TWENTY-SIXTEEN
SALES
MANAGER
SALARY
SURVEY
2016
THE PAST FEW YEARS HAVE BEEN GOOD TO THE INDEPENDENT DEALER CHANNEL. MPS HAS BROUGHT NEW REVENUE STREAMS AND, FOR SOME DEALERS, A NEW LEASE ON LIFE.

“During our 30 years in business, people have repeatedly predicted the death of the independent dealer,” says Paul Schwartz, president of Copier Careers, a recruiting firm that works exclusively with copier channel employers and candidates. “When the recession hit in ’08, it looked like those predictions might finally come true. But MPS came along at just the right time, and today the independent dealer channel is booming.”

For copier channel sales managers, this is as close as it gets to a golden age. Compensation is excellent, satisfaction is high, and optimism has permeated the industry. Naturally, there are challenges. Hiring experienced sales reps has become extremely difficult, and the time commitment required to recruit, mentor, and motivate inexperienced reps can take its toll. But if you ask most sales managers, they would tell you the rewards are worth the struggle.
ONE THOUSAND, ONE HUNDRED NINETY NINE COPIER CHANNEL SALES MANAGERS PARTICIPATED IN THIS YEAR’S SALARY SURVEY.
Since 2002, Copier Careers has conducted detailed annual surveys of copier service technicians, service and operations managers, and sales managers. Five years ago, we added a fourth survey of copier channel sales reps. All four surveys track a variety of data and measure how well industry professionals are compensated, how satisfied they are in their careers, and how well their needs align with the needs of their employers.

This year's Copier Careers® Sales Manager Salary Survey reflects the responses of 1,199 copier channel sales managers who completed our online salary survey over the past year. The largest percentage of respondents (39%) work for single-location independent copier dealerships. The rest work for multi-location regional dealerships (26%), OEMs (21%), national sales & service organizations (11%) and other non-specified copier channel employers (3%). Thirty percent of respondents are women, and nearly 70 percent of those surveyed say they manage teams of 10 people or fewer. Both traditional sales managers and selling sales managers are represented in our survey.
Over the past few years, sales manager compensation has risen steeply, increasingly more than 50 percent since we conducted our first salary survey in 2002. The largest increases have occurred since 2010, when MPS began to overtake traditional equipment sales as the industry’s predominant service offering. This year things leveled off, with compensation rising only slightly.

Since 2015, the average sales manager has seen an increase of $294 in base pay and $2,193 in commission, bringing totals to $59,120 and $93,437, respectively. At $152,557, total average compensation is up less than 2 percent since last year. Nevertheless, half of all sales managers say they’re either satisfied or very satisfied with their compensation. Overall job satisfaction is even higher, with nearly 60 percent of sales managers reporting that they are satisfied or very satisfied with their jobs on the whole.

In addition to cash compensation, 99 percent of respondents receive health benefits from their employers, 98 percent receive a company car or car allowance, 34 percent receive compensation for certification reimbursements, and 27 percent are reimbursed by their companies for further education or training.

For both sales managers and the reps they oversee, recurring MPS revenues make up a major portion of total compensation. Keeping reps motivated to hunt for new business has become a serious challenge in the era of MPS annuities, and we have begun to see dealerships tweak their compensation structures accordingly.

“We get requests to recruit for hunter sales reps all the time,” says Schwartz. “It can be very frustrating for owners and sales managers to try to reward their people for performance while still incentivizing them to go out and hunt for new accounts and territories. Finding true hunters—people who are intrinsically motivated to push themselves further every month, every quarter, every year—is the perennial challenge for every sales manager, especially now when it’s so easy for reps to get comfortable coasting on big MPS contracts.”
**Why is it so difficult to recruit experienced sales reps?** It comes down to annuities. Recurring revenue from MPS takedowns makes it risky for sales reps to change employers, and as a result we are finding that both sales reps and sales managers are now staying in their jobs longer than they did in the pre-solutions era. For sales managers, this poses a serious recruitment problem.

“Three or four years ago, we could call up almost anybody who was working at a traditional box-pushing dealership and convince them to consider moving to an MPS dealership,” says Jessica Crowley, Business Development Manager and Senior Recruiter for Copier Careers. “There was so much more money to be made in selling solutions that it was easy for MPS dealerships to hire sales staff with strong industry experience. But that is no longer the case. MPS annuities have made staying at the same job a more attractive option for experienced reps.”

To grow their teams, many sales managers have turned to hiring mostly entry-level people or recruiting sales professionals from outside of the copier industry. While this form of hiring has its advantages, the drawback is that it requires sales managers to invest significant time in training and mentoring their teams, which may explain why the average length of a sales manager’s work week has increased from 59 to 62 hours over the past year.

And while hiring from outside the industry is currently easier than hiring experienced copier channel reps, it also has its challenges, one of which is convincing non-industry people that the copier channel is about more than selling copiers.

“The copier channel has an image problem,” says Schwartz. “It is almost always necessary to explain to people from outside the industry that this business isn’t about selling copiers—it’s about selling a huge variety of solutions that happen to be delivered through copiers and MFPs. General perceptions about the industry have not kept pace with the reality of how technologically sophisticated it has become. Which means it takes a lot of effort on the part of sales managers to get good candidates in the door, and to sell them on the idea of working in the industry.”
“IT TAKES A LOT OF EFFORT ON THE PART OF SALES MANAGERS TO GET GOOD CANDIDATES IN THE DOOR AND TO SELL THEM ON THE IDEA OF WORKING IN THE INDUSTRY.”
As the technological sophistication of the industry has increased, the overall interest in technology among sales managers has increased as well. Of the issues sales managers say matter most to them, the “ability to work with leading-edge technology” and the “ability to work on creating innovative IT solutions” rank in the top ten.

“Among the newer generation of sales managers, there’s a real excitement around new technology and solutions,” says Crowley. “This is really one of the only industries I can think of where you can walk into any office and as long as you understand the solutions and take the time to listen to the customers’ needs, you can walk out with a sale. I think sales managers have come to appreciate that, and to realize that the more knowledgeable they and their teams are about the technology, the better job they can do of serving their clients.”

Schwartz adds that regardless of whether they’re excited about it or not, sales managers today have little choice but to get on board with new technology. “OEMs are adding new products constantly, and dealerships are adding new solutions all the time. Just keeping up with what’s new in the industry takes a lot of time and effort, and that is bound to continue as the industry becomes more closely aligned with IT.”
ARE YOU LOOKING FOR A NEW JOB?

- Yes, actively (48%)
- Yes, somewhat (42%)
- No (10%)

WHY ARE YOU LOOKING FOR A NEW JOB?

1. Want higher compensation
2. Job market opportunities are too good to pass up
3. Seeking a more dynamic company
4. I don’t like my current company’s management or culture
5. Seeking less stress

WHICH JOB-RELATED ISSUES MATTER MOST TO YOU?

1. Bonus opportunities
2. My work is important to the company’s success
3. Company-provided computer
4. Benefits
5. Prestige/reputation of company
6. Financial stability of company
7. Recognition for work well done
8. Ability to work with leading-edge technology
9. Ability to work on creating innovative IT solutions
10. Seeing how my job helps achieve company goals
At its core, the sales manager position has always been and will always be challenging and rewarding in roughly equal measures. Recruiting, managing, and motivating a team of salespeople is a tough job, period. And although MPS has created unique challenges for sales managers, particularly when it comes to recruiting and incentivizing employees, in the big scheme of things these are minor hurdles. For today’s sales managers, the future holds immense promise.

“Whenever I talk to dealer principals or managers, I always ask them how they feel about where the industry is going, and I can tell you that I have never seen people as bullish on the industry as they are right now,” says Schwartz. “A few years ago, people were legitimately concerned about where the copier channel was going and about the independent dealer’s place in it, but you just don’t hear that anymore. Optimism runs abundant. This industry is really the place to be right now, and sales managers are poised for long-term success in their organizations.” -CC

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