

Having worked in the commission remuneration space for most of my life,

I’m a great believer in Effort = Reward.

I’m asked a lot by sales organisations how does one structure a commission for newbies.

Standard Commission Rates

From experience if you do have a standard commission structure for your team it’s important to think about making sure that you do not tamper with that too much.

In the case of newbies that you want to harness and grow your business, it makes sense to offer a more attractive commission structure in the beginning than just the standard

commission system.

In media sales for example, and I'm sure other commission-based companies, like real estate, mortgage brokers, and others could also do this.

Different Commission Rates

Rather than offer them a different commission to the rest of your team and then have to reduce it at some later point, it makes sense to offer newbie recruits an additional bonus percentage for, say, the first six months.

It may, for example, be an additional 2% or 4% above the standard commission rates. Obviously, the actual amount will depend on the commission structure in place at your company.

Why a Bonus Commission?

Because this is offered as a bonus commission, the new salesperson is always aware of what the standard structure is and does not feel that he/she is being disadvantaged when they go on to the normal commission structure.

Another option is to progressively reduce the bonus commission percentage until the new salesperson is on the standard rate.

After six months, for example, the bonus commission might reduce by 1% each month until the salesperson is on the normal commission structure.

This allows a fast track approach to get your newbies up to speed.

If you would like any help on this type of remuneration and other ways to compensate your team let me know.

Whatever career you decide to take in sales, it's always good to get some help.

That’s why you can get FREE in your inbox every morning for 7 days; the 7 Day Sale Challenge.

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Mike Brunel started mikebrunel.com after being a successful entrepreneur and founder of NRS Media. He co-founded NRS Media in Wellington, New Zealand, expanded it into a global powerhouse in media sales and training, and was eventually responsible for opening offices in London, Atlanta, Toronto, Sydney, Capetown, and Bogota. He has hired hundreds of salespeople around the world.

He made a lot of mistakes when it came to hiring his superstars. Check out his How to Hire A Super Salesperson Each and Every time – It’s packed with tips and ideas on how to hire great salespeople. Don’t ever Hire Bad Salespeople Ever Again. Promise!