

Setting Up Commission Structures Within commonsku

How commonsku Helps You Align Commissions with Profitability

Are you looking to reward your team for bringing in high-margin business without padding commissions on pass-through costs like freight or labor? Learn how commonsku can give you the flexibility to build smart, margin-based bonus structures.

Set Your Base Commission Rules

Start by setting default commission rates for each rep. This can be either based on total sales or more commonly, on gross margin. You can also assign different commission rates depending on the rep's role in a deal, whether they're the client rep, order rep, or both.

You can choose what counts as margin. This means you can exclude freight, shipping, and fulfillment fees from your margin calculations. So bonuses are paid only on the true profit, not padded by third-party costs you don't mark up.

Note: Commission settings are available on commonsku's Advanced plan and higher.

Reward High-Margin Orders with Tiered Bonuses

You can set up a margin table that rewards reps based on how profitable an order is. For example:

Orders with a 30% margin might get the standard payout.

Orders over 40% margin could multiply a rep's commission rate by 1.25x or 1.5x, thus rewarding high-profit deals more generously.

Set Caps to Prevent Overpayment

You can set a maximum threshold so total commission on a deal never exceeds a set percentage of margin. This is especially helpful for maintaining profitability when multiple reps are involved.

Build in Annual Sales Goals

You can add annual sales targets for each rep and boost their commission if they're on track to hit their goal. commonsku uses multipliers here too, meaning reps can earn more commission as they hit key percentages of their annual target.

Customize Commission by Client

You can assign client-specific commission multipliers that override the standard structure, giving you granular control.

Clear Reporting and Flexibility

The commission report gives you a full breakdown into who's earning what, and why. You also have the capability to override commission on projects regarding special circumstances.