

Metro | *Policies and procedures*

Subject Sales Incentive Plan
Section Human Resources; Visitor Venues
Approved by Martha Bennett, Chief Operating Officer; MERC Commission

POLICY or PROCEDURE

Sales Managers will participate in a sales incentive program. The incentive goals will be included in the annual budget and reviewed quarterly. If employees meet both individual and team goals, they will receive quarterly bonuses in management's discretion.

Applicable to

MERC venue Sales Managers

Definitions

1. Sales incentive plan: pre-established goals and criteria identified by management and approved by the MERC Commission or Metro COO. The plan will identify goals that are measurable, increase revenues to the department utilizing the program, provide a reward that motivates employees, and offer immediate rewards.
2. Sales incentive bonus: is compensation intended to reward program participants for meeting pre-established, quarterly, targeted goals to increase revenue. Employees participating in the plan are eligible for quarterly payments based on both individual and team objectives.
3. Sales incentive plan and program goals: the goals for the sales incentive programs are as follows:
 - a. To increase sales of facility rentals and other services when compared to the same quarter in previous years.
 - b. To insure Metro's venues remain first class and operate as prestige facilities at the national/international level as measured by industry standards.
 - c. To increase total economic impact to the region by increasing city-wide sales as measured in the annual economic impact study.
 - d. To retain a strong sales team by compensating them according to standard industry practices
4. Sales incentive plan quarterly rating periods:
 - a. July 1-September 30
 - b. October 1-December 31
 - c. January 1-March 31
 - d. April 1-June 30

Guidelines

1. The intention of this program is to align sales teams with industry practices in order to provide consistency and achieve strong results. The incentive structure gives management immediate feedback on successful programs at both the group and individual level. This is essential in market-driven industries like the hospitality industry. The bonus structure allows management to target current “need” periods with specific goals and incentives in order to increase bookings, revenues and facility utilization on an expanded basis.
2. Staff may receive rewards for generating immediate revenue as well as increasing bookings for successive years, specifically targeting an 18-24 month timeframe. Metrics for this will be meeting sales goals, feasibility of implementing across other departments, and staff feedback.
3. During the annual budget development process, financial compensation tied to this program will be incorporated and approved through the usual route. The Director of Sales will submit documentation of quarterly results and proposed bonuses approved by the Facility Director to (Metro) Finance and Regulatory Services. Prior to payment, Finance and Regulatory Services will audit the documentation and affirm the quarterly results and proposed bonus payments (if any).

Procedures:

1. At the beginning of each fiscal year, management, in consultation with the MERC Commission or Metro COO, will determine overall sales incentive plan ratings and goals. These ratings will be metrics that are accessible from the EBMS database or another program participant’s financial systems.
2. Upon approval, management will inform sales managers of their goals. Management will collect and evaluate data at the end of each ratings period to determine if the sales team both as a group and individually have met quarterly goals. An audit of this information will be conducted by accounting staff during their regular quarter end process.
3. Following this audit, authorization for incentive payments (if any) will be forwarded to Human Resources Department for payroll processing.
4. If, during the employment performance assessment process an employee receives an overall rating of Needs Development or Unsatisfactory, the employee will forfeit his or her eligibility to participate in the sales incentive plan until his or her performance improves.
5. The dollar amount budgeted for the sales incentive plan will be determined on an annual basis during the budget development process. Continuation of the plan and the budget must be approved as part of the regular budget process.

Responsibilities

Sales Team:

- Are expected to be familiar with the plan, goals, incentives, and the rating areas.

Director of Sales:

- In conjunction with the Facility Director, Visitor Venues General Manager and other senior management, develops goals, budget, and rating areas.
- Is responsible for communicating the annual plan to the sales team, managing the plan, and is accountable for conducting a regular review of progress towards the goals with both the sales team staff and other senior management.
- Transmits documentation of quarterly sales results and approved proposed bonuses to Metro Finance and Regulatory Services.

Facility Director:

- Oversees Director of Sales implementation and management of plan. Monitors and communicates quarterly results of the incentive plan to the Visitor Venues General Manager.
- Approves proposed bonuses for sales team based on quarterly sales results.

Finance and Regulatory Services:

- Reviews and audits quarterly results and approves transmission of the results to Human Resources for processing.