

Complete Guide to SDR Commissions For SaaS

Think you know how to pay your SDRs?
Think again.



visdum



SCHOOL
OF SDR

Table of Contents

Introduction	.....03
Chapter 1: The Role of SDRs in the SaaS Industry	.....09
Chapter 2: Commission Structure Fundamentals	.....13
Chapter 3: Designing a SaaS Sales Commission Plan	.....18
Chapter 4: Challenges in Commission Management	.....27
Chapter 5: Testing and Implementing Your Plan	.....38
Chapter 6: The Power of Incentives & Recognition	.....45
The Impact of AI on the Future of Sales Commissions	.....48
Conclusion	.....53
Additional Resources	.....54
About School of SDR and Visdum	.....55
Acknowledgments	.....57



Table of Contents

Introduction	.....03
Chapter 1: The Role of SDRs in the SaaS Industry	.....09
Chapter 2: Commission Structure Fundamentals	.....13
Chapter 3: Designing a SaaS Sales Commission Plan	.....18
Chapter 4: Challenges in Commission Management	.....27
Chapter 5: Testing and Implementing Your Plan	.....38
Chapter 6: The Power of Incentives & Recognition	.....45
The Impact of AI on the Future of Sales Commissions	.....48
Conclusion	.....53
Additional Resources	.....54
About School of SDR and Visdum	.....55
Acknowledgments	.....57



The SDR who almost quit—and the company that almost lost her



Sara was the type of SDR every company dreams of — driven, consistent, and always ahead of her targets.

What happened?

Sara had just booked a meeting with a dream client, a deal that could skyrocket the company's quarterly revenue. But as the deal moved forward, Sara started questioning whether all the effort was worth it. Her commissions didn't reflect her hard work, and the payout system was so complicated, even her manager couldn't give her a clear answer. Month after month, Sara's paycheck fluctuated without explanation. She wasn't just frustrated—she was ready to walk away.

What her company didn't realize was how close they were to losing one of their top performers. The confusion around compensation wasn't just hurting Sara—it was affecting the team's morale, forecasting, and ultimately, their bottom line.

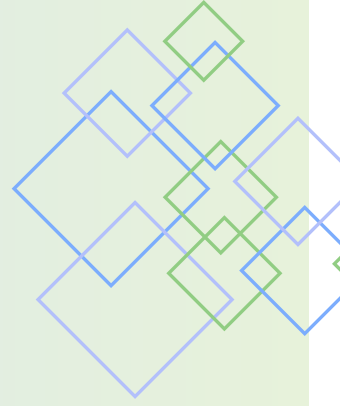
Then Sara discovered this guide. For the first time, she understood exactly how commissions worked and how to take control of her earnings. And more importantly, her company finally saw the value of clear, motivating compensation structures. With a standardized, transparent plan, they retained top talent like Sara, boosted performance across the team, and aligned SDR goals with the company's revenue targets.

This guide isn't just for SDRs—it's a blueprint for companies looking to create fair, motivating compensation plans that drive real business results.

If you've ever struggled to retain top talent or wondered how to link SDR success to company growth, this guide will change the way you approach compensation.

The State of SDR Compensation: A Growing Challenge

Sales compensation can make or break a SaaS company's growth. While commissions have always been central to sales roles, today's landscape is more complex than ever.



From varying base-to-commission ratios to multi-tiered structures, accelerators, and bonuses - compensation plans need to be carefully crafted based on business goals, market conditions, and team dynamics. The challenge? There's no universal formula.

Compensation structures vary widely across regions, influenced by local business cultures, economic conditions, and workforce expectations. Some markets emphasize higher base salaries with modest commissions, while others drive performance through substantial variable pay.

This brings us to a critical gap in the industry: **the lack of standardized guidance for SDR compensation in SaaS.**





This gap leads to:

- ✓ Frustrated SDRs struggling to understand their earning potential
- ✓ Companies losing top talent due to unclear or unmotivating compensation plans
- ✓ Misaligned incentives that hurt both business growth and SDR satisfaction

Let's look at how this plays out across the globe.



SDR COMPENSATION AROUND THE WORLD

Continent	Sub-region	Avg. Base Salary	Avg. Variable	Avg. OTE
Americas 	North America	\$52,500	\$22,500	\$75,000
	South America	\$21,000	\$9,000	\$30,000
	Central America	\$21,000	\$9,000	\$30,000
	Caribbean	\$20,000	\$5,000	\$25,000
Asia Pacific 	Northeastern Asia (Japan, South Korea, China)	\$40,000	\$20,000	\$60,000
	Southeastern Asia (Singapore, Malaysia, Philippines, Thailand)	\$27,500	\$12,500	\$40,000
	Central & South Asia (India)	\$12,000	\$8,000	\$20,000
	Australia and Oceania	\$50,000	\$20,000	\$70,000
Europe 	Northern and Western Europe (UK, Germany, Netherlands, Nordic Countries)	\$45,000	\$22,500	\$67,500
	Southern and Eastern Europe (Spain, Italy, Greece, Poland, Romania)	\$20,000	\$15,000	\$35,000
Middle East /Africa 	Middle East (UAE, Saudi Arabia, Qatar)	\$35,000	\$20,000	\$55,000
	Northern Africa (Egypt, Morocco, Tunisia)	\$15,000	\$7,500	\$22,500
	Southern Africa (South Africa)	\$25,000	\$10,000	\$35,000



SDR Compensation Around the World

KEY OBSERVATIONS:

- ✓ North American SDRs typically see a higher base salary and total compensation
- ✓ Emerging markets focus more on variable pay to drive performance
- ✓ Regional economic conditions significantly impact compensation structures

Want to dive deeper into global SDR compensation trends?

Check out a detailed analysis in our blog post:

["Global SDR Compensation Trends: 2024 Analysis"](#)

The Cost of Getting SDR Compensation Plans Wrong

The lack of a standardized, fair, and motivating compensation plan for Sales Development Representatives (SDRs) can create significant challenges across various levels within a SaaS organization, affecting not only the SDRs themselves but also the overall business performance and management.

1. Impact on Business

Without a clear and effective compensation plan, a business can face several negative outcomes that directly impact its bottom line and growth potential:



Misaligned goals leading to poor pipeline quality



Unpredictable revenue due to inconsistent performance



High turnover costs from frustrated SDRs leaving

2. Impact on SDR Managers

SDR managers play a key role in motivating and leading their teams. The absence of a well-structured compensation plan can create major challenges for them:



Demotivated SDRs uncertain about their earnings



Managers spending excessive time resolving compensation disputes



Reduced collaboration as teams focus on individual metrics



3. Impact on SDRs

For SDRs, especially those in the early stages of their careers, a poorly designed compensation plan can lead to confusion, frustration, & even career stagnation:



SDRs unable to plan their financial future



Reduced trust in company leadership



Career growth uncertainty



Why Standardizing SDR Compensation Matters

Given the significant impact that SDRs have on the growth of SaaS companies, standardizing SDR compensation is essential for creating a fair, transparent, and motivating environment for SDR teams across the industry.

The purpose of this guide is to:

- ✓ Establish clear standards for SDR compensation
- ✓ Give SDRs clarity on their earning potential
- ✓ Drive innovation in SDR role development
- ✓ Share best practices for retention and motivation
- ✓ Help companies design effective commission structures

Whether you're an SDR leader looking to improve your compensation strategy or an SDR wanting to understand your earning potential, this guide provides practical, actionable insights backed by real-world experience.

Chapter-1: The Role of SDRs in the SaaS Industry

Sales Development Representatives (SDRs) are the backbone of the SaaS sales engine. Their role is crucial in prospecting and qualifying leads, ensuring the sales pipeline remains healthy and productive.

Let's look at some major challenges and opportunities that make their role crucial, demanding and rewarding.

CHALLENGES

Product Complexity

SDRs need to thoroughly understand their products. They must explain features, highlight benefits, & show how the product solves specific problems for prospects.

Fierce Competition

SaaS companies are everywhere. SDRs have to work hard to stand out, always learning new ways to connect with potential customers

Long-Term Engagement

Big companies often take time to make decisions. SDRs must keep multiple decision-makers interested and smoothly pass leads to the sales team when they're ready.

OPPORTUNITIES

Growing Market

More businesses are looking for digital solutions. This means SDRs in SaaS have plenty of opportunities to help companies improve their operations.

Valuable Skills

Working in SaaS helps SDRs gain important abilities. They learn about products, technology, market trends, and advanced sales methods.

Career Advancement

SDRs who excel at finding and qualifying leads often move up quickly. They can become Account Executives, Customer Success Managers, or even Sales Managers.

IMPACT

Accelerating Sales

By pinpointing the most promising leads, SDRs help sales teams work smarter. This can lead to faster deals and boost monthly recurring revenue.

Gathering Market Intel

Through their conversations with prospects, they pick up on trends, what competitors are doing, and what problems customers need solved.

Starting Strong with Customers

SDRs often make the first impression. When they build trust and show the product's value early on, it sets the stage for good relationships.

Healthy Sales Pipeline

SDRs kick off the sales process. They find and screen potential customers, making sure the sales team always has good leads to work with.

Role of SDR: Inbound vs when it's Outbound

The SDR's role can vary significantly depending on whether the sales model is inbound or outbound. Understanding these differences is key to structuring compensation and setting realistic targets.

Inbound SDRs

Inbound SDRs handle leads that have shown interest in the product by engaging with content, signing up for newsletters, requesting a demo, dropping in through chat, signing up for webinars, or downloading resources. They qualify these leads based on predefined criteria, ensuring they are a good fit before passing them to the sales team.



Outbound SDRs

Outbound SDRs actively reach out to potential customers through cold calling, emailing, social media, and other channels. Their main goal is to generate interest and convert cold leads into qualified prospects.

TYPE OF SDR	CHALLENGES	OPPORTUNITIES
Inbound SDRs	Inbound leads often have varying levels of interest and readiness to buy, so SDRs need to quickly assess and prioritize the most promising ones.	These SDRs can focus on more personalized engagement, leveraging the prospect's previous interactions with the company to build rapport.
Outbound SDRs	They face higher rejection rates and need to be skilled at crafting compelling messages to break through the noise.	They often gain extensive knowledge of different market segments and develop strong sales skills, positioning them for career growth.

Role of SDR: SMB, Mid-Market, and Enterprise

SDR responsibilities and strategies also vary depending on the target market segment. Compensation and performance metrics should reflect these differences to drive the right behaviors and outcomes.

SDRs targeting SMBs (Small-to-Medium Business)

SDRs targeting **SMBs** usually focus on a high volume of leads with shorter sales cycles. They rely on a mix of inbound and outbound strategies, often dealing with single or small teams of decision-makers.



SDRs Targeting Mid-Market Businesses

SDRs working with **mid-market companies** encounter a mix of short and medium sales cycles. The role requires a balance of volume and personalization in outreach. They deal with multiple stakeholders, requiring more in-depth qualification before passing leads to sales.

SDRs Targeting Enterprise Businesses

For **enterprises**, SDRs focus on strategic, highly personalized outreach to large companies with lengthy and complex sales cycles. Their goal is to identify key decision-makers and nurture relationships over time.

BUSINESS	CHALLENGES	OPPORTUNITIES
SMB	Speed and scale of outreach are big challenges. Limited budgets mean SDRs need to quickly demonstrate ROI and keep conversations straightforward.	Quick wins can boost morale and provide valuable sales experience. The fast pace often translates into rapid feedback and learning for SDRs.
MID-MARKET	Prospects expect tailored solutions, so SDRs must be well-versed in the product's features and use cases. They need to understand the prospect's unique business needs and convey how the SaaS product can address them.	Mid-market accounts typically offer larger deal sizes than SMBs, providing SDRs the chance to refine their skills in handling more complex sales processes.
ENTERPRISE	Deals involve multiple stakeholders, higher scrutiny, and a longer qualification process. SDRs need to be adept at account-based selling, understanding each prospect's organizational structure and pain points.	SDRs are able to develop deep market knowledge and build high-level connections. Success in this space often leads to career advancement and higher compensation due to the large deal sizes involved.

Chapter 2: Commission Structures Fundamentals

Designing a competitive, motivating SDR compensation plan that aligns with your business goals can be challenging. Performance goals must be made clear, tangible, and achievable to keep SDRs motivated and focused. Similarly, their compensation plans should fulfill their needs, yet spark a hunger for higher performance.

BUILDING BLOCKS OF SDR COMPENSATION

Your commission structure shapes how SDRs work and directly impacts your pipeline quality. A well-designed plan keeps SDRs motivated and focused on the right activities, while a poor one can damage morale and hurt revenue goals.

1

BASE SALARY VS VARIABLE PAY



- ✓ Most SDR plans follow a 70:30 split
- ✓ Base salary provides financial stability
- ✓ Variable pay drives performance and rewards success
- ✓ Finding the right balance is crucial for motivation & retention



2

KEY METRICS THAT MATTER



- ✓ Number of qualified meetings
- ✓ Lead-to-opportunity conversion rates
- ✓ Sales accepted leads (SALs)
- ✓ Pipeline contribution/Meeting show rates

Understanding Commission Plan Types

Let's explore the two main approaches to SDR commission plans and their real-world impact. The debate often boils down to two main types of plans: **volume-based** and **conversion-based**.

I. VOLUME-BASED SDR COMPENSATION PLANS

Volume-based plans are straightforward plans that pay as per the number of qualified meetings or meetings that convert into opportunities, having a fixed commission for each such meeting.

The two main types of volume-based plans are:

PAY PER MEETING		PAYMENT PER OPPORTUNITY	
SDRs are paid for each qualified meeting they book, which might seem logical at first but can lead to poor prioritization and lack of quality.		This extends responsibility further into the sales cycle by rewarding SDRs only for leads that convert into opportunities.	
PROS	CONS	PROS	CONS
Easy to measure and track	May encourage quantity over quality	Encourages focus on quality leads	Less SDR control over outcomes
Clear connection between activity and reward	Could lead to poor lead qualification	Aligns with sales team goals	Can create tension with Account Executives
Easy to understand	Doesn't scale well with funnel changes		Longer wait time for commission

II. CONVERSION-BASED SDR COMPENSATION PLANS

Conversion-based plans tend to strike a better balance between volume and quality. These plans focus on how effectively SDRs convert leads into more advanced sales stages, measuring their conversion rates and using that as the basis for compensation.

% LEAD TO DEMO		% LEAD TO OPPORTUNITY	
This popular approach rewards SDRs based on the percentage of leads that convert into completed sales meetings.		This model measures the percentage of leads that convert into sales opportunities, prioritizing quality but giving less control to SDRs.	
PROS	CONS	PROS	CONS
Balances quantity and quality; and scales well with varying lead volumes	Requires clear conversion benchmarks	Focuses on pipeline quality	Less direct SDR control
Encourages follow-through on scheduled meetings	Need to account for lead quality variations	Aligns with revenue goals	Dependent on AE performance

THE IDEAL APPROACH:

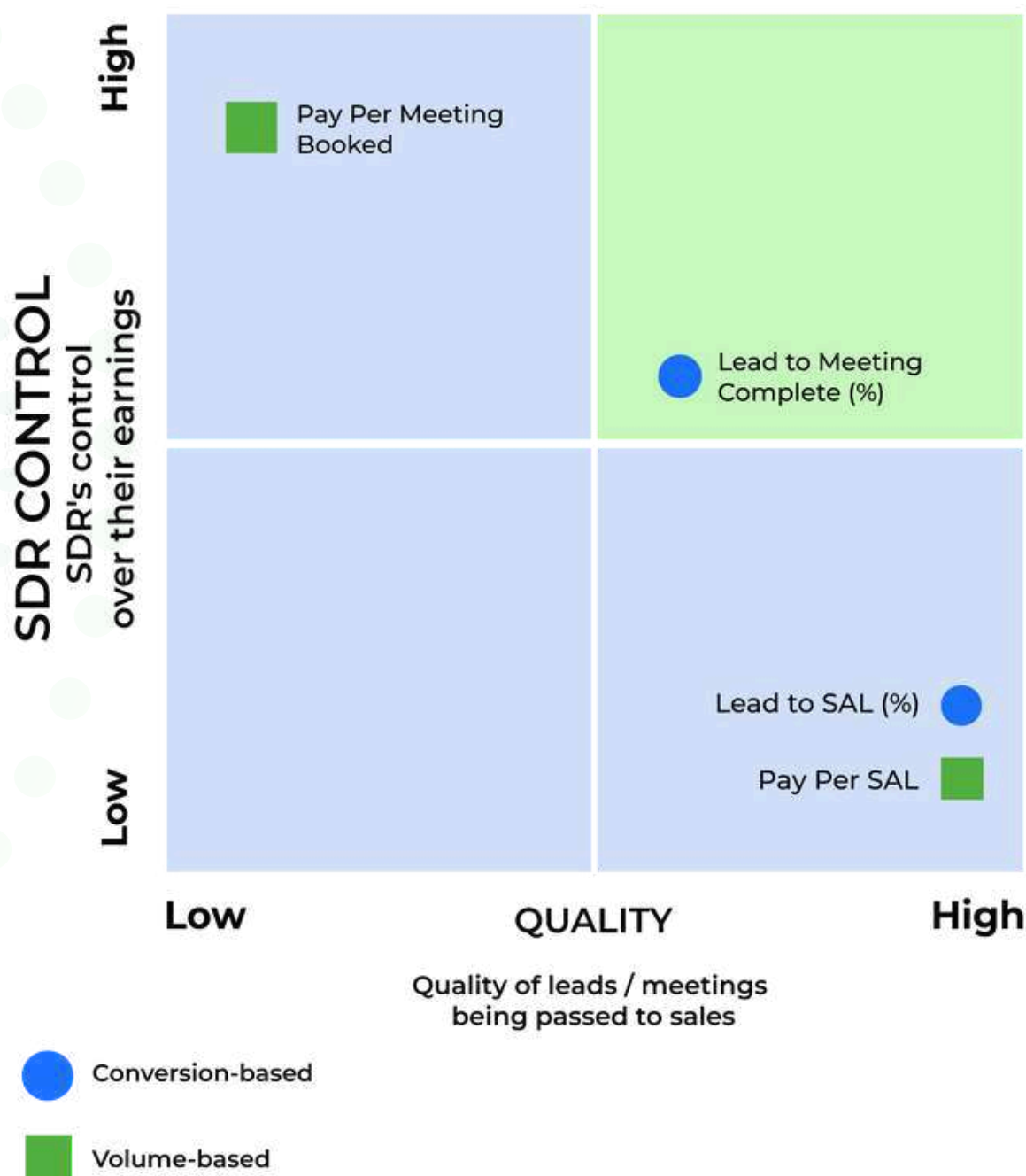
% LEAD TO DEMO COMPLETED

Having experimented with multiple approaches, we've found that using **% Lead to Demo Completed** is the most effective basis for variable compensation for SDRs.



It balances volume and quality while ensuring SDRs have control over their success, staying engaged deeper into the funnel and driving results.

This model allows SDRs to be fully accountable for their pipeline contribution while aligning with the business' overarching goals. It's easy to track, scales well, and ensures that SDRs maintain focus on qualified, engaged leads.



ADDRESSING COMMON CONCERNS

Should I pay SDRs if they don't achieve 100%?

Absolutely. It's important to maintain fairness and financial security. Continual underachievement should be addressed through performance improvement plans (PIPs), not through punitive compensation structures. Threats eventually demotivate employees and pave the path for them to leave.

Consider allowing SDRs to qualify for variable pay once they reach 80% of their target (setting a qualification gate), thereon scaling payments as a multiplier of their achievement.



Is adding accelerators always a good thing?

If your comp plan aligns well with pipeline targets, accelerators are an excellent tool for motivating over-performance.

For example, if an SDR reaches 100% of their OTE (On-Target Earnings) before the quarter ends, introduce accelerators to reward ongoing success. However, cap this accelerator—usually at 150% of their target—to maintain financial planning control.

There's no one-size-fits-all answer to designing the perfect SDR commission plan. Factors such as your sales funnel structure, inbound traffic, and ICP will influence the ideal approach. However, the most effective plans empower SDRs, balancing volume with quality while keeping goals tied to activities they can directly control and measure.

By implementing a well-thought-out commission plan that motivates, rewards, and aligns with your company's goals, you'll be well on your way to building a high-performing SDR team that consistently drives demand and pipeline success.

Chapter 3: Designing a SaaS Sales Commission Plan

Designing an effective sales commission plan for SDRs in the SaaS industry is crucial for driving performance, motivating your team, and achieving business objectives. This chapter will guide you through the process of creating a well-structured, fair, and motivating commission plan that aligns with your company's goals and keeps your SDRs engaged and productive.



Base Salary



Bonuses



Incentives



Career Progression



Commissions



Quota Attainment



Team-based compensation



Stock options or equity

1

DETERMINE SDR ON-TARGET EARNINGS (OTE)



The first step in designing your SaaS sales commission plan is to determine the On-Target Earnings (OTE) for your SDRs. OTE represents the total amount an SDR can expect to earn if they achieve 100% of their quota.

Why Start with OTE?

Starting with OTE allows you to work backward, ensuring you stay within budget while offering a competitive and fair package. The goal is to find an OTE that reflects your company's goals and market standards.

Key Metrics To Consider:

1

Average Contract Value (ACV)

Understand the average revenue each customer brings over a contract's lifecycle. This helps you determine how much you can afford to pay your SDRs while maintaining profitability.

2

Expected Outcomes and Conversion Rates:

If you have an existing SDR team, analyze their performance data, such as how many qualified leads they generate and the revenue impact over a year.

3

Revenue Goals: Establish the revenue contribution expected from your SDR team. For example, if your company's goal is \$10 million in new revenue, and SDRs are expected to generate 30-40%, they need to drive \$3 million to \$4 million in revenue collectively.



If you have 10 SDRs expected to generate \$3 million annually, each SDR's annual quota is \$300,000. Using a quota-to-OTE ratio of 5:1 or 8:1 (industry benchmarks), their OTE should range from \$37,500 to \$60,000. This range ensures your compensation plan is both competitive and aligned with company objectives.

Note:

Your OTE will vary based on factors like team size, product cost, and company goals, but starting with this calculation provides a strong foundation.

2

DETERMINE THE PAY MIX



The pay mix refers to the ratio between base salary and variable (commission) pay. This ratio varies depending on the SDR's experience level and the nature of their role.

Common Pay Mix Ratios:



1

50/50 Split

This mix offers an equal balance between base and commission, often used for more experienced SDRs who thrive in performance-based roles.

2

70/30 Split

This is ideal for entry-level SDRs, offering a stable income while still providing motivation through variable pay.

Why It Matters

A larger base salary provides stability and allows SDRs to focus on learning and building essential sales skills. However, too much security can lead to complacency. Striking the right balance ensures SDRs are motivated to achieve their targets without feeling overwhelmed by financial uncertainty.

Best Practice

Choose a pay mix that allows SDRs to live comfortably on their base salary but also encourages them to strive for higher performance to earn their full OTE.



3

IDENTIFY ACTIVITIES AND OUTCOMES TO TIE TO COMMISSION



SDRs typically earn commissions based on activities (actions they take) and outcomes (results achieved). Deciding which to prioritize will significantly impact motivation and performance.

Compensating for Activities

- 1 Activity Examples**
Paying for each call made, meeting booked, or opportunity created.
- 2 Benefits**
This approach works well for SDRs since they control their actions. It encourages consistent activity, essential for generating leads.
- 3 Limitations**
Focusing solely on activities can shift attention toward quantity over quality, leading to poor lead qualification

Compensating for Outcomes

- 1 Outcome Examples**
Paying a percentage of sales from closed deals that originated with the SDR.
- 2 Benefits**
Encourages a focus on high-quality leads that are more likely to convert.
- 3 Limitations**
Can be frustrating for SDRs since they don't control the closing process, which is managed by Account Executives (AEs).





Finding The Right Balance

Most effective SDR commission plans combine both activities and outcomes to avoid the extremes of quantity-over-quality or lack of control. For example, you might pay SDRs for each qualified meeting booked (activity-based) but offer bonuses for deals that progress further down the sales funnel (outcome-based).

4

DIFFERENTIATE COMPENSATION FOR OUTBOUND VS. INBOUND SDRS



Outbound and inbound SDRs perform distinct functions, requiring different commission structures to motivate them effectively.

Outbound SDRs:

These reps proactively prospect cold leads, reaching out through calls, emails, and social selling.

1

Key KPIs

Paying for each call made, meeting booked, or opportunity created.

2

Commission Plan

Focus on rewarding proactive outreach activities (e.g., paying per meeting booked) while also recognizing quality (e.g., a bonus for meetings that progress to a sales opportunity).



Inbound SDRs:

Inbound SDRs handle leads generated by marketing efforts, qualifying them before passing them to sales.



1

Key KPIs

Lead response time, qualified meetings booked, lead-to-demo conversion rates.

2

Commission Plan

Compensate based on how quickly and effectively they convert inbound leads, emphasizing metrics like lead response time and quality of meetings set.

Why Differentiate?

Inbound SDRs work with warm leads, while outbound SDRs deal with cold prospects, requiring different skills and effort levels. Aligning their compensation structures with their respective roles ensures they remain motivated and focused on the right activities.

5

SET ATTAINABLE SALES QUOTAS



Setting realistic and attainable sales quotas is crucial for maintaining SDR motivation and driving performance. Here's how to approach quota-setting:

1

Analyze Historical Data

Look at past performance data to understand what's achievable. If you're a new company, research industry benchmarks for similar roles and company sizes.

2

Consider Market Conditions

Factor in current market trends, economic conditions, and your product's position in the market.



3 Align with Company Goals

Ensure that individual SDR quotas roll up to meet overall company revenue targets.

4 Use the "Goldilocks Principle"

Set quotas that are challenging but achievable. Too low, and SDRs may become complacent; too high, and they may become discouraged.

5 Regularly Review and Adjust

As your business evolves, be prepared to adjust quotas to reflect changing circumstances.



6 IMPLEMENT THRESHOLDS AND ACCELERATORS



Thresholds and accelerators can add an extra layer of motivation to your commission plan.

Thresholds

- 1 Set a minimum performance level (e.g., 80% of quota) before commissions kick in.
- 2 This encourages consistent performance and prevents SDRs from earning commissions for subpar results.

Accelerators

- 1 Offer increased commission rates for performance above 100% of quota.
- 2 For example, 1.5x commission rate for 100-120% achievement, 2x for over 120%.
- 3 Cap accelerators (e.g., at 150% of target) to maintain financial predictability.

7

DEFINE PAYOUT FREQUENCY AND POLICIES



1

Payout Frequency

Monthly payouts are generally preferred, aligning with most people's financial planning. However, consider your sales cycle length when deciding.

2

Clawbacks

Define policies for commission recovery if a deal falls through after payout. Be clear about the circumstances and timeframe for clawbacks.

3

Deal Splits and Credit

Establish rules for how commissions are split when multiple SDRs are involved in a deal.

4

Documentation

Clearly document all commission policies and make them easily accessible to your team.

8

ENSURE TRANSPARENCY AND COMMUNICATION



1

Provide Real-Time Visibility

Use commission tracking software to give SDRs real-time access to their performance and earnings data.

2

Regular Check-ins

Schedule regular one-on-ones to discuss performance and earnings, addressing any concerns promptly.



3

Clear Communication

Ensure all aspects of the commission plan are clearly explained and understood by your SDRs.

4

Feedback Loop

Encourage SDRs to provide feedback on the commission structure and be open to making adjustments based on their input.

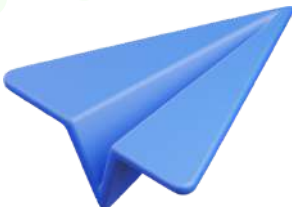


CONCLUSION

Designing an effective SaaS sales commission plan for SDRs is a complex but crucial task. By following these steps and considering the unique aspects of your business and team, you can create a plan that motivates your SDRs, aligns with company goals, and drives sustainable growth. Remember, the best commission plans are those that evolve with your business, so be prepared to review and adjust your plan regularly to ensure its continued effectiveness.

To help you better understand how to structure an SDR compensation plan, we've included a sample template below. This "Land & Expand" plan is designed for SDRs targeting mid-market businesses. Get your freebie. [↓](#)

DOWNLOAD SAMPLE COMP PLAN



Chapter 4: Challenges in Commission Management

Designing an effective commission structure is only half the battle. The ongoing management and administration of commissions present their own unique challenges. Let's explore the main hurdles companies face when managing their commission programs.

1

ACCURATE AND TIMELY CALCULATIONS



Ensuring accurate and timely commission calculations is a primary challenge. The sheer volume and complexity of data, combined with inefficient tools and processes, often lead to errors.

Complex rules, multiple tiers, varied payouts, and frequent changes to comp plans make computing commissions a significant operational burden.

As sales teams grow, tracking hundreds or thousands of individual transactions becomes increasingly difficult.

Each transaction has unique characteristics like sales volume, deal size, customer segment, and territory, which must be meticulously applied to the right compensation formulas.

Many companies still rely on Excel spreadsheets for commission management, despite the complexity.

90%

Studies show that **9 out of 10** spreadsheets **contain mistakes**. With an estimated \$800 bn spent annually on commissions in the United States alone, the potential for costly errors is substantial.



2

LACK OF TRANSPARENCY FOR SALES TEAMS



Sales reps need clear information about how their commissions are calculated, how much they'll earn, and when they'll be paid. Unfortunately, many companies struggle with transparency in their commission processes.

The lack of transparency often stems from unclear documentation on commission policies and limited access to commission details and payment history.

Sales reps want the ability to log in and see a breakdown of their earned commissions anytime. They also value visibility into their projected pipeline and what they can do to hit their targets.

80%

According to [WorldatWork](#), 80% of companies pay salespeople inaccurate commission rates. These inaccuracies **erode trust**, **damage sales morale**, and can lead to **high turnover rates**.



3

INQUIRY AND DISPUTE RESOLUTION



Despite commissions being a significant motivator for sales reps, finance teams often find themselves buried under commission-related queries and disputes during each payout cycle. Common reasons for these issues include:



Lack of transparency in commission structure and payout policies



Limited access to detailed earnings breakdowns



Adjustments to commission plans that impact compensation



Errors or perceived inconsistencies in commission data or payout amounts



Delays in receiving expected commission payments



Confusion about how specific transactions are credited or calculated

10%

Commission disputes drive away 1 in 10 sales reps, making it a silent **sales talent killer**.

While these issues are common, having a clear resolution process is crucial. Unresolved and recurring disputes can seriously damage sales morale, breed mistrust, and lead to high turnover rates.

4

MANAGING PAYOUTS AND CASHFLOW



Balancing commission costs with business profitability is a delicate task. While high commissions can motivate sales teams, they can also hurt the company's bottom line if not managed properly. Conversely, reducing commissions too much can demotivate the sales team.

Commission costs are hard to predict and control due to fluctuating sales performance. This unpredictability makes budgeting and planning challenging. Companies need to find the right balance by:



Establishing predictable commission payout schedules



Incorporating commission costs into overall sales capacity planning



Using software to track accrued commission liabilities in real-time



Regularly reviewing and updating compensation plans to align with company goals

5

LACK OF AUDIT TRAIL



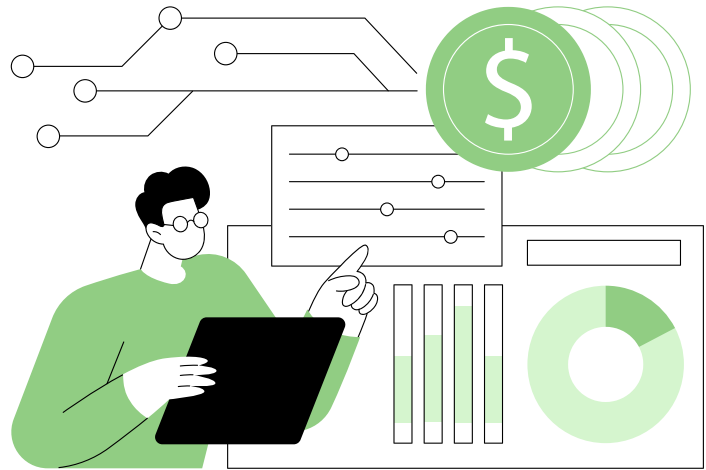
Sales reps want to know every detail about their commissions. However, many companies lack a clear paper trail or record of this information. Without a proper audit trail, sales reps struggle to verify the accuracy of their commissions, leading to distrust and disputes.

Maintaining a clear audit trail builds trust and transparency with the sales team. It provides confidence that the commission process is fair and offers a solid paper trail for resolving any issues or disagreements.

Commission Management Challenges for Subscription-Based Businesses

01.

Managing complex commission structures with different pricing tiers, upgrade/downgrade options, and varying contract lengths.



02.

Handling mid-year policy adjustments and clawbacks when subscription changes occur.



03.

Recognizing recurring revenue in compliance with accounting standards like ASC 606.



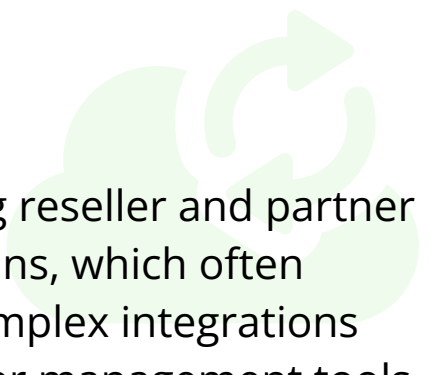
04.

Accounting for subscription upgrades and downgrades in commission calculations.



05.

Calculating reseller and partner commissions, which often involve complex integrations and partner management tools.



5 Common Pitfalls in Commission Structure Design



I. Failure to Evolve

- ✓ Leads to misalignment with business goals
- ✓ Results in disillusioned sales team



II. Lack of Transparency

- ✓ Breeds mistrust
- ✓ Makes earnings verification difficult



III. Misaligned Incentives

- ✓ Encourages counterproductive behaviors
- ✓ Steers away from customer-centric practices



IV. Overly Complex Rules

- ✓ Confuses salespeople
- ✓ Breeds frustration



V. Neglecting Team Dynamics

- ✓ Undermines collaboration
- ✓ Focuses too much on individual performance




Real-World Commission Challenges in SaaS



CASE STUDY | NAVIGATING RAPID GROWTH AND COMPLEXITY

ABOUT SIRION

 Bellevue, Washington

 ~1000 Employees

Started in 2012, Sirion is the global leader in AI-powered, enterprise-grade contract lifecycle management software. Sirion's end-to-end, enterprise-grade CLM solution is trusted by the world's most successful organizations to manage 5 million+ contracts worth over \$450 billion across 70+ countries.

CHALLENGES

After Series C funding, Sirion's sales team grew from 10 to 75 sellers across 4 verticals. This rapid expansion led to complex compensation structures managed through spreadsheets, resulting in:

- ✓ Lack of transparency
- ✓ Confusion among sales reps
- ✓ Countless hours spent on shadow accounting

SOLUTION

Sirion implemented a streamlined sales commission management platform by automating their commission process end to end.



IMPACT

15

Unique compensation plan structures automated

60

Complex plan variations being efficiently handled

100%

Visibility for sales reps

[Read Full Story](#)




Real-World Commission Challenges in SaaS



CASE STUDY | STREAMLINING MULTI-EVENT COMMISSION TRACKING

ABOUT HAPTIK

 New York, NY

 ~400 Employees

Founded in 2013, Haptik's Enterprise Conversational AI Platform helps brands acquire, convert, engage, & delight users with AI-driven, personalized experiences across 20 channels & 100+ languages.

CHALLENGES

Haptik's commissions were tied to three events - booking, billing, and collection - captured in multiple systems. This complexity created:

- ✓ **Difficulty in accurate commission computation**
- ✓ **Lack of real-time earnings visibility for 50+ reps across three continents**
- ✓ **Increased disputes between Finance and Sales teams**

SOLUTION

Haptik adopted an automated sales compensation system eliminating spreadsheets entirely, and reducing operational burden for Finance & Sales Ops while bringing clarity to sales reps.

IMPACT

90%

Decline in commission related disputes

88%

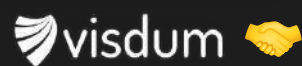
Reduction in commission payout time

100%

Transparency into compensation plans



[Read Full Story](#)



**SCHOOL
OF SDR**




Real-World Commission Challenges in SaaS



CASE STUDY ADAPTING TO RAPID CHANGES

ABOUT FAREYE

 Chicago, Illinois

 ~800 Employees

FarEye is a low-code, Intelligent Delivery Management Platform designed for a better delivery experience for everyone. Retail, e-commerce, and third-party logistics companies use FarEye's unique combination of orchestration, real-time visibility, and branded customer experiences to simplify complex last-mile delivery logistics.

CHALLENGES

FarEye's rapid growth necessitated mid-year changes to commission plans, including quota revisions and deferred incentives. This led to:

- ✓ Low morale and productivity issues
- ✓ Lack of visibility into calculations for reps
- ✓ Frequent miscalculations and incorrect payouts

SOLUTION

FarEye implemented a flexible commission management system to accommodate their unique compensation model, empowering their Finance and RevOps teams and enabling Sales reps to track their earnings in real-time.

IMPACT

48 hours

Dispute resolution time fell from weeks to 48 hours

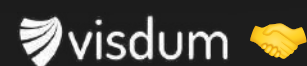
85%

Commission payout time decreased from 14 days to 2 days

100%

Visibility for sales reps

[Read Full Story](#)



SCHOOL
OF SDR



Real-World Commission Challenges in SaaS



CASE STUDY | SCALING COMPLEX COMMISSION STRUCTURES

ABOUT HUBILO

 San Francisco, California

 ~500 Employees

Founded in 2015, San Francisco-based Hubilo started its journey as a virtual networking platform for event attendees before evolving into a major player in the event-tech / hybrid events industry.

Hubilo works with some of the top brands – United Nations, Roche, Informa Markets, Tech in Asia, Fortune, AWS, Siemens, Cognizant, Veritas Technologies.

CHALLENGES

Hubilo's 10.5x growth in 2021 outpaced their commission management capabilities. They struggled with:

- ✓ **Manual, error-prone calculations**
- ✓ **Long payout times affecting rep morale**
- ✓ **Implementing advanced mechanisms like team-based bonuses**

SOLUTION

Hubilo upgraded to a robust commission management platform to automate their comp management process, saving their Operations team hundreds of hours.

IMPACT

70%

Reduction in commission payout time (from 40 to 12 hours)

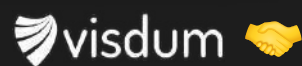
20+

Unique compensation plan scenarios supported

60+

Commissioned Sellers

[Read Full Story](#)



**SCHOOL
OF SDR**

THE POWER OF STANDARDIZATION, INTEGRATION, AND AUTOMATION

Looking at these case studies, a clear pattern emerges. Despite their unique challenges, Sirion, Haptik, FarEye, and Hubilo all found success by embracing three key principles:



01. **Standardized Workflows**

Each company moved away from ad-hoc processes and implemented consistent, repeatable methods for managing commissions. This standardization brought clarity and efficiency to their operations.

02. **Integrated Data Processing**

By consolidating data from multiple sources and systems, these companies eliminated silos and reduced errors. This integration provided a single source of truth for all commission-related information.

03. **Automation**

Perhaps the most transformative element, automation allowed these companies to handle complex calculations, frequent changes, and large volumes of data with speed and accuracy. This not only reduced errors but also freed up valuable time for more strategic tasks.

These principles enabled the companies to overcome challenges like lack of transparency, frequent disputes, inaccurate payouts, and slow processing times. The result was not just more efficient commission management, but also improved morale, increased productivity, and better alignment between sales activities and business goals.

As SaaS companies continue to grow and evolve, adopting these principles can provide a solid foundation for effective sales compensation management. By learning from these real-world examples, other organizations can navigate their own commission challenges and create systems that motivate their sales teams while supporting overall business objectives.

Chapter 5: Testing and Implementing Your Plan

Once you've designed your SDR commission plan, the next critical step is to test and implement it effectively. Proper testing and implementation ensure that the plan motivates your team, aligns with your company's goals, and delivers the desired results. This chapter will guide you through strategies for testing, refining, and implementing your commission plan using best practices and modern tools.

1

STRATEGIES FOR TESTING AND REFINING COMMISSION PLANS



I. Pilot Testing with a Subset of SDRs

Before rolling out the commission plan company-wide, start with a small group of SDRs to gather insights and feedback. This pilot phase allows you to identify potential issues, adjust targets, and refine the plan without impacting the entire team.



EXAMPLE

Test how a 60:40 pay mix works in practice and monitor how SDRs respond. Are they motivated? Do they understand how to earn commissions? Gathering real feedback during the pilot phase helps you make necessary adjustments.

II. Gather Feedback from Reps

Your SDRs are the ones experiencing the commission plan firsthand. Conduct regular feedback sessions to understand their pain points and suggestions for improvement.

BEST PRACTICES FOR GATHERING FEEDBACK



Conduct anonymous surveys to encourage honest feedback



Hold one-on-one meetings with top performers and those struggling



Create a feedback loop where SDRs can submit suggestions anytime



III. Analyze Performance Metrics

Regularly monitor key performance metrics like quota attainment, lead quality, and the impact on overall pipeline generation. This data will help you refine the plan based on real-world outcomes.

KEY METRICS TO MONITOR



Quota attainment rates



Lead quality scores



Overall revenue impact



Conversion rates at various pipeline stages

2

IMPLEMENTING AN EFFICIENT SDR COMMISSION PLAN



To ensure the smooth implementation of your commission plan, you can choose from the following methods:

I. Excel Spreadsheets

Many startups begin with Excel to manage commissions. It offers flexibility and customization but can become cumbersome as your organization scales.

BENEFITS

- ✓ Cost-effective and easy to set up for smaller teams
- ✓ Highly customizable for unique commission structures



CHALLENGES

- ✓ Manual data entry increases the risk of errors
- ✓ Tracking multiple metrics becomes complex over time
- ✓ Limited real-time visibility for SDRs
- ✓ Splitting master spreadsheets and distributing individual comp statements is tedious



II. Sales Commission Software

As your team grows, switching to a dedicated sales commission software ensures accuracy, transparency, and efficiency.



BENEFITS

- ✓ Real-time tracking and visibility for SDRs
- ✓ Automated calculations reduce errors
- ✓ Seamless integration with CRM systems
- ✓ Scalable as your team and commission structures grow



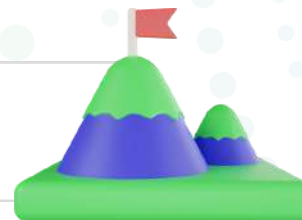
CHALLENGES

- ✓ It involves an initial learning curve



3

BEST PRACTICES FOR IMPLEMENTATION



I. Provide Comprehensive Training

Ensure all SDRs thoroughly understand the new commission plan. Conduct training sessions that cover:



The structure of the plan



How to calculate commissions



Tools and resources available to track performance

II. Create Clear Documentation

Develop a comprehensive guide that outlines all aspects of the commission plan. This should include:



Detailed explanation of commission structures



Examples of commission calculations



Frequently Asked Questions (FAQs)



Process for addressing disputes or questions



III. Establish a Support System

Set up a dedicated team or point of contact to handle questions and concerns about the commission plan. This could be a combination of:



HR Representatives



Sales Managers



Finance Team Members

IV. Implement Gradual Changes

If transitioning from an old system to a new one, consider implementing changes gradually. This could involve:



Running the old and new systems in parallel for a transition period



Phasing in new elements of the plan over time



Offering a "guarantee" period where SDRs earn the higher of the old or new plan

V. Regular Review and Adjustment

Set up a schedule for regularly reviewing the effectiveness of your commission plan. This could be:





Quarterly reviews for rapid-growth companies



Bi-annual reviews for more established organizations

During these reviews, analyze:

- ✓ SDR performance and satisfaction
- ✓ Alignment with company goals
- ✓ Financial impact on the organization



4

LEVERAGING TECHNOLOGY FOR IMPLEMENTATION



Modern sales commission software like offers several advantages for implementing and managing your SDR commission plan:

I. Automation

Automate commission calculations to reduce errors and save time. This includes:



Pulling data from CRM and other systems



Applying complex commission rules



Generating reports and payouts



II. Real-Time Visibility

Provide SDRs with dashboards showing their current performance and projected commissions. This increases motivation and reduces queries to management.

III. Integration Capabilities

Look for software that integrates with your existing tech stack, including:



CRM and ERP systems
(e.g., Salesforce,
HubSpot, NetSuite)



Billing and
accounting
software



HR and
payroll
systems

IV. Scalability

Choose a solution that can grow with your organization, handling:



Increasing
number of SDRs



More complex
commission structures



Multiple territories,
currencies, or product lines

CONCLUSION

Successfully testing and implementing your SDR commission plan requires a thoughtful approach combining careful planning, open communication, and the right tools. By following these strategies and best practices, you can create a commission system that motivates your SDRs, aligns with your business goals, and scales with your organization's growth.

Remember, the implementation of your commission plan is not a one-time event but an ongoing process. Regularly review and refine your approach based on feedback and results to ensure your SDR commission plan remains effective and motivating over time.



Chapter 6: The Power of Incentives & Recognition

Incentives and recognition play a crucial role in driving motivation, enhancing performance, and creating a positive culture within Sales Development Representative (SDR) teams. Beyond traditional commissions, incentives are vital for reinforcing desired behaviors and maintaining high levels of engagement.

1

IMPORTANCE OF RECOGNITION: WHAT DO YOU CELEBRATE?



I. Behavior Over Results

While results like closed deals and meetings booked are key, it's essential to celebrate the behaviors that lead to success—consistency, persistence, teamwork, and initiative. Recognizing behaviors ensures that SDRs know what actions drive results, reinforcing long-term success rather than short-term wins.

II. Creating a Growth Culture

Recognizing small wins like mastering a new skill, completing an effective call, or demonstrating leadership fosters a culture of learning and development. This encourages SDRs to focus on improving processes rather than just outcomes, leading to sustainable performance growth.

III. Public Recognition

Celebrating milestones publicly in team meetings, through company-wide shoutouts, or on social platforms helps SDRs feel valued and motivates others to emulate the behavior being recognized.



2

IDEAS FOR EFFECTIVE INCENTIVES (MONETARY & NON-MONETARY)



I. Monetary Incentives

01. **Bonuses for Meeting KPIs**

Offering bonuses for reaching milestones such as qualified meetings set or leads converted to sales helps keep SDRs focused on specific performance goals. These can be structured monthly or quarterly.

02. **Spot Bonuses**

Offering immediate, unexpected bonuses for demonstrating key behaviors like innovation in outreach techniques, quick lead conversion, or helping a team member boosts morale and encourages a competitive, yet supportive atmosphere. Eg.: Bonusly

03. **Gift Cards/Experience Vouchers**

Instead of cash, provide rewards like gift cards, restaurant vouchers, or travel experiences, which can feel more personal and memorable, creating a stronger sense of recognition.

II. Non-Monetary Incentives

01. **Career Development Opportunities**

Offering access to specialized training, mentorship programs, or the chance to shadow senior salespeople serves as a reward and an investment in the SDR's future, which enhances loyalty and performance.

02. **Flexible Work Options**

Incentivizing performance with flexible work hours or remote work options is particularly powerful for today's workforce, providing an opportunity for SDRs to balance their work and personal life while staying motivated.

03. **Public Acknowledgment**

Recognition can be as simple as an SDR of the Month award or a personal thank-you from leadership. Creating a system that highlights top performers or those exhibiting desirable behaviors motivates others while making SDRs feel appreciated.

04. **Team Incentives**

Offer rewards for team-based goals (e.g., group lunch, activity days, or charity donations) to encourage collaboration. This strengthens the bond among team members, fosters a positive work environment, and boosts collective performance.

3

IMPACT OF INCENTIVES ON PERFORMANCE

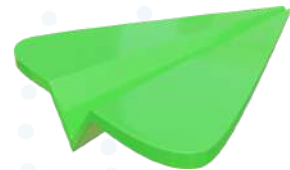


01. **Increased Motivation**

Both monetary and non-monetary incentives tap into intrinsic and extrinsic motivation. While commissions focus on monetary rewards, additional incentives target deeper motivations like professional growth, recognition, and work-life balance, all of which enhance performance.

02. **Behavior Reinforcement**

Recognizing and rewarding behavior ensures that SDRs consistently engage in actions that lead to success. Over time, this builds habits that contribute to sustained high performance.



03. **Higher Retention Rates**

When SDRs feel appreciated and rewarded beyond just financial gain, they are more likely to remain loyal to the company. This not only saves hiring costs but also creates a more experienced and productive sales team.

04. **Boosting Team Morale**

Incentives and recognition, when done right, create a positive and collaborative team culture. This boosts morale, keeps stress levels manageable, and ensures SDRs are happy and motivated in their roles.



Incentives are powerful tools to shape behavior, drive motivation, and recognize the value SDRs bring to the SaaS business. By combining monetary rewards with thoughtful, personalized, and growth-oriented recognition, companies can enhance both individual and team performance.

The Impact of AI on the Future of Sales Commissions

The landscape of sales development is rapidly evolving, with artificial intelligence (AI) emerging as a powerful force in shaping how SDRs work and earn. As companies integrate AI tools into their sales processes, we're seeing fundamental changes in how commissions are structured, calculated, and optimized. Let's explore how AI is transforming sales compensation and what this means for the future of SDR earnings.

I. Enhancing SDR Performance Through AI-Powered Coaching

Modern AI tools are revolutionizing how SDRs develop and refine their skills. AI-powered coaching SaaS helps SDRs craft more effective emails and master their sales calls through realistic simulations. Such tools are changing how we think about performance metrics and, consequently, commission structures.

When SDRs have access to AI-powered coaching, they can:

- ✓ Transform standard outreach emails into high-performing messages that generate more replies
- ✓ Practice and perfect their call techniques with AI-simulated buyer personas
- ✓ Receive real-time feedback that accelerates their learning curve

These capabilities are leading companies to incorporate skill development and tool adoption into their commission structures. For instance, some organizations now offer commission multipliers for SDRs who consistently improve their performance metrics using AI coaching tools.



II. Smarter Commission Structures Through Data Intelligence

AI isn't just changing how SDRs work; it's transforming how companies design and manage commission plans. By analyzing vast amounts of performance data, AI helps organizations create more nuanced and effective compensation structures that better align with both company goals and SDR capabilities.

For example, AI systems can:

- ✓ Analyze patterns in successful sales interactions to identify which behaviors deserve higher commission rates
- ✓ Predict the potential value of different leads and adjust commission structures accordingly
- ✓ Help companies set more achievable quotas based on historical performance data and market conditions

III. Real-Time Performance Tracking and Earnings Visibility

One of the most significant impacts of AI on sales commissions is the ability to provide real-time visibility into performance and earnings. SDRs no longer have to wait until the end of the month to understand their commission earnings.

Modern AI-powered systems can:

- ✓ Track performance metrics in real-time
- ✓ Calculate complex commission structures automatically
- ✓ Provide accurate earnings forecasts based on current pipeline and activities

IV. The Future of AI-Enhanced Commission Plans

Looking ahead, we can expect AI to enable even more sophisticated approaches to sales compensation. Companies will likely move toward:

01. **Dynamic Commission Structures**

As AI tools like Blue help SDRs become more effective at different aspects of their role, commission plans will evolve to reward both traditional metrics and skill development. For instance, an SDR who consistently improves their email response rates through AI-powered coaching might earn higher commission rates on subsequent deals.

02. **Personalized Compensation Plans**

AI will enable companies to create more personalized commission structures that account for:

- ✓ Individual SDR learning curves and development paths
- ✓ Territory-specific challenges and opportunities
- ✓ Different prospect engagement patterns across various market segments

03. **Integrated Learning and Earning**

The integration of AI coaching tools with commission structures will create a more holistic approach to SDR development and compensation. Companies might offer:

- ✓ Performance-based bonuses tied to skill improvement
- ✓ Special incentives for mastering new AI tools and techniques
- ✓ Commission accelerators for consistently applying learned best practices



Preparing for the AI-Enhanced Future

As AI continues to reshape sales development, it's crucial for both companies and SDRs to prepare for these changes. Organizations should:

- ✓ Invest in AI tools that enhance SDR capabilities and provide actionable insights
- ✓ Develop commission structures that encourage the adoption of AI-powered solutions
- ✓ Create clear pathways for SDRs to increase their earnings through skill development and tool mastery



For SDRs, success in this evolving landscape means:

- ✓ Embracing AI tools like Blue to enhance their capabilities
- ✓ Understanding how AI insights can help them maximize their earnings
- ✓ Focusing on continuous learning and adaptation to new technologies

The future of sales commissions is not just about automating calculations or tracking performance. It's about creating smarter, more effective ways to motivate and reward SDRs as they leverage AI to become more successful in their roles.

As tools like School of SDR's Blue demonstrate, AI is becoming an integral part of the SDR toolkit, and commission structures must evolve to reflect this new reality.



Conclusion

Over the last few chapters, we've seen how the right commission plan can make or break your sales development team. The game has changed dramatically - remote work is here to stay, tech stacks keep evolving, and SDRs want more than just a basic salary-plus-commission deal.

As a concluding note, let's relook at some of the key pillars that we've covered in this eBook:

- ✓ Key Strategies and Best Practices
- ✓ Implementation of Effective Commission Plans
- ✓ Impact of Hybrid and Remote Work Models on Commissions



Summarizing Key Strategies and Best Practices

Creating a fair and motivating SDR commission plan is crucial to driving performance, aligning with company goals, and supporting business growth. The key strategies include:

01. Clear Objectives

Tie commission structures directly to the company's goals, such as pipeline generation, lead quality, and sales growth.

02. Activity vs. Outcome-Based Plans

Combine rewarding specific SDR activities (e.g., meetings booked) with outcome-based incentives (e.g., deals closed), ensuring both quantity and quality of leads are prioritized.

03. Tiered Incentives

Introduce thresholds and accelerators to reward SDRs for exceeding quotas, keeping motivation high as they achieve higher performance levels.



04. **Transparency and Simplicity**

Ensure commission plans are easy to understand, with real-time visibility of earnings to maintain SDR trust and engagement.

05. **Regular Reviews**

Continuously analyze SDR performance and market trends to keep compensation competitive and aligned with business objectives.

Encouraging Implementation of Effective Commission Plans

SDR leaders should prioritize implementing commission plans that not only incentivize performance but also retain top talent. These plans should:



01. **Motivate Behavior Aligned with Business Goals**

Set attainable quotas that encourage behaviors directly tied to long-term company success, such as qualified lead generation and high conversion rates.

02. **Personalize and Adapt Plans**

Tailor commission structures to the specific roles of inbound vs. outbound SDRs, and adjust based on the SDR's market segments (SMB, Mid-Market, or Enterprise).

03. **Incorporate Flexibility**

SDRs in fast-changing environments, such as SaaS, should have adaptable compensation models that reward long-term success, allowing for tweaks based on performance data, new tools, and company needs.

By incorporating these strategies and understanding the impact of the evolving work environment, SDR leaders can design commission plans that drive both performance and satisfaction across their teams

Additional Resources

Continue your journey in mastering SDR compensation with these carefully curated resources:



India's First SDR Benchmarking Report

Unlock exclusive insights into SDR compensation trends across India's SaaS landscape. Discover how your compensation structure compares to industry standards & learn what top-performing companies are offering their SDRs. Download the report to benchmark your SDR compensation against 200+ SaaS companies.

[Download Report](#) 



Land & Expand Compensation Plan Template

Ready to transform your mid-market SDR compensation strategy? This battle-tested template has helped companies like Freshworks and Chargebee structure winning commission plans for their mid-market SDRs. Get the template and implement a proven commission structure within 48 hours.

[Download Template](#) 



ROI Calculator: The True Value of Automating Sales Compensation

Stop guessing about the impact of automation on your bottom line. This interactive calculator helps you quantify the real cost of manual commission management and the potential returns from automation.

[Calculate ROI](#) 



Learn.schoolofsdr.com Resources

Find a wide variety of free and paid guides and courses for the overall development of your SDR teams.

[Download Guide](#) 

About School of SDR and Visdum

This guide comes from two teams who live and breathe SaaS sales every day. Here's our story.

ABOUT SCHOOL OF SDR



When a former hotelier and a chemical engineer found their passion in SaaS sales, they created India's leading and fastest-growing training ground for Sales Development Representatives (SDRs).

Rahul Wadhwa, recognized among the top 60 SDR leaders globally by Demandbase, began his sales journey in 2007. His co-founder, Maruthi Medisetty, transitioned from digital marketing to scaling companies to seven-figure revenues. Together, they've trained 367 SDRs—the highest number in India—building high-performing teams and generating over \$50 million in pipeline.

Top B2B SaaS companies like Chargebee, Zluri, Birdeye, Epicor, and LambdaTest have hired their trained SDRs, experiencing unprecedented success. Additionally, companies such as Keka HR, Payoneer, Epicor, and Prezent have achieved remarkable results through their training programs. Their latest innovation, Blue, offers AI-powered coaching to help SDRs master skills from crafting compelling emails to handling challenging sales calls. Notably, their mentorship team includes experts from Chargebee, further enriching the training experience.

ABOUT VISDUM



Every sales leader knows this pain — spreadsheets full of commission calculations, SDRs uncertain about their earnings, and finance teams drowning in payment processing. Visdum was built to solve these exact problems.

Starting with a clear mission to make sales commissions transparent and motivating, Visdum has grown into one of India's leading sales compensation platforms. The journey began with a simple question: why do great SDRs leave? Often, it comes down to confusion and frustration around their earnings.

Today, Visdum handles millions in commission payouts for leading SaaS companies like Darwinbox, FarEye, and Haptik. The platform has evolved to tackle every compensation challenge - from complex calculations to compliance requirements. But more than just software, Visdum has become a trusted partner in helping companies build fair, motivating commission plans that retain top talent.

Recently recognized as a G2 High Performer and Momentum Leader, Visdum continues to innovate in the sales compensation space, making it easier for companies to turn their commission plans into a competitive advantage.

WHY WE CAME TOGETHER

This guide isn't just another eBook. It's the first time anyone has taken a deep dive into SDR compensation specifically for India's SaaS industry. School of SDR knows what makes SDRs tick, and Visdum knows how to structure commissions that keep them motivated. Together, we're sharing everything we've learned about building compensation plans that work.

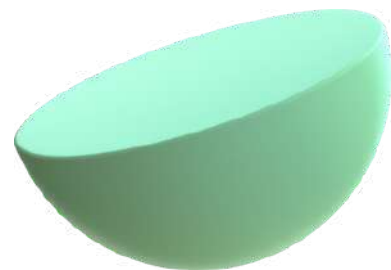
WHAT'S NEXT?

India is becoming a global SaaS powerhouse, and we're here for it. This guide is just the beginning of our mission to help companies build and retain amazing SDR teams. Whether you're an SDR looking to understand your earning potential, or a leader trying to design better compensation plans, we've got your back.

Want to learn more? Check us out:

▶ **School of SDR**

▶ **Visdum**



Acknowledgements



SAMEER SINHA

Co-Founder & Head of Product
Visdum

A veteran with more than two decades in SaaS sales, Sameer shapes the future of sales compensation as Visdum's Co-Founder & Head of Product. His expertise in building and scaling sales teams across global markets drives Visdum's mission to transform how companies manage their commission structures.



ADITYA SINGH RAJPUT

Content Marketing Specialist
Visdum

Currently serving as a Content Marketing Specialist at Visdum, Aditya contributes to the company's mission of democratizing sales commissions. He drives brand recognition and bottom-line impact by executing end-to-end marketing strategies, from ideation to implementation.



RAHUL WADHWA

Co-Founder
School of SDR

With 8+ years of leading SDR teams at companies like Whatfix, Chargebee, VWO, & Slintel, Rahul shapes the future of SDR compensation as School of SDR's Co-Founder. His expertise in building global SDR teams and vocal advocacy for fair compensation structures drives School of SDR's mission to transform how companies design their commission plans.



MARYADA BAWA

Advisor & Coach, **School of SDR**
| Sr. Manager, Sales
Development, Chargebee

Starting as an SDR herself and having coached 600+ SDRs, Maryada knows exactly what drives sales success. During her 5 years managing global SDR teams at Chargebee & as the School of SDR's Advisor & Coach, she has helped shape hundreds of sales careers with her real-world experience and practical wisdom.