

2008 Employee Compensation Report

Volume I



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Introduction

This report presents the results of Profit Planning Group's 2008 Employee Compensation Study of the Distribution Industry. This study analyzes 2007 compensation data submitted by 1,704 U.S. firms for over 7000 locations. DHI co-sponsored the study along with 30 other distribution organizations. 66 firms were members of DHI.

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

Volume 1: DHI Detailed Report

The detailed report presents the analysis of participating DHI firms. Where appropriate, DHI 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 25th to the 75th 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.

	<u>Typical U.S. Dist.</u>	<u>Typical DHI Dist.</u>	<u>Sales Under \$5 Million</u>	<u>Sales \$5 - \$15 Million</u>	<u>Sales Over \$15 Million</u>
Typical Participant Profile					
Number of Firms Reporting	1,704	66	20	24	19
Sales					
Typical Firm Sales	16,159,893	8,800,000	3,552,909	8,969,682	19,000,000
Typical Branch Sales	7,193,583	3,972,017	3,500,000	7,178,901	3,800,000
Employees					
Number of Employees (FTE)	47.8	28.5	12.0	30.5	64.0
Employee Turnover Rate	17	15	25	12	16
Operations (% of firms)					
Local	25	22	35	22	5
Regional	59	58	60	70	47
National	11	17	5	4	42
International	5	3	0	4	5
Ownership (% of firms)					
Private Company	96	95	95	91	100
Public Company	4	5	5	9	0
Organization (% of firms)					
Sole Proprietorship	1	2	5	0	0
Partnership	2	2	0	4	0
S Corporation	53	39	40	43	37
C Corporation	37	48	50	48	47
Limited Liability Corp. (LLC)	7	8	5	0	16
Limited Liability Partnership (LLP)	1	2	0	4	0

Summary of Executive Compensation

The Typical DHI Firm

Typical Firm Sales	8,800,000
Number of Employees	28.5

DHI CEO Profile

Base Salary	108,950
Total Compensation.....	158,760
Bonus (% of salary)	59
Age	52
Years with Company.....	18
% of Equity Owned	59
Company Founder (% of CEOs)	43

DHI Executive Bonus

Firms With Executive Bonus Plan (% of firms)	68
Executive Bonus Structure (% of firms)	
Discretionary	76
Achievement of Sales Goals.....	48
Achievement of Profit Goals	48
Percentage of Sales	14
Percentage of Profit.....	48
Return on Equity/Assets/Sales	10

DHI Executive Benefits & Perks (% of firms)

	<u>CEO</u>	<u>COO</u>	<u>CFO</u>	<u>CMO</u>
Company Car & Expenses	85	67	50	80
Supplemental Life Insurance*	55	41	38	53
Supplemental Medical Insurance*	30	20	6	27
Tax Return Preparation	48	35	18	13
Club Dues & Expenses	37	26	6	20
Personal Tax & Financial Planning	40	26	15	7
Annual Physical Examination	10	9	3	13
Low or No-interest Loans	10	7	3	0
Supplemental Retirement Benefits*	12	9	9	0
Deferred Compensation	15	17	12	7
First Class Air Travel	7	2	6	0
Use of Corporate Aircraft	0	0	0	0

*Beyond customary company-wide benefits

Summary of Executive Compensation

	<u>Base Salary</u>	<u>Total Compensation</u>	<u>Middle Range of Total Comp.</u>		<u>Bonus % of Salary</u>
			<u>25th Percentile</u>	<u>75th Percentile</u>	
Compensation					
Typical U.S. Distributor					
CEO/President	135,000	187,114	115,010	309,625	56
COO/VP/#2 Officer	104,570	140,734	92,804	225,000	44
CMO (Chief Marketing Officer)	100,000	132,817	100,000	192,000	29
CFO (Chief Financial Officer)	95,960	119,346	85,150	182,000	26
Typical DHI Distributor					
CEO/President	108,950	158,760	106,350	260,050	59
COO/VP/#2 Officer	89,076	116,132	80,394	161,000	35
CMO (Chief Marketing Officer)	90,000	138,000	107,900	160,000	53
CFO (Chief Financial Officer)	73,780	94,000	68,240	141,000	16

	<u>Typical U.S. Dist.</u>	<u>Typical DHI Dist.</u>
Pay Relationships		
Comp. as a % of CEO comp. excluding benefits and perks		
CEO/President	100	100
COO/VP/#2 Officer	80	84
CMO (Chief Marketing Officer)	60	61
CFO (Chief Financial Officer)	54	66

	<u>Typical U.S. Dist.</u>	<u>Typical DHI Dist.</u>
Bonus		
Firms With Executive Bonus Plan (% of firms)	67	68
Executive Bonus Structure (% of firms)		
Discretionary	67	76
Achievement of Sales or Operating Goals	41	48
Achievement of Profit Goals	51	48
Percentage of Sales	12	14
Percentage of Profit	34	48
Return on Equity/Assets/Sales	15	10

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>25th Percentile</u>	<u>75th Percentile</u>	
Typical U.S. Distributor					
Branch Manager	58,082	70,791	52,773	99,657	20
Outside Sales					
Senior Sales Consultant	41,576	84,246	63,000	114,000	81
Typical Outside Salesperson	37,055	64,388	51,000	83,173	62
Beginning Outside Salesperson	35,000	48,202	40,000	60,000	37
Inside Sales					
Typical Inside Salesperson	39,217	44,253	37,000	52,328	14
Beginning Inside Salesperson	32,441	35,143	29,868	40,323	12
Sales & Service					
Sales Manager	73,190	91,123	70,000	120,000	25
Sales Assistant	36,360	40,000	33,000	50,000	10
Customer Service Rep	34,680	40,000	32,028	49,582	12
Counter Salesperson	32,550	36,442	30,369	42,176	13
Warehouse & Delivery					
Operations Manager	63,130	72,000	55,073	90,000	13
Warehouse Supervisor	41,600	44,895	37,152	53,018	9
Warehouse Employee	27,000	29,000	25,000	33,500	9
Driver/Delivery Personnel	30,160	32,654	26,960	40,000	10
Information Systems					
Chief Information Officer (CIO)	85,000	95,938	74,675	132,234	14
MIS/Data Processing Manager	65,000	70,000	57,345	86,739	9
Systems Administrator	50,459	54,000	44,000	66,000	7
IT Clerk	33,592	35,422	29,600	42,545	5
General & Administrative					
Purchasing Manager	57,000	63,000	50,000	80,199	11
Purchasing Agent/Buyer	41,600	44,322	36,324	51,410	7
Controller	70,000	75,640	60,850	95,292	13
Accountant/Bookkeeper	38,825	40,500	34,033	50,000	7
Credit Manager	50,000	53,000	42,452	68,029	9
Credit/Collections Clerk	31,500	33,000	27,998	38,014	6
Human Resources Manager	54,000	58,000	45,000	76,805	9
Office Manager	42,935	45,382	38,000	56,446	9
Office/Clerical Personnel	28,712	30,000	25,500	34,852	6

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>25th Percentile</u>	<u>75th Percentile</u>	
Typical DHI Distributor					
Branch Manager	70,000	87,206	66,324	106,500	28
Outside Sales					
Senior Sales Consultant	50,000	75,000	56,632	94,004	47
Typical Outside Salesperson	45,000	60,773	46,406	70,000	21
Beginning Outside Salesperson	40,000	45,000	38,625	50,000	10
Inside Sales					
Typical Inside Salesperson	42,593	50,000	43,500	60,128	17
Beginning Inside Salesperson	32,000	35,000	30,000	40,000	11
Sales & Service					
Sales Manager	72,890	80,938	64,250	110,000	34
Sales Assistant	36,870	41,000	32,704	59,927	14
Customer Service Rep	43,000	49,045	43,707	60,000	15
Counter Salesperson	37,000	40,000	34,685	44,772	10
Warehouse & Delivery					
Operations Manager	60,000	64,809	50,400	83,500	8
Warehouse Supervisor	37,440	42,000	35,927	49,600	14
Warehouse Employee	27,514	29,745	25,000	35,000	7
Driver/Delivery Personnel	29,765	30,450	24,450	34,404	6
Information Systems					
Chief Information Officer	76,500	95,000	84,375	104,125	n/a
MIS/Data Processing Manager	64,000	68,000	48,000	80,000	18
Systems Administrator	41,300	44,143	36,236	56,500	9
IT Clerk	n/a	n/a	n/a	n/a	n/a
General & Administrative					
Purchasing Manager	49,500	54,000	44,712	66,500	10
Purchasing Agent/Buyer	38,756	40,500	32,000	50,000	10
Controller	70,596	71,500	63,750	86,250	11
Accountant/Bookkeeper	36,714	38,110	31,290	43,159	7
Credit Manager	40,913	42,300	37,000	56,000	11
Credit/Collections Clerk	35,704	38,855	25,814	47,461	12
Human Resources Manager	51,100	52,200	32,500	73,500	10
Office Manager	40,330	42,000	35,820	54,700	11
Office/Clerical Personnel	28,641	30,000	26,000	35,850	6
DHI Positions					
Inside Technical Personnel	43,000	50,000	40,130	56,746	5
Architectural Draftsman/Estimator	40,000	45,000	38,000	55,000	10
Shop Personnel	32,455	35,000	27,000	41,784	6
Locksmith	35,000	35,077	32,160	38,850	4

Executives

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
CEO/President					
Salary	135,000	108,950	75,000	104,000	119,875
Total Compensation	187,114	158,760	92,500	150,000	247,603
Change from Previous Year (%)	1	4	3	0	8
Bonus (% of salary)	56	59	33	47	83
Bonus Paid (% of firms)	76	80	73	78	83
Age	54	52	52	54	50
Years with Company	25	18	14	21	21
% of Equity Owned	51	59	59	80	50
Company Founder (% of firms)	31	43	65	43	28

CEO Benefits & Perks (% of firms)

Company Car & Expenses	85	85	82	91	79
Supplemental Life Insurance*	56	55	53	55	63
Supplemental Medical Insurance*	27	30	41	32	21
Tax Return Preparation	52	48	59	50	37
Club Dues & Expenses	35	37	24	50	26
Personal Tax & Financial Planning	38	40	29	59	26
Annual Physical Examination	20	10	6	5	21
Low or No-interest Loans	11	10	18	14	0
Supplemental Retirement Benefits*	12	12	12	14	11
Deferred Compensation	14	15	18	14	16
First Class Air Travel	8	7	0	9	11
Use of Corporate Aircraft	3	0	0	0	0

*Beyond customary company-wide benefits

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
COO/VP/#2 Officer					
Salary	104,570	89,076	82,700	85,000	95,000
Total Compensation	140,734	116,132	86,250	141,470	127,100
Change from Previous Year (%)	4	4	3	0	5
Bonus (% of salary)	44	35	27	35	49
Bonus Paid (% of firms)	82	84	80	90	82
Age	50	50	51	47	52
Years with Company	19	15	12	15	19
% of Equity Owned	9	2	39	11	0
Company Founder (% of firms)	8	19	50	0	13

COO/VP Benefits & Perks (% of firms)

Company Car & Expenses	74	67	86	77	50
Supplemental Life Insurance*	45	41	50	38	39
Supplemental Medical Insurance*	24	20	29	15	17
Tax Return Preparation	34	35	57	38	11
Club Dues & Expenses	24	26	36	31	11
Personal Tax & Financial Planning	26	26	29	38	11
Annual Physical Examination	16	9	21	0	6
Low or No-interest Loans	8	7	7	15	0
Supplemental Retirement Benefits*	12	9	14	8	6
Deferred Compensation	15	17	29	8	17
First Class Air Travel	5	2	0	0	6
Use of Corporate Aircraft	2	0	0	0	0

*Beyond customary company-wide benefits

Executives

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
CFO (Chief Financial Officer)					
Salary	95,960	73,780	n/a	72,900	84,000
Total Compensation	119,346	94,000	45,408	85,000	113,118
Change from Previous Year (%)	4	0	-9	0	9
Bonus (% of salary)	26	16	n/a	13	34
Bonus Paid (% of firms)	82	79	n/a	73	100
Age	50	49	58	49	49
Years with Company	11	12	18	17	9
% of Equity Owned	0	0	7	0	0
Company Founder (% of firms)	2	12	25	13	8

CFO Benefits & Perks (% of firms)

Company Car & Expenses	46	50	60	62	36
Supplemental Life Insurance*	34	38	20	46	43
Supplemental Medical Insurance*	17	6	0	8	7
Tax Return Preparation	15	18	40	23	7
Club Dues & Expenses	11	6	0	15	0
Personal Tax & Financial Planning	12	15	0	38	0
Annual Physical Examination	15	3	0	0	7
Low or No-interest Loans	4	3	0	8	0
Supplemental Retirement Benefits*	9	9	20	0	14
Deferred Compensation	16	12	0	8	21
First Class Air Travel	3	6	0	8	7
Use of Corporate Aircraft	2	0	0	0	0

*Beyond customary company-wide benefits

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
CMO (Chief Marketing Officer)					
Salary	100,000	90,000	n/a	80,790	100,000
Total Compensation	132,817	138,000	n/a	120,000	148,000
Change from Previous Year (%)	4	9	n/a	3	10
Bonus (% of salary)	29	53	n/a	n/a	61
Bonus Paid (% of firms)	88	92	n/a	n/a	89
Age	49	45	n/a	46	43
Years with Company	15	16	n/a	16	18
% of Equity Owned	0	0	n/a	0	2
Company Founder (% of firms)	1	0	n/a	0	0

CMO Benefits & Perks (% of firms)

Company Car & Expenses	68	80	n/a	80	80
Supplemental Life Insurance*	35	53	n/a	40	60
Supplemental Medical Insurance*	14	27	n/a	20	30
Tax Return Preparation	14	13	n/a	0	20
Club Dues & Expenses	11	20	n/a	0	30
Personal Tax & Financial Planning	11	7	n/a	0	10
Annual Physical Examination	14	13	n/a	0	20
Low or No-interest Loans	6	0	n/a	0	0
Supplemental Retirement Benefits*	7	0	n/a	0	0
Deferred Compensation	18	7	n/a	0	10
First Class Air Travel	1	0	n/a	0	0
Use of Corporate Aircraft	1	0	n/a	0	0

*Beyond customary company-wide benefits

Employees

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Employees					
Sales Manager					
Salary	73,190	72,890	53,000	74,550	75,000
Total Compensation	91,123	80,938	72,500	80,000	90,316
Bonus (% of salary)	25	34	45	43	19
Bonus Paid (% of firms)	87	87	89	92	87
Sales Assistant					
Salary	36,360	36,870	30,000	38,000	38,250
Total Compensation	40,000	41,000	31,704	42,500	43,726
Bonus (% of salary)	10	14	12	22	14
Bonus Paid (% of firms)	69	85	57	92	100
Customer Service Rep					
Salary	34,680	43,000	42,000	45,000	38,000
Total Compensation	40,000	49,045	75,000	49,045	46,499
Bonus (% of salary)	12	15	n/a	11	24
Bonus Paid (% of firms)	74	81	75	80	91
Counter Salesperson					
Salary	32,550	37,000	n/a	37,200	37,441
Total Compensation	36,442	40,000	38,050	38,415	40,000
Bonus (% of salary)	13	10	n/a	10	13
Bonus Paid (% of firms)	74	89	n/a	85	100
Operations Manager					
Salary	63,130	60,000	n/a	54,362	74,500
Total Compensation	72,000	64,809	49,055	60,000	83,000
Bonus (% of salary)	13	8	n/a	8	27
Bonus Paid (% of firms)	81	82	n/a	86	83
Warehouse Supervisor					
Salary	41,600	37,440	34,000	37,440	41,000
Total Compensation	44,895	42,000	36,608	45,000	44,395
Bonus (% of salary)	9	14	8	13	14
Bonus Paid (% of firms)	72	78	71	80	85
Warehouse Employee					
Salary	27,000	27,514	26,056	27,000	30,000
Total Compensation	29,000	29,745	27,000	29,372	35,000
Bonus (% of salary)	9	7	5	7	8
Bonus Paid (% of firms)	66	67	67	67	75
Driver/Delivery Personnel					
Salary	30,160	29,765	24,695	25,779	31,840
Total Compensation	32,654	30,450	29,600	27,500	33,264
Bonus (% of salary)	10	6	n/a	7	8
Bonus Paid (% of firms)	68	69	50	79	69
Chief Information Officer (CIO)					
Salary	85,000	76,500	n/a	n/a	n/a
Total Compensation	95,938	95,000	n/a	n/a	n/a
Bonus (% of salary)	14	n/a	n/a	n/a	n/a
Bonus Paid (% of firms)	81	75	n/a	n/a	n/a
MIS/Data Processing Manager					
Salary	65,000	64,000	n/a	n/a	61,000
Total Compensation	70,000	68,000	n/a	n/a	63,000
Bonus (% of salary)	9	18	n/a	n/a	18
Bonus Paid (% of firms)	72	80	n/a	n/a	100
Systems Administrator					
Salary	50,459	41,300	n/a	n/a	50,000
Total Compensation	54,000	44,143	n/a	n/a	54,194
Bonus (% of salary)	7	9	n/a	n/a	8
Bonus Paid (% of firms)	64	73	n/a	n/a	88

Employees

	Typical U.S. <u>Dist.</u>	Typical DHI <u>Dist.</u>	Sales Under \$5 <u>Million</u>	Sales \$5 - \$15 <u>Million</u>	Sales Over \$15 <u>Million</u>
Employees					
IT Clerk					
Salary	33,592	n/a	n/a	n/a	n/a
Total Compensation	35,422	n/a	n/a	n/a	n/a
Bonus (% of salary)	5	n/a	n/a	n/a	n/a
Bonus Paid (% of firms)	60	n/a	n/a	n/a	n/a
Purchasing Manager					
Salary	57,000	49,500	n/a	42,000	58,500
Total Compensation	63,000	54,000	n/a	44,000	58,565
Bonus (% of salary)	11	10	n/a	5	10
Bonus Paid (% of firms)	76	68	n/a	67	73
Purchasing Agent/Buyer					
Salary	41,600	38,756	n/a	43,406	40,500
Total Compensation	44,322	40,500	n/a	44,000	43,000
Bonus (% of salary)	7	10	n/a	9	13
Bonus Paid (% of firms)	68	70	n/a	56	86
Controller					
Salary	70,000	70,596	n/a	63,000	75,000
Total Compensation	75,640	71,500	n/a	n/a	79,500
Bonus (% of salary)	13	11	n/a	n/a	12
Bonus Paid (% of firms)	72	72	n/a	n/a	73
Accountant/Bookkeeper					
Salary	38,825	36,714	32,000	40,057	36,000
Total Compensation	40,500	38,110	33,860	41,772	38,800
Bonus (% of salary)	7	7	6	4	7
Bonus Paid (% of firms)	64	67	50	58	92
Credit Manager					
Salary	50,000	40,913	n/a	n/a	39,706
Total Compensation	53,000	42,300	n/a	n/a	42,314
Bonus (% of salary)	9	11	n/a	n/a	15
Bonus Paid (% of firms)	100	100	n/a	n/a	100
Credit/Collections Clerk					
Salary	31,500	35,704	n/a	32,000	36,000
Total Compensation	33,000	38,855	n/a	36,000	41,450
Bonus (% of salary)	6	12	n/a	n/a	15
Bonus Paid (% of firms)	100	100	n/a	100	100
Human Resources Manager					
Salary	54,000	51,100	n/a	n/a	52,500
Total Compensation	58,000	52,200	n/a	41,378	60,000
Bonus (% of salary)	9	10	n/a	n/a	n/a
Bonus Paid (% of firms)	100	100	n/a	n/a	100
Office Manager					
Salary	42,935	40,330	n/a	34,500	47,000
Total Compensation	45,382	42,000	n/a	36,000	52,850
Bonus (% of salary)	9	11	n/a	7	13
Bonus Paid (% of firms)	65	65	n/a	86	71
Office/Clerical Personnel					
Salary	28,712	28,641	25,000	29,020	30,000
Total Compensation	30,000	30,000	25,500	30,000	32,733
Bonus (% of salary)	6	6	n/a	5	11
Bonus Paid (% of firms)	62	68	40	67	81

DHI Positions & Practices

	Typical U.S. <u>Dist.</u>	Typical DHI <u>Dist.</u>	Sales Under \$5 <u>Million</u>	Sales \$5 - \$15 <u>Million</u>	Sales Over \$15 <u>Million</u>
DHI Positions					
Inside Technical Personnel					
Salary	n/a	43,000	41,300	40,000	54,548
Total Compensation	n/a	50,000	42,900	42,000	54,600
Bonus (% of salary)	n/a	5	n/a	5	15
Bonus Paid (% of firms)	n/a	61	50	80	63
Architectural Draftsman/Estimator					
Salary	n/a	40,000	36,770	40,500	44,000
Total Compensation	n/a	45,000	39,270	45,000	51,000
Bonus (% of salary)	n/a	10	n/a	11	7
Bonus Paid (% of firms)	n/a	78	20	100	100
Shop Personnel					
Salary	n/a	32,455	32,400	32,500	32,910
Total Compensation	n/a	35,000	32,683	35,735	37,700
Bonus (% of salary)	n/a	6	4	8	7
Bonus Paid (% of firms)	n/a	73	78	67	83
Locksmith					
Salary	n/a	35,000	n/a	35,976	31,802
Total Compensation	n/a	35,077	n/a	36,005	34,142
Bonus (% of salary)	n/a	4	n/a	3	6
Bonus Paid (% of firms)	n/a	59	n/a	60	67

	Typical U.S. <u>Dist.</u>	Typical DHI <u>Dist.</u>	Sales Under \$5 <u>Million</u>	Sales \$5 - \$15 <u>Million</u>	Sales Over \$15 <u>Million</u>
Practices					
Employee Raises (% of firms)					
Cost of Living Adjustment (COLA)	36	41	35	52	37
Annual Merit Raise	60	58	50	61	68
Lump Sum	10	9	10	4	11
Variable Pay Plan	45	45	50	43	37
No Raises	5	8	10	0	5
No Set Policy for Raises	58	66	75	61	58
Employee Bonus Plan (% of firms)					
Special Recognition Bonus	40	42	32	48	47
Achievement of Individual Goals	51	37	16	35	63
Achievement of Firm/Dept. Goals	54	47	37	35	74
Cash Profit Sharing	27	32	42	30	26
CEO/Owner Discretion	73	84	79	87	84
Retention Bonuses (% of firms)					
	6	0	0	0	0
Severance Program (% of firms)					
	11	5	5	9	0
Service Requirement (years)	1	n/a	n/a	n/a	n/a
Maximum Pay Offered (weeks)	9	n/a	n/a	n/a	n/a
Union Representation (% of firms)					
	11	9	0	17	11

Branch Manager & Inside Sales Staff

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Branch Manager					
Salary	58,082	70,000	80,200	67,500	65,000
Total Compensation	70,791	87,206	99,000	83,190	89,412
Bonus (% of salary)	20	28	n/a	20	35
Bonus Paid (% of firms)	89	86	60	93	89
Branch Mgr. Bonus Plan (% of firms)	88	94	71	87	100
Discretionary	47	53	60	54	45
Achievement of Sales Goals	45	36	20	38	45
Achievement of Gross Margin Goals	38	44	20	77	45
Achievement of Profit Goals	44	47	40	62	53
Percentage of Sales	14	8	0	0	13
Percentage of Gross Margin	17	9	0	8	11
Percentage of Profits	29	33	20	23	45
Return on Equity/Assets/Sales	10	5	0	8	5

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Inside Sales					
Firms With Inside Sales Staff (% of firms)	55	31	60	31	23
Number of Inside Salespeople (per branch)	2	2	2	2	3
Average Length of Employment (years)	6	8	10	8	5
Typical Inside Salesperson					
Salary	39,217	42,593	44,200	40,000	43,720
Total Compensation	44,253	50,000	47,500	45,000	51,000
Bonus (% of salary)	14	17	21	13	23
Bonus Paid (% of firms)	85	94	82	100	97
Beginning Inside Salesperson					
Salary	32,441	32,000	n/a	34,080	30,000
Total Compensation	35,143	35,000	n/a	35,673	34,941
Bonus (% of salary)	12	11	n/a	7	27
Bonus Paid (% of firms)	71	73	n/a	75	73
Inside Sales Comp. Plans (% of firms)					
Straight Salary	17	44	33	44	58
Hourly	39	3	0	0	0
Salary & Commission	23	26	50	22	8
Salary & Bonus	12	24	17	22	33
Salary & Commission & Bonus	7	3	0	11	0
Other	1	0	0	0	0

Outside Sales Staff

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Outside Sales					
Outside Sales Staff					
Firms With Outside Sales Staff (% of firms)	97	62	55	62	58
Number of Outside Salespeople (per branch)	2	3	3	3	2
Average Length of Employment (years)	7	7	10	8	7
Senior Sales Consultant					
Salary	41,576	50,000	42,000	45,248	60,000
Total Compensation	84,246	75,000	57,400	62,745	90,000
Bonus (% of salary)	81	47	n/a	46	48
Bonus Paid (% of firms)	93	89	67	100	91
Typical Outside Salesperson					
Salary	37,055	45,000	44,200	42,500	50,000
Total Compensation	64,388	60,773	56,000	45,774	64,000
Bonus (% of salary)	62	21	17	17	21
Bonus Paid (% of firms)	93	89	86	89	87
Beginning Outside Salesperson					
Salary	35,000	40,000	36,750	37,693	40,000
Total Compensation	48,202	45,000	38,500	39,693	45,000
Bonus (% of salary)	37	10	n/a	4	10
Bonus Paid (% of firms)	79	61	25	80	62
Outside Sales Comp. Plans (% of firms)					
Straight Salary	3	6	9	11	4
Salary & Bonus	7	23	18	47	18
Salary & Commission	35	45	55	26	42
Salary & Commission & Bonus	25	7	9	11	7
Straight Commission	7	6	9	0	9
Commission & Bonus (no salary)	2	0	0	0	0
Commission & Draw (against commission)	21	13	0	5	20
Other	0	0	0	0	0
Commission Payment Plans (% of firms)					
Flat % of Sales	13	36	13	11	55
Escalating % of Sales	6	2	0	0	3
Flat Percentage of Gross Margin	49	30	38	78	21
Escalating % of Gross Margin	20	20	50	0	21
Other Payment Plan	13	13	0	11	0
Basis for Comm. Payments (% of firms)					
Prompt Payment/Billing Discounts	19	25	38	33	26
Service	31	34	38	67	32
Repair Parts	46	27	38	56	21
Accessories/Tooling	51	33	25	56	32
Finance Plans	10	6	0	0	11
Cancellation Charges Collected	6	13	25	11	11
Commission Credited (% of firms)					
Order Booked	3	25	0	11	39
Order Shipped	14	2	0	0	3
Upon Billing	55	42	25	67	26
Payment Received	28	31	75	22	32

Outside Sales Staff

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Outside Sales					
Lowest Volume Salesperson					
Total Sales	817,896	550,000	474,000	838,000	550,000
Gross Profit Contribution	200,133	146,685	144,523	244,696	143,990
Gross Margin	24.6	26.7	30.5	29.2	26.2
Highest Volume Salesperson					
Total Sales	4,430,771	2,500,000	989,000	1,500,000	3,211,775
Gross Profit Contribution	930,625	652,000	372,556	405,000	770,826
Gross Margin	21.1	26.1	37.7	27.0	24.0
Employment & Comm. Policies (% of firms)					
Written Employment Contract	38	64	38	35	78
Ceiling to Prevent Commission Windfalls	17	13	38	11	11
Surpass Quota Before Commission Earned	34	34	38	11	29
New Salespeople Paid on Backlog	21	18	38	0	3
Charge Back for Bad Debt	44	54	63	67	57
Backlog Paid Upon Termination	40	38	38	11	54
Sales Contests Used (% of firms)					
Never	21	85	100	100	71
Rarely	52	14	0	0	27
Regularly	27	1	0	0	2
Sales Contest Prizes (% of firms)					
Cash	82	100	n/a	n/a	100
Travel	46	23	n/a	n/a	23
Merchandise	43	69	n/a	n/a	69
Other	27	23	n/a	n/a	23
Expense Reimbursement (% of firms)					
All Expenses Reimbursed	74	88	55	95	91
Per Diem Payment	2	1	9	0	0
Compensation Covers Expenses	7	1	9	0	0
Travel Expenses Only Reimbursed	10	1	0	5	0
Fixed Monthly Expense Allowance	7	8	27	0	9
Automobile Provisions (% of firms)					
None	12	6	18	6	0
Company Leased	14	11	9	22	9
Company Owned	22	20	36	17	22
Employee Owned (reimbursed)	52	63	36	56	69
Automobile Reimbursement (% of firms)					
Monthly Allowance	61	29	25	40	10
Gas & Oil	2	0	0	0	0
Mileage	37	71	75	60	90
Mileage Reimbursement Rate (¢ per mile)	39	45	n/a	n/a	n/a
Cell Phone Arrangements (% of firms)					
None	7	11	27	0	11
Company Provided	65	87	73	89	89
Employee Owned (reimbursed)	5	0	0	0	0
Monthly Allowance	22	2	0	11	0
Other	1	0	0	0	0

Medical Benefits

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Medical Benefits (% of firms)					
Firms Offering a Cafeteria Plan	41	46	18	45	68
Firms Offering Health Benefits	99	100	100	100	100
Medical/Hosp. Plans Offered (% of firms)					
Traditional (indemnity)	21	20	11	17	32
Traditional HMO	31	34	47	25	32
Point of Service HMO (POS)	18	11	5	13	11
Preferred Provider (PPO)	78	66	53	71	74
Exclusive Provider (EPO)	8	6	5	8	5
Dependent Coverage	89	91	95	88	89
HMO & PPO	20	17	16	8	26
Traditional & PPO	13	5	0	4	11
POS & PPO	12	5	0	4	5
HMO & POS	11	8	0	13	11
Medical Plan Details					
Traditional (indemnity)					
Employer Paid Percentage	65	50	n/a	50	83
Annual Deductible (\$ per person)	1,000	300	n/a	n/a	250
Co-pay (\$ per visit)	25	25	n/a	n/a	23
Traditional HMO					
Employer Paid Percentage	75	65	65	85	50
Annual Deductible (\$ per person)	1,000	925	n/a	n/a	n/a
Co-pay (\$ per visit)	20	20	15	30	28
Point of Service HMO (POS)					
Employer Paid Percentage	65	50	n/a	n/a	n/a
Annual Deductible (\$ per person)	500	n/a	n/a	n/a	n/a
Co-pay (\$ per visit)	25	n/a	n/a	n/a	n/a
Preferred Provider (PPO)					
Employer Paid Percentage	75	80	95	80	75
Annual Deductible (\$ per person)	720	1,000	750	1,000	1,000
Co-pay (\$ per visit)	20	20	23	20	20
Exclusive Provider (EPO)					
Employer Paid Percentage	0	25	n/a	n/a	n/a
Annual Deductible (\$ per person)	500	n/a	n/a	n/a	n/a
Co-pay (\$ per visit)	20	n/a	n/a	n/a	n/a
Dependent Coverage					
Employer Paid Percentage	52	50	20	50	50
Annual Deductible (\$ per person)	750	500	1,000	1,000	300
Co-pay (\$ per visit)	20	20	20	20	20
PPO Premium (\$ per month)					
Single	326	308	376	283	305
Employee Plus Spouse	677	650	580	648	678
Employee Plus Child	597	535	689	589	524
Family	919	821	823	821	868
PPO Requirements					
# of Deductibles for Family Coverage	2	2	2	3	3
2 nd Opinion (% of firms)	15	10	14	13	7
Hosp. Visit Pre-Notice (non-emerg. % of firms)	63	54	57	56	43

Other Health & Retirement Benefits

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Other Health Benefits (% of firms)					
Health Savings Accounts	17	20	15	29	16
Dental Plan	78	75	63	63	100
Vision/Optical Plan	46	54	63	46	47
Retiree Medical Insurance	11	9	5	8	11
Prescription Drug Plan	85	82	68	79	95
Mail Order Drug Plan	64	62	53	63	68
Group Term Life Insurance	80	80	74	71	95
Long-term Disability Insurance	64	69	58	67	79
Short-term Disability Insurance	60	55	53	46	63
Long-term Care Insurance	12	9	11	13	5
Employee Assistance Program	31	25	11	13	47
Health Benefit Details					
Health Savings Accounts					
Annual Deductible under HDHP (FTE/family)	3,000	3,000	n/a	4,500	n/a
Firm Contributes to HSA (% of firms)	59	38	n/a	43	n/a
% of Deductible Contributed	50	n/a	n/a	n/a	n/a
\$ Amount Contributed	1,000	n/a	n/a	n/a	n/a
Dental Plan					
Employer Paid Percentage	50	50	0	50	50
Annual Deductible (\$ per person)	50	50	n/a	50	50
Co-pay (\$ per visit)	20	23	n/a	n/a	n/a
Vision/Optical Plan					
Employer Paid Percentage	50	44	0	50	50
Annual Deductible (\$ per person)	100	n/a	n/a	n/a	n/a
Co-pay (\$ per visit)	20	15	n/a	28	10
Retiree Medical Insurance					
Employer Paid Percentage	0	0	n/a	n/a	n/a
Annual Deductible (\$ per person)	250	n/a	n/a	n/a	n/a
Co-pay (\$ per visit)	20	n/a	n/a	n/a	n/a
Employer Paid % for Other Benefits					
Prescription Drug	75	78	90	80	67
Mail Order Drug Plan	72	75	90	80	66
Group Term Life Insurance	100	100	100	100	100
Long-term Disability Insurance	100	100	0	100	100
Short-term Disability Insurance	100	0	0	25	84
Long-term Care Insurance	0	0	n/a	25	n/a
Employee Assistance Program	100	100	n/a	73	100
Retirement Benefits					
Firms Offering Retirement Plan (% of firms)					
	93	88	75	92	95
Retirement Plans (% of firms)					
401(k)	87	78	67	68	94
Profit Sharing Plan	46	47	53	41	50
Payroll Deduction/SEP/SIMPLE IRA	14	17	27	23	6
Defined Benefit Plan	5	7	7	5	11
Money Purchase Plan	1	0	0	0	0
401(k) Plan Options (% of firms)					
Traditional	79	64	50	53	76
Safe Harbor	25	40	30	47	41
SIMPLE	6	11	20	13	6
401(k) Provides Roth Contribution	20	25	20	21	29
Catch-up Contributions Allowed	90	75	70	64	88

Time Off & Other Benefits

	Typical U.S. Dist.	Typical DHI Dist.	Sales Under \$5 Million	Sales \$5 - \$15 Million	Sales Over \$15 Million
Time Off					
Paid Time Off Program (% of firms)	52	49	40	61	47
Days Off Accrued (per year)	15	15	15	15	15
Carry Over Accrued PTO (% of firms)	38	50	50	43	56
PTO Includes Paid Holidays (% of firms)	32	47	50	57	33
Paid Holidays (# days, if not incl. in PTO)	8	8	n/a	8	8
Separate Sick/Vacation Programs					
Salaried Paid Sick Days (% of firms)	100	100	100	100	100
Salaried Sick Days (per year)	5	5	5	5	5
Hourly Paid Sick Days (% of firms)	100	100	100	100	100
Hourly Sick Days (per year)	5	5	5	5	5
Paid Holidays (per year)	8	8	8	7	8
Other Time Off Policies (% of firms)					
Paid Parental Leave	17	20	25	22	17
Paid Jury Duty	74	63	50	57	78
Paid Military Duty	19	14	15	4	22
Holidays Observed (% of firms)					
New Year's Eve	23	25	25	17	28
New Year's Day	99	98	100	96	100
Martin Luther King's Birthday	2	0	0	0	0
Presidents' Day	6	3	5	0	6
Good Friday	22	31	40	30	17
Memorial Day	96	97	95	100	94
Independence Day	99	97	95	100	94
Labor Day	97	98	100	96	100
Veteran's Day	5	11	5	9	17
Thanksgiving Day	99	98	100	96	100
Day After Thanksgiving	64	64	55	74	61
Christmas Eve	48	61	45	74	61
Christmas Day	99	97	100	96	100
Personal/Floating Holiday	29	23	20	17	33
Other Religious Holidays	2	5	0	4	11
Other	7	14	15	9	17
Other Benefits					
Flexible Spending Accounts (% of firms)					
Health Care	46	37	20	35	53
Dependent Care	42	37	15	39	53
Adoption Assistance	4	5	0	0	16
Christmas & Year-end (% of firms)					
Cash	32	38	40	38	37
Gift	46	45	40	50	47
Party	76	79	60	88	84
Year-end Bonus	32	39	40	50	26
Other Benefit Programs (% of firms)					
Child Care (allowance or facilities)	5	3	0	4	5
Flexible Work Scheduling	38	40	35	39	47
Educational Assistance	44	51	30	52	63
Pre-Retirement Counseling	14	5	0	9	0
Annual Computerized Benefits Statement	26	28	15	39	26
Smoking Restrictions in Workplace	88	86	80	83	95
Employee Policy Manual	84	91	85	91	95