

Plumbing Department

Task Based Performance Based Pay Plan





Introduction

Plumbing Task Based Performance Pay Plan

The *task pay* compensation plan is the absolute best way for plumbing technicians to maximize their compensation and, in fact, to literally be in control of how much they are able to earn.

It is a privilege for a technician to have earned the opportunity to participate in this pay-for-performance plan.

Of course, along with privileges come responsibilities, and this performance pay system is no exception.

In order for a technician to remain on this plan there are production and workmanship standards that must be met, and maintained. In addition, and **most importantly**, the **very foundation** of this plan is based on 2 critical elements:

1. **Absolute and uncompromising honesty and integrity in dealing with our customers. This is, and must be, a ZERO TOLERANCE policy.**
2. **The technician must provide a Total Quality Experience for the customer. The Trusted Plumbers' goal being on each and every service call to EXCEED THE CUSTOMER'S EXPECTATIONS.**

The following job description and responsibilities provide the details of the compensation plan.

CONGRATULATIONS on your promotion to have the opportunity to participate in this revolutionary pay system.

Sincerely,

Gary, Chris & Charmaine

Owners of The Trusted Plumber

Plumbing Technician Task Pay Plan Guidelines

2014 v1.0

- ❑ Compensation shall be by the task based upon the labor hour flat rate in the *The Trusted Plumber* Flat Rate Manual.
- ❑ Maintenance task pay hours are per the attached schedule. Repairs not listed in the Flat Rate Manual, including commercial repairs, will be bid together with the technician's immediate supervisor and a fixed pay amount agreed upon at that time
- ❑ The technician's pay rate will be 21% for billable service work (task pay rate) shall be established (and periodically evaluated) by mutual agreement with management.
- ❑ Bonuses will be tied to KPI's based off the *The Trusted Plumber's*:
 - Initial Technician Evaluation (DFO)
 - Technician skill and knowledge tests
 - Performance evaluations for the year (4 per year)
 - Technician Productivity
 - Leads Generated from Demand Service calls
 - Service Agreement offer rate and conversions for demand service
 - Customer Satisfaction
 - Not limited to these items
- ❑ Warranty repairs will be paid at the rate of **one half** of the flat rate repair time.
- ❑ Callbacks are the technician's responsibility and are not paid. The technician owns the callback, and whenever possible the same technician will be dispatched back for the repair. When this is not possible, and a different technician must be dispatched, the technician running the call will decide how to handle with one of two methods:
 - Technician will bill back each other for the callback from the reserve.
 - Technicians may elect to not bill the call, knowing the technician owning the callback will do the same for primary technician later.
- ❑ There is no additional compensation for part runs if the vehicle does not have the repair part unless the technician bills for the part run. The technician will be paid 50% of what is charged for a parts run.
- ❑ All non-billable time will be paid at \$15.00 per hour and must be approved by management. This includes off site product training and any event where the technician's supervisor allows the non-billable rate.
- ❑ Vacation and Holiday pay will be paid at a rate based on the previous year W-2 or at \$15.00 per hour if no prior year data is available.
- ❑ There is no compensation for customer *NO SHOWS*.

- If the first technician is unable to complete a repair in a reasonable time and requires assistance from a second technician, the second technician becomes primary on the call. The first technician's time becomes *training time* (at \$10.00/hr.), with approval from a supervisor.
- On call runs are high opportunity calls with the technician generally earning double a standard call, therefore; they pay the same rate as any call during regular business hours plus \$20.00 for prep time for the tech.

I have agreed to the terms and structure, and the rate of 21% of the flat rate pricing guide.

Large ticket items about \$1500.00 retail, will be paid a commission determined by my supervisor and myself when item(s) is priced for the customer.

Signature of employee: _____ Date: _____

Manager's signature authorizing rate: _____ Date: _____

The technicians' initials below confirm the agreement to the above policies and confirm acceptance of terms of this agreement.

- _____ I understand this agreement and have no questions regarding this pay plan
- _____ I feel comfortable that this agreement can be a benefit to the customer, the company, and myself equally.
- _____ I will always keep the customer's best interest as my goal when offering any options.
- _____ I will speak to my immediate supervisor in any situation where it is unclear what my pay would be for any task I must perform and will wait for email confirmation before I proceed.
- _____ I understand that if there is a discrepancy in pay, this document will be the deciding factor and if it is unclear, the email from my supervisor noting my rate will be the rate used. If there is no clear answer within this document, and no email documentation, management has the right to assign a fair and reasonable amount for the work completed.