



F&L Search Publication Sales Survey Series: Issue 2

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F&L Search is the leading recruitment firm for sales professionals in the financial world, striving to partner with institutions and individuals in the best possible way.

Our clients provide [Research](#), [FinTech](#) solutions, [SaaS](#), [Data](#) and any other subscription style services.

We are deeply committed to the sales community, gathering data to enhance our first-hand insights through a Sales Survey. The results are detailed in a series of 8 reports, to be published in the coming months, alongside a series of webinars.

Once published all reports will be available on our website [here](#).

- 01 Salespeople's Priorities
- 02 Bonus and Base Comp**
- 03 AM vs NB
- 04 Trends in seniority
- 05 Income and Management
- 06 Recruitment
- 07 Things that don't matter
- 08 F&L thoughts on series

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Have your say – if you are a sales person who has not completed our survey yet you can complete it [here](#)

Bonus Versus Base Distribution

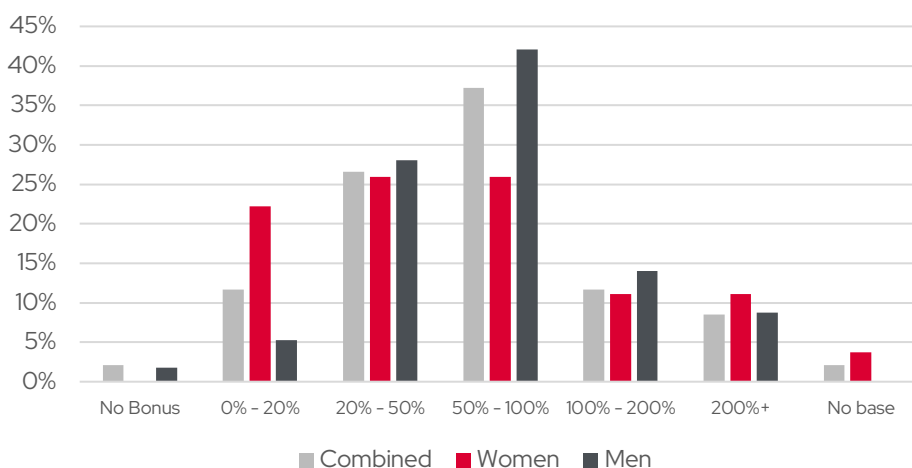
This report explores the topic voted most important in salespeople's opinion: income. As a make-or-break factor when considering a new job, total compensation needs to be carefully calibrated.

Report Findings

- 01** The bulk of women have bonuses that are 20-50% the size of their base salary, whereas the majority of men have bonuses 50-100% the size of their base salary
- 02** Women are less likely to be happy with their bonus/base split
- 03** Men are pickier about the size of their base salary
- 04** Over half of salespeople wish for a change in the makeup of their total compensation
- 05** Total compensation is the top priority for men and women

Current Bonus/Base split

Chart 2.1: Current Bonus Compared to Base



From the sample, we found that on average, men's bonuses made up 42% of their total compensation. Women's bonuses made up marginally less at 39% of their total compensation. This is not statistically significant.

22% of women, compared to 7% of men, have a bonus that is 0-20% of their base salary. 21% of men have a bonus 100%+ the size of their base, compared to 26% of women. The data sets are similar, the women have longer tails.

It took some convincing that this is right as the graph may look to suggest men's average is higher. I assure you, despite the differences at 0-20% & 50-100%, the averages are nearly identical.



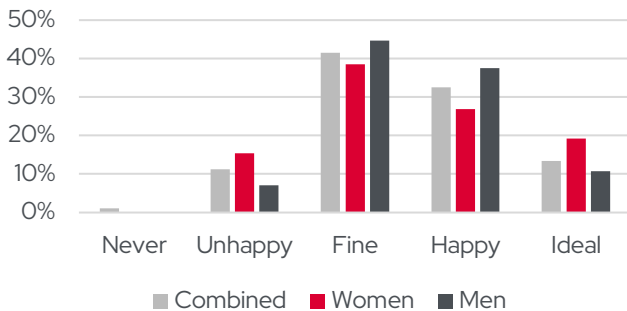
Happiness with current Bonus vs Base

Only 13% of people overall have their ideal income distribution.

19% of women currently have their ideal split, 1.7x more than men.

15% of women compared to 7% of men are unhappy with their current bonus to base ratio.

Chart 2.2: Happiness with current base/bonus split



Twice as many women (15% compared to 7% of men) are actively unhappy with their current base to bonus ratio.

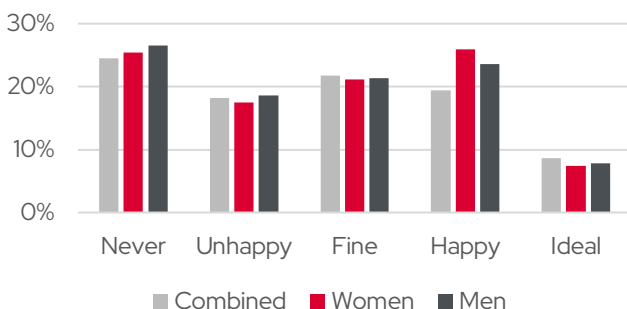
A big issue is highlighted here, with the majority (53%) of women reporting that they are unhappy or indifferent to their current bonus/base split.

A nearly identical 52% of men reported being unhappy or indifferent to their current split. There is a lack of satisfaction amongst salespeople regarding their overall income distribution.

Are men or women pickier?

Despite finding that women are on average less content with their balance of bonus to base, there is very little difference in the range of preferences.

Chart 2.3: Average number of ratings selected



The biggest difference between the selections was only a 2% swing for 'Happy' – a 2% swing means that of the 7 distributions, women rated 0.17 more as they would be happy doing.

Given the sample size the consistency of the results is outstanding, indeed statistically unlikely.

Is there a desire for change?

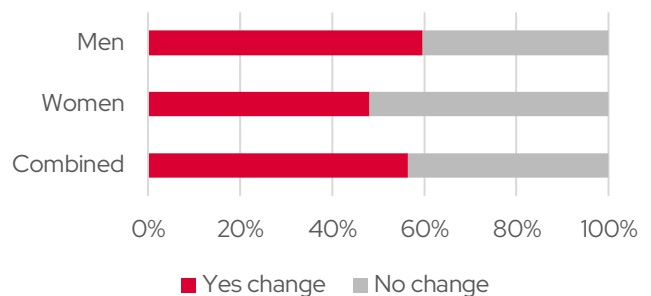
When asked directly whether they wish for a change in the balance between base salary and variable compensation, 60% of men, and 48% of women said that they did.

There is a notably greater proportion of men, (12% more) that want a change in their bonus/base split.

56% of salespeople overall want to see a change in the makeup of their salary.

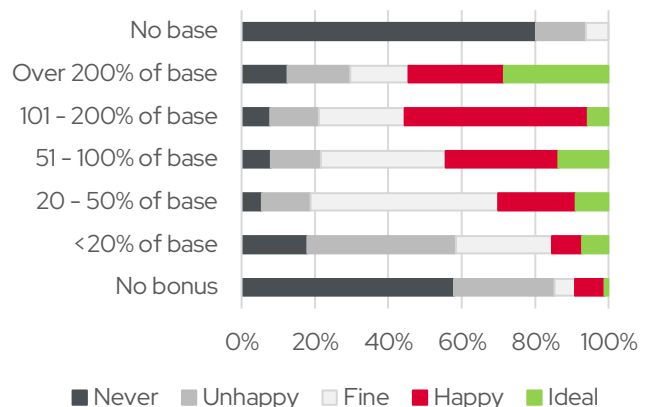
As an employer this is a controllable and inexpensive, yet greatly impactful, factor.

Chart 2.4: Current desire for change



What change do people want to see?

Chart 2.5: Salespeople's Preferences



Knowing that 56% of salespeople want a change in their base salary to bonus ratio is a powerful statistic, yet it does not help us to understand what change they want to see.

The above graph shows where people were most positive (green and red) and what they were most adverse to (dark greys).

Both men and women indicated a strong aversion for doing a job with each extreme end on the spectrum – i.e., an income with no bonus or a salary with no base.



54% of the sample would never consider doing a job with no bonus

69% of the sample would never do a job with no base

Incomes consisting of higher percentage bonuses are more preferable, particularly with men

Having just a base salary is therefore valued more than having an income solely consisting of variable compensation, not a single person would be 'happy' with no base.

However, when given the option of a balance, those with higher percentages bonuses were more desirable.

Whereas 13% of people put a bonus that is <20% of the size of their base salary as a happy, or ideal choice, 51% reported the same positive feelings for a bonus that is over 200% the size of their base salary.

Chart 2.6: Women's Preferences

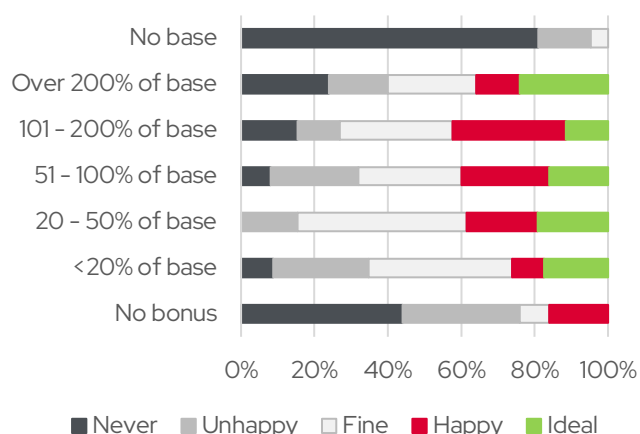
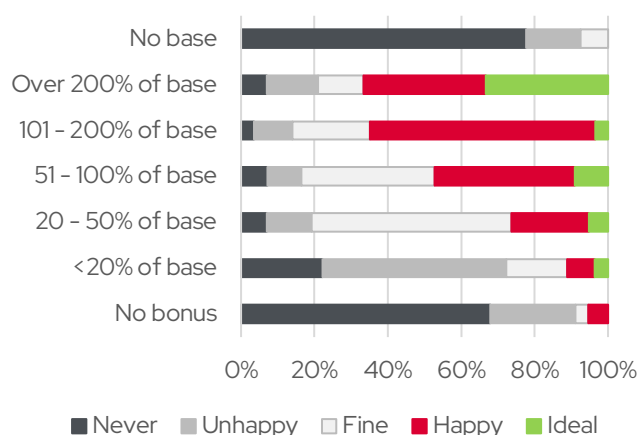


Chart 2.7: Men's Preferences



Comparing men and women we see a similar pattern which is more exaggerated for men. They are more pro larger bonuses, with women also preferring larger bonuses but with less strong of a trend.

How much should we care about this?

Men and women, when asked the relative importance of factors when considering a new role, consistently regarded total compensation as their top priority, with base salary a close second.

This was covered extensively in Publication 1, a few highlights:

62% of people (70% men, 46% women) selected total comp or base salary as their top priority.

78% of people (82% men and 68% women) selected total comp in their top 3 factors.

While there are numerous factors that influence salespeople, those surrounding compensation are the priority.

Conclusions

Salespeople, on average, want large bonus components, building on the previous finding that total comp is the clear top priority.

There are, as previously found, a wide range of preferences, with a number of people leaning towards a lower bonus and higher base, in particular women.

The majority of salespeople (56%) actively want to see a change in their bonus components, and 87% could have a more preferable distribution.

F&L Advice

High bonus components make moving jobs difficult for two main reasons:

- 1) Walking away from a bonus you have accrued
- 2) Greater understanding/faith in current set up than with a new firm

However, we have seen from this report that a high bonus is essential for a lot of salespeople.

When looking to attract talent we suggest that wherever possible:

- 1) Provide as much clarity as possible around the bonus
- 2) Bring flexibility to the table
- 3) Consider flexing start dates to reduce bonus loss (start searches earlier)
- 4) For top talent you may have to buy out bonuses





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