

**Specification of Competency Standards**  
**for the Retail Industry**  
**Unit of Competency**

Functional Area - Sales, Marketing and Multi-channel Sales Management

Title	Formulate sales team incentive plans
Code	111264L5
Range	This unit of competency (UoC) is applicable to staff of the management level in the retail industry. Practitioners have the ability to formulate encouraging and motivating sales team incentive plans in accordance with factors such as the organisation's sales strategies, marketing objectives and resources in order to enhance sales performance to cope with the overall retail business development.
Level	5
Credit	3 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Evaluate the knowledge of sales team incentive plans</p> <ul style="list-style-type: none"> <li>• Understand the organisation's sales strategies and marketing objectives</li> <li>• Master the organisation's human resources management policies</li> <li>• Master the performance, competitiveness and development potential of goods of the organisation</li> <li>• Understand the current condition and development trend of the overall retail market</li> <li>• Understand the basic factors that affect the sales performance of the organisation (e.g. seasonal factor, competitors)</li> <li>• Master the performance of the organisation's sales team and the quality of individual salespersons</li> <li>• Evaluate details of the sales team incentive plans of the retail industry, e.g.: <ul style="list-style-type: none"> <li>○ Commission arrangement and percentage</li> <li>○ Criteria for special recognition and monetary / tangible rewards</li> <li>○ Rules of penalty for not meeting targets, etc.</li> </ul> </li> </ul> <p>2. Formulate sales team incentive plans</p> <ul style="list-style-type: none"> <li>• Assess the possibility of increasing sales volume and the cost required in accordance with the existing sales performance of the goods of the organisation and the market condition</li> <li>• Assess the potential and magnitude of raising sales volume by the incentive plan in accordance with the sales team's past performance and the quality of individual salespersons</li> <li>• Formulate sales team incentive plans, e.g.: <ul style="list-style-type: none"> <li>○ Commission percentage that increases progressively with sales volume</li> <li>○ Promotion arrangement that accords with long-term sales performance</li> <li>○ Profit sharing schemes for outstanding salespersons</li> <li>○ Employee stock purchase plans</li> <li>○ Special recognition programmes for staff (e.g. bonus or a certificate of appreciation)</li> <li>○ Other forms of incentives, etc.</li> </ul> </li> <li>• Let related salespersons and executives clearly understand details of the incentive plan by means of effective communication channels</li> <li>• Regularly review and assess the results of the related incentive plan and modify the scheme as needed</li> </ul> <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> <li>• The sales team incentive plan formulated can enhance team spirit and staff morale</li> </ul>

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Assessment Criteria	The integrated outcome requirements of this UoC are the ability to: <ul style="list-style-type: none"><li>• Formulate an encouraging sales team incentive plan that fulfils the organisation's needs in accordance with factors such as the organisation's sales strategies and marketing objectives in order to enhance sales performance and cope with the overall retail business development; and</li><li>• Regularly review and assess the results of the related incentive plan.</li></ul>
Remark	This UoC is adopted from 105066L5.