

“Shared Success” simply means sharing some of the contribution made to the company over and above a target the company needs to pay its bills (Including it’s profit target).

It is designed to promote added compensation to those who actually created the value for the company by exceeding their target.

This program is based upon the team first, individual second philosophy. It is also based on the idea that when the Comfort Advisor exceeds his/her goals for the team first that the rewards are in excess of prior plans (the sharing of overage).

The plan has several components to it and is heavily weighted to alignment of the company targets, goals and behaviors that make the company more successful (especially the first quarter of the year).

Placing compensation directly in line with the requirements of what the company needs it’s goals to be in the marketplace, and then rewarding those who achieve those goals both individually, and as a team.

This type of system is designed for company’s who already have a management team in place, and are ready to pay for performance (although it could be adapted).

This type of plan requires the leader to educate the participants so all involved within a program of “Shared Success” can be:

1. Held accountable for their activities.
2. Targets that are set are fair and there is buy-in to the target
3. Service and sales are working together not against one another
4. Understand how the P&L, and GP structure relates to them.
5. Able to understand how they get rewarded from the process.
6. The leader must be comfortable managing and leading in an environment of open book management.
7. Are focused on team-oriented activities first, before individual activities.

“Shared Success” Structure of a Bonus Plan

1. The Comfort Advisor plan is based on:

A monthly Sales and Gross Profit dollar target paid a % of GP on sale
 A quarterly Gross Profit Target – Bonuses paid on overages here
 A yearly Gross Profit target – for the full year

Commissions are paid each month on monthly Gross Profit figures sold
 (sold is defined as fully paid).

**Bonuses are paid quarterly on excess of GP target.*

**Each quarter starts a new bonus plan.*

However, there is a cumulative bonus for exceeding the full year target gross profit.

	Sales	GP \$ Target
C/A 1 sales goal is	\$1,000,000	\$350,000
C/A 2 sales goal is	\$1,200,000	\$420,000
IAQ C/A sales goal is	\$500,000	\$250,000

Each of these targets for GP \$ is paid on monthly production at a percent of the GP produced.
 The end of the quarter bonus is paid on the overage (if any) at another percentage.

2025 Job GP commissions are as follows:

Monthly % Paid on GP of Jobs	Quarterly Overage Bonus	Year End
1 st Quarter 22% of all jobs in Quarter 1	Share 15 % of Over Target	
2 nd Quarter 18% of all jobs in Quarter 2	Share 10% of Over Target	
3 rd Quarter 20% of all jobs in Quarter 3	Share 10 of Over Target	
4 th Quarter 22% of all jobs in Quarter 4	Share 12% of over Target	Share 5% of over

The year-end total GP target bonus ONLY applies if the yearly target is passed. A Comfort Advisor should always be focused on the present quarter bonus, yet mindful even a poor quarter can lead to a year-end goal attainment and subsequent bonus.

***In addition, the company has a profit sharing plan that is unique and independent of this plan.*

2. The budget will be established by the management-team and all managers should participate in the budgeting processes.
3. Pricing will be “Cookbook” and will be assigned by the General Manager. There will be multiple cookbooks (3) for the year based on the timing. In addition, a discounting floor will be established requiring approval below a certain level from the cookbook. The Comfort Advisor has discretion to discount as necessary within the guidelines, recognizing this is a balance between getting the transaction at a discount affecting your personal compensation, and not getting the transaction also affecting your personal compensation.

As a Comfort Advisor you must become an EXPERT at knowing when to hold your price and resulting GP \$ in the home, and the time to use the discount to close a transaction. This skill also supports the company dilemma, each discount you give negatively affects the company and now you as well for the day, the month, the quarter and the year. However it also can be said with no jobs on the labor board any profitable job benefits you as well as the company for the day, the month, and the year.

**Learn to read people to close deals*

***Learn to pay attention to the job boards every day*

****Learn to accessory sell*

*****Learn to teach technicians to create lead turnovers for you*

******Teach the technicians selling techniques for when they sell for you*

4. Comfort Advisors will be assigned technicians. Train them well. Train them based on the company guidelines.
5. When a technician is allowed to sell (May 1st through August 31st) the Comfort Advisor will get credit for the gross profit dollars on the sale by the technician.

In off tech selling periods, the technicians will be required to create lead turnovers and the tech will be paid a spiff.

In peak selling periods the technician spiff will apply, but the Comfort Advisor will get credit for the quarterly gross profit bonus plan. The Comfort Advisor will not get paid for the individual technician sale.

6. Jobs that are closed but NOT paid with company having receipt of cash, such as a personal check, or money from financing placed in the bank are not counted until the company has the paid capital.

7. It is to a Comfort Advisors advantage to maintain a full job board of GP dollars. Margin percentages are almost irrelevant. They will be used by the company to set the budget yet as a Comfort Advisor your focus needs to be to create as many GP dollars as possible with the available labor crews you have to conduct installations.

Methods:

Sell accessories on each job to increase GP\$
Sell higher end mix equipment at proper GP levels
Close more deals in the 1st quarter – be aggressive early

8. All installation teams are performance based pay and are aligned with the goals of the selling teams. So estimates are essentially completely fixed in costs so long as the additional labor man-days are estimated when necessary.

9. A job start form is used to have lead installer and Comfort Advisor agree on the job labor at start of installation. Compensation disputes will be reviewed by the compensation committee and all decisions by the committee are final.

10. The year end bonus program for GP requires the employee to be here at least 3 quarters during the performance year and maintain employment through the end of January the following year.

Example Math:

Goal Sales \$1,000,000 @ \$ 350,000 Gross Profit Dollars

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year Totals
Sales	\$ 200,000	\$ 300,000	\$ 350,000	\$ 150,000	\$ 1,000,000
GP \$ Plan	\$ 60,000	\$ 110,000	\$ 130,000	\$ 50,000	\$ 350,000
% Paid	22%	18%	18%	20%	
Actual GP \$	\$ 70,000	\$ 100,000	\$ 150,000	\$70,000	\$ 390,000
Commission	\$ 15,400	\$ 18,000	\$ 27,000	\$ 14,000	\$ 74,400 Base
Overage GP	\$ 10,000	-\$ 10,000	\$ 20,000	\$ 20,000	\$ 40,000
Bonus %Qtr	15%	10%	10%	12%	
Bonus	\$ 1,500	None	\$ 2,000	\$ 2,400	\$5,900
Year Bonus				10% Over Target	\$ 4,000
Total					\$83,300

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3rd Quarter 18% of all jobs in Quarter 3

Share 10 of Over Target

4th Quarter 20% of all jobs in Quarter 4

Share 12% of over Target

Share 10% over

See EXCEL Calculator for the Compensation Planner for each Month/Quarter/year