



Managing Tiered Sales Commissions

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About Tiered Sales Commissions

Commissions are a great way to reward your staff for successfully completing the sale of inventory items such as memberships, training sessions, or merchandise through POS. The traditional commission structure in DataTrak, which consists of a single tier with five (5) levels, allows you to assign a commission level to an employee, track commissions based on products or services sold, and generate reports for a given time period.

To give you greater flexibility in managing commissions, we are pleased to announce the addition of a tiered sales commission structure in DataTrak. With tiered sales commissions you can perform the same tasks of assigning levels, tracking, and reporting that you can with the traditional commission structure. However, unlike the traditional single-tiered structure, tiered sales commissions allow you to have up to 10 tiers. DataTrak uses [sales commission groups](#) to provide an automated process for calculating the tiered sales commission level and amount at set time periods. You can then view and manage [commission periods](#) as needed.

Activate Tiered Sales Commissions

Before you can begin using the new commissions structure, it must be activated for your club. To activate tiered sales commissions, please contact your Account Executive.

Note: If tiered sales commissions are not activated, your club will continue to use the traditional level-based commission structure.

Club Settings

Once tiered sales commissions are activated for the club, you can select the start date to begin using the new commission structure, set the frequency for paying commissions, and select the number of days between the commission period's end date and the date the commission period is automatically closed.

To set Tiered Commissions options for the club

1. Click **Setup**.
2. In the Settings submenu, click **Clubs**.
3. Select the desired club number.
4. On the Edit Club page, click the **POS** tab.

5. On the POS page, select the desired options for the following settings:
 - o Select the **Start Date**. This date must be greater than today.
 You can set this date when the club moves from the traditional commission structure to tiered sales commissions. Once set, this date cannot be changed.
 - o Set the **Frequency**: Monthly, Weekly, or Every 2 Weeks.
 The frequency determines the length of the commission period.

- o Select the **Days Before Auto Close**: 1 – 20. This number cannot exceed the frequency.

This is the number of days from the commission period's End Date to the Auto Close Date. For example, if the Frequency is **Weekly** and the Days Before Auto Close is set to **1**, you will have one (1) day after the commission period ends to make changes before DataTrak automatically closes commissions for that time period.



- 6. Click **Save**.

Sales Commission Groups

Sales Commission Groups give you flexibility to create tiered sales commissions. You can create one or more sales commission groups, and each group can have different commission types with many levels and tiers.

The following guidelines apply to commission groups:

- You can have an unlimited number of commission groups.
- Each group must have a unique name.
- Commission groups can have up to five (5) levels.
- You can create two types of ranges: Total Amount Sold and Total Units Sold.
 - o For **Total Amount Sold** you can only use percentages.
 - Percentages must be from 0% to 999.99% with up to two decimal places.
 - The total amount sold range has no upper limit.

Tier	Low Value	High Value	Level 1	Level 2	Level 3	Level 4	Level 5
1	0.00	499.99	1%	2%	3%	3%	3.5%
2	500.00	999.99	1%	2.5%	3.5%	3.5%	4%
3	1000.00	Unlimited	1%	2.5%	3.5%	4%	5%

- o For **Total Units Sold** you can use percentages or flat dollar amounts.

- Percentages must be 0% to 999.99% with up to two decimal places.
- Flat dollar amounts must be \$0.00 to \$999.99.
- Commission amounts are based on the whole; they are not split into brackets.

For example, the commission would not be \$4 on the first 100 units sold and then \$5 on the next 100 units sold; it would be \$5 on all 200 units sold resulting in a \$1,000 commission on the 200 units sold.

Tier	Low Value	High Value	Level 1	Level 2	Level 3	Level 4	Level 5
1	0	100	\$2	\$3	\$3	\$4	\$5
2	101	500	\$3	\$4	\$4	\$5	\$5
3	501	Unlimited	\$3	\$4	\$4	\$5	\$10

- Each commission group can have up to 10 commission tiers.
Note: If dues are included in commission range types, be sure to take that into consideration when setting up the tiers.
- The Total Amount Sold or Total Units Sold amounts cannot overlap.
- The commission is calculated when the sale occurs, not when the club actually receives the money.

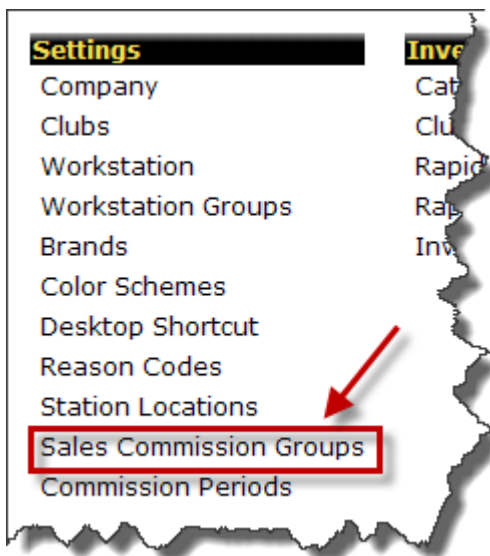
You can create two types of commission groups:

- Total Amount Sold – the commission is based on a percentage of the total sales amount.
- Total Units Sold – the commission is based on either a flat dollar amount per item or a percentage of the amount per item sold.

To create a commission group

1. Click **Setup**.

- In the Settings submenu, click **Sales Commission Groups**.










- On the Sales Commission Groups page, click **Create**.
 The Edit Commission Group page appears.

The 'Edit Commission Group' form includes the following elements:

- Active:**
- Group Name:** [Auto Name](#)
- Range Type:** (dropdown)
- Available Commission Groups:** (dropdown)
- Tiers:** A table with columns for Tier, Low Value, High Value, and five levels (Level 1-5) of commission percentages. Each level has a percentage input field and a delete 'X' button.
- Catalog Items:** A sidebar with a search field and the text 'None Found'.

Tier	Low Value	High Value	Level 1	Level 2	Level 3	Level 4	Level 5
1	0.00	\$499.99	1.00 %	2.00 %	3.00 %	3.00 %	3.50 %
2	500	\$999.99	1.00 %	2.50 %	3.50 %	3.50 %	4.00 %
3	1000	Unlimited	2.00 %	2.50 %	3.50 %	4.00 %	5.00 %

- Type a **Group Name**.
 You can also click **Auto Name** to have DataTrak generate a group name based on the range type and level 1 value.
- Select the **Range Type**: Total Amount Sold or Total Units Sold.
- In the **Tiers** section, enter a **Low Value**.
 The High Value is automatically calculated.
- Enter the amount for each level.
 - For **Total Amount Sold** range types, only percentages are used.
 Percentages must be 0% to 999.99% with up to two decimal places.

- o For **Total Units Sold**, select flat dollar amounts or percentages.
 - To enter **flat dollar amounts** for all levels, click the **Dollar sign**  .
 - A flat dollar amount per commission per unit sold depends on the number of items sold.
 - Commission amounts are based on the whole; they are not split into brackets (in other words, the commission would not be \$4 on the first 100 units sold and then \$5 on the next 100 units sold; it would be \$5 on all 200 units sold resulting in a \$1,000 commission on 200 units sold).
 - To enter **percentages** for all levels, click the **Percent sign**  .
Percentages must be 0% to 999.99% with up to two decimal places.
 - Click the Dollar sign  or Percent sign  next to each level to toggle from one to the other.
- 8. To add a tier, click the **Add** icon  .
You can have up to 10 tiers.
- 9. To remove a tier, click the **Delete**  icon.
Note: You cannot delete the first tier. You must always have at least one tier.
- 10. In the Catalog Items section, click the **Add** icon  to attach the commission group to a catalog item.
- 11. Click **Save**.

Inventory Items

On the Edit Sales Commission Groups page you can add a catalog item to a sales commission group. Another way to attach an inventory item to a commission group is from the catalog item or club item itself. For example, when you create a new inventory item you can attach it to an existing sales commission group.

Catalog Items

You can attach a commission group to a catalog item on the Edit Catalog Item page. Each catalog item's sales amount for the attached commission group is summed together to determine the final sale price used for the commission.

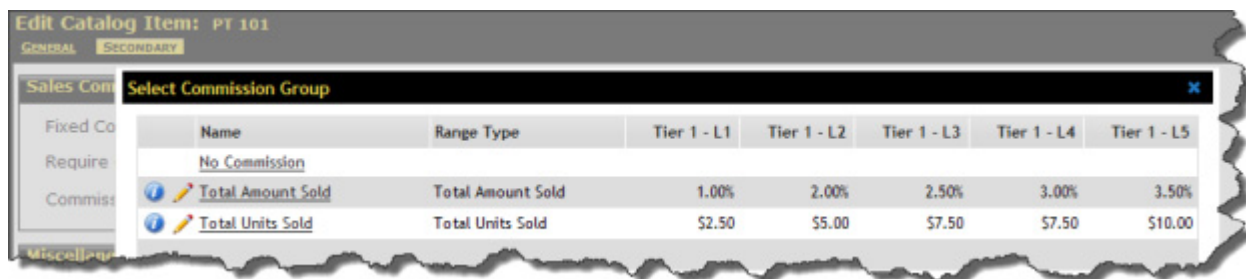
To attach a commission group to a catalog item

1. Click **Setup**.
2. In the Inventory submenu, click **Catalog Items**.
3. Select the desired catalog item.

- On the Edit Catalog Item page, click the **Secondary** tab.



- In the Sales Commissions section:
 - Select whether or not this is a **Fixed Commission Group**.
 - If set to **Yes**, the Club Item Commission Group cannot be modified.
 - If set to **No**, the [Club Item Commission Group](#) can be modified.
 - Select whether or not to **Require Commissions**.
 - If set to **Yes**, you will be required to select an employee to receive commissions for the item sold through POS.
 - Click the **Commission Group** link to select a commission group.



- Click **Save**.

Club Items

If the commission group is not fixed on the catalog item, you can attach the commission group to the club item. Otherwise, the commission group details are read only.

To attach a commission group to a club item

- Click **Setup**.
- In the Inventory submenu, click **Club Items**.

3. Select the desired club item.

4. In the Commission Group section, click the link to select a commission group.
5. Click **Save**.

Payment Plans

You can pay commissions for memberships sold. Say you have two types of agreements: \$100 EFT or \$200 EFT. One has a \$19.99 down payment and the other has a \$29.99 down payment. Each type can have different sales commission percentages and tiers based on the total dollars sold. All items in a certain group are summed together to determine the salesperson's overall dollar amount for that group in order to receive commissions.

In the payment plan you can set commissions for the total contract value based on total dues or total monthly payments. You must also select a catalog item, which is used to determine the commission group.

When the new agreement is posted to ABC's billing system, DataTrak writes a POS sale to the payment plan. The amount of the sale and the commission value will be displayed as separate values.

To set commissions in the payment plan

1. Click **Setup**.
2. In the Electronic Agreement Setup submenu, click **Payment Plans**.
3. Select the desired payment plan.

4. Click **Next** until you get to Renewal – Step 3.



5. In the Commissions section:
 - o Select the Total Contract Value.

Note: Open-ended schedules use one (1) as the number of payments, or only one month's dues are used in the calculation.

 - **Total Dues** – The sum of all future dues payments that will be made on the contract. For example, (Dues * Number of Payments).
 - **Total Monthly Payments** – The sum of all future payments of any kind. For example, ((Dues + Tanning + Childcare.) * Number of Payments).
 - **None** – Indicates that this plan does not have commissions on it.
 - o If you selected Total Dues or Total Monthly Payments, click the **Catalog Item** link.

The Find Catalog Item window appears. When you select an item you are returned to the Edit Payment Plan page and the item is attached.
6. Click **Finish**.

Commission Periods

You can process tiered sales commissions so that you know what to pay each employee. Depending on your [club's settings](#), you can pay commissions to your employees monthly, weekly, or every 2 weeks.

When processing commissions you can only view one club at a time. If you change clubs, the grid refreshes to display the selected club's commission payout periods.

Commissions are automatically closed and calculated based on the frequency that is set for the club. You can reopen a commission period up to 90 days after the commission period's end date.

If you reopen a commission period and then click **Close**, DataTrak recalculates the commissions for all employees during this period using the current values.

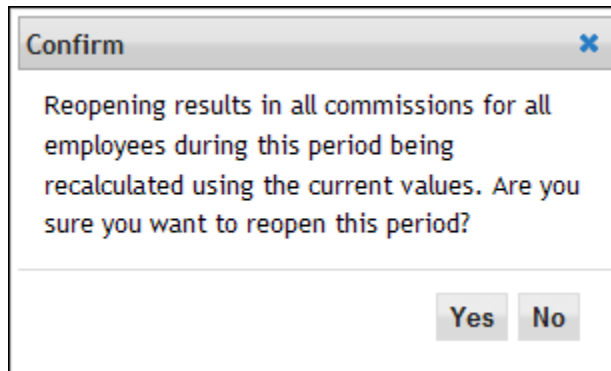
To manage commission periods

1. Click **Setup**.
2. In the Settings submenu, click **Commission Periods**.

3. Select the **Club**.

Start Date	End Date	Status	Action	Closed Date	Auto Close Date	As Of	Sales Total	Commission Total
08/01/2011	08/31/2011	Open			09/10/2011			
07/01/2011	07/31/2011	Open	Close		08/10/2011		\$13,350.00	\$11,792.00
06/01/2011	06/30/2011	Closed	Reopen	07/10/2011	07/10/2011	07/10/2011 12:00 am	\$5.00	\$0.00

4. To reopen a commission period, click the **Reopen** link in the Status column.
5. When the Confirm dialog box appears, click **Yes**.

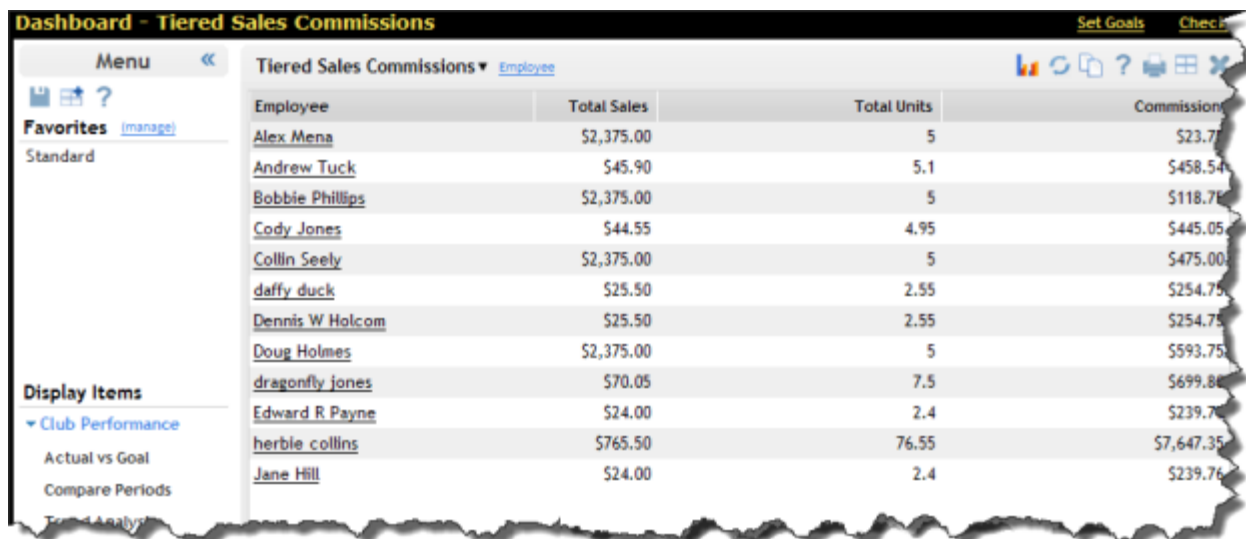


The Reopen link will change to a Close link.

6. When you are finished reviewing the Commissions page or making changes to a Commission Group, click **Close** to initiate the recalculation.
Note: The reopened period will automatically close again that night if you have not manually closed it.
7. To view the commission details, click a link in the **Sales Total** column or **Commission Total** column.

When you click a link to view commission details DataTrak opens the Dashboard, which displays details about the commission period.

To [modify the view](#) on the Dashboard display item, click the Employee link next to the title (Tiered Sales Commissions).



The screenshot shows a dashboard titled "Dashboard - Tiered Sales Commissions" with a sub-tab for "Employee". The table lists the following data:

Employee	Total Sales	Total Units	Commission
Alex Mena	\$2,375.00	5	\$23.75
Andrew Tuck	\$45.90	5.1	\$458.54
Bobbie Phillips	\$2,375.00	5	\$118.75
Cody Jones	\$44.55	4.95	\$445.05
Collin Seely	\$2,375.00	5	\$475.00
daffy duck	\$25.50	2.55	\$254.75
Dennis W Holcom	\$25.50	2.55	\$254.75
Doug Holmes	\$2,375.00	5	\$593.75
dragonfly jones	\$70.05	7.5	\$699.80
Edward R Payne	\$24.00	2.4	\$239.70
herbie collins	\$765.50	76.55	\$7,647.35
Jane Hill	\$24.00	2.4	\$239.70

- Click **Close** to return to the Commission Periods page.

Overrides

With the appropriate [security level access](#) you can override tiered sales commissions if the commission period is open.

During the automatic commission calculation process, the overridden commissions' sales amount will be included in the automatic calculation process but the overridden commission will not be adjusted.

If you override a commission, and then change your mind and want to include it in the automatic calculation process, you must remove the commission before closing the commission period.

If the commission period is closed, you cannot change or override a commission. The commission can only be overridden prior to closing the commission period.

Voids

You can void a sale if the commission period is open.

Note: If you reopen a commission period that you have actually paid out, the paid amount will not be adjusted. If the paid commission needs to be adjusted, [process it as a return](#) instead.

However, if the commission period is closed you cannot void the sale or change the receipt. Closing the commissions period freezes it and no changes to the sale can be made after that time.

Returns

You can process a return at any time, even if the commission period was closed.

When processing a return

- If you do not attach a receipt or employee to the return, the return will not count against anyone.
- The returned amount will be subtracted from the total sale amount used in determining the range for the percent and the total amount of the commission.

For example, if processing a return of \$100 on total sales of \$500 for the month, the employee will receive commissions on a net total sales of \$400.

- The commission amount paid on the returned sales is deducted from the current period's commission.

If returns are marked to affect commissions, DataTrak will

- o Take away the commissions the employee was given in the previous payout period.
- o Subtract the total dollar amount or the unit from the total for determining tier.


Reports

You can view information about tiered sales commissions on the Dashboard, or you can create and run a customized report.

Dashboard

The Dashboard displays tiered sales commissions for a given period, viewed by employee or commission group. You can find the Tiered Sales Commissions display item under Employees and Sales/Receivables.

Drag the Tiered Sales Commissions display item over to the dashboard as shown in the image below. The link next to the title indicates that the current view is set to *Employee*.



Dashboard - Standard

Menu << Tiered Sales Commissions Employee

Employee	Total Sales	Total Units	Commission
Alex Mena	\$2,375.00	5	\$23.75
Andrew Tuck	\$45.90	5.1	\$458.54
Bobbie Phillips	\$2,375.00	5	\$118.75
Cody Jones	\$44.55	4.95	\$445.05
Collin Seely	\$2,375.00	5	\$475.00
David Hill	\$25.50	2.55	\$254.75
Dennis W Holcom	\$25.50	2.55	\$254.75
Doug Holmes	\$2,375.00	5	\$593.75
Total	\$10,525.00		\$11,451.01

Club: 9003 Time: 07/09/2011 - 07/... Information as of 07/26/2011 12:56 pm More

Display Items: Club Performance, Employees

Use the Edit Options – Tiered Sales Commissions page to customize the view.

To customize the dashboard view for the Tiered Sales Commissions display item

1. Click the link next to the title.
 Depending on the current view, the link will be *Employee* or *Commission Group*.
2. In the Edit Options – Tiered Sales Commissions dialog box, select the **Club**.
3. Select the commission **Period**.
4. Select the **View**: Commission Group or Employee
5. Select one or more **Commission Groups**.
6. Select the **Department**.

7. Select the **Employee**.
8. Select the **Display**: Bar Graph or Table.
9. Click **OK**.

Custom Reports

You can run reports on tiered sales commissions using the following columns, which have been added to the POS/POS Item Commissions report category.

- Commission %
- Commission Amount
- Commission Closed Date/Time
- Commission Group
- Commission Level
- Commission Period
- Commission Period End
- Commission Period Start

The following is an example of the new columns on the Edit Report page.

The screenshot shows the 'Edit Report' window with the 'Club: All' header. The 'Active' status is shown at the top left. The 'General' section contains the following fields:

- Name: Tiered Sales Commissions
- Description: (1000/1000)
- Type: Detail
- Category: POS
- Sub-Category: POS Item Commissions

The 'Select Columns' section shows a list of available columns:

- Commission
- Commission %
- Commission Amount
- Commission Closed Dat
- Commission Group
- Commission Level
- Commission Period
- Commission Period End
- Commission Period Star
- Cost
- Country

A red box highlights the 'Commission %' column, and a red arrow points to it from the 'Name' field.

Security Roles

The security functions for tiered sales commissions are in the POS > Tiered Sales Commissions category. You can create and configure security roles with the following functions:

Security Role	Description
Commission Group – Access	Allows you to manage Commission Groups
Commission Group – Edit	Allows you to edit Commission Group details
Commission Group – Edit Catalog Items	Allows you to associate Catalog Items with Commission Groups
Commission Group – Set	Allows you to associate Club Items and Catalog Items with Commission Groups
Commission Group Details – View	Allows you to view Commission Group details
Commission Periods – Access	Allows you to manage Commission Periods
Commission Periods – Change Dates	Allows you to change the start and end dates of Commission Periods
Commission Periods – Close	Allows you to close Commission Periods
Commission Periods – Reopen	Allows you to reopen Commission Periods

The following image illustrates the security functions in the POS > Tiered Sales Commissions category.

