Cloudflare Sales Comp and Quota Structure Analysis

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998

Data collected from 998 employees in Cloudflare. Majority:
88% from Geo1, 36% in segment3 and 31% use compensation plan 4.

$191.5M

If all employees make 100% of their quota, Cloudflare will pay $124.06M base pay and $67.45M sales target pay, in total $191.5M!
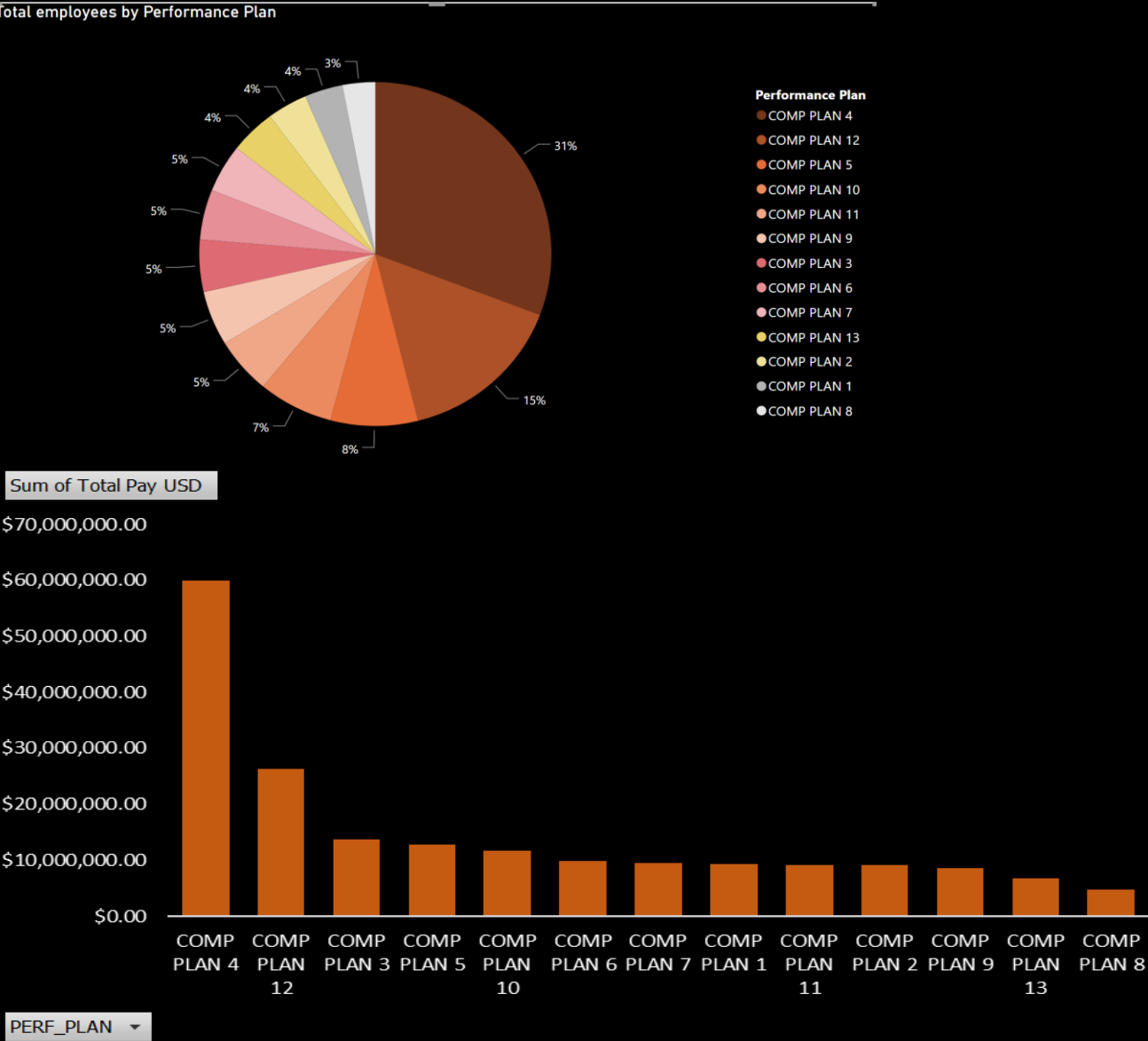
82%

Average YTD Booking Ach: For booking, the 82% of quota that employee was able to sell. The total target booking quota is $12.5B.

95%

Average YTD Yield Ach: For Yield, the 95% of quota that employee was able to sell. The total target yield quota is $47.3B.

Determine the analysis object

The purpose is to find the major current employee performance plan to analyze its Comp and Quota Structure.

Total employees by Performance Plan

Performance Plan
- COMP PLAN 4
- COMP PLAN 12
- COMP PLAN 5
- COMP PLAN 10
- COMP PLAN 11
- COMP PLAN 9
- COMP PLAN 3
- COMP PLAN 6
- COMP PLAN 7
- COMP PLAN 13
- COMP PLAN 2
- COMP PLAN 1
- COMP PLAN 8

Sum of Total Pay USD

Judging from the number of people(31%) and the sum of total pay($60M), *the compensation plan 4* will be the research object.
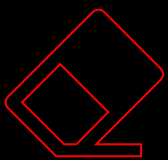
Eight 'Null' data in Compensation Plan 4 are cleaned.

PERF_PLAN

Pay Mix Structure & Job Title Analysis
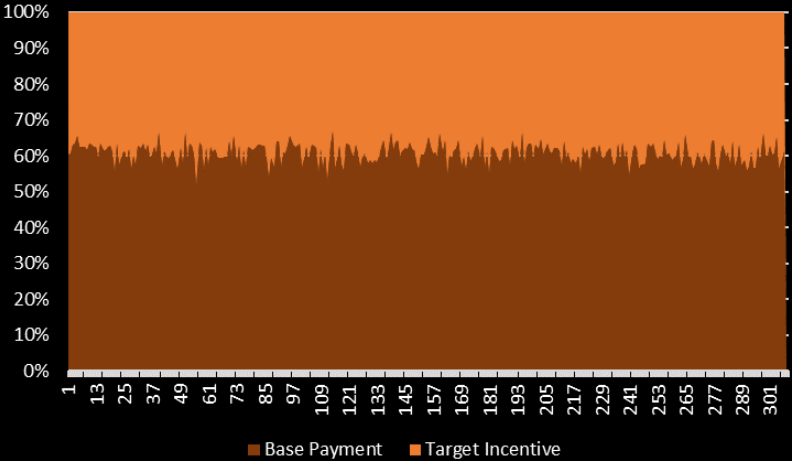
Employees in plan 4 get 60/40 salary. A 60/40 pay mix allocates 60 percent of the target total compensation to base salary and 40 percent to target incentive.

Job titles do affect the performance. NAT ACCOUNT SALES did great job in Yield but bad job in Booking. The performance of the others are balanced and good.
To deal with the unbalanced performance of NAT ACCOUNT SALES, it is necessary to give them punishment or introduce more attractive reward policy for booking.

Pay Performance Analysis

Performance for booking: Skew to the right. Most employees in plan 4 did not reach the booking quota.
Paid for booking: should improve the paid structure instead of setting a fixed cap for 180% to >200% employees.

Performance for yielding: Normal distribution. Most employees in plan 4 did reach the yield quota.
Paid for yielding: should increase the paid for >100% period to motivate employees.