

Metro | *Policies and procedures*

Subject	Sales Incentive Plan
Section	Human Resources; Visitor Venues
Approved by	Andrew Scott, Interim Chief Operating Officer
Policy Approved on	October 21, 2019

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
Oregon Convention Center Audio Visual Sales Managers

Definitions

1. **Sales Incentive Plan:** Pre-established goals and criteria identified by management and approved by the Metro Chief Operating Office. 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:** 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 and annual 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, audio visual sales, and other services;
 - b. To ensure Metro's venues and audio visual services remain first class and operate at the national/international level as measured by industry standards;
 - c. To ensure Metro's audio visual services remain first class and operate at the national/international level as measured by industry standards;
 - d. To increase total economic impact to the region by increasing city-wide sales as measured in the annual economic impact study;
 - e. 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
5. Sales incentive plan yearly rating period:
- a. July 1-June 30

Guidelines

1. The intention of this program is to align sales teams with industry practices 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 meeting or exceeding specific revenue targets, generating immediate revenue as well as increasing revenue and/or bookings for successive years, targeting specific timeframes. 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 processes. Metro Finance and Regulatory Services will affirm quarterly results and bonus payments, if any, following an audit of documentation. The Executive Director must approve any incentive authorizations.

Procedures:

1. As part of the succeeding fiscal year budget development process, management will determine overall sales incentive plan ratings and goals. These ratings will be metrics that are accessible from the Event Business Management System (EBMS) database or another program participant’s financial systems.
2. Upon approval, management will inform the sales team of the goals. Management will collect and evaluate data at the end of each quarter to determine if the sales team met the quarterly goals. An audit of this information will be conducted by Finance and Regulatory Services staff during their regular quarter end process.
3. Following this audit, authorization for incentive payments, if any, will be forwarded to the Human Resources Department for documentation and to Payroll for processing.
4. If, during the employment performance assessment process, an employee receives an overall rating of Does Not Meet Expectations for an annual period, the employee will forfeit their eligibility to participate in the sales incentive plan for at least six months following the rating period. In addition, the employee will not be eligible to participate in the sales incentive plan until satisfactory completion of a Performance Improvement Plan to address performance deficiencies. Upon the passage of at least six months and the successful completion of a Performance Improvement Plan, the employee will become eligible for sales incentive bonuses the following quarter. Annual incentive bonuses will be prorated for the percentage of quarters the employee is eligible during the annual period.

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 and OCC Audio Visual Sales Managers:

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

Director of Sales and OCC Audio Visual Manager:

- In conjunction with the Executive Director and other senior management, develop goals, budget, and rating areas.
- Communicate the annual plan to the sales team, manage the plan, and conduct 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.

Finance and Regulatory Services:

- Review and audit quarterly results and approve transmission of the results to Human Resources and Payroll for processing.

Facility Executive Director:

- Oversee the implementation and management of the plan.
- Monitor and communicate quarterly results of the incentive plan to the Metro Chief Operating Officer or designee, and other stakeholders.
- Approve proposed bonuses for sales team based on quarterly sales results.