

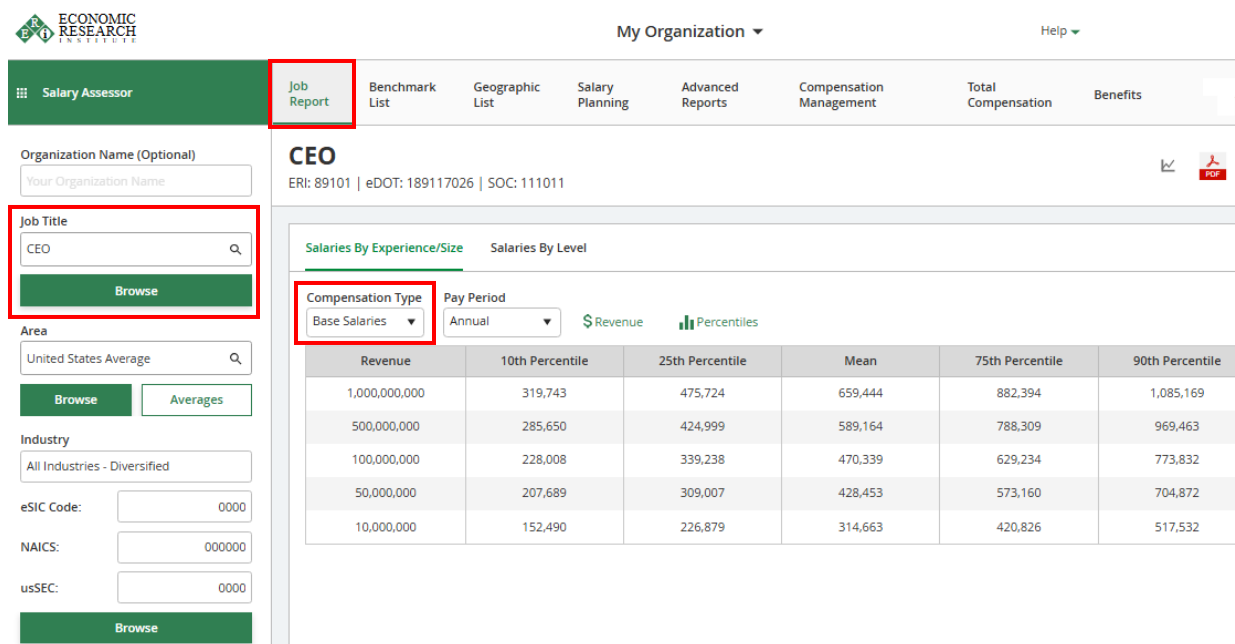
Interactive Exercise

Course 75: Creating an Incentive Pay Plan

We begin by opening ERI's **Salary Assessor**. Data is reported for more than 18,000 jobs. Pay ranges are shown based on industry, revenue, location, and employee performance level. Adjustments can be made for education, skills, certifications, and shift work.

Select the “Job Report” tab. The *Salaries by Experience/Size* module displays. Under *Compensation Type*, select “Base Salaries.”

Select the **Browse** button below *Job Title*.



Salary Assessor | My Organization | Help

Job Report | Benchmark List | Geographic List | Salary Planning | Advanced Reports | Compensation Management | Total Compensation | Benefits

Organization Name (Optional)
Your Organization Name

Job Title
CEO

Browse

Area
United States Average

Industry
All Industries - Diversified

eSIC Code: 0000

NAICS: 000000

usSEC: 0000

Browse

CEO
ERI: 89101 | eDOT: 189117026 | SOC: 111011

Salaries By Experience/Size | Salaries By Level

Compensation Type: Base Salaries | Pay Period: Annual | \$ Revenue | Percentiles

Revenue	10th Percentile	25th Percentile	Mean	75th Percentile	90th Percentile
1,000,000,000	319,743	475,724	659,444	882,394	1,085,169
500,000,000	285,650	424,999	589,164	788,309	969,463
100,000,000	228,008	339,238	470,339	629,234	773,832
50,000,000	207,689	309,007	428,453	573,160	704,872
10,000,000	152,490	226,879	314,663	420,826	517,532

The *Browse Jobs* box displays. In the *Search* field begin typing “Commercial Loan Manager.” When it is highlighted in the list, select it, and press the **OK** button.

Note the job description that can be used to match organization jobs with ERI’s jobs.

Browse Jobs

Search

Commercial Loan M

Search

Search by

Job Title

Filter table by

All Jobs

Semantic Search

Hybrid Jobs

[Suggest a Title](#)

Select Job

Job Title	eDOT Code	SOC Code	ERI Code	Salary By Level
Commercial Loan Manager	186167220	113031	45792	No
Commercial Loan Officer	186267230	132072	45794	Yes
Commercial Operations Director	160167062	112021	259301	No
Commercial Operations Manager	189137003	111021	8268	Yes
Commercial Operations Specialist	020167018	131199	3577	Yes
Commercial Operations Vice President	189117548	111021	114444	No
Commercial Operations VP	189117548	111021	114445	No
Commercial Photographer	143062030	274021	15458	Yes
Commercial Printing Sales Representative	254357016	413091	5778	Yes
Commercial Project Manager	182167009	131082	8434	Yes

1 of 16590 jobs have been selected.

Job Description

Manages commercial loan department of a financial institution.
Coordinates activities to implement institution's commercial loan policies, procedures, and practices concerning granting or extending lines of credit and loan activities.
Develops or approves commercial lending policies and interest rate structures.
NOTE: ERI's findings based on asset size.

Cancel

OK

Back at the *Salaries By Experience/Size* module, press the **Browse** button below **Area**.

Salary Assessor

Job Report

Benchmark List

Geographic List

Salary Planning

Advanced Reports

Compensation Management

Total Compensation

Benefits

Data 4/

Organization Name (Optional)

Your Organization Name

Job Title

Commercial Loan Manager

Browse

Area

United States Average

Browse

Averages

Industry

All Industries - Diversified

eSIC Code:

0000

NAICS:

000000

usSEC:

0000

Browse

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031

Salaries By Experience/Size

Salaries By Level

Compensation Type

Base Salaries

Pay Period

Annual

\$ Revenue

Percentiles

Revenue	10th Percentile	25th Percentile	Mean	75th Percentile	90th Percentile
1,000,000,000	163,214	176,714	194,202	211,910	229,460
500,000,000	149,481	161,845	177,882	194,080	210,153
100,000,000	130,187	140,955	154,954	169,029	183,027
50,000,000	122,070	132,167	145,309	158,491	171,616
10,000,000	100,201	108,489	119,320	130,096	140,870

The *Browse Areas* box displays. In the *Area Name* field, begin typing, “Ann Arbor, Michigan,” and when it is highlighted in the list, select it and then the **OK** button.

Browse Areas [X]

ERI Areas Radius Search User-Defined Averages Browse By Region Internal Areas

Area Name: [Search] ☒ Postal Code ? Type Postal Code Filters: All Areas [Suggest an Area](#)

Select Area

Area Name
Ann Arbor, Michigan
Ann Arbor-Burns Park, Michigan
Ann Arbor-King, Michigan
Ann Arbor-Old West Side, Michigan
Annandale, New Jersey
Annandale, Virginia
Annapolis, Maryland
Annecy, France
Anniston, Alabama
Anoka, Minnesota
Ansonia, Connecticut
Antelope, California
Anthem, Arizona
Antibes, France

1 of 8791 areas have been selected.

[Cancel](#) **OK**

Now, select the *Industry Browse* button.

Salary Assessor

Job Report

Benchmark List

Geographic List

Salary Planning

Advanced Reports

Compensation Management

Total Compensation

Benefits

Da 4,

Organization Name (Optional)

Your Organization Name

Job Title

Commercial Loan Manager

Browse

Area

Ann Arbor, Michigan

Browse

Averages

Industry

All Industries - Diversified

eSIC Code: 0000

NAICS: 000000

usSEC: 0000

Browse

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031

Salaries By Experience/Size

Salaries By Level

Compensation Type

Base Salaries

Pay Period

Annual

\$ Revenue

Percentiles

Revenue	10th Percentile	25th Percentile	Mean	75th Percentile	90th Percentile
1,000,000,000	168,230	182,266	200,318	218,525	236,533
500,000,000	153,637	166,796	183,476	200,192	216,720
100,000,000	133,252	144,481	159,527	174,293	188,795
50,000,000	124,840	135,308	149,107	163,272	176,982
10,000,000	102,131	110,756	121,991	133,158	144,393

The *Industries* box displays. In *Browse Industries*, scroll through the list and select “Financial Institutions, Insurance, Real Estate and Investments.” Next, select “Banking,” then “Commercial Banks,” and finally “State and Province Commercial Banks.” Press the **OK** button.

Industries

Search Industries

Type in at least 3 characters

Search By

Industry Name

Search

Suggest an Industry

Hybrid Industries

Browse Industries

Wholesale Trade

Retail

Financial Institutions, Insurance, Real Estate and Investments

6000 - Banking

6020 - Commercial Banks

6021 - National Commercial Banks

6022 - State and Province Commercial Banks

6030 - Savings Institutions

6060 - Credit Unions

6080 - International Trade Financing Entities

6090 - Support Activities Related to Depository Banking

6100 - Nondepository Institutions

6200 - Securities, Financial Services and Investments

6300 - Insurance

6400 - Insurance, Real Estate and Investments

Industry Description

State and Province Commercial Banks (eSIC: 6022)

Commercial banks and trust companies (accepting deposits) chartered by one of the States, Provinces or territories. Sample business functions include: State Commercial banks, Province Commercial banks and State Commercial Trust companies (accepting deposits)

Do multiple industries best match your organization's operations?

Click + Add Hybrid Industries to create a Hybrid Industry.

Cancel

OK

Enter “400,000,000” for *Analysis Based on Assets* and select “January 31, 2026” for the *Salary Planning Date*.

Organization Name (Optional)

Job Title

Browse

Area

BrowseAverages

Industry

eSIC Code:

NAICS:

usSEC:

Browse

Analysis Based on

400,000,000

Salary Planning Date

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031

Salaries By Experience/Size

Salaries By Level

Compensation Type
Base Salaries

Pay Period
Annual

\$ Assets

Percentiles

Assets	10th Percentile	25th Percentile	Mean	75th Percentile	90th Percentile
4,000,000,000	177,048	190,842	208,553	226,547	244,290
2,000,000,000	154,040	166,414	181,967	197,609	213,019
400,000,000	123,951	133,410	145,734	158,540	171,139
200,000,000	117,306	126,220	137,798	149,558	161,617
40,000,000	102,858	110,616	120,690	130,764	140,815

Survey Description

eDOT Description

Adjustments

Job Characteristics

Job Title: Commercial Loan Manager

To view Median salary data, select “Percentiles.”

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031

Salaries By Experience/Size

Salaries By Level

Compensation Type
Base Salaries

Pay Period
Annual

\$ Assets

Percentiles

Assets	10th Percentile	25th Percentile	Mean	75th Percentile	90th Percentile
4,000,000,000	177,048	190,842	208,553	226,547	244,290
2,000,000,000	154,040	166,414	181,967	197,609	213,019
400,000,000	123,951	133,410	145,734	158,540	171,139
200,000,000	117,306	126,220	137,798	149,558	161,617
40,000,000	102,858	110,616	120,690	130,764	140,815

The *Modify Percentiles* box displays. In the *Average* column, select “Median” and then press **OK**.

Modify Percentiles ✕

 Default

Low Percentile	Low Percentile	Average	High Percentile	High Percentile
10th Percentile ▼	25th Percentile ▼	Median ▼	75th Percentile ▼	90th Percentile ▼

[Cancel](#) **OK**

The *Salaries by Experience/Size* module now reflects your organization’s situation. The table is set for annual base salary.

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031



Salaries By Experience/Size **Salaries By Level**

Compensation Type
Base Salaries ▼

Pay Period
Annual ▼

\$ Assets

Percentiles

Assets	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
4,000,000,000	177,048	190,842	206,219	226,547	244,290
2,000,000,000	154,040	166,414	179,898	197,609	213,019
400,000,000	123,951	133,410	144,028	158,540	171,139
200,000,000	117,306	126,220	136,170	149,558	161,617
40,000,000	102,858	110,616	119,234	130,764	140,815

Under *Compensation Type*, select “Incentive.” If the Commercial Loan Manager increased loan volume by 20%, she would receive a bonus of the displayed amount at the 75th percentile.

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031



Salaries By Experience/Size					
Salaries By Level					
Compensation Type	Pay Period				
Incentive	Annual	\$ Assets	Percentiles		
Assets	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
4,000,000,000	31,426	33,891	36,727	40,467	43,769
2,000,000,000	27,489	29,248	31,537	34,682	37,482
400,000,000	18,830	20,615	22,807	24,779	26,469
200,000,000	15,933	17,278	19,134	21,341	22,643
40,000,000	10,343	11,168	12,112	13,402	14,786

Median base salary = \$ 144,030

Incentive at 75th percentile = \$ 24,780

Total Cash = \$ 168,800

To increase the variability of the pay, and therefore the amount at risk, the base salary can be set at a figure less than the median – in this case the base salary will be set at the 30th percentile. Setting the pay at the 30th percentile and using as incentive the difference between the median base salary and the base salary at the 30th percentile would yield the same median base salary but change the base salary to bonus ratio.

Select “Base Salaries” from the *Compensation Type* drop-down and then “Percentiles.”

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031



Salaries By Experience/Size					
Salaries By Level					
Compensation Type	Pay Period				
Base Salaries	Annual	\$ Assets	Percentiles		
Assets	10th Percentile	25th Percentile	Median	75th Percentile	90th Percentile
4,000,000,000	177,048	190,842	206,219	226,547	244,290
2,000,000,000	154,040	166,414	179,898	197,609	213,019
400,000,000	123,951	133,410	144,028	158,540	171,139
200,000,000	117,306	126,220	136,170	149,558	161,617
40,000,000	102,858	110,616	119,234	130,764	140,815

The *Modify Percentiles* box displays. In the *Low Percentile* dropdown next to *Average*, scroll down and select “30th Percentile.” Then press the **OK** button.

Modify Percentiles

Default

Low Percentile	Low Percentile	Average	High Percentile	High Percentile
10th Percentile	30th Percentile	Median	75th Percentile	85th Percentile
	10th Percentile 15th Percentile 20th Percentile 25th Percentile 30th Percentile 35th Percentile 40th Percentile 45th Percentile			

Cancel

OK

The 30th percentile base salary and median base salary are now shown. Calculate the difference between the two. This is the amount of bonus that would need to be made to reach the median salary.

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031



Salaries By Experience/Size					
Salaries By Level					
Compensation Type	Pay Period				
Base Salaries	Annual				
Assets	10th Percentile	30th Percentile	Median	75th Percentile	90th Percentile
4,000,000,000	177,048	194,278	206,219	226,547	244,290
2,000,000,000	154,040	169,444	179,898	197,609	213,019
400,000,000	123,951	135,777	144,028	158,540	171,139
200,000,000	117,306	128,447	136,170	149,558	161,617
40,000,000	102,858	112,554	119,234	130,764	140,815

Median base salary = \$ 144,030

Base salary at 30th percentile = \$(135,800)

Difference = \$ 8,230

Select “Incentive” in the *Compensation Type* drop-down again. The difference between the median and 30th percentile base salary you calculated added to the displayed 75th percentile incentive would be the total bonus for increasing the loan portfolio by 20%.

Commercial Loan Manager

ERI: 45792 | eDOT: 186167220 | SOC: 113031



Salaries By Experience/Size

Salaries By Level

Compensation Type

Incentive

Pay Period

Annual

\$ Assets

Percentiles

Assets	10th Percentile	30th Percentile	Median	75th Percentile	90th Percentile
4,000,000,000	31,426	34,515	36,727	40,467	43,769
2,000,000,000	27,489	29,742	31,537	34,682	37,482
400,000,000	18,830	21,140	22,807	24,779	26,469
200,000,000	15,933	17,631	19,134	21,341	22,643
40,000,000	10,343	11,374	12,112	13,402	14,786

Incentive: \$24,780 + \$8,230 = \$33,010

This ends the tutorial portion of this exercise. Please close this window and press the **Next** button on the *Problem Statement* page to try your hand at setting incentive pay.