%	160.5%
Senior Sales Professional and Sales Professional	48	0.0%	18.0%	73.5%	90.0%	94.4%	56.7%	45	120.0%	120.0%	141.0%	175.0%	218.8%	155.5%
Product/Technical Sales Support Staff	17	20.0%	33.0%	90.0%	90.0%	94.0%	64.3%	14	120.0%	120.0%	145.0%	200.0%	250.0%	165.9%
Telesales Representative (Call Center)	10	32.7%	75.0%	90.0%	90.0%	100.0%	78.3%	7	-	120.0%	120.0%	175.0%	-	144.3%