



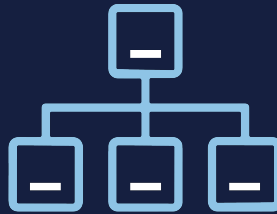
Incentives & Rewards Commission and Bonuses

Differences in Bonus V commission

Benefits in a Competitive Commission Plan



**Increase
Motivation**



**Improve
productivity**



**Reduce
turnover**

Discretionary Vs Non- Discretionary Bonus

Discretionary

Awarded at the employers discretion
without specific performance criteria

Less predictable for employers; amount &
receipt of bonus are uncertain

Can be awarded at any time, often at year
end on special occasions

May be viewed as subjective or biased if
not communicated & executed
transparently

Performance-based discretionary
bonuses, Spot bonuses, Holiday bonuses

VS



Non- Discretionary

Awarded based on meeting or exceeding
predefined performance targets

More predictable; employees know the
targets & can estimate potential rewards

Usually awarded during regular review
periods (e.g. quarterly, annually)

Generally perceived as fairer due to
objective criteria & transparent process

Performance-based bonuses, Attendance
bonuses, Annual Bonus