

Rising Costs, Turnover and Greater Emphasis on DEI Force Dealers to Rethink their Approach to Compensation

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August 30, 2021, Bluffton, SC — Solomon Coyle is pleased to announce the availability of the YE2020 Compensation and Best Practices Report. The report encompasses responses from aligned Distributors representing Allsteel, Haworth, Herman Miller, Kimball, Knoll, Steelcase and new for this year, Teknion, LLC and dealer members of the Education Market Association.

The Comp Report provides detailed salary information on 12,874 positions across Sales, Sales Management and Non-Sales roles. All sizes of businesses are representative and consistent with the annual Solomon Coyle Financial Benchmarking survey.

Report Highlights — Costs Continue to Rise

With this year's data, it is clear to see that compensation costs continue to rise and the drivers behind the various options continue to vary, reflecting continuing shifting economic situations.

"One of the significant questions that Distributors have been asking is about wage inflation, as they are feeling the pressure to find and retain talent," Paul Holland, principal at Solomon Coyle, shares. "From the last Compensation Report of YE2018 to this year's report, we see a 3.4% increase on average for all non-sales roles. When we look further back to the YE2016 Report compared to the current report, we see a 10.79% increase, on average, for all non-sales roles."

John Joseph, head of Business Analytics for Solomon Coyle, adds, "Sales turnover is 23%, which is a 60% increase over YE2018—a considerable increase. Other positions have had similar turnover such as Sales Support, Design, Project Management and WDI Labor."

Updates to the YE2020 Compensation Survey

As the industry continues to shift and evolve, Solomon Coyle continues to evolve the Compensation Survey. This year's survey was conducted several months earlier than previous cycles, with the aim to

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provide the industry with more actionable data going into 2022 planning.

As well, a new section on Diversity, Equity & Inclusion (DEI) was added. David Solomon, managing principal, comments, “According to the data, 85% of respondents indicate that DEI initiatives are “Important” or “Very Important,” with 40% of those dealerships currently dedicating resources to those initiatives and which are at various stages of implementation.”

Dealers were asked how important they feel it is to develop and implement a DEI strategy

Importance	Dealers	Percent
Unimportant	9	4.7%
Mild Importance	20	10.5%
Average Importance	58	30.4%
Fairly Important	45	23.6%
Very Important	59	30.9%
Total	191	

Dealers who are directing resources towards a DEI strategy were asked what stage they're in

Stage	Dealers	Percent
Currently formulating DEI strategy	48	61.5%
Currently implementing DEI strategy	23	29.5%
Completed implementation of DEI strategy	7	9.0%
Total	78	

How To Access the YE2020 Compensation Report

If you participated in this year's Comp Survey, you can access the report by visiting <https://bi.solomoncoyle.com/>.

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Non-participants may purchase the report at a cost of \$2,400.00 USD, by contacting researchsupport@solomoncoyle.com.

Report Review Webinars Scheduled for September

Solomon Coyle is offering three webinars, hosted by David Solomon and John Joseph, whereby the report's methodology and data parameters will be discussed, with commentary on compensation practice trends and meaningful comparisons within segments of the distributor community to be provided.

The webinars are open to participants and non-participants alike, and are scheduled for the following dates and times:

- Tuesday, September 7, 2021 at 3:00pm, Eastern
- Thursday, September 9, 2021 at 11:30am, Eastern
- Wednesday, September 15, 2021 at 1:30pm, Eastern

To register, please visit: <https://solomoncoyle.com/research/compensation-practices/ye2020-compensation-practices-report-review/>

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