Pay, Performance, and Productivity

Features of the Sales Season

1. **Your performance (closing ratio) improves as the season progresses.** As we get closer to the start of classes, customers have a greater sense of urgency, making it easier to close sales. Also, you will get better as you gain experience. These two factors work together to produce a steady increase in your closing ratio.

2. **The number of sales commissions you receive per day increases over the course of the season.** There are two reasons for this. First, as noted above, closing ratio increases. While you talk to roughly the same number of people each day as you did earlier in the season, you enroll more of them.

Second, as you progress through the season, you will have an ever-growing number of customers who haven’t paid. Many of these customers do eventually pay, and these “later payments” are a substantial and growing part of your income. Each time you talk to a customer who doesn’t enroll on the phone right away, think about it as building your customer base or filling your “pipeline” of later payments. Approximately forty percent of all your enrollments will involve later payments that come from your pipeline.

Features of Sales Pay

Your pay is based on commission for the tuition portion of each sale. You have received a copy of your commission rate schedule along with your Employment Agreement.

**Commission rate**

Your commission rate is a percentage that is applied to the course tuition (not materials fees or taxes) of each of your enrollments. You are paid commission on all of your sales, whether your customer pays over the phone, by mail, online, or whether a customer service representative or another salesperson takes the payment when your customer calls back to pay.

In the case where a customer is issued a refund, the commission for that sale is deducted during the pay period in which the refund is processed. Partial refunds will result in prorated deductions. Your total commission earned for a given pay period is the net figure of commission on enrollments during that pay period minus any refunds processed during that period.

Additionally, you will receive residual commission payments for all sales from customers that you pitched but who pay after your employment ends, minus any refunds.
Closing Ratios

Closing ratios are a tool used to measure sales performance. Understanding the math behind closing ratio calculations will help you work with your supervisor to improve your own closing ratio. There are two types of closing ratios used to measure performance: nominal and standardized.

Nominal Closing Ratio

The Math: Nominal closing ratio is the number of paid students divided by the number of calls answered from the sales queue (the queue for new sales calls) during a specified time period, daily or weekly. Nominal closing ratios include all paid students who both called and paid within the measured period (even if they didn’t pay in the initial call, but called back to pay, paid online, or mailed a check).

Daily closing ratio: If you answered 28 calls in the sales queue Wednesday, and enrolled 7 students from the 28 calls, your closing ratio for that day would be 25.0% (7 ÷ 28). Your daily closing ratio for Wednesday does not include students who pay on Wednesday but who inquired on an earlier day, nor does it include those who inquired on Wednesday but pay on a later day. You are credited for the sales, and will be paid the commissions, but they are not part of your Wednesday closing ratio.

Weekly closing ratio: If you took 110 calls in the sales queue this week, and 25 students from those calls enrolled in the same week, then your closing ratio for this week would be 22.7% (25 ÷ 110). The 25 students may include those who paid during the first phone call, as well as others who paid later, but within the same week. The weekly closing ratio does not include students who paid this week, but who inquired during a previous week, nor does it include those who inquired this week but pay in a later week. You are credited for these sales and will be paid the commissions, but they are not part of the weekly closing ratio calculation.

Standardized Closing Ratio

Standardized closing ratio is a season-to-date metric based on a statistical model designed to level the playing field for all enrollment coordinators. It measures sales performance by normalizing a set of variables so that all enrollment coordinators are compared similarly, and removes any external factors not under the control of the enrollment coordinator that may skew performance either up or down. The primary factors in the standardized closing ratio are:

- Your nominal closing ratio
- Proximity to start of classes (this is the single biggest external factor, since nominal closing ratio tends to be higher later in the season, which is why sales
management uses standardized closing ratio rather than nominal closing ratio for evaluating performance)

- Your later payment percentage
- Your refund percentage
- Time of day and day of week calls are pitched
- Publicity sources of the leads you pitch
- Income level of the customers you talk to

**How We Use Closing Ratios:** Management uses the standardized closing ratio (SCR) to make call routing decisions and to guide layoff decisions when the call volume begins to taper off in mid-June. A higher SCR results in calls with the highest likelihood of closing being routed to you, and also results in a higher volume of calls overall being routed to you, both of which increase your income. A high SCR also ensures a longer period of employment.

**Managing Your Phone for Optimum Call Volume**
The more customers you talk to the greater your opportunity to make sales and increase your pay. The best way to ensure a high volume of calls is to consistently close at a high rate, thereby establishing your priority for receiving the highest volume of calls, especially those with the highest likelihood of closing. You can also impact the volume of calls you receive, both positively and negatively, by how you manage your phone. This is particularly true if you are in a lower priority to receive calls.

Once you are “in line” to receive a call, you advance toward the front of the line as calls are answered by agents in line ahead of you, either because they’ve been waiting longer for a call or because they have a higher priority status for receiving calls.

Any time you change your status on your phone (Not Ready, Parked, Logged Out), you lose your place in line and will be at the end of the line when you make yourself available again (Idle status) for an incoming call. The same is true after completing a sales call: you start back at the end of the line. (The exception is if you’re a high performer with a higher priority status, in which case you would jump in front of lower performers who may have been waiting longer for a call.) Therefore, during times of slower call volume, and particularly if you’re at a lower priority for receiving calls, you should refrain from changing the status on your phone until right after finishing a sales call, when you’ll be back at the end of the line anyway.

**Layoffs:** Closing ratios are used to guide layoff decisions. After the peak of the season, in mid-June, enrollment coordinators with higher performance season-to-date, standardized, are asked to stay on later in the enrollment season. Highly successful enrollment coordinators may be invited to sell through the summer and fall.

**Performance Management:** Your sales supervisor’s role is to help you reach your full sales performance potential and help you maximize the income and satisfaction you derive from your job. Throughout your term of employment, you and your supervisor will listen to your recorded phone calls, review your statistics, and generally work as a
team to maximize the return on your efforts, increase the number of calls you receive, and extend your season of employment as long as possible.

**Bonus Metrics**

You will be eligible for bonus every week once you have answered a minimum number of calls for the season:

- For returning enrollment coordinators the minimum call volume to reach is 100
- For new enrollment coordinators the minimum call volume to reach is 125

To qualify for a bonus, you must meet the weekly minimum standards as stated in each of the criterion below. If you meet all four standards in a week you will earn a bonus on all sales in the following week, independent of your closing percentage. What this means is that you are in full control of whether or not you achieve bonus in any given week.

**Family Capture Ratio**

The number of families you enter into the database, including contact information and at least one student to whom a 2017 course is assigned, divided by the number of calls you received in the sales queue.

We keep track of capture ratios because we can only send follow-up marketing mailings to a customer for whom you enter accurate contact information and assign a course to at least one family member. Customers for whom we do not capture contact information are much less likely to enroll. Remember, approximately 40% of your customers that pay will do so at a later date. Your ability to influence the decision after the phone call, and to help the customer promote the program to a spouse or child, depends on accurately entering the customer’s contact information, particularly email addresses. Average family capture is 80-85%.

**Bonus criterion = 80%**

**Call Accept Ratio**

The number of calls you accept, divided by the number of calls that are presented to you. You are in complete control of this, since it simply means accepting the calls presented to you. A high call accept ratio is better for our customers, as it results in a shorter wait time, and better for you, because it results in you answering more calls and enrolling more students.

**Bonus criterion = 92%**

**Ready Hours**

The number of hours in a week spent actively on a call or waiting for a call. Again, you are in complete control of this. The more hours you work, the more you earn.

**Bonus criterion = 20 hours for returning enrollment coordinators, and 25 hours for new enrollment coordinators.**
Ready Time Percentage
The percentage of ready hours worked divided by the number of ready hours scheduled. You are in full control of this as well. We need enrollment coordinators to work their assigned schedules so we can answer the phone.

**Bonus criterion = 85%**

Supplemental Metrics

Email Capture Ratio
The number of email addresses you gather, divided by the number of families you enter into the database. Email is the most efficient way to communicate with customers to provide time sensitive information (registration information, updates on course information, promotional discounts, etc.). Accuracy is of utmost importance. Take the time to ensure that each character in the email address is accurate, paying close attention to things like dashes vs. underscores, and letters that sound the same, like ‘m’s’ and ‘n’s’, ‘b’s’ and ‘d’s.’ Average email capture is 95%.

Source Code Capture Ratio
The number of source codes entered, divided by families captured. Source codes allow the Institute to evaluate and improve direct marketing campaigns that produce sales leads. They also help us determine which calls coming into the call center have a higher likelihood of closing, so that we can queue them up to be answered first, and be answered by top performers. Average source code capture is 80%.

Short Calls Percentage
Calls lasting less than three minutes are considered Short Calls, presented as a ratio of short calls divided by total calls answered. An enrollment coordinator with a high percentage of Short Calls typically is unable to control the calls, or is “skimming” (deciding some customers are not worth his or her time). This approach to selling is counterproductive for all parties involved: the customer doesn’t get a full chance to learn about the program, the Institute loses the opportunity for a customer, and you lose the opportunity for a commission and have a lower closing ratio, which pushes you to a lower priority for receiving calls. Average short call percentage is 5%.

Multiple Student Ratios
The ratio of students pitched and entered in the database with a course assignment, divided by the number of families entered. A high ratio leads to more sales per family and higher income for you. Thirty-one percent of families who inquire about our classes inquire for more than one child. More than half of those, when they pay, will pay for more than one child. Average students per family is 1.3.
Schedule Adherence

The Institute creates work schedules which allow us to effectively answer incoming calls. We ask that you make every effort to work your scheduled shift each day. This includes being at your desk and ready to accept calls at the start of each shift, remaining at work and answering calls until the end of that shift, and minimizing your time away from your desk (other than meal periods, rest breaks, and scheduled work activities such as meetings with your supervisor and on-going training, which are already factored into your schedule). We also ask that you notify us in advance of necessary absences whenever possible. Anything short of this impairs our ability to answer the phone, which translates to lost revenue for the Institute and lost income for you.

You will keep track of your hours by logging in to your phone at the beginning of your work day, logging out of your phone at the beginning of your meal period, logging back in to your phone at the end of your meal period, and logging out of your phone at the end of your work day.

On any day in which you are scheduled for more than 5 hours of work you will also be scheduled for a meal period. Please begin this meal period as near as possible to its scheduled time. You will also be scheduled to take a ten-minute rest break in the early part of your shift and the later part of your shift. You should take these breaks as near as possible to their scheduled time.

End of Shift/Overtime
You are expected to work the hours you are scheduled for, and should answer the phone up until your scheduled end of shift. Working beyond the scheduled end of a shift is not allowed without prior authorization from a supervisor, unless you’re finishing a call that began before the scheduled end of your shift. Once that call is finished you should immediately log out to end your shift. Likewise, working unscheduled overtime is not allowed without prior authorization.

Tardiness and Absences
If you are going to be late or absent let us know as soon as possible, preferably before the affected shift begins.

Call-in procedure: Call the Sales Helpdesk at (800)964-5013, and speak with an operations coordinator, or leave a message in the helpdesk voice mailbox with the following information:

- Your full name
- Your phone number
- The reason for your tardiness/absence
- Your supervisor’s name