

# Employee Compensation Report

*competitive intelligence • benchmark critical ratios • create strong teams • exceed expectations*

The **2010 Employee Compensation Report** provides a detailed review of compensation and benefit programs for a wide range of distributors that is not available from any other source. Nearly 1,200 distributors from more than 30 trade associations participated in this study that compares compensation levels and fringe benefit programs across firms and branches of different sizes located across the United States.

The statistics in this current edition provide an up-to-date and invaluable tool for evaluating and planning your compensation practices. Here's how:

- **Compare executive and employee compensation, including salaries, bonuses, commissions and perks;**
- **Compare compensation levels and fringe benefit packages, such as health insurance, retirement programs, employee time off and the like; and**
- **Pinpoint how your specific compensation programs compare to other distributors using the statistics provided for 23 different sales volumes and nearly 100 different national, regional, state and metropolitan areas.**

*Whether you need to make comparisons between your firm and others in the same market or another territory in which you seek to expand your market share, this report represents the most detailed look at compensation and benefits for wholesaler-distributors.*

The complete results of the report are presented in two electronic volumes.

- **Volume 1** contains information representing the 54 PHCP/PVF wholesaler-distributors that participated in the survey, and where appropriate, results are compared to those from the entire cross-industry sample.
- **Volume 2** contains the entire cross-industry report so you can take full advantage of the information collected from nearly 1,200 wholesalers with a total of more than 7,000 locations at its most detailed level.

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# 2010 Employee Compensation Report

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# employee compensation report

2010 edition

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# Introduction

This report presents the results of Profit Planning Group's 2010 Employee Compensation Study of the Distribution Industry. This study analyzes 2009 compensation data submitted by 1,176 U.S. firms for over 7000 locations. ASA co-sponsored this study along with 30 other distribution organizations. 54 firms were members of ASA.

The complete results are presented in two documents. Combined, they provide the most complete source of information available about compensation and benefit practices for distribution industries.

## Volume 1: ASA Detailed Report

The detailed report presents the analysis of participating ASA firms. Where appropriate, ASA results are compared with the results of all participants.

This report provides information about both executive and employee compensation including salaries, bonuses, commissions and perks. It also includes details about fringe benefits such as health insurance, retirement programs, and employee time off.

## Volume 2: Industry Report

The industry report presents the analysis of all participating firms. Firms were categorized into over 20 sales volumes and over 100 geographic areas.

## Understanding the Numbers

Both of these reports present median results. The median is the middle value in the sorted list of all values reported for an item. Compared to the average or mean, the median is not influenced by extreme values and therefore best represents a typical firm.

Sections presenting ranges for wages and compensation describe the middle range of results. The middle range spans the half of all responses that lie between the 25<sup>th</sup> to the 75<sup>th</sup> percentiles.

Note that bonus figures include overtime, commissions, bonuses, and incentives.

Throughout the report, n/a designates results that are not available due to insufficient data.

	Typical U.S. Dist.	Typical ASA Dist.	Typical MwDA Dist.	Typical PWDA Dist.	Typical SWA Dist.	Typical WANE Dist.
<b>Typical Participant Profile</b>						
Number of Firms Reporting	1,176	54	18	5	13	11
<b>Sales</b>						
Typical Firm Sales	17,124,402	30,291,398	27,445,002	28,585,790	24,518,251	41,033,024
Typical Branch Sales	5,672,570	3,171,770	3,704,551	4,507,081	2,794,648	2,906,701
<b>Employees</b>						
Number of Employees (FTE)	57.0	74.5	71.7	172.0	68.5	113.5
Employee Turnover Rate	15	15	14	16	19	15
<b>Operations</b> (% of firms)						
Local	25	31	28	40	38	36
Regional	60	63	72	40	46	64
National	9	2	0	0	8	0
International	6	4	0	20	8	0
<b>Ownership</b> (% of firms)						
Private Company	96	100	100	100	100	100
Public Company	4	0	0	0	0	0
<b>Organization</b> (% of firms)						
Sole Proprietorship	1	0	0	0	0	0
Partnership	1	0	0	0	0	0
S Corporation	52	50	50	60	38	55
C Corporation	37	43	39	40	46	45
Limited Liability Corp. (LLC)	8	6	11	0	8	0
Limited Liability Partnership (LLP)	1	2	0	0	8	0

# Summary of Executive Compensation

## The Typical ASA Firm

Typical Firm Sales .....	30,291,398
Number of Employees .....	74.5

## ASA CEO Profile

Base Salary .....	132,000
Total Compensation.....	180,000
Bonus (% of salary) .....	46
Age .....	54
Years with Company.....	1
% of Equity Owned .....	50
Company Founder (% of CEOs) .....	19

## ASA Executive Bonus

<b>Firms With Executive Bonus Plan</b> (% of firms) .....	75
<b>Executive Bonus Structure</b> (% of firms)	
Discretionary.....	72
Achievement of Sales Goals.....	31
Achievement of Profit Goals .....	49
Percentage of Sales .....	8
Percentage of Profit.....	31
Return on Equity/Assets/Sales .....	10

## ASA Executive Benefits & Perks (% of firms)

	<u>CEO</u>	<u>COO</u>	<u>CFO</u>	<u>CMO</u>
Company Car & Expenses	81	75	41	67
Supplemental Life Insurance*	50	45	25	43
Supplemental Medical Insurance*	22	15	22	19
Tax Return Preparation	59	38	9	24
Club Dues & Expense	41	23	0	5
Personal Tax & Financial Planning	48	30	6	19
Annual Physical Examination	19	20	16	10
Lower No-interest Loans	17	5	6	0
Supplemental Retirement Benefits*	7	5	0	5
Deferred Compensation	15	10	16	19
First Class Air Travel	4	3	3	5
Use of Corporate Aircraft	4	5	3	5

\*Beyond customary company-wide benefits

# Summary of Employee Compensation

	<u>Base Salary</u>	<u>Total Compensation</u>	<u>Middle Range of Total Comp.</u>		<u>Bonus % of Salary</u>
			<u>25<sup>th</sup> Percentile</u>	<u>75<sup>th</sup> Percentile</u>	
<b>Typical U.S. Distributor</b>					
<b>Branch Manager</b>	62,861	72,787	56,108	98,100	20
<b>Outside Sales</b>					
Senior Sales Consultant	38,839	78,420	59,702	105,156	69
Typical Outside Salesperson	38,824	62,730	50,000	76,843	59
Beginning Outside Salesperson	38,234	49,072	40,000	61,381	29
<b>Inside Sales</b>					
Typical Inside Salesperson	37,782	45,205	37,540	3,000	17
Beginning Inside Salesperson	33,790	36,161	30,649	43,070	11
<b>Sales &amp; Service</b>					
Sales Manager	75,834	90,316	70,000	111,737	21
Sales Assistant	37,000	40,500	33,600	5,000	10
Customer Service Rep	35,000	39,562	32,000	49,016	11
Counter Salesperson	33,000	35,500	31,000	2,000	9
<b>Warehouse &amp; Delivery</b>					
Operations Manager	65,000	71,212	5,682	87,590	11
Warehouse Supervisor	41,550	43,201	7,000	51,845	7
Warehouse Employee	27,988	29,095	25,000	33,860	7
Driver/Delivery Personnel	30,983	32,891	27,024	40,000	8
<b>Information Systems</b>					
Chief Information Officer (CIO)	90,000	98,262	75,000	130,000	13
MIS/Data Processing Manager	67,500	71,914	56,300	90,773	10
Systems Administrator	51,090	54,150	43,110	68,100	6
IT Clerk	36,089	37,000	30,675	44,149	4
<b>General &amp; Administrative</b>					
Purchasing Manager	6,000	66,362	51,914	82,143	10
Purchasing Agent/Buyer	42,500	44,497	37,823	53,000	6
Controller	72,520	80,000	64,001	97,294	11
Accountant/Bookkeeper	41,121	42,400	34,500	50,000	6
Credit Manager	52,825	55,566	44,013	68,808	8
Credit/Collections Clerk	32,000	33,185	29,000	39,424	5
Human Resources Manager	57,152	62,723	48,000	77,062	10
Office Manager	45,000	46,132	38,010	58,600	8
Office/Clerical Personnel	29,500	30,000	26,000	34,725	5

# Summary of Employee Compensation

	<u>Base Salary</u>	<u>Total Compensation</u>	<u>Middle Range of Total Comp.</u>		<u>Bonus % of Salary</u>
			<u>25<sup>th</sup> Percentile</u>	<u>75<sup>th</sup> Percentile</u>	
<b>Typical ASA Distributor</b>					
<b>Branch Manager</b>	57,035	67,575	53,499	85,740	18
<b>Outside Sales</b>					
Senior Sales Consultant	36,000	67,500	54,350	84,660	47
Typical Outside Salesperson	38,510	56,206	45,000	69,236	36
Beginning Outside Salesperson	35,000	40,000	40,000	50,200	14
<b>Inside Sales</b>					
Typical Inside Salesperson	40,040	45,000	38,107	2,613	13
Beginning Inside Salesperson	33,030	35,000	30,000	36,586	11
<b>Sales &amp; Service</b>					
Sales Manager	72,900	86,798	68,140	119,620	23
Sales Assistant	36,750	39,125	33,100	4,988	10
Customer Service Rep	40,379	44,390	38,700	70,567	14
Counter Salesperson	31,630	34,476	30,980	8,773	10
<b>Warehouse &amp; Delivery</b>					
Operations Manager	55,643	65,240	50,000	87,871	12
Warehouse Supervisor	40,338	44,431	36,838	56,475	8
Warehouse Employee	27,889	29,918	27,270	33,844	6
Driver/Delivery Personnel	28,652	30,874	27,203	35,660	8
<b>Information Systems</b>					
Chief Information Officer	89,487	98,000	86,275	130,863	19
MIS/Data Processing Manager	66,542	70,510	58,863	96,025	10
Systems Administrator	46,701	48,998	38,743	64,350	4
IT Clerk	32,000	32,340	25,400	37,500	2
<b>General &amp; Administrative</b>					
Purchasing Manager	77,732	77,000	57,363	105,000	10
Purchasing Agent/Buyer	40,805	48,200	39,188	54,000	7
Controller	70,594	89,700	70,254	98,000	11
Accountant/Bookkeeper	38,942	40,408	33,000	48,288	7
Credit Manager	54,313	57,122	43,310	77,750	7
Credit/Collections Clerk	31,737	32,227	29,138	37,829	3
Human Resources Manager	54,648	60,792	45,916	71,995	9
Office Manager	42,308	45,000	37,200	55,335	8
Office/Clerical Personnel	28,000	30,000	25,905	35,450	4