

## Introduction

The 2006-2007 Management Compensation Study examines the benchmarks for management employees in retail and wholesale companies. As compensation and benefits currently account for more than 15 percent of net company sales, there is no other area of a company's operating budget that so drastically affects the bottom line. Providing competitive salaries and benefits that also correspond to your operating budget can be the key to a successful business strategy.

Compensation and benefit structures often play a role in employee performance and organizational effectiveness. The factors used to establish pay scales, award bonuses and employee incentives can impact your ability to attract the best employees for your company, and retain them. While reactions to changes in pay and benefits may vary, it is vital to have a good compensation system in place, as well as a philosophy that employees understand.

In November 2006, 56 retailers and wholesalers shared their compensation and benefits data. The 2006-2007 Management Compensation Study includes data on 52 positions in management, merchandising and store operations. It provides compensation data by company size, company sales, region and store format.

### Retailer and Wholesaler Survey Profile

Responding Sample	56 companies
Total Employees	960,718
Total Number of Stores	9,034
Total Sales	\$181.1 billion

### Geographic Areas Represented

**Northeast:** CT, MA, ME, NH, NJ, NY, PA, RI, VT

**Midwest:** IA, IL, IN, KS, MI, MN, MO, NB, ND, OH, SD, WI

**South:** AL, AR, DC, DE, FL, GA, KY, LA, MD, MS, NC, OK, PR, SC, TN, TX, VA, WV

**West:** AK, AZ, CA, CO, HI, ID, MT, NM, NV, OR, UT, WA, WY

**This survey information has been compiled solely to assist in guiding the effective management of salary and benefit administration programs. It is most effective when used together with other data to determine a company's position and its alternatives. Survey users should not attempt to use results as absolute standards. Any survey data should be used in advance of readjustments of rates, schedules or policies.**