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Compensation system of sales team of Shanghai TJ Company

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BUSINESS
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Department of Marketing, Operations and General Management

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Resumo

À medida que a TJ continua a crescer, a gestão de recursos humanos vem ganhando destaque, onde a melhoria do sistema de remuneração passa a ser um ponto estratégico. A equipa de vendas é a força motriz da empresa e a sua eficácia determina diretamente a competitividade da empresa no mercado. Com base literatura sobre sistemas de remunerações, constatou-se que o sistema de remunerações não é apenas uma combinação de salários, mas também precisa integrar elementos de incentivo não monetários, como desenvolvimento de formação e acesso à promoção. A partir da revisão de literatura e de uma pesquisa empírica em 60 empresas semelhantes à TJ em Shangai, foi elaborado um modelo de incentivo tridimensional que inclui remuneração alargada, comissão escalonada, benefícios flexíveis e desenvolvimento de carreira, combinando as características do produto e os objetivos estratégicos das empresas. O sistema é muito eficaz para aumentar a retenção da força de vendas e estimular o seu potencial. Ele fornece uma solução replicável para as startups de RH.

Palavras-chave: Sistema de remuneração, equipe de vendas

JEL Classification: M12

Abstract

With the continuous growth of TJ's, the human resource Management has gradually become prominent, and the improvement of the compensation system has become the core of the strategy. As the core driving force of an enterprise's revenue, the efficiency of the sales team directly determines the market competitiveness of the enterprise. Based on the theoretical framework of total compensation, this study finds that a scientific compensation system is not only a combination of traditional salaries, but also needs to integrate non-economic incentive elements such as training and development and promotion channels. Based on the empirical investigation of 60 peer companies in Shanghai, combined with the product characteristics and strategic goals of the enterprises, a three-dimensional incentive model including broadband salary, ladder commission, flexible benefits and career development was designed. The system has achieved remarkable results in improving the retention rate of sales personnel and stimulating their potential, providing a replicable solution for start-up human resources enterprises.

Keywords: Compensation system, sales team

JEL Classification: M12

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Glossary

SMART - Specific Measurable Attainable Relevant Time-bound

1. Introduction

1.1. Background

With the intensification of market competition and the importance of enterprises to human resource management, the human resources industry has developed rapidly, and start-ups in the human resources industry have sprung up. Startups are often characterized by strong innovation and flexibility, but they also face challenges such as limited resources and fierce market competition. In startups, salespeople act as a bridge between the business and customers, and their performance directly affects the company's sales performance and market share. However, the traditional compensation system often has some problems, such as insufficient incentives, lack of fairness, etc., resulting in low motivation of sales personnel and slow performance improvement. Therefore, designing a scientific and reasonable compensation system is an important problem for startups to motivate salespeople and improve their work enthusiasm and sales performance.

At the same time, with the rapid development of information technology, the human resources industry is also facing new opportunities and challenges. For example, the emergence of new business models such as online recruitment and human resource management software has put forward higher requirements for the skills and qualities of sales personnel. Therefore, the design of the compensation system also needs to take into account these new changes and requirements to adapt to the development trend of the industry.

Founded in August 2023 and headquartered in Shanghai National Human Resources Industrial Park, Shanghai TJ is a technology-based human resources service provider. The company has established a business closed loop for the integrated development of the government, enterprises and individuals; It provides professional human resources services for enterprises through three product lines of social security, salary and tax, and recruitment, provides empowering human capital services for individuals with two product lines of employment and training, and also provides integrated industrial services for the government through the digital human resource industrial park. In the early stage of the company's development, the business source mainly relied on the founder's personal customer resources, after nearly a year of development, the company gradually established a large-scale sales team, in order to better develop the company's business, TJ company urgently needs to establish a set of fair, motivating, scientific and competitive, and suitable for the sales staff of the salary system.

1.2. Purpose of the study

There are many current compensation models for salespeople, each with its own strengths and weaknesses. Only by subdividing sales personnel at all levels, comprehensively using various typical models, giving full play to their advantages,

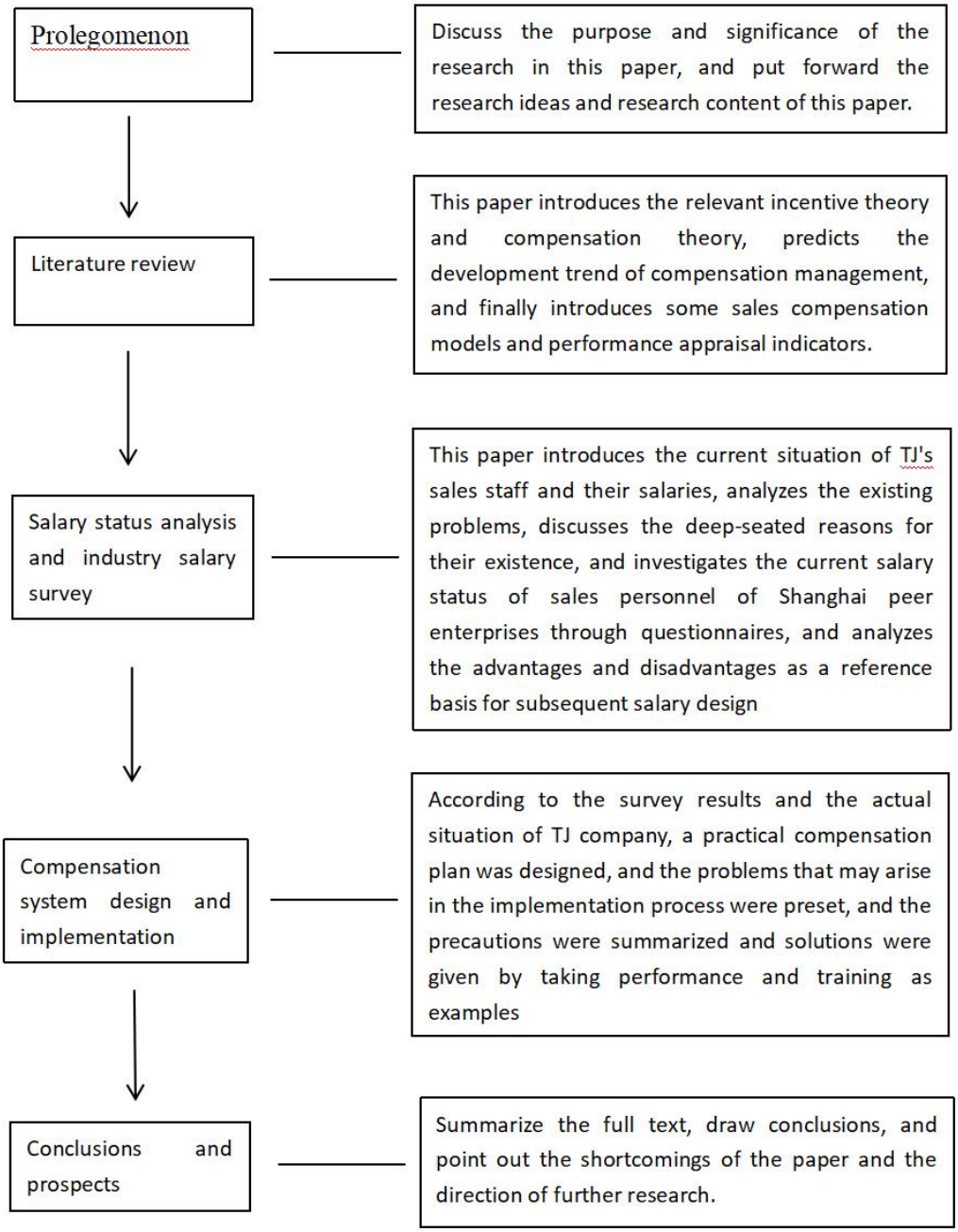
avoiding their shortcomings, and supplemented by the establishment of scientific performance appraisal standards and salary management systems, to meet the practical, appropriate and economic requirements, and fully embodying the principles of justice, fairness, competition and efficiency maximization, can we maximize the enthusiasm of sales personnel, stabilize excellent sales personnel, motivate sales personnel, and create maximum profit value for the enterprise.

The purpose of this study is to explore the design of the compensation system suitable for the sales staff of start-ups in the human resources industry by studying and learning from the compensation system of advanced enterprises. By analyzing the main factors influencing the design of the compensation system of sales staff in start-ups in the human resources industry; Compare the pros and cons of different compensation models to find the most suitable compensation package for startups in the HR industry; This thesis puts forward suggestions for the design of the salary system of sales personnel of start-ups in the human resources industry, and combines it with the actual situation of the company, in order to provide reference and guidance for Shanghai TJ Company in motivating sales personnel, and also provide reference and reference for the design of sales personnel salary system of other start-ups in the human resources industry.

1.3. Structure

The thesis is divided into five parts: Chapter 1 introduces the background and purpose of the study; Chapter 2 provides a literature review and related theories of compensation design. The third chapter introduces the current situation of TJ's sales personnel and analyzes the salary of peer sales personnel. The fourth chapter is the design ideas and possible problems and solutions in the implementation process of the sales staff compensation system of Shanghai TJ Company; Chapter 5 provides a summary of this study.

Figure1.1The project ideas and contents of this thesis



Source: Author(2025)

1.4. Research methods

In order to ensure the scientificity and reliability of this research, this paper comprehensively uses a variety of research methods to deeply analyze the salary system of salespeople human resources industry startups from different perspectives, so as to provide solid basis for the salary system design of Shanghai TJ Company.

Literature Review Method: By comprehensively reviewing relevant domestic and foreign literature, including academic journals, theses, industry reports and other materials, the current research status and achievements on the compensation system for sales personnel were systematically sorted out. With the help of literature review, we have a deep understanding of the of compensation design, the characteristics and development trends of compensation systems in different industries, which provides a rich theoretical basis for this study, making the research have a solid academic support, the deviation of research direction, and at the same time, drawing on previous experience, to clarify the key points and innovative directions of the research.

Case Study Method: Shanghai T Company is selected as a typical case, and its design characteristics, implementation effect and existing problems of the compensation system for sales personnel are analyzed in depth. Through detailed analysis of TJ, we can start from the perspective of actual enterprise operation, explore the challenges and opportunities faced by the compensation system in practice. Summary the successful experience and lessons learned, and provide practical for the subsequent proposal of targeted compensation system design suggestions, and enhance the practicability and operability of the research results.

Data Survey Method: A questionnaire survey and interview are used to collect data. The questionnaire is designed for the person in charge of the personnel department of the human resources company in Shanghai, covering the basic information of the company, the of the compensation for sales personnel, welfare benefits, satisfaction with the compensation system and other aspects. 60 representative companies were selected for the survey to ensure that the sample can reflect overall characteristics of the industry. Through interviews, we have a deep understanding of the actual situation, problems encountered and the desired improvement direction of enterprises in compensation management. Use statistical analysis methods process the collected data, reveal the key factors affecting the design of the compensation system, and provide objective data support for the research.

Comprehensive Analysis Method: Integrate the of literature review, case analysis and data survey, and comprehensively analyze the internal and external factors affecting the compensation system for sales personnel in TJ Company from macro and micro levels. combination with enterprise strategy, market competition environment, industry characteristics and employee needs and other factors, we propose scientific and reasonable compensation system design suggestions. Comprehensive consideration of the mutual relationship between factors, to ensure the systematicness, coordination and feasibility of the design scheme, to achieve effective incentives for sales personnel, and to promote the sustainable development of enterprises.

2. Literature Review

2.1. The current state of compensation schemes

Hou et al.(2014) pointed out in her study of the compensation system of development-oriented enterprises that compensation design should take into account the life cycle of the enterprise and make differentiated designs based on the different characteristics of the enterprise in the start-up, growth and mature stages. For example, the start-up stage should adopt the "immediate explicit total model", while the growth stage is more suitable for the "flexible multi-competitive model", and the mature stage is more inclined to the "welfare-leading compensation model". Hou Jingyi believes that this compensation system design path based on the life cycle of the enterprise can effectively support the long-term development of the enterprise. Wang(2016) proposed in "Strategic Compensation Management" that compensation management should be closely integrated with corporate strategy to build a compensation system that can support the competitive advantage of the enterprise. Wang Hongyi believes that different corporate strategies require different compensation management methods. For example, growth-oriented enterprises need to match incentive compensation strategies, while maintenance-oriented enterprises tend to prefer stability. Strategic compensation management is not just a simple reward, but should also promote the realization of long-term goals between enterprises and employees. Feng and Wu(2017) emphasized in his study on the performance-based compensation system for all employees that the performance-based compensation system plays an important role in stimulating employee enthusiasm, and in modern enterprise management, a unified compensation management system can help enterprises effectively motivate employees at multiple levels. Chen(2019) analyzed the compensation system of American universities and pointed out that compensation is not only direct monetary income, but also includes rich welfare benefits, such as medical insurance, pension plans and tuition subsidies. These benefits have played an important role in improving the competitiveness of American universities. Liang and Zhao(2017) studied the impact of the compensation system on the motivation of senior managers in family businesses and found that family businesses tend to reduce the proportion of variable compensation when designing compensation to avoid agency problems. Liang Jipeng pointed out that compared with non-family businesses, the compensation system design of family businesses pays more attention to the stability of cash flow and control rights, and focuses on short-term incentives to adjust the interests between shareholders and management.Yang et al.(2022) proposed in his study on the design of the compensation system of platform enterprises that platform enterprises should adopt a comprehensive compensation system that includes both economic and non-economic compensation. Yang Xuhua believes that the compensation design of platform enterprises needs to adapt to the flexibility of its practitioners and enhance the enthusiasm and sense of belonging of practitioners

through diversified compensation methods, such as platform income, user income and platform environment.Niu et al.(2024) studied the impact of executive pay gap on corporate digital transformation and found that vertical and external pay gaps in the executive team contribute to the digitalization process of the enterprise, while horizontal pay gaps may inhibit digital development. Niu Biao's research pointed out that the type of pay gap has different incentive effects on corporate transformation under different corporate strategic backgrounds. Huang and He(2024) proposed the positive and negative effects of performance pay on work performance in her study on the impact of individual performance pay on work performance, emphasizing the dual influence of motivation crowding theory and organic integration theory. Huang Li pointed out that performance pay can bring positive effects when supporting employee autonomy and work values, but it may lead to a decline in work performance in a highly controlled environment.

Niu(2021) redesigned the salary system of sales staff in the foreign trade department of Y Company based on incentive theory. The results showed that targeted incentives can significantly improve sales performance, especially in the high-pressure and competitive foreign trade market environment. Chen (2017) found in his study on the design of salary systems for small and medium-sized private enterprises that these enterprises often ignore the balance between market competition and internal fairness when designing salary structures. The study suggested that small and medium-sized enterprises should consider industry standards and regional differences and design more flexible and adaptable salary systems to attract and retain key talents and promote long-term development of enterprises. Wang (2014) explored the strategies for designing sales staff salary systems and emphasized the importance of timely adjusting salary policies according to market changes. His project showed that by introducing performance evaluation and market feedback mechanisms, sales staff can be more effectively motivated to achieve sales targets, thereby improving the performance of the entire organization. Liu (2012) proposed a compensation design principle that is closely aligned with company strategy in his study on the design of a strategically oriented marketing personnel compensation system. By analyzing the strategic goals and market positioning of the case company, Liu Qingquan emphasized the necessity of designing differentiated compensation plans for marketing personnel at different levels to stimulate the potential and creativity of employees. Liu and Liu (2009) studied the redesign of the compensation and benefits system for sales personnel in private enterprises, they found that many private enterprises had deficiencies in their welfare policies, which affected the work enthusiasm of employees and the retention of talents in the enterprise. They proposed a series of improvement measures, such as introducing flexible working hours and providing more career development opportunities, to improve employee satisfaction and loyalty . Wang (2009) focused on how to improve the performance of sales personnel by combining fairness and incentives in compensation system design. She pointed out that clear performance evaluation standards and fair incentive mechanisms are key factors in improving the motivation and efficiency of sales teams.

Chen and Qu (2007) analyzed the strategies for designing performance compensation systems for sales personnel under different market environments. Their project shows that in a dynamic and competitive market environment, more flexible and market-sensitive compensation design is needed to cope with rapidly changing market demands and competitive challenges. Zhang (2005) explored the multidimensional issues of sales staff compensation design, including how to motivate employees, improve their satisfaction, and strengthen their commitment to the organization by designing a comprehensive compensation plan. The study suggested that companies should comprehensively consider the fairness, competitiveness and incentives of compensation. Zhao (2005) found in her study on the design of compensation systems in Chinese IT companies that unfair compensation and opaque performance evaluation were the main causes of employee dissatisfaction and turnover. Her study proposed a series of improvement measures, such as enhancing compensation transparency, introducing diversified incentive mechanisms, and recommending strengthening the fairness and efficiency of performance management systems.Wang et al. (2021) compared sales teams in China's manufacturing and service industries, finding that tiered commission structures were more effective in service sectors, while manufacturing relied more on team-based bonuses. Smith and Johnson (2023) revealed in a cross-national study that excessive emphasis on individual commissions could foster unhealthy competition, advocating for dual-dimensional evaluations combining individual performance and team contribution.

Comez-Mejia (1988) argues that the compensation system belongs to a wide range of categories, including the standard of compensation, the way of salary payment, the management of compensation and its application, which is of great significance for the development of enterprise human resources and the company. Dessler (2009) believes that in addition to the corresponding compensation that members must receive for their work for the group, the salary system should also include other non-monetary compensation benefits, such as free shuttle buses, etc., in order to improve the actual interests of grassroots employees.Shreekanth (2019) focused on employee benefits. He believed that the additional compensation and benefits that employees receive after receiving wages can demonstrate the important relationship between the company and employees and play a vital role.

Salamin (2010) found that the compensation system was associated with the strategic orientation of the department by Using a sample of 917 employees from two large Switzerland financial institutions, but in a different form than previous studies. In addition, they believe that hierarchical status is an important variable in the development of reward systems. Hierarchy has a significant main effect on the design of compensation plans and interacts with strategic orientation. Cox (2010) examines the research evidence on the goals and outcomes of different forms of variable pay and pays close attention to the role of employee participation in achieving the effectiveness of compensation systems. The importance of employees' perceptions of fairness in distribution, procedures, and interactions is explored as a way to explain why employee participation in the management of compensation systems seems to be

such a critical success factor. The thesis concludes by pointing out that we need to move away from the obsession with "best practices" and instead focus on "best practices" as a lens for studying the design, implementation, and management of compensation systems.

Zhang et al. (2021) proposed that a comprehensive compensation system incorporating career development opportunities, job autonomy, and mental health support significantly enhances retention rates among knowledge workers. Their study validated the moderating effect of non-economic rewards on employee satisfaction using structural equation modeling. Liu and Wang (2022) demonstrated through case studies of Chinese tech firms that combining flexible benefits with personalized training programs can effectively alleviate financial pressures for startups while boosting intrinsic motivation in sales teams. At the international level, Brown et al. (2023) found that companies integrating ESG (Environmental, Social, and Governance) goals into compensation metrics exhibited higher employee loyalty and brand value.

Li et al. (2020) demonstrated in the context of China ' s state-owned enterprise reforms that transparency in pay grades reduced turnover by enhancing internal equity perceptions. Kumar and Singh (2021) found in India ' s IT sector that narrowing gender pay gaps increased women ' s participation in innovation, though implicit biases persisted in promotions and benefits allocation.

Nguyen et al. (2022) showed that a "low base salary + high equity incentives" model effectively attracted risk-tolerant sales talent in Vietnamese startups. Osei-Bonsu et al. (2023) focused on Africa ' s informal economy, suggesting hybrid systems that integrate community credit mechanisms with traditional pay to improve financial stability for low-income sales personnel.

2.2. The concept of compensation

Compensation generally refers to the monetary compensation that an employer pays to an employee based on factors such as their performance at work, the responsibilities they assume, the number of hours they work, and the occupational risks they face in order to acquire and retain them. Compensation includes not only the base salary, but also bonuses, commissions, equity incentives, and various benefits such as medical insurance, pensions, etc. In human resource management, compensation is one of the key tools used to attract, motivate and retain employees, reflecting the value of employees and the organization's recognition of their contributions. Therefore, the setting of remuneration needs to consider multiple aspects such as market competition, organizational ability, the importance of the position and its contribution to the organizational strategy to ensure that it is fair, competitive and motivating.

Compensation is not only a direct and indirect form of compensation for work, but also involves the regulation of employee behavior, and is an important tool for management to implement strategy, promote organizational culture and achieve corporate goals. In modern human resource management, compensation is designed to

stimulate employees' enthusiasm for work, improve their work efficiency, and enhance employees' loyalty and sense of belonging to the organization through the comprehensive use of various compensation elements, such as basic salary, performance bonus, equity incentives and various employee benefits.

Compensation management also needs to take into account the balance between organizational equity and individual differences. Organizational equity, i.e., internal equity, is concerned with the issue of employees being treated fairly in similar jobs and conditions; Individual differences are reflected in the provision of differentiated remuneration packages according to employees' work performance, skill level and career development needs. This differentiation strategy not only helps to attract and retain key talent, but also drives personal and professional growth for employees, ultimately leading to long-term stability and growth of the organization.

2.3. Compensation design

Compensation design refers to the process by which an enterprise systematically plans and implements the compensation structure and level of employees according to its strategic objectives, budget constraints, the nature of the work, market competition, and laws and regulations. Compensation design is the core component of enterprise strategic human resource management, which involves the systematic planning and implementation of employees' basic salary, incentive bonuses, long-term incentives and various benefits. This process requires companies to consider not only how to attract and retain talent through compensation policies, but also to stimulate the potential of employees through incentives to improve productivity and organizational performance.

In compensation design, the primary consideration is the reasonableness of the compensation structure, which includes determining the market positioning of the compensation (e.g., market leadership, market matching, or market lag). In addition, the design process needs to take into account external market conditions and the value of internal positions, and ensure that the value of internal work is consistent with the external market salary through job evaluation. An effective compensation structure should include a base salary, variable compensation (e.g., performance bonuses, sales commissions), long-term incentives (e.g., stock options or equity awards), and necessary benefit plans (e.g., health insurance, retirement benefits).

Another important aspect of compensation design is ensuring fairness and transparency. Equity refers not only to the fairness of compensation distribution among employees, but also to the alignment of compensation policies with the organization's strategy, culture, and operational goals. Transparency, on the other hand, means that compensation policies, standards and processes are clearly visible to all employees, which helps to increase trust in the compensation system, which in turn increases overall employee satisfaction and loyalty.

Compensation design must also be flexible to accommodate changes in external markets and internal strategies. This flexibility is reflected in the regular review and adjustment of the compensation system to ensure that the compensation structure

continues to match the strategic development of the company, while responding to the needs of external changes in the economy, law and technology.

2.4 Compensation Packages

There are various types of compensation plans for sales personnel, including pure commission system, basic salary plus commission system, basic salary plus bonus system, basic salary plus commission plus bonus system, etc.

The pure commission system means that the remuneration of the salesperson is completely determined by the sales performance, and the commission is withdrawn according to a certain percentage of the sales or sales profit. Wang (2014) pointed out that the advantage of this scheme is that it is highly motivating and can fully mobilize the enthusiasm of sales personnel and motivate them to strive to improve sales performance. In addition, the pure commission system is simple and easy to understand, easy to calculate, and low cost. However, Liu and Liu (2009) argue that the commission-only system also has some shortcomings, such as salespeople may focus too much on short-term sales performance and ignore the long-term maintenance of customer relationships; Unstable income, which can easily lead to greater pressure on salespeople; It can lead to vicious competition between salespeople.

The basic salary plus commission system combines a fixed salary and commission, and the salesperson receives a corresponding commission based on the sales performance on the basis of the basic salary. Liu (2012) proposed that the advantage of this scheme is that it can not only provide salespeople with a certain stable income, but also motivate them to improve sales performance through commissions. At the same time, it can balance the salesperson's focus on short-term and long-term goals to some extent. However, Wang (2009) also pointed out its shortcomings, such as the setting of basic salary may affect the enthusiasm of salespeople, and the determination of commission ratio needs to be reasonably balanced to avoid the problem of insufficient or excessive incentives.

The basic salary plus bonus system takes the basic salary as the main income, and at the same time, the bonus is given according to the performance of the sales staff. Chen and Qu (2007) believe that the advantage is that it can ensure that the salespeople have a relatively stable income, and the bonus can reward the excellent performance, which is helpful to improve the work enthusiasm and teamwork spirit of the salespeople. However, the disadvantage of this scheme is that the evaluation criteria of the bonus may not be clear or objective enough, which can easily lead to fairness problems; The incentive effect may not be as direct as the commission system.

The basic salary plus commission plus bonus system combines the characteristics of the above schemes and aims to give full play to the role of various incentive factors. Zhang (2005) believes that this kind of solution can comprehensively consider the work performance and performance of salespeople, provide stable income security and give strong incentives, and promote salespeople to focus on customer

relationships and teamwork while pursuing performance. However, the salary structure is relatively complex and the management cost is high. The proportions and evaluation criteria of each component need to be carefully designed to ensure the best incentive effect.

To sum up, different types of sales personnel compensation plans have their own advantages and disadvantages, and enterprises should choose the appropriate compensation plan according to their own situation and strategic goals, or combine the advantages of a variety of programs to improve the combination, so as to achieve effective motivation and management of sales personnel.

3. Methodology

In order to achieve the purpose of the study, this thesis takes TJ Human Resources as the object of the study and adopts the following project methods:

Literature review method: By reviewing relevant literature at home and abroad, we can understand the current project status and achievements of the academic and practical circles on the compensation system of sales personnel, and provide theoretical support for this project.

Case study method: Shanghai TJ company was selected as the project object, the design characteristics and effects of its sales staff compensation system were analyzed, and the successful experience was used to identify the existing problems.

Data project method: through questionnaires and interviews, collect data on the salary status of sales personnel in peer companies, use statistical analysis methods to analyze the data, and reveal the key factors affecting the design of the compensation system.

Comprehensive analysis method: Combined with the results of literature review, case analysis and data project, this thesis comprehensively analyzes the factors affecting the compensation system of TJ sales personnel, and puts forward reasonable suggestions for the design of the compensation system.

3.1. Data project method

1. Questionnaire design:

The survey on the salary system of sales personnel of Shanghai Human Resources Company mainly adopts the form of anonymous questionnaire. The questionnaire is divided into two parts. The first part is background information, including position, length of service, company size, operating hours, etc., and the second part is the survey of sales salary components, including 11 multiple-choice questions and 3 multiple-choice questions. Through this questionnaire survey, we hope to clarify the specific situation of the remuneration system of sales personnel in Shanghai Human Resources Company, and then analyze the results of the survey, so as to provide a reference for the process of designing the remuneration system of sales personnel of TJ Company. The questionnaire design is provided in Appendix 1.

2. Survey Subjects and Samples:

Survey subject: The head of the human resources department of a human resources company in Shanghai.

Sample selection: 60 HR companies in Shanghai were selected by convenience.

3. Conduct investigations:

Distribution method: The questionnaire will be distributed through the online platform Tencent Questionnaire.

Explanation and communication: During the distribution of the questionnaire, explain the purpose, significance and confidentiality of the survey to the respondents, and

strive for their support and cooperation.
Period of data collection: from August 29th to August 30th 2024.

4. Diagnosis of the external and internal situation

4.1. Analysis of external situation

PESTEL analysis is a strategic management tool used to evaluate the impact of the macro environment on the company, covering six aspects: politics, economy, society, technology, environment and law. This analysis helps companies identify and understand how external factors affect their operations and decisions.

PESTEL analysis can help companies develop compensation strategies. For example, economic factors, such as inflation and unemployment, directly affect salary levels and employees' purchasing power; political and legal factors, such as minimum wage regulations and labor laws, determine the compliance of companies in setting compensation; social factors, such as employees' expectations for benefits and work-life balance, prompt companies to consider more benefits and incentives in the compensation system; technological factors may also affect the compensation structure, such as the application of new technologies may create new jobs, thereby changing the compensation standards. Through PESTEL analysis, companies can more effectively develop compensation strategies to adapt to changes in the external environment and enhance employee satisfaction and retention.

4.1.1. PESTEL Analysis

Political:

In 2024, governments around the world continued to strengthen policy support and guidance for the job market. In China, on May 7th, the Political Bureau of the CPC Central Committee conducted its 14th collective study on promoting high-quality and full employment, and General Secretary Xi Jinping pres over the study and delivered an important speech, pointing out the direction for employment work. On September 25th, the Opinions of the Central Committee of the Communist Party of and the State Council on Implementing the Employment-Priority Strategy to Promote High-Quality and Full Employment were released. This is the first comprehensive document on promoting employment from central level since the new era, which clearly puts forward general requirements and important measures. The Ministry of Human Resources and Social Security has actively responded by introducing a series of policies, such extending the implementation of the temporary policy of reducing unemployment insurance premium rates by 1%, reducing unemployment insurance premiums by 130.9 billion yuan in 204, effectively reducing the burden of enterprises, stimulating the vitality of enterprises in employing people, and bringing more business opportunities to the human resources industry. Internationally, many countries also introduced policies to encourage entrepreneurship and promote employment, driving the growth of demand for human resources services.

Economic:

The global economy, while facing certain uncertainties, continues to see the advancement of digitalization and globalization. China's GDP growth rate in 024 is expected to be around 5%, with the employment market presenting structural contradictions, a shortage of high-end talents, and fierce competition for grassroots positions. digital transformation has led to a surge in the demand for emerging technology talents in enterprises. According to data from relevant market research institutions, the global technology industry talent gap expanded by 15% compared to last year. Enterprises urgently need professional talents with capabilities in artificial intelligence, big data, cloud computing, and other technologies, which has created broad space for human resources industry to expand its high-end talent recruitment business. Against the backdrop of globalization, the expansion of multinational corporations' businesses has led to frequent cross-regional talent. Enterprises' demand for composite talents who are familiar with different regional cultures, laws, and market rules has increased, driving human resources companies to carry out international talent recruitment and configuration. Additionally, the adjustment of the economic structure has led to the rise of emerging industries such as new energy and biopharmaceuticals. The rapid development of these industries has brought large number of employment positions and also put forward higher requirements for the precise matching ability of human resources services.

Social:

With the development of society, people’s employment concept has significantly changed. Younger job seekers today focus more on work-life balance, personal development, and corporate social responsibility. The Linkedin Workplace Report 2024 shows that more than 70% of Gen Z and Gen Alpha job seekers prioritize worklife balance when considering job opportunities. In addition to the traditional five insurances and housing fund, employees’ demand for flexible benefits such as health management and mental health support has significantly. This prompts enterprises to develop more attractive talent strategies in the recruitment process, such as providing flexible working systems and more training and promotion opportunities, in collaboration with human resources companies. In, as society pays more attention to diversity and inclusiveness, companies are more committed to building a diverse talent team to adapt to the diversified market demand. Human resources companies to fully consider candidates’ diverse backgrounds in the process of screening and recommending talents, to help enterprises build a harmonious and inclusive work environment.

Technological:

Technological innovation is changing the operating model of the human resources industry. Technologies such as artificial intelligence, big data, and blockchain are widely used recruitment, training, performance management, and other aspects. In the recruitment field, intelligent recruitment platforms, with the help of AI algorithms, can quickly analyze massive resumes, accurately match candidates job requirements, and greatly improve recruitment efficiency. According to statistics, enterprises that adopt intelligent recruitment systems have shortened their recruitment cycle by an average of 30% - 40. Big data technology can deeply mine talent market data,

providing enterprises with decision-making basis such as talent supply and demand trend analysis and salary level references. Blockchain technology plays an role in employee background checks and certificate verification, ensuring the authenticity and security of employee information. At the same time, the rise of online training platforms has broken the limitations of time space, providing enterprises and employees with rich and convenient training resources, and promoting the digitalization and intelligence development of human resources services.

Environmental:

Driven by the global concept of sustainable development, companies are paying increasing attention to green office and environmental responsibility. This trend is affecting human resource management, companies tend to choose candidates who are aware of environmental protection and identify with the company's green development concept when recruiting talents. Human resource companies need to assist companies in integrating environmental protection into recruitment standards and corporate culture propaganda, attracting talents that meet the company's sustainable development strategy. In addition, in response to environmental challenges such as climate change, some regions begun to implement green employment policies, encouraging the development of green industries such as renewable energy and environmental technology, which stimulates the demand for talents in related fields and provides opportunities for the resources industry to expand new business areas.

Legal:

The regulatory framework for the HR industry is becoming increasingly stringent. In 2024, labor regulations in various cities were continuously improved, with regulations introduced in terms of protecting the rights and interests of workers, promoting employment equity, and ensuring data security. For example, the minimum monthly wage in Shanghai was adjusted to 2,690 in 2024, with an hourly wage of ¥24, and enterprises need to ensure that their remuneration systems comply with legal. Some regions strengthened supervision over the overtime duration and labor remuneration payment of enterprises, demanding that enterprises strictly comply with the relevant regulations to protect the legitimate rights and interests of workers This has prompted enterprises to rely on professional HR service agencies to ensure compliance operations in the process of HR management. In terms of employment equity, anti-discrimination regulations are further refined prohibiting enterprises from discriminating against job seekers based on gender, age, race, etc. during the recruitment process. HR companies need to strictly control the service process and help enterprises a fair employment environment. Meanwhile, with the increasing importance of data security, relevant regulations on personal information protection have been introduced successively to regulate the behavior of HR companies in the of data collection, storage, and usage, ensuring the data security of candidates and enterprises.

4.1.2. Porter's Five Forces Analysis

Bargaining power of suppliers:

1. Recruitment channels

Mainstream recruitment platforms may increase their service fees and increase the company's recruitment costs due to their market monopoly position.

When providing high-quality sales talents, professional headhunters may ask for higher commissions or service fees, which will affect the company's profit margins and salary budget.

However, companies can reduce their reliance on a single supplier by expanding recruitment channels and working with multiple suppliers, which is a medium risk.

2. Training Service Providers

Well-known training service providers may rely on their brand and professional advantages to price higher training courses and services, increasing the company's investment in sales personnel training.

The irregularities and information asymmetry in the training market may make it difficult for companies to evaluate the quality and cost-effectiveness of training services, making it more difficult to choose the right supplier.

The company can strengthen the project and evaluation of the training market, and choose cost-effective suppliers with medium risk.

Bargaining power of buyers:

Customers: Large enterprise customers have strong bargaining power and may demand lower prices or strict requirements for service quality, which can compress the company's profit margins. At the same time, the increase in customer choices can lead to the loss of business for the company. However, the company can enhance customer stickiness by improving service quality and meeting the personalized needs of customers, and the risk is medium.

Threat of new entrants:

Newly established staffing companies may enter the market and compete for client resources and talent with a unique business model, strong financial background, or innovative technology applications.

Enterprises outside the industry may cross over into the field of human resources, using their original resources and channel advantages to quickly occupy market share, posing a threat to startups.

TJ can respond by strengthening its core competitiveness and establishing brand advantages, and the risk is medium.

Threat of Alternatives:

Some larger companies may choose to strengthen their internal HR departments and reduce their dependence on external HR service companies, thereby reducing the need for sales teams.

With the popularization of human resource management software and online tools, enterprises may solve some human resource problems on their own and replace some traditional human resources services, affecting the company's business volume and the salary of the sales team.

TJ can differentiate itself from in-house HR departments and software tools by providing specialized, personalized services that are risk-neutral.

Competition from competitors in the industry:

Mature HR companies have abundant customer resources, perfect service system and strong brand influence, which can provide more attractive salary and career development opportunities to attract excellent sales talents.

Competitors may compete for market share by reducing prices and providing value-added services, resulting in price wars, compressing the company's profit margins and affecting the stability and competitiveness of the sales team's compensation system. As a start-up, TJ is at a relative disadvantage in the competition and has a high risk.

4.1.3. Competitor analysis

Competitor profile：

Through market project, it was found that Shanghai TJ's competitors mainly include the following categories:

1. Mature human resources companies: These companies have rich customer resources, perfect service system and strong brand influence, which can provide more attractive salary and career development opportunities, and have a strong attraction to excellent sales talents.
2. Newly established HR companies: may enter the market and compete for customer resources and talent with a unique business model, strong financial background or innovative technology application.
3. Cross-border enterprises outside the industry: use their original resources and channel advantages to quickly occupy market share, posing a threat to startups.

Competitor A: 51job.com

51job was founded in 1998 and is one of China's leading human resources service providers. The company not only provides a recruitment information platform, but also provides corporate human resources outsourcing, training and career development services. 51job is committed to improving recruitment efficiency through technical means and building an efficient communication bridge between job seekers and companies.

Competitor B: Zhihui Human Resources Management Consulting Co., Ltd.

Zhihui Human Resources was founded in 2023 and mainly provides recruitment, employee training and human resources outsourcing services to small and medium-sized enterprises. The company is committed to helping customers optimize human resources management and improve employee satisfaction through customized solutions.

Competitor C: Huawei Technologies Co., Ltd.

Huawei Technologies Co., Ltd. is a leading global information and communication technology solution provider, founded in 1987 and headquartered in Shenzhen, China. Huawei is mainly engaged in the development and sales of communication equipment, smart terminals and cloud computing services, and its business covers

telecommunications networks, enterprise networks, consumer electronics and cloud computing services.

The HR SaaS service launched by Huawei Cloud covers a variety of human resources management functions such as recruitment, compensation, attendance and employee development. Based on its powerful cloud platform, Huawei provides customers in various industries with one-stop HR system solutions to improve management efficiency.

Table4.1Competitors' strengths and weaknesses analysis

Company Name	Advantages	Disadvantages
51job	As an established recruitment website, it has a high market visibility and a broad customer base.	The recruitment model is relatively traditional and the innovation speed is slow
	A nationwide recruitment platform providing positions in multiple industries	Weak in flexible employment, data analysis and AI applications
	Rich data accumulation, huge resume database, and accurate matching algorithm	There are relatively few services for small and medium-sized enterprises, and the competitiveness of the flexible employment market is relatively weak.
	The company provides a variety of services, including online recruitment, offline job fairs, etc.	Customer experience is relatively traditional, and mobile optimization needs to be improved
Zhihui Human Resources	The company has obvious advantages in the field of flexible employment, and can provide a variety of short-term and temporary employment solutions.	Mainly serves small and medium-sized enterprises, with limited service capabilities for large enterprises
	Focus on the local market and have the advantage of in-depth human resources localization services	Data and technological innovation capabilities are limited, and digital management tools are relatively weak
	Have good customer resources in factory manufacturing, service and other industries	The brand is less well-known and has a weaker market influence than established recruitment platforms
	The cost control advantage is obvious, and it can provide enterprises with economical and efficient human resources solutions	The coverage is limited to specific industries and applicable customer groups are limited
Huawei	Huawei Cloud provides complete HR SaaS and big data services with strong technical advantages	Relatively little experience in the HR market, and weak brand influence in the human resources field
	AI, data analysis and cloud computing advantages make its HR solutions intelligent and highly automated	The main service targets are large enterprises, and may not be applicable to small and medium-sized enterprises.
	High brand trust, globalization and data security advantages	The service price is relatively high, and the cost-effectiveness is less attractive to small and medium-sized enterprises
	It can provide recruitment management, salary, performance appraisal and other services to help enterprises achieve digital transformation	Less experience in flexible employment and localized services, less flexibility than professional HR service companies

Source: Author(2025)

TJ's response strategy：
1. Differentiated competition: TJ can differentiate itself from competitors by providing personalized services and customized compensation packages to meet the special needs of customers and sales personnel.
2. Innovation and development: Actively pay attention to market dynamics, constantly innovate business models and service methods, and use emerging technologies to enhance the company's competitiveness.
3. Talent training: focus on cultivating and attracting sales talents with innovation ability and potential, and provide continuous impetus for the company's development.
4. Win-win cooperation: Establish cooperative relations with other enterprises in the industry, jointly explore the market, and realize resource sharing and complementary advantages.
5. Enhance brand influence: strengthen brand building and publicity, improve the company's visibility and reputation, and enhance customer trust in the company. open
Through the analysis of competitors, Shanghai TJ can better understand the market competition situation and formulate corresponding development strategies to meet the challenges of competitors and achieve the sustainable development of the company.

4.1.4. Analysis of the compensation system of peer enterprises in Shanghai

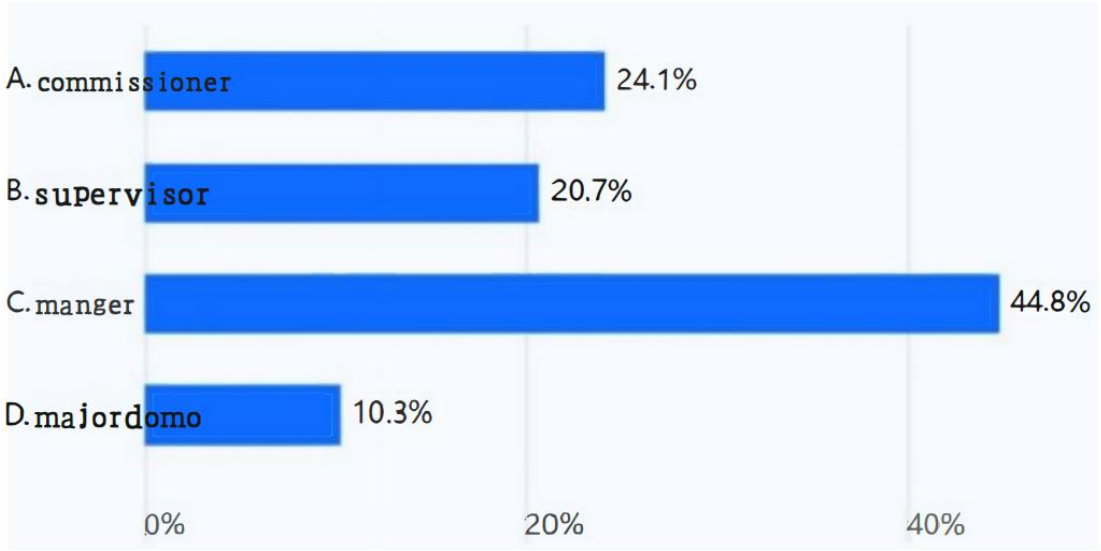
With the intensification of market competition, the design of the salary system of sales personnel in human resources companies is particularly important. The purpose of this questionnaire is to understand the salary status of sales personnel of human resources companies in Shanghai, and to provide a reference for the design of the salary system of start-up human resources companies in Shanghai.

The core question of this questionnaire is to investigate the remuneration system of sales staff in Shanghai human resources companies, including basic salary, performance salary, performance commission, welfare and other aspects. The questionnaire uses a combination of single choice and multiple choice to comprehensively understand the salary composition and satisfaction of sales personnel.

4.1.4.1. Analysis of questionnaire results

1) The positions of the sales staff participating in the survey are mainly managers.
As can be seen from the data, the highest proportion of personnel who participated in the survey was in managerial positions, at 44.8%, with a total of 26 people. This was followed by commissioners and supervisors, accounting for 24.1% and 20.7% respectively. The proportion of director positions is relatively low, at 10.3%. This indicates that relatively few people participated in the survey in top management positions and more in middle management positions.

Figure4.1Map of the job distribution of the survey subjects

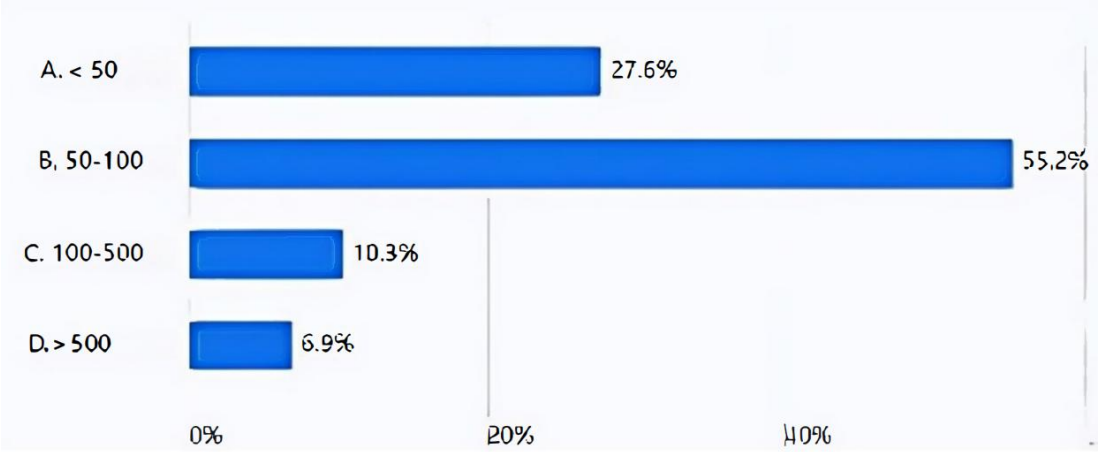


Source: Questionnaire data(2024)

2) The size of the companies involved in the survey is mostly 50-100 people.

From the data, it can be seen that 55.2% of the personnel are in companies with 50-100 employees, accounting for the highest proportion. This is followed by companies with less than 50 employees, accounting for 27.6%. Companies with 100-500 people and more than 500 people accounted for a lower share, at 10.3% and 6.9%, respectively.

Figure4.2Survey company size distribution chart



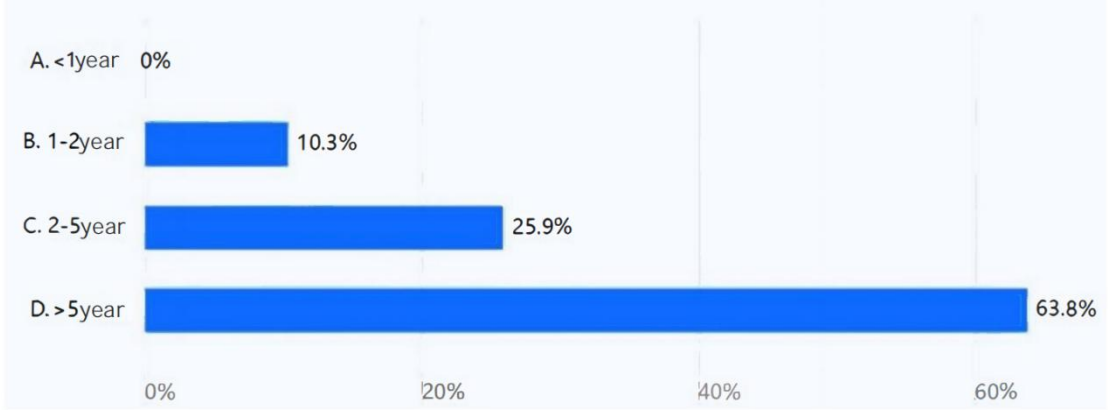
Source: Questionnaire data(2024)

3) Most of the companies that participated in the survey were companies that had been established for more than 5 years

From the data, it can be seen that 63.8% of the personnel work in the company for more than 5 years, much higher than other options. This indicates that most of the companies that participated in the survey have a long operating history and may have

accumulated a relatively mature compensation system.

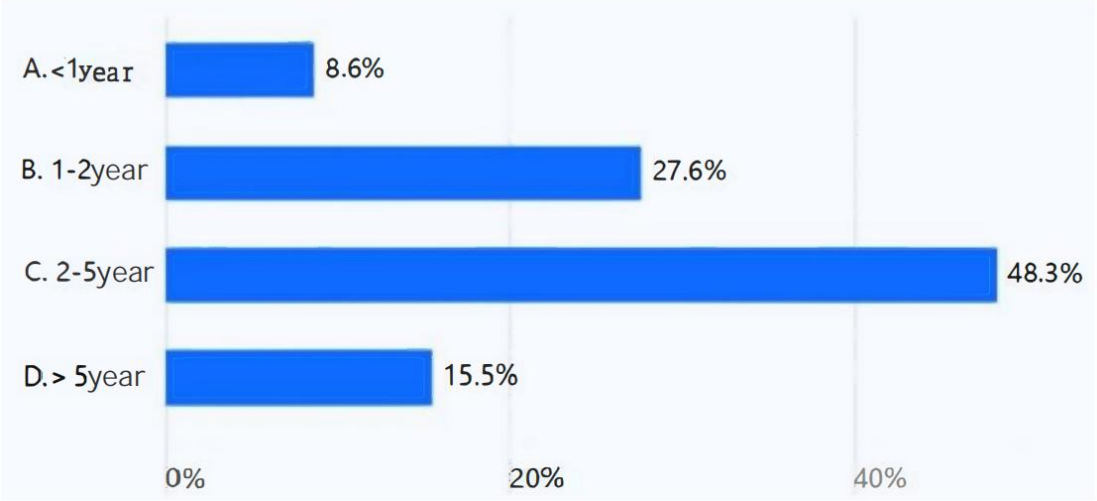
Figure4.3project the distribution map of the company's establishment years



Source: Questionnaire data(2024)

4) The company's personnel are mainly those with 2-5 years of work experience.
From the data, it can be seen that the number of people who choose "2-5 years" working hours is the largest, accounting for 48.3%, which is much higher than other options. This shows that nearly half of the company's personnel have 2-5 years of work experience,It is necessary to have a more accurate understanding of the company's compensation system.

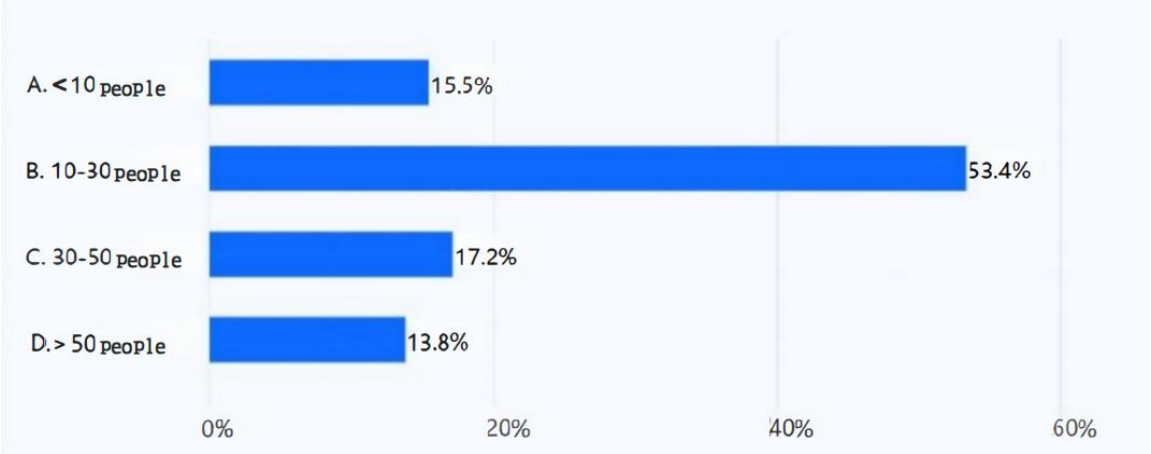
Figure4.4Length of service distribution of the survey subjects



Source: Questionnaire data(2024)

5) The size of the sales team is mostly between 10-30 people
As can be seen from the data, 53.4% of respondents said that the sales team size is between 10-30 people, which is the highest proportion of all options. Among the other options, 15.5% had less than 10 people, 17.2% had 30-50 people, and 13.8% had more than 50 people. As a result, sales teams are mostly between 10-30 people.

Figure4.5Sales team size distribution chart

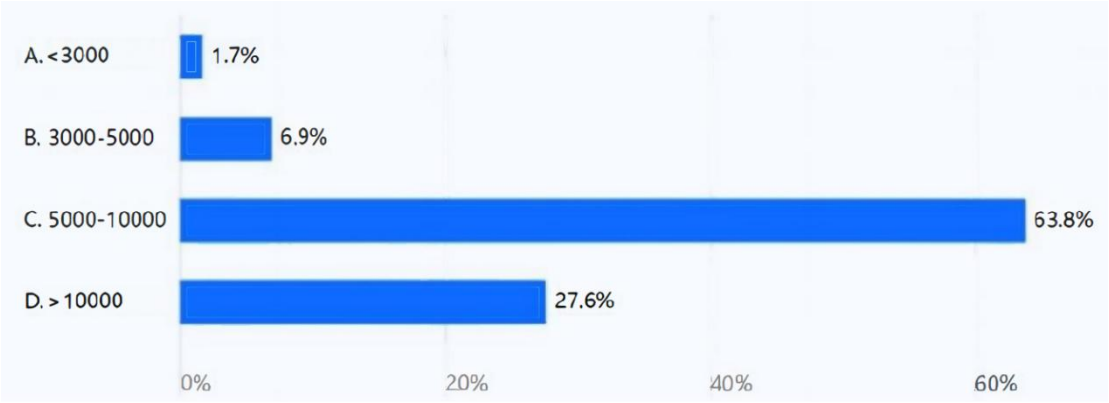


Source: Questionnaire data(2024)

6) The basic salary of sales staff of Shanghai human resources company is mainly 5,000-10,000 yuan.

It can be seen from the data that 63.8% of the basic salary level of sales personnel is between 5,000 and 10,000 yuan, which is much higher than other salary levels. At the same time, 27.6% of the sales staff have a basic salary of more than 10,000 yuan, while only 6.9% and 1.7% of the sales personnel of 3,000-5,000 yuan and below have a basic salary of more than 10,000 yuan.

Figure4.6Distribution chart of basic salary level of sales personnel



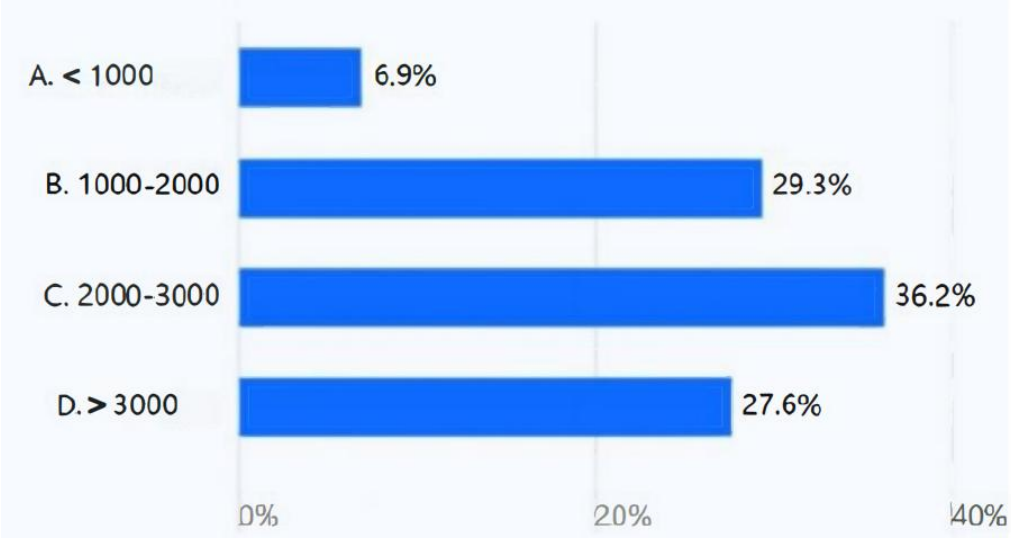
Source: Questionnaire data(2024)

7) The performance salary of sales personnel is mostly concentrated in the range of 2000-3000 yuan

It can be seen from the data that the proportion of sales personnel with performance salary of 200-3000 yuan is the highest, reaching 36.2%, with a total of 21 people. followed by option B (1000-2000 yuan), accounting for 29.3%, with 17 people. The combined proportion of salespeople in these two ranges is as high as 65.5%, indicating that the performance salary of most of the company's salespeople is

concentrated in this range.

Figure4.7Salesperson performance pay level distribution chart

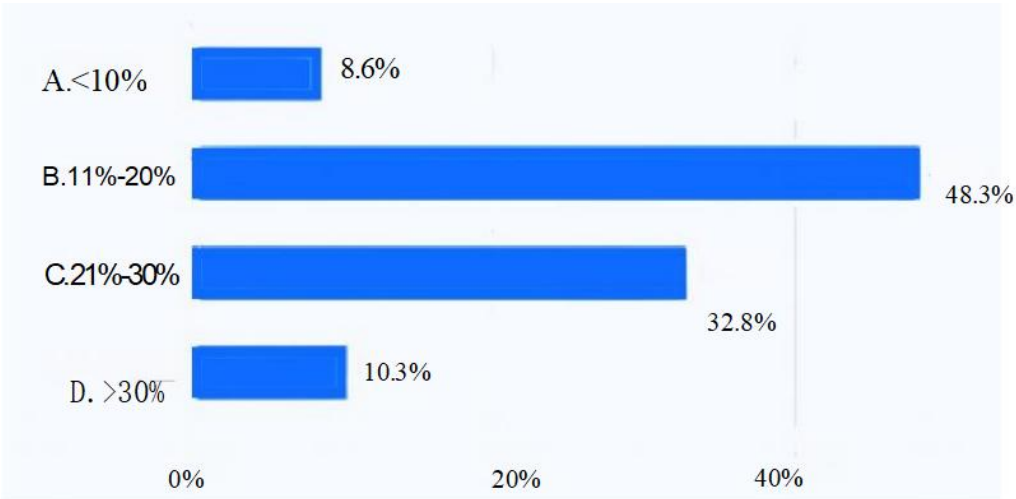


Source: Questionnaire data(2024)

8) The performance commission ratio of sales personnel is mainly concentrated between 11% and 30%.

From the data, it can be seen that the proportion of sales personnel with a commission ratio of 11%-20% is the highest, at 48.3%, followed by 21%-30%, accounting for 32.8%. These two options together account for more than 80%, indicating that the performance commission ratio of most company's salespeople is concentrated in this range.

Figure4.8Salesperson commission ratio distribution chart

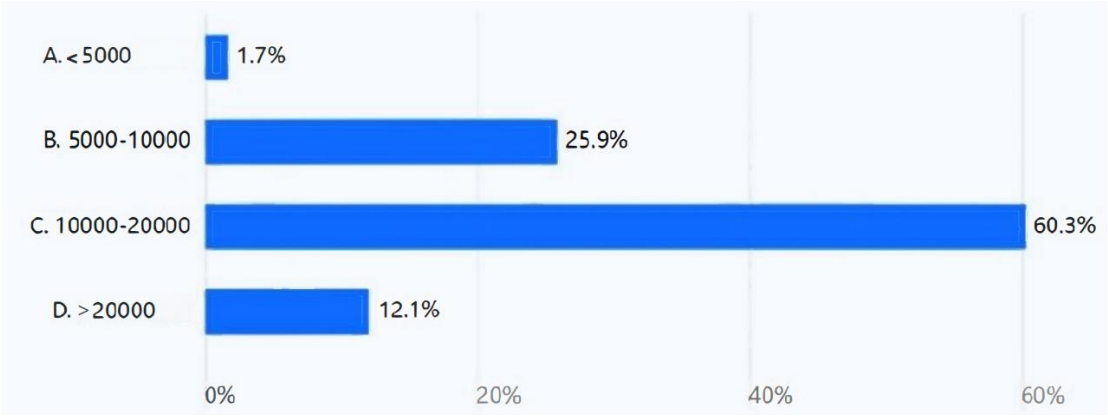


Source: Questionnaire data(2024)

9) The per capita monthly income of sales personnel in Shanghai human resources company is mainly concentrated in 10,000-20,000 yuan.

It can be seen from the data that 60.3% of the salespeople have an average monthly income of 1,000-20,000 yuan, which is much higher than the proportion of other income ranges. followed by the range of 5,000-10,000 yuan, accounting for 25.9%. This shows that the compensation system of sales staff in most human resources companies is mainly at the upper middle level.

Figure4.9Chart of the average monthly income of salespeople

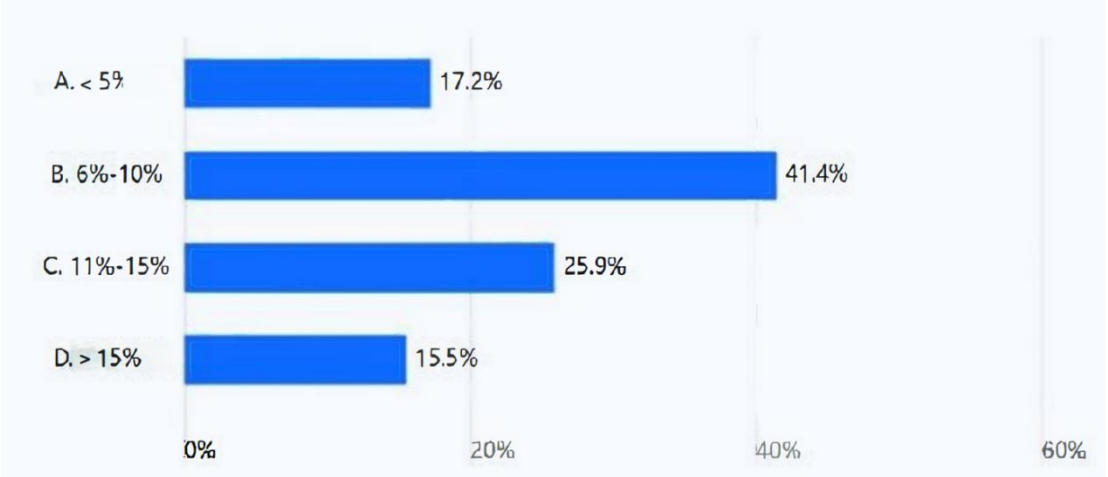


Source: Questionnaire data(2024)

10) The annual salary increase of sales staff is mostly concentrated between 6% and 15%.

From the data, it can be seen that the proportion of salespeople who choose option (6%-10%) is the highest, reaching 41.4%, followed by option C (11%-15%), accounting for 25.9%. The combined proportion of these two options reached 67.3%, indicating that the annual salary increase of sales staff in most human resources companies is concentrated between 6% and 15%.

Figure4.10Distribution of annual salary increases for salespeople

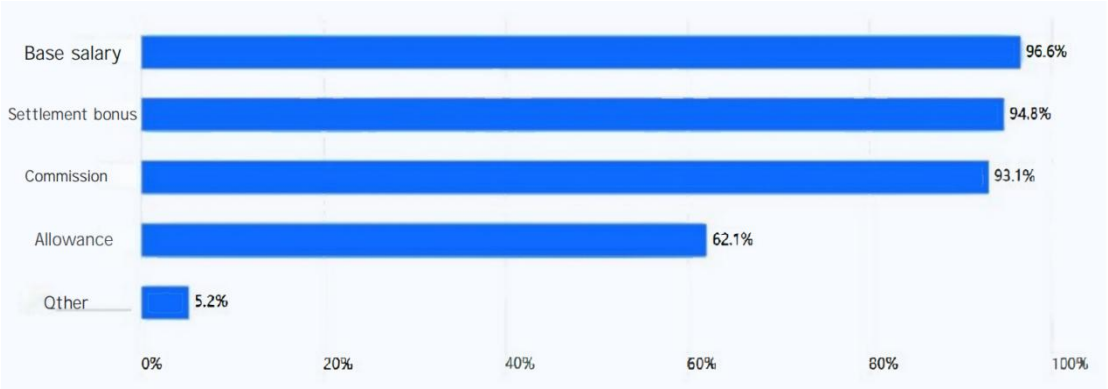


Source: Questionnaire data(2024)

11) The remuneration system of sales personnel is mainly based on basic salary, performance bonuses and commissions.

From the data, it can be seen that 96.6% of salespeople have a basic salary, 94.8% have performance bonuses, and 93.1% have commissions, which constitute the main part of salespeople's compensation. The proportion of allowances and other salaries is relatively low, indicating that the salary structure of sales personnel is more centralized and clear.

Figure4.11Proportion of the composition of the salary system of sales personnel



Source: Questionnaire data(2024)

The following 3 core points were distilled from the content posted by users who selected the "Other" option:

Subsidy view (about 33%): Users mentioned that in addition to the basic salary, they also want to receive some additional subsidies, such as meal allowance, telephone bills, etc., to reduce the pressure on living and working costs.

Full attendance reward view (about 17%): Some users believe that full attendance should be an important evaluation indicator, and hope to motivate salespeople to work harder through full attendance reward.

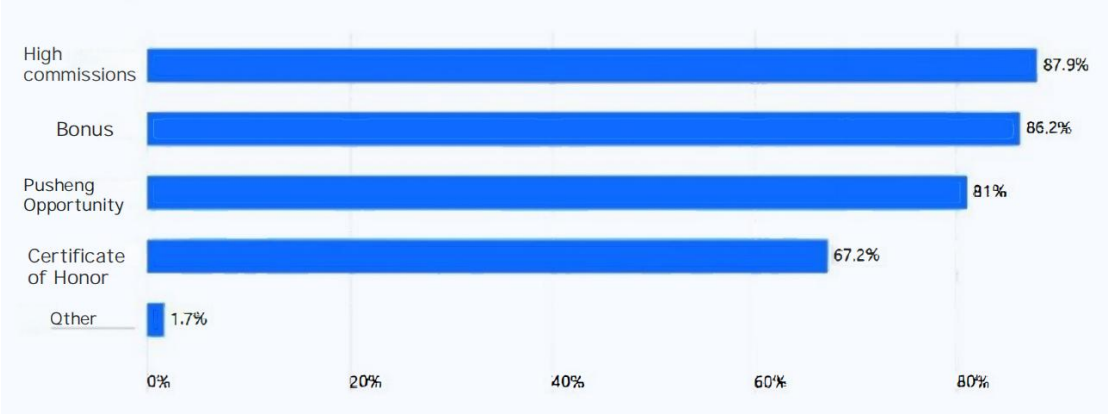
Fixed-amount subsidy view (about 17%): A small number of users directly proposed a specific subsidy amount, such as 3,000 yuan, which may reflect their dissatisfaction or expectation of the subsidy part of the current compensation system.

Comprehensive subsidy view (about 33%): Some users also mentioned multiple forms of subsidy, such as meal allowance and telephone bills, indicating that they want to include a more comprehensive benefit package in the compensation system.

12) Salespeople value high commissions and bonuses most as additional rewards for completing sales performance.

From the data, it can be seen that the proportion of "high commissions" is the highest, at 87.9%, followed by bonuses, accounting for 86.2%. These two figures are much higher than the other options, indicating that salespeople place a higher value on material rewards.

Figure4.12Percentage of sales incentives for salespeople



Source: Questionnaire data(2024)

13) The benefits of sales personnel in Shanghai Human Resources Company are more comprehensive, and team activities are valued

Five insurances and one housing fund, paid annual leave and team activities are almost fully covered, indicating that the company has invested heavily in basic protection and team building for employees. Training opportunities and regular physical examinations are also relatively high, reflecting the company's focus on employee career development and health management.

Figure4.13Percentage of salesperson benefits



Source: Questionnaire data(2024)

14) Nearly half of the companies plan to improve the compensation system

From the data, it can be seen that 43.1% of the companies said that they had a compensation system improvation plan in the past year, while 56.9% of the companies said that they did not have such a plan. This shows that the sales system of most human resources companies is constantly improved.

Figure4.14Improvation plan of the salary system of the human resources company



Source: Questionnaire data(2024)

4.1.4.2. Summary of questionnaire results

According to the survey, the salary system of sales staff of Shanghai human resources company is mainly based on basic salary, performance bonus and commission, and the per capita monthly income is mainly concentrated in 10,000-20,000 yuan.

In view of the survey results, it is suggested that the company should speed up the design of the compensation system for sales personnel, especially pay attention to the reasonable allocation of basic salary, performance bonus and commission. At the same time, considering the importance of high commissions and bonuses for salespeople, the company can appropriately increase the incentives of these two parts. In addition, in response to the subsidy view of salespeople's expectations, companies can add subsidy benefits to the compensation system to improve employee satisfaction and work motivation. Finally, companies should focus on the nearly half of the companies that have compensation system improvation plans to keep abreast of their needs and dynamics in order to better meet market demand.

4.2. Overview of Shanghai TJ Company and Sales Personnel

4.2.1. Company Overview

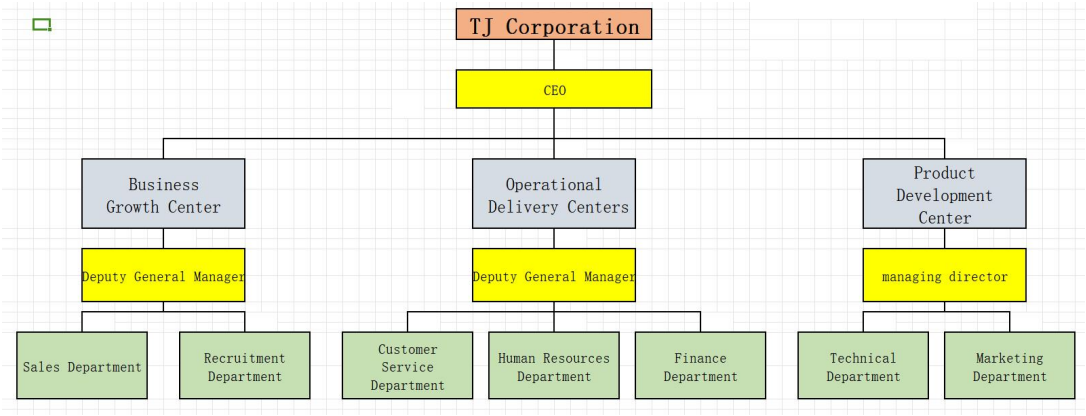
Founded in August 2023 and headquartered in Shanghai National Human Resources Industrial Park, Shanghai TJ is a technology-based human resources service provider. The company has established a business closed loop for the integrated development of the government, enterprises and individuals; It provides professional human resources services for enterprises through three product lines of social security, salary and tax, and recruitment, provides empowering human capital services for individuals with two product lines of employment and training, and also provides integrated industrial services for the government through the digital human resource industrial park. In the early stage of the company's development, the business source mainly relied on the

founder's personal customer resources, after more than a year of development, the company gradually established a large-scale sales team, in order to better develop the company's business, TJ company urgently needs to establish a set of fair, motivating, scientific and competitive, and suitable for the sales staff of the salary system.

4.2.2. Company Organizational Chart

Shanghai TJ company is governed by the general manager of each department, under the general manager of a number of deputy general managers, to assist in the management of subordinate departments, and each department of the company has an independent department director and department manager responsible for the daily work of the department.

Figure4.15TJ Company Organizational Chart

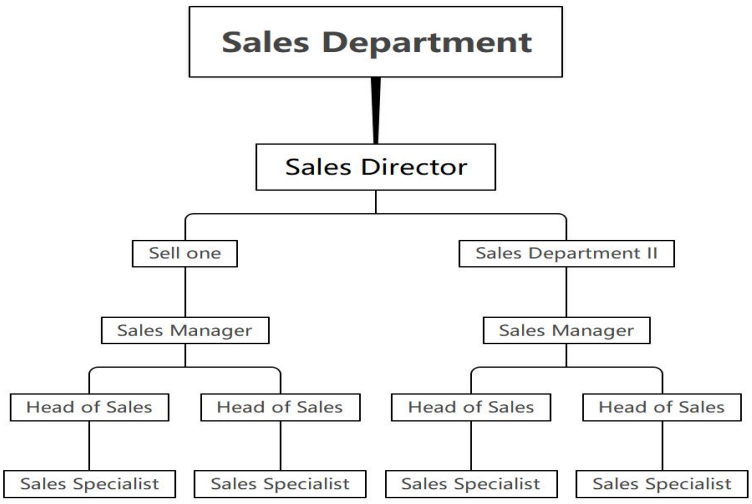


Source: Author(2023)

4.2.3. Organizational structure of the sales department

Shanghai TJ company sales department staff according to the position has a clear management authority division, the head of the sales department is the sales director, under which there is a sales department and a sales department, respectively, managed by the sales manager, each sales manager manages two sales teams, each team has a sales supervisor responsible for the daily management and reporting of the work, the specific composition is as follows:

Figure4.16Structure diagram of the sales department of TJ company



Source: Author(2025)

There are 30 employees in the sales team, and the specific distribution is as follows:

Table4.2TJ's sales team personnel distribution table

Job Title		Number of establishments
Sales Department	Sales Director	1
	Sales Manager	2
	Head of Sales	2
	Sales Specialist	25

Source: Human Resources Department of TJ Company(2025)

1) Age structure

The sales department is a young team with an age structure as shown in the table:

Table4.3TJ's sales staff age composition table

Age	20-30	31-40	Over 40 years old	Total
Number	21	9	0	30
Proportion（%）	70%	30%	0%	100%

Source: Human Resources Department of TJ Company(2025)

As can be seen from the table, the age of the sales staff is mainly under the age of 30, indicating that the sales staff of TJ are generally young, malleable, and easy to accept new things. As long as scientific and effective incentive measures can be adopted, it is easy to mobilize enthusiasm and creativity in work. In addition, the age gap is smaller, the concepts are closer, and the communication between employees will be easier, which can lay the foundation for coordination within the company.

2) Educational structure
As shown in Table 4.4:

Table4.4Educational composition table of TJ company's sales staff

Degree	Undergraduate	Specialist	Technical secondary school and below	Total
Number	15	13	2	30
Proportion（%）	50%	43%	7%	100%

Source: Human Resources Department of TJ Company(2025)

As can be seen from the table, the overall cultural quality of the employees of the sales department of Shanghai TJ Company is relatively high, so they will pay more attention to their own development. If the company wants to achieve sustainable development, it must also pay attention to the needs of employees, pay more attention to the personal development of employees, create good training opportunities for them, and motivate employees to constantly challenge new goals and realize their own value.

4.2.4. Characteristics of the work of TJ salespeople

Due to the particularity of the human resources industry, TJ's sales staff are facing enterprise customers, and the refinement of sales and the intensification of market competition make TJ's sales staff not only have solid product knowledge and professional knowledge, but also have the ability to adapt and innovate. Therefore, the work of TJ's sales staff is characterized by the following characteristics compared to that of ordinary employees:
(1) Work relatively independently. Because the work of the sales staff is reasonably arranged in combination with the sales target and the customer, the flexibility is relatively large and relatively independent.
(2) There are large differences in work ability. Since the work of sales staff is mainly to deal with people, compared with professional positions such as finance and technology, there are fewer restrictions and lower barriers. Personnel in other positions can be transferred to sales positions at any time, resulting in a large gap in ability among the sales group.
(3) Uncertainty of work. The work of salespeople is faced with the ever-changing market, economic and political policies, and there are many uncertainties in the work.
(4) Measurability of performance. Salespeople don't just accomplish performance metrics, but also include qualitative metrics such as market project, competitive product and competitor analysis, customer segmentation, customer feedback, and more. The performance of the salesperson can be measured by regular sales, new customers developed within a certain period of time, the recovery rate of contract payments, etc.
(5) Greater management flexibility. Since the working hours of sales staff are

reasonably arranged in combination with the sales target and the customer's time, the flexibility is relatively large and relatively free, and they cannot be constrained by the general attendance system. The company's management of sales personnel should focus on process management, that is, combined with the sales target planning of sales personnel and the management of customer visits and goal achievement.

4.2.5. The current situation of the salary of sales staff of Shanghai TJ Company

As a start-up, TJ was busy with the survival of the company at the beginning of its establishment, and has not developed a systematic salary system, and the company's salary management has been chaotic in the past year, and employees have no clear understanding of the salary accounting method, which has seriously affected the enthusiasm of employees and even caused personnel loss.

Therefore, the author conducted in-depth interviews with the general manager of TJ Company and a senior HR and company consultant in the industry on the issue of salary management for sales personnel, so as to have a more comprehensive understanding of the current difficulties faced by TJ Company in salary management.

The outline of the interview is as follows:

1. What problems do you think exist in the company's current sales staff salary?
2. What do you think are the causes of these problems?
3. Can you talk specifically about the performance of unclear salary structure, such as basic salary, commission and bonus?
4. What is the current salary payment situation?
5. Do you think the company's current performance has a positive effect on the daily work of salespeople?
6. What impact do you think the current situation of compensation has on employees' motivation and team stability?
7. Has the company been aware of these problems before, and has it taken any measures to solve them?
8. What do you think is the key to solving these problems, or how do you hope to improve the current compensation system?
9. What do you think should be the elements of a reasonable compensation system?
10. For the future development of the company, what role do you hope the compensation system will play in it?

By summarizing the content of the interview, it is found that there are the following problems in the current employee compensation of TJ:

First, the salary structure is not clear

1. Basic salary: Employees are not aware of how their basic salary is determined, and there is a lack of clear salary scale standards. There may be a large difference in the basic salary of employees in the same position, but there is no reasonable explanation, resulting in employees comparing with each other and creating a sense of unfairness.
2. Commission: The commission ratio is vague and there is no specific calculation method and standard. Employees don't understand how their sales performance translates into royalty revenue, leaving them with a lack of clear goals and motivation

at work. For example, the commission ratio of different projects is inconsistent, and there is no written rule, and the decision is made on an ad hoc basis by the leader, which makes employees uncertain about their own income expectations.

3. Bonus part: The conditions and amount of bonuses are arbitrary. There may be times when a bonus is given because the company is doing well, but the employee does not know what the bonus is based on and does not know when he will receive the bonus next time.

Second, the salary adjustment mechanism is missing

1. Lack of regular salary evaluation: The company has not established a mechanism to evaluate and adjust employees' compensation on a regular basis. With the change of market conditions and the improvement of employees' personal ability, employees' salaries cannot be adjusted in time, resulting in the loss of outstanding employees due to unreasonable salaries.

2. Promotion is not linked to salary: After an employee is promoted, the salary is not increased accordingly, or the increase is not clear. This makes employees less motivated to be promoted, believing that promotion is just a false name and has no real financial benefits.

3. Salary payment is not standardized

1. Unstable payment time: There is no fixed date for the payment of salary, sometimes in advance, sometimes in delay, so that employees cannot make reasonable plans for their income.

2. Unclear payment method: The company does not have clear regulations on the payment method of commissions and bonuses. There may be different payment methods such as cash, transfer, etc., and even default, which seriously affects the enthusiasm of employees and their trust in the company.

Fourth, there is a disconnect between compensation and performance

1. No clear performance metrics: The sales team doesn't have a clear system of performance indicators to accurately measure the performance of employees. Employees don't know their goals and priorities, or how their work results affect compensation.

2. Unfairness in performance evaluation: Even if there are some vague performance evaluations, employees may question the results of performance evaluations because the evaluation criteria are not clear and the evaluation process is unfair. For example, the subjective evaluation of leaders is relatively large, and there is no objective data to support it, which makes employees feel that their efforts are not being recognized as they should be.

To sum up, the chaotic salary system of TJ's sales team has seriously affected the enthusiasm of employees and the stability of the team, which is not conducive to the long-term development of the company. The company should establish and improve a scientific and reasonable salary system as soon as possible to improve employee satisfaction and loyalty, and promote the sustainable development of the company.

4.3. SWOT Analysis

Strengths:

1. Flexibility and customization

• Ability to tailor personalized compensation packages based on the individual abilities, experience and performance of sales team members to better meet the diverse needs of employees and increase their job satisfaction and loyalty.

• Flexibly adjust the remuneration structure and incentive mechanism for different customer groups and business projects to adapt to the rapid changes in the market and the needs of business expansion.

2. Innovate incentives

• Try to introduce non-monetary incentives, such as flexible working hours, career development opportunities, honors, etc., to enrich the incentives and stimulate the intrinsic motivation of salespeople.

• Leverage emerging technologies and platforms, such as social media, online competitions, etc., to develop innovative incentives to enhance team cohesion and competition.

3. Rapid decision-making and adjustment

• The organizational structure is relatively flat, and the information is transmitted quickly, and the adjustment of the compensation system can be agreed and implemented in a short period of time.

• The compensation system can be fine-tuned in a timely manner based on market feedback, sales performance and employee opinions to ensure its effectiveness and adaptability.

Weaknesses:

1. Limited funds

• Cash-tight start-up and may not be able to offer a high fixed salary comparable to that of larger companies, and a lack of competitiveness in attracting experienced and high-performing senior salespeople.

• Relatively small budgets for bonuses and benefits make it difficult to give enough material incentives to salespeople, which can lead to brain drain.

2. Lack of data and experience

• Due to the company's short establishment time and lack of sufficient sales performance data accumulation, it is difficult to accurately evaluate the reasonable compensation level and incentive intensity in different sales strategies and market environments.

• Lack of practical experience in designing and managing compensation systems, which may lead to deviations or unreasonableness in the formulation of compensation policies, which affects the motivation and stability of the sales team.

3. Weak brand influence

• Low visibility and reputation in the market, and it is difficult to attract excellent sales talents to join with brand effect.

• Customers' trust and recognition of the company need to be improved, which may affect the sales team's business development and customer signing success rate.

Opportunities:

1. Emerging market demand

• With the continuous development of Shanghai's economy and the upgrading of its industrial structure, the demand for human resource services in emerging industries and innovative enterprises is increasing, providing a broad market space and business development opportunities for the sales team.

• Enterprises have higher and higher requirements for the quality and specialization of human resource services, and companies can attract excellent sales talents to meet the high-end needs of the market by designing a competitive salary system.

2. Application of Technology

• The development of big data, artificial intelligence and other technologies provides more accurate data support and analysis tools for the design of the compensation system of the sales team. For example, by analyzing market salary data, sales behavior data, etc., a more scientific and reasonable compensation strategy can be formulated.

• With the help of the digital platform, realize the automation and transparency of payroll calculation, payment and management, improve the efficiency and fairness of payroll management, and enhance the trust of sales personnel.

3. Partnership opportunities

• Establish cooperative relations with well-known enterprises, training institutions or consulting companies in the industry, learn from their advanced salary management experience and practical cases, and improve the level of their own compensation system design.

• Participate in activities organized by industry associations and chambers of commerce, strengthen exchanges and cooperation with peers, and jointly explore innovative compensation models and incentive mechanisms.

Threats:

1. Competitor imitation

• Once an innovative compensation system is effective, it is easy for competitors to quickly imitate and copy, weakening the company's competitive advantage.

• Competitors may use their greater financial and resource advantage to improve and improve the company's innovation initiatives to attract more talent and customers.

2. Changes in regulations and policies

• The continuous improvement of labor laws and regulations and the adjustment of tax policies may restrict the design and implementation of the compensation system, increasing the company's compliance cost and management difficulties.

• For example, the increase in the minimum wage standard and the adjustment of the social security contribution base may affect the company's labor cost and salary structure.

3. The market is volatile

• Fluctuations in macroeconomic conditions, increased competition in the industry, and changes in customer needs can lead to unstable sales team performance, which in turn affects compensation payments and employee income expectations.

• Market instability may lead to increased turnover of sales personnel, and companies

need to constantly adjust their compensation systems to cope with the risk of brain drain.

5. Compensation system design and implementation

5.1. The purpose of the design of the compensation system

Based on the understanding of the current situation of TJ's sales staff salary, combined with the development trend of salary management, I believe that the systematic design of the sales staff compensation system is very necessary, and it is by no means limited to solving the immediate salary problem of the enterprise, otherwise, even if the current problem is temporarily solved, once there is a new problem, the salary system will not be able to adapt. Fundamentally, the purpose of the design of the compensation system for sales personnel is mainly reflected in the following aspects:

(1) Attract and retain the company's sales talents

The overall design of the salary system can improve the enthusiasm of sales personnel, truly reward the good and punish the bad, enhance the transparency of salary assessment and reward, attract and retain talents, and reduce personnel turnover.

(2) Enhance the core competitiveness of enterprises

Through the design of the compensation system, the enterprise transforms the corporate strategy and core values into measurable action plans and indicators, and strengthens the performance behavior of employees with the help of an incentive compensation system, so as to enhance the core competitiveness of the enterprise.

(3) Achieve a win-win situation for enterprises and sales personnel

Both the salesperson and the business have their specific goals, and the two are both contradictory and interconnected. Salespeople want to get higher compensation in order to realize their own value, while companies want to get a bigger return with "less investment" in order to effectively use resources and reduce costs. If the right combination is not found between the two salary targets, the salary paid by the enterprise will not motivate employees, and employees will have negative psychology, resulting in a vicious circle of dissatisfaction with employees, complaints from employees, decline in corporate performance, and lower compensation for employees; On the contrary, if the enterprise and employees form a community of interests through the compensation system, a virtuous circle will be formed: the incentive ability will be enhanced, the performance of the enterprise will rise, the salary will be improved, and the performance of the enterprise will be higher. In the development of the enterprise, it is an important purpose to promote the common development of the enterprise and the employees and achieve a win-win situation for the enterprise and the employees.

5.2. Principles of compensation system design

An Hongzhang (2007) for salespeople, salary is not only a dependence on their survival, but also a reflection of their work results, and a symbol of their social status. In addition, a good sales staff compensation system can not only make salespeople

work efficiently and actively, but also keep the company's labor costs at an acceptable level; It can motivate and retain existing employees, and attract the best talent to join. Therefore, the following principles should be followed when improving the design of the sales staff compensation system of Shanghai TJ Company based on the concept of total compensation:

(1) The principle of fairness

The principle of fairness is the first principle that should be followed when designing a compensation system for salespeople. In other words, when designing the work, you are paid a salary equal to the value of the salesperson's position. For most salespeople, dissatisfaction with compensation is often not about the sheer amount of compensation, but about the relative fairness of compensation, and employees often compare their own inputs and outputs with those of colleagues, friends, or even their own past in order to seek a sense of fairness. Therefore, in the design process, it should be important to consider the salesperson's sense of fairness in compensation. When an employee works hard for the company and has outstanding performance, whether he is the backbone of the company or an ordinary employee, and no matter what mistakes he has made before, he should be fairly rewarded.

(2) The principle of incentives

The ultimate goal of the improvation of the compensation system of sales personnel is to achieve the effect of incentives, which is also one of the most important functions of compensation. Therefore, the "performance-linked principle" should first be reflected in the design, and the payment of remuneration should be linked to performance; Secondly, according to the actual contribution of the sales staff to pay, and the appropriate salary distance, so that the sales staff with different performance can be psychologically aware of the gap, and produce incentives, so that the sales staff with good performance feel encouraged, and the employees with poor performance think that it is worth improving their performance to get better remuneration.

(3) The principle of competition

In today's era of knowledge economy, the competition between enterprises is ultimately the competition of talents. The remuneration system of sales personnel should be competitive in the industry to attract, motivate and retain outstanding talents.

(4) Economic principles

Improving the salary level of sales personnel, although it can improve their enthusiasm, can also enhance the company's competitiveness in the industry, but at the same time will inevitably lead to the rise of the company's labor costs, so in the design of the sales staff salary system can not be free from economic constraints, should take into account the company's financial strength and actual ability to pay, pay attention to control labor costs, without affecting the company's overall efficiency, to seek the best balance.

(5) The principle of legality

Legitimacy means that the remuneration system of sales personnel must comply with the provisions of the current laws and regulations of the state, such as the minimum job security, statutory paid leave, and the payment of overtime pay for employees.

This is the most basic requirement for the compensation system of sales personnel.

5.3. The basic basis for the design of compensation

The design of the salary system of the sales staff must not only be based on the theory, nor can it only be considered from the position of the sales staff, but should fully understand all aspects of the company's situation, only on this basis, the design of the salary system of the sales staff will not be lost.

(1) Conduct industry salary surveys

When determining the remuneration of sales personnel, it is necessary to maintain a reasonable degree, that is, not to pay more, resulting in an increase in costs, nor to pay less, it is difficult to maintain the human resources required for the development of the company and maintain external competitiveness. To do this, it is necessary to conduct a salary survey. The author chose the salary system of sales staff of 50 companies in the same industry as a reference (see Chapter 4 for specific data).

(2) Clarify the objectives of the overall development strategic planning of the enterprise

The purpose of enterprise compensation management is to achieve corporate strategy, and in order to make compensation management a key factor to achieve the success of enterprise strategy, the strategy of the enterprise should also be transferred when designing the compensation system for sales personnel. The overall development strategic planning goal of Shanghai TJ Company is to achieve symbiosis and co-prosperity among platforms, partners and users, and become a benchmark enterprise for the high-quality development of the industry. In order to achieve strategic goals, one of the strategies is to expand market share, and the company should design a compensation system that can attract sales staff more than its competitors, attract outstanding talent from outside to join the company, and motivate and retain talent within the company.

(3) Clarify the values of the enterprise

The values of the enterprise dominate the overall situation of the enterprise, guide many aspects of the operation and management of the enterprise, and also affect the compensation management and strategy of the enterprise. The values of Shanghai TJ are: customer first, team-oriented, honest and responsible, open innovation, and the pursuit of excellence. In view of the company's values, Shanghai TJ company should not only evaluate the sales performance of the sales staff, customer satisfaction is reflected in many aspects, and the sales staff should also be assessed in the important details of the sales process, and the assessment results are reflected in their salaries. In short, when designing the salary system of sales personnel of Shanghai TJ Company, we should fully consider the requirements of corporate strategy and corporate values for personnel, consider the talent competition strategy of competitors, and design a reasonable salary plan under the premise of ensuring that the company's financial resources can be paid.

5.4. The specific content of the remuneration system design

Based on the concept of total compensation, the external compensation and internal compensation should be fully considered when designing the remuneration system of sales personnel, so as to meet the real needs of sales personnel and achieve the purpose of effectively motivating sales personnel. The author designed the post salary, welfare system, commission system, performance floating salary, and intrinsic salary of sales personnel. The external salary structure of sales personnel is basic salary + performance floating salary + performance commission + welfare.

5.4.1. Post salary design

Broadbandpay refers to the regrouping of multiple pay bands and pay ranges into a relatively small number of pay bands and a correspondingly wide range of pay changes. In the traditional salary system design, employees are along the company's only salary level vertically up, but the broadband salary system is not the case, in the broadband salary system in most or all of their careers may only be in the same salary broadband, their flow in the company is horizontal, with the improvement of their own capabilities, they will assume new and more important responsibilities, as long as they continue to improve their performance in the original position, they can get higher salaries, Even if you are placed in a low-level position, you still have the opportunity to get a higher salary.

Based on the idea of broadband salary system design, fully considering the salary level of sales personnel in the industry, combined with the specific situation of the company, without destroying the post salary structure of the whole company, the author negotiated with the general manager and deputy general manager of TJ Company, and decided to set up three levels of salary for the company's sales personnel, with a grade of 6,000 yuan/month, a grade of 5,500 yuan/month, and a C grade of 5,000 yuan/month. All salespeople were initially at the same level of C, that is, the monthly salary was 5,000 yuan.

The salary adjustment of the sales staff is based on the annual performance appraisal results, and the assessment result is "excellent", and the post salary will be promoted one level on the original level until it reaches the highest level of the post salary grade; The assessment result is "qualified", and the salary grade of the post remains unchanged; The assessment result is "unqualified", and the post salary scale is lowered by one level until it is reduced to the lowest level of the post salary scale. For sales personnel who have made significant contributions to the company's sales development for several consecutive years and have maintained the salary level standard of A-level positions for three consecutive years, they can not be adjusted until retirement.

5.4.2. Performance-based pay design

Performance-based pay plays an important role in many aspects for salespeople. It can motivate salespeople to improve their work motivation and stimulate their sense of competition to obtain higher income; It has a goal-oriented role, clarifies the direction of work, and prompts sales staff to formulate plans; It can screen and retain outstanding talents to provide support for the development of enterprises; It can also provide performance feedback, promote self-improvement of salespeople, and improve sales skills and business level.

According to the actual situation of TJ company and the results of the survey of peer companies, on the basis of full discussion with the company's leaders, I set the total performance salary of sales personnel at a fixed value of 2,000 yuan/month, which will be issued according to the results of monthly performance evaluation.

The author fully communicated with the company's leaders when designing the performance appraisal method of sales personnel, and obtained the index dimension and weight of the sales personnel from the company's leaders. After comprehensively considering various performance methods and the actual situation of TJ company, the assessment method similar to the comprehensive project appraisal was finally adopted, due to the length of the thesis, the author will not elaborate in this chapter, but only list the steps of sales staff performance appraisal and the relationship between the assessment results and the sales staff performance salary.

The performance appraisal of Shanghai TJ's sales staff is mainly divided into the following steps:

(1) Determine the assessment dimensions and assessment indicators

When selecting assessment dimensions and indicators, we must take the company's strategy as the premise, and the selected assessment dimensions and indicators must conform to the SMART rule. There are three dimensions for evaluating salespeople: task dimension, ability dimension, and attitude dimension. The task dimension refers to the work results achieved by the person being evaluated through hard work. The competency dimension refers to the special ability of the assessee to complete various professional activities. The attitude dimension refers to the attitude and work style of the person being evaluated towards the career. Among them, each main evaluation dimension is composed of corresponding evaluation indicators.

Table5.1Evaluation metrics and weights

Category	Task dimension	60% Monthly evaluation	Ability dimension	20% Monthly evaluation	Attitude dimension	20% Monthly evaluation
		80% Annual evaluation		10% Annual evaluation		10% Annual evaluation
Performance evaluation indicators	Increased profit（40%）		Communication skills（20%）		Service attitude（30%）	
	Customer Development Number（10%）		Execution Ability（30%）		Professionalism（30%）	
	Retention of old customers（40%）		Market awareness（20%）		Collaboration spirit（20%）	
	Customer follow-up（10%）		Professional competence（30%）		Work discipline（20%）	

Source: Author(2025)

(2) Assessment and scoring

The evaluators of the "task dimension" are department leaders, while the "ability dimension" and "attitude dimension" are evaluated using a 360° all-round evaluation method, and the specific evaluation weights are shown in the following table:

Table5.2All-round evaluation weighting

	Direct leadership	Customer	Colleague	Qneself
Ability dimension	40%	30%	20%	10%
Attitude dimension	30%	40%	20%	10%

Source: Author(2025)

The indicators of the "task dimension" are quantitative indicators, which correspond to Table 5.3 when evaluating and scoring them

Table5.3Quantitative index assessment comparison table

Grade	A	B	C	D
Definition	Complete the predetermined goals	Achieve over 90% of the predetermined goals	Achieve over 80% of the predetermined goals	Complete less than 80% of the predetermined target quantity
Score	100	75	50	0

Source: Author(2025)

The indicators of the "competency dimension" and the "attitude dimension" are qualitative indicators, and the meaning of each qualitative indicator must be clearly described before scoring the qualitative indicator assessment. For the sake of space, the "spirit of cooperation" is used as an example to describe it:

Table5.4Qualitative indicator "spirit of cooperation" assessment comparison table

Spirit of cooperation				
Grade	A	B	C	D
Definition	Be able to proactively detect problems in colleagues' work and provide assistance proactively	Be able to actively cooperate and complete work after colleagues make corresponding requests	Can collaborate with colleagues, provide limited assistance, but not affect the overall progress of work	Unable to collaborate with colleagues, affecting the overall progress of work
Score	100	75	50	0

Source: Author(2025)

(3) Result grading

Multiply the results of each assessment by different weights to convert them into the final score of the assessment. According to the score, the assessment grade is divided into three levels, which are excellent, qualified and unqualified. This is shown in Table 5.5.

Table5.5Grading Scale

Grade	Excellent	Qualified	unqualified
Definition	Exceeding job requirements; And achieve work goals that completely exceed expectations	Meet the regular requirements of the position; Achieve work goals with quality, quantity, and on time	Not meeting the regular requirements of the position, unable to achieve the salary target
Score	90 points and above	60—89 points	below 60 points

Source: Author(2025)

(4) The use of evaluation results

The formula for the performance floating salary of sales personnel is: performance floating salary = total performance × monthly evaluation coefficient. Table 5.6 shows the corresponding evaluation coefficients. The results of the annual appraisal are used as the basis for adjusting the salary level of the sales staff for the next year, as shown in Table 5.7.

Table5.6Comparison table between monthly evaluation grade and monthly evaluation coefficient

Monthly evaluation results	Excellent	Qualified	unqualified
Monthly evaluation coefficient	1.5	1	0.5

Source: Author(2025)

Table5.7The relationship between the annual evaluation grade and the salary grade of the next year

Annual evaluation results	Excellent	Qualified	Unqualified
Next year's basic salary level	Promote one level above the salary level of the original position	The salary level of the position remains unchanged	Reduce the salary level of the original position by one level

Source: Author(2025)

This assessment method basically achieves an objective, accurate and fair evaluation of the work done and achievements of the sales staff, which provides a basis for the implementation of the salary system and a useful basis for the management of the sales staff.

In addition, in order to further ensure the effectiveness of performance appraisal, the corresponding negative incentive means, i.e., punishment methods, should also be formulated. It is stipulated that for those who are "unqualified" in the year-end

assessment for two consecutive years, they will not be considered for renewing the labor contract.

The performance appraisal method is fully integrated into the daily sales process of the sales staff, and the new assessment indicators that reflect the details of the sales staff in the daily sales work are added, so that the content of the assessment is more specific and comprehensive, and more acceptable to the sales staff.

5.4.3. Commission model design

After the investigation of the salary system of 60 peer enterprises in Shanghai, it was found that nearly half of the enterprises have a commission ratio of 10%-20%, and the proportion of 20%-30% commission is also more than 30%, in order to give full play to the fairness and incentive of the commission system, mobilize the enthusiasm of sales personnel, and ensure that the commission system can better attract market talents, we will design the commission model through the following methods:

First, the sales staff participate in the development of the sales plan

Salespeople are the most familiar and vocal about the target markets they serve, and the sales targets they participate in are most likely to be close to reality. However, it may also be due to the limitations of the salesperson's personal ability or for personal interests, too high or too low the amount of the report will cause losses to the company, and the company should try to avoid these two phenomena.

Second, the step-by-step commission method is adopted

Set different profit ranges and correspond to different commission ratios. With the increase of profits, the commission ratio has gradually increased. For example, if the profit is 0-10,000 yuan, the commission ratio is 10%; 1-20,000 yuan, the commission ratio is 20%, etc. This can be a greater incentive for salespeople to drive higher sales performance. The details are detailed in the following table:

Table5.8Shanghai TJ sales staff commission calculation table

Commission basis	Commission ratio
Monthly new performance within 10000 yuan	10%
Monthly new performance of 10000 to 20000 yuan	20%
Monthly new performance of over 20000 yuan	30%

Source: Author(2025)

5.4.4. Welfare system design

A sound welfare system is very important to maintain the stability of the sales workforce, and it is also an important indicator of whether the human resources system of the enterprise is sound. In order to overcome a series of problems such as

single benefit design, lack of flexibility, and inability to meet the real needs of sales staff, Shanghai TJ Company decided to adopt a flexible welfare method. Flexible benefits, that is, menu-based benefits, refer to the mandatory benefits stipulated by the state, that is, according to the government's policies and regulations, all enterprises must provide benefits to employees, such as endowment insurance, medical insurance, unemployment insurance, housing provident fund, sick leave, maternity leave, bereavement leave, family leave and other welfare systems, etc., the company's other welfare items can be freely selected by the sales staff, each taking what they need.

First, the company should conduct a survey among salespeople to understand what they really want and do it in a targeted manner; Secondly, set up a flexible welfare account for each salesperson based on a certain percentage of their salary, and indicate the price of each welfare program, which can include personal accident insurance, family property insurance, travel, health check-ups, club dues, housing subsidies, special allowances, paid holidays, free working meals, communication subsidies, etc.; Finally, salespeople can choose benefits items based on their needs until the amount in their account is used up.

The flexible and flexible benefits system can not only save the company the cost of unwanted benefits for salespeople, but also meet the personalized needs of salespeople, transform the traditional single benefit from health care factors to incentive factors, increase the satisfaction and loyalty of salespeople, and achieve the effect of "benefits are more effective than high salaries".

Considering the actual situation of the company and the demand for labor cost control, after communicating with the general manager of TJ Company, it was decided to use 5% of the basic salary of the sales staff as a monthly benefit, and the welfare can be used cumulatively.

Table 5.9 below describes the details:

Table5.9TJ's sales staff benefit coverage

Classification	Name	Content	Remarks
Fixed part	Pension insurance	Implement according to national policies and regulations	Fixed benefits
	Medical insurance		
	Maternity insurance		
	Employment injury insurance		
	Housing Provident Fund		
	Paid annual leave	For those who have worked for a cumulative period of 1 year but less than 3 years, they are entitled to 5 days of annual	Employees who have worked for more than 1 year but less than 3 years and have taken sick leave for more than 2

		leave; For those who have been on vacation for more than 3 years but less than 5 years, they are entitled to 10 days of annual leave; For those who have completed 5 years, they will have an annual leave of 15 days.	months; Employees who have worked for a cumulative period of 3 years but less than 5 years and have taken sick leave for a cumulative period of 3 months or more; Employees who have worked for more than 5 years and have taken sick leave for more than 4 months.
Non fixed parts	Birthday present	Birthday cards, birthday cakes	Worth 100 yuan
	Wedding gift	Applicable to sales personnel with at least 1 year of service	Worth 500 yuan
	Maternity gift	Applicable to sales personnel with at least 1 year of service	Worth 300 yuan
	Children's education expenses	Provide education expenses for one child under the age of 18	500 yuan per year
	Hospitalization condolences for illness	Gift money, flowers, gifts	Worth 100 yuan
	Major expenses for immediate family members	Expressing the company's support for employees, which can be in the form of money or personnel	According to specific circumstances
	Leisure tourism	Twice a year	Worth 1000 yuan
	Entertainment and communication activities	Organized by the department at least once a month	Per capita 50 yuan
	Health check-up	Applicable to sales	Once a year, worth

		personnel with at least 1 year of service	300 yuan
	Communication expenses	100 yuan per month	Report the excess to the Deputy General Manager for approval

Source: Author(2025)

5.4.5. Intrinsic compensation design

Based on the concept of total compensation, the salary system of sales personnel should be improved, and the focus should be on strengthening the construction of "internal compensation" in the sales personnel system, so as to make the designed salary system more pragmatic and attractive. The "intrinsic compensation" in the total compensation system is rich in content and in various forms, such as the right to participate in decision-making, the opportunity to develop potential, the autonomy and freedom to arrange one's own working hours, more authority, more interested work, opportunities for personal development, and diversified activities. Combined with the actual situation of Shanghai TJ Company, the author puts forward the following points for the construction of "intrinsic salary":

(1) Expand the work autonomy of sales staff

Salespeople are more inclined to have a relaxed and highly autonomous working environment, pay more attention to self-guidance and self-management in their work, and are not willing to passively adapt to the operation of machinery and equipment like operators on the assembly line, and are subject to the constraints of physical and chemical conditions. Therefore, TJ company should be appropriately authorized in the work, give the sales staff greater responsibility and the opportunity to participate in decision-making, and let the sales staff undertake more important work, so that the sales staff will have a sense of responsibility to work, and will continue to improve themselves in the work, and constantly motivate themselves.

The specific forms can be: 1) let the salesperson participate in the setting of the annual sales task plan, 2) without violating the relevant regulations of the company, the salesperson can independently decide the amount of rebate to the channel or customer related personnel, 3) the "customer entertainment expenses" do not need to be applied for and reported every time, the company can stipulate the total amount of customer entertainment expenses for the sales staff for one year at the beginning of the year, and the salespeople themselves can reasonably arrange these expenses according to the actual situation. In addition, these work autonomy should be clearly written into the relevant system of the company and put in place.

(2) Increase the construction of "spiritual rewards" for sales personnel

When the salesperson achieves good sales performance, the company needs to "mentally reward" the salesperson in addition to monetary rewards to enhance their

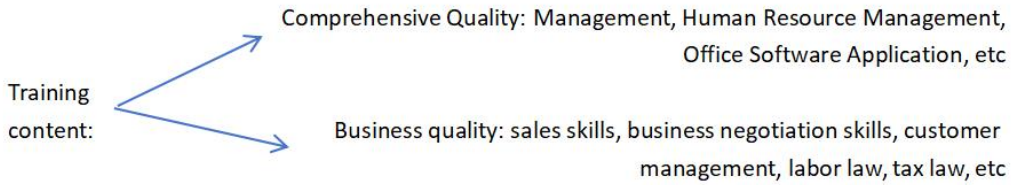
sense of achievement and honor and meet their higher-level spiritual needs. The way can be: the company's leaders can hold a commendation meeting for the sales personnel who have completed excellent performance, award medals or certificates, and crown them with honorary titles such as "Best Employee Award" and "Best Business Achievement Award", supplemented by certain material rewards; You can also set up a "honor roll" within the company to evaluate the monthly "sales star" to motivate the sales staff at the spiritual level and fully mobilize their enthusiasm.

(3) Increase the help for the personal development of sales personnel from the aspect of training

Training is an important way to improve the performance level of salespeople, meet their own development needs, and change their attitude towards work and the company. The training of sales personnel should be combined with their own job needs, formulate plans around the company's development needs, and carry out them in batches and classifications. The purpose of the training is to enable sales personnel to learn relevant knowledge and concepts, and master the corresponding skills. There are three principles of training: first, the purpose is clear, that is, the purpose of each training should be clear, not untargeted, and after the training, it is necessary to verify whether the intended purpose has been achieved; second, the combination of internal and external, that is, the training of teachers to choose in a combination of internal and external ways; Third, quality and quantity, that is, the training content should ensure a high level of quality and a fixed amount every year.

The training content can be roughly divided into the following two parts:

Figure5.1The training content of sales staff of Shanghai TJ Company



Source: Author(2025)

(4) Provide convenience for sales staff as much as possible

Companies can consider equipping their sales staff with high-performance work equipment, such as transportation equipment, laptops and remote working conditions, communication equipment, and business travel briefcases, to facilitate their work. In addition, if the company's conditions in all aspects allow, you can equip excellent sales personnel with sales assistants, so that those sales elites are freed from trivial and messy affairs, such as the copying of thesis, the transcription of contracts, etc., and use their limited energy in more valuable links, which can not only improve salary efficiency, but also ease the workload, and strive for more vacation time for sales elites, and improve the happiness index of life outside work.

(5) Implement humanistic care

The company needs to provide humanistic care for the sales staff from a deep level,

and build Shanghai TJ Company into a big family full of family affection, so as to enhance the sales staff's sense of dependence and belonging to the company, rather than becoming a passerby in the company's development career. In addition, the company should also establish the people-oriented management culture concept of "customer first, employees are also first" to stimulate the enthusiasm and cohesion of sales personnel. For example, in addition to improving office conditions and beautifying the working environment, Shanghai TJ Company can spare a small amount of working time to organize cultural and sports activities that are beneficial to physical and mental health, such as organizing outdoor team building, short-term study tours, etc., and can also regularly hold various parties, birthday celebrations, etc., through these activities, not only can strengthen the feelings of colleagues between sales personnel, harmonious relations with each other, company leaders can also use these opportunities to listen to employees' opinions and suggestions on the company. All in all, salespeople want to be respected in their own right, and company leaders should always communicate with them and build good relationships.

5.5. Analysis of the implementation of the compensation system

The compensation system for sales personnel will definitely encounter unexpected difficulties and problems in the implementation process, and in many enterprises, "performance appraisal" and "employee training" are usually more likely to have problems in the implementation process. Therefore, this thesis will take these two aspects as examples for specific analysis.

5.5.1. Foreseeable problems and analysis in the implementation of performance appraisal

Shanghai TJ Company is a small private enterprise, and its sales department has only 30 people, so it will encounter the following obstacles in the implementation of performance management: first, the sales staff are resistant to performance appraisal, believing that the company implements performance appraisal in order to deduct more of their wages; Second, the structure of the sales department is simple, unlike the large enterprises where there are many job levels among employees, everyone is a family, and it is inevitable that there will be various biases and errors in the evaluation; Third, due to the implementation of the sales staff performance appraisal system for the first time in TJ Company, there are defects in theory and technology between the evaluator and the assessee.

Therefore, when evaluating the performance of the sales staff of Shanghai TJ Company, the following points should be noted:

(1) Before the assessment

Before the performance appraisal of the sales staff, several preparations should be made: first, the appraiser and the appraisee should be trained, including the meaning and purpose of the performance appraisal, the principle of the design of the appraisal

index and the problems that should be paid attention to in the specific application, etc. This not only enables the evaluator to carry out the appraisal work more smoothly, but also enables the appraisee to accept the performance appraisal from the heart without resistance, and also provides a good foundation for the implementation of the 360° all-round appraisal; Second, formulate a clear appraisal system, so that the appraiser has rules to follow, avoid empirical judgment as the standard, lack of pertinence and fairness, and do not play the role of performance appraisal; Third, give the examiner the corresponding authority to complete the task smoothly

(2) In the evaluation

1) Avoid bias in appraisalIn the performance appraisal of sales personnel, a series of errors such as halo effect, proximate cause error, and emotional effect should be avoided to ensure the fairness of performance appraisal.

2) Collect relevant information during the appraisal periodThe evaluator should pay attention to the relevant information of the appraisee during the appraisal period and record it in the form of a text description to prepare for the future performance interview.

(3) After the evaluation

1) After the assessment, a "performance interview" should be organized

After each assessment, the direct leader and the sales staff should have one-on-one, face-to-face frank communication and communication on the assessment results, affirm the results, and at the same time confirm the deficiencies and find out how to improve. On the contrary, if the direct leader cannot communicate and evaluate the appraisal results in a timely manner, the sales staff will not understand the appraisal results or do not know what problems exist in the work, and they will not be able to improve the deficiencies in a targeted manner, and the appraisal will lose its meaning, which will also lead to the follow-up appraisal going through the motions. In addition, when organizing performance interviews, it is necessary to choose a reasonable, beneficial, and restrained interview strategy, and adopt flexible and changeable information feedback methods that vary from person to person.

2) Establish an employee grievance system

In order to provide a channel for salespeople to express their opinions, the company should establish an employee grievance system, which has the following advantages: first, it allows salespeople to raise objections to the results of performance appraisals, and they can express their opinions and opinions on the matters they care about; second, to give certain constraints and pressure to the evaluators, so that they can be cautious and pay more attention to the collection of information and the acquisition of evidence in the evaluation; Third, it is necessary to reduce contradictions and conflicts, prevent problems before they occur, and minimize adverse impacts.

3) Strengthen the application of assessment results

The results of the performance appraisal should be used as the basis for performance pay in a timely manner, and at the same time, the outstanding appraisal results should be praised and rewarded in a timely manner, and the corresponding penalties should be taken for those who fail to pass the assessment.

4) Improve the performance appraisal system

Since the newly designed performance appraisal system is the first time to use, loopholes or unreasonable designs will definitely be found in the process of use, and the company's leaders should fully listen to the opinions of experts and assessees, and improve the performance appraisal system of sales personnel.

5.5.2. Foreseeable problems and analysis in the implementation of employee training

When providing training for salespeople, companies may encounter the following problems: first, the training content is not interesting to salespeople, or it is not the training they want at all; Second, the training format is not flexible, which may contradict the spare time or travel time of some salespeople; Third, the training is done hastily, as if it is completing a task, and the training is not evaluated and tracked; Fourth, after the special training of the sales staff or the high cost of training, there is no training agreement signed, which makes the company's bamboo basket empty, and the sales staff regard the training as the capital to jump to another company.

Therefore, companies should pay attention to the following five points when implementing the training system:

(1) The training content should be targeted and targeted

The company should first investigate and analyze the training needs of sales personnel, and grasp the direction and content of training, so that the training should not only be aimed at the weak links of sales personnel, but also organically combined with the key work of the current and future period.

(2) The training of sales personnel should combine company development with personal development

The company's training should be combined with the career planning of sales personnel, formulate different training plans, and enable them to continue to learn and grow through step-by-step training. This can not only improve the quality of sales personnel, promote the sustainable development of the company, but also cultivate their loyalty to the enterprise, so that the cohesion of the enterprise continues to increase.

(3) The training form should be more flexible and eclectic

The training of sales personnel should avoid the training method of repeating lectures and not repeating exercises, and adopt both classroom teaching and practical operation; It attaches great importance not only to specialized centralized training, but also to random discussion and learning in the work. For example, the sales department can use the morning meeting or 10 minutes before work to analyze and summarize the work, encourage employees to communicate with each other, learn from each other, and expand ideas.

(4) Conduct effective evaluation of sales staff training

After each training, the person in charge of the company should evaluate the training effect, short-term evaluation is through the examination of the sales personnel participating in the training, and long-term evaluation is to evaluate their performance

in the future period. Through the evaluation, the sales staff can improve the training content and understand what improvements can be made in the training, so as to lay a better foundation for future training.

(5) Sign the relevant training agreement

If the salesperson has received special training in the company, or the company spends a lot of money on training him, the company should sign a training agreement with the salesperson in accordance with the relevant content of the new Labor Contract Law, so that the agreement can become a constraint on the salesperson, and at the same time, it will also avoid possible disputes in the future.

5.6. Supporting measures to ensure the implementation of the remuneration system for sales personnel

In order to ensure the smooth implementation of the sales staff compensation system in Shanghai TJ, the following points need to be achieved:

(1) The importance of leadership

The interests of the company's sales staff change with the change of the salary system, and the vital interests of some of the sales staff will be greatly impacted, and they will inevitably stand up to prevent the implementation of the new plan, so the implementation of the salary system of the sales staff needs to be valued and supported by the company's senior management.

(2) Mobilization of all employees

The implementation of the remuneration system for sales personnel essentially touches the interests of all sales personnel, so it requires the participation of all sales personnel. Only by explaining the guidelines, principles and methods of the design of the compensation system to the sales staff in detail can the sales staff accept it from the heart and reduce the shock in the implementation process.

(3) Perfect company management system

Whether the salary system of sales personnel can be successfully implemented depends to a large extent on whether the company's management system is perfect. Although the company explained the ins and outs of the compensation package to all sales staff, it was certainly unacceptable to a very small number of people, and they would resort to various methods to hinder the implementation of the plan. In order to ensure the smooth implementation of the plan, the company needs to have a relatively complete management system to punish those who obstruct the implementation of the plan.

(4) The auxiliary role of corporate culture construction

Corporate culture is the most lasting driving force and binding force in enterprise management, which highly integrates the purpose of the enterprise, code of conduct, ethical system, values, beliefs and enterprise system, is the spiritual pillar of the existence of the enterprise, is an important weapon for the enterprise to gain competitive advantage.

Corporate culture influences the way each employee thinks, behaves and does things,

and it also affects the expectations of employees. Therefore, the effectiveness of the implementation of the compensation system depends to a large extent on the degree to which it matches the corporate culture, and an effective compensation system is based on the compensation philosophy or values that support the enterprise. Similarly, the implementation of an effective compensation system also has a great role in promoting the construction of corporate culture, and will affect the overall efficiency of the enterprise.

TJ needs to create a corporate culture that values talent development and so that employees can give full play to their enthusiasm, initiative and creativity in their work.

6. Conclusion

With the intensification of market competition, talents' have become a resource for enterprises to compete with each other. How to improve the role of human capital and attract more outstanding talents is very important for enterprises. This thesis takes salary as the project object, focuses on the factors of the salary system, investigates and analyzes the personnel in charge of Shanghai human resources company, finds some common characteristics and unique advantages in the salary system of sales personnel of human resources company, and designs the salary system of sales personnel of TJ company in combination with the actual situation of TJ company.

At the same time, this thesis introduces a variety of commonly used salary theories, and uses the method of investigation and project to conduct salary-related surveys on the personnel leaders of 60 human resources companies in Shanghai, and summarizes and analyzes the current situation of the salary of sales personnel in the human resources industry through the survey data.

On this basis, TJ's compensation system was designed based on the concept of total compensation based on the company's corporate situation. The design should mainly take into account the basic conditions for the survival of sales personnel, reflect the principle of fairness and the principle of incentive leadership in the compensation system.

The main contents of the design include; 1) Broadband design of basic salary; 2) Design of performance evaluation indicators for sales personnel; 3) The design of the ladder commission model for sales personnel; 4) Flexible design of salesperson benefits; 5) "intrinsic compensation" design for salespeople.

In order to avoid problems in the design and implementation of the implementation, this thesis also points out the content of foreseeable problems and the methods to deal with them, so as to avoid detours in the implementation process.

Due to the limitations of ability and experience, there are still some parts of the salary system design process that are not considered comprehensively:

1) The thesis mainly focuses on Shanghai TJ companies, and may not be universally applicable to startups in other regions or industries. There are differences in market environment, competitive conditions, corporate culture and other factors in different regions and industries, so the company's compensation system design may not be fully applicable to other enterprises.

2) Limitations in performance appraisal: The thesis mentions that the content of performance appraisal is relatively simple, and there are many omissions and deficiencies. For example, the selection of performance appraisal indicators and the allocation of weights may not be scientific and reasonable, and cannot fully and accurately reflect the work performance and contribution of salespeople. In addition, the methods and processes of performance appraisal may need to be further improved to ensure the fairness and objectivity of the appraisal.

3) Limitations of data project: Although this thesis collects data on the salary status of sales personnel in peer enterprises through questionnaires and interviews, the sample

size is limited, and the survey results may be affected by a variety of factors, such as the rationality of questionnaire design and the subjective factors of the respondents, which leads to certain limitations in the accuracy and reliability of the data.

4) Limitations of compensation system design: The design of compensation system is a complex process that requires comprehensive consideration of multiple factors. The compensation system design proposed in the thesis may not fully meet the diverse needs of salespeople, and some unexpected problems and challenges may be encountered in the implementation process.

5) Insufficient response to changes in the external environment: The thesis does not fully consider the impact of changes in the external environment on the salary system, such as intensified market competition, changes in the economic situation, and adjustment of laws and regulations. Changes in these external factors may result in the compensation system needing to be adjusted and improved in a timely manner to maintain its effectiveness and competitiveness.

In summary, this thesis has certain limitations in terms of project objects, performance appraisal, data project, compensation system design, and response to changes in the external environment, which need to be further improved and improved in future project.

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Appendix

Questionnaire on the salary system of sales staff in Shanghai human resources company

The purpose of this study is to understand the real situation of the compensation system of sales personnel in Shanghai human resources company, and to provide a basis for the design of the compensation system of sales personnel in Shanghai TJ company. Please actively cooperate with the participants in the survey and fill in the information truthfully, and the information you fill in will be kept strictly confidential in this survey.

1. The position you hold in the company's human resources department is:
A. Commissioner B. Supervisor C. Manager D. Director

2. The size of the human resources company you work for:
A. Less than 50 people B. 50-100 people C. 100-500 people D. More than 500 people

3. Years of establishment of the company:
A. less than 1 year B. 1-2 years C. 2-5 years D. More than 5 years

4. How long you have worked with the company:
A. less than 1 year B. 1-2 years C. 2-5 years D. More than 5 years

5. The current size of the sales team:
A. Less than 10 people B. 10-30 people C. 30-50 people D. More than 50 people

6. Basic salary level of sales staff:
A. 3000 and below, B. 3000-5000, C. 5000-10000, D. 10000 and above

7. Performance salary level of sales staff:
A. 1000 and below B. 1000-2000 C. 2000-3000 D. 3000 and above

8. Proportion of sales staff performance commission:
A. 10% and below B. 11%-20% C. 21%-30% D. More than 30%.

9. Per capita monthly income of salespeople:
A. 5000 and below B. 5000-10000 C. 10000-20000 D. 20000 and above

10. The range of annual salary increase for sales personnel:
A. 5% and below B. 6%-10% C. 11%-15% D. 15% or more

11. Salary composition of sales staff (multiple choice):

A. Basic salary B. Performance bonus C. Commission D. Allowance E. Other _____ (please specify)

12. Additional rewards for completing sales performance (multiple choices):
B. High commission B. Bonus C. Promotion opportunity D. Certificate of Honor E. Other _____ (please specify)

13. Salesperson benefits include (multiple choice):
A. Five social insurances and one housing fund B. Paid annual leave C. Regular physical examination D. Training opportunities E. Team activities F. Various allowances
G. Other _____ (please specify)

14. Whether there is a salary system improvation plan in the past 1 year:
A. Yes B. No