

# **Product Sales Specialist in Post Office Ltd**

**September 2009**

# **Revised National Agreement between Post Office Ltd and CWU for the introduction of Product Sales Specialists (PSS).**

## **1. INTRODUCTION AND PURPOSE**

The Crown Career Path and introduction of an allowance for PSS was agreed with CWU as part of the 2007 pay agreement. POL remains committed to the career progression principles and creating opportunities as outlined in the Crown Career Path.

This revised agreement replaces the original agreement which was not deployed due to unforeseen problems with the capture of individual sales performance information. The data problems were significant; however, other contributing factors to the PSS role not having been introduced are the prior focus on the introduction of the FSS role and lower than anticipated telephony sales.

The recent introduction of the new Sales Incentive Scheme (SIS) and the Management Information (MI) available to support this has been taken into consideration when developing the new PSS role. The two are closely aligned and it is anticipated that the PSS will play a key part in growing the sales performance of the Crown Network in two key product areas Travel and Express Mails. Improved performance in these product groups will have a positive effect on the SIS earnings of the branch team.

Each Crown Office will have the potential to have one PSS for Express Mails (Special Delivery, Parcelforce24 and 48) and one for Travel products (bureau, traveller cheques, travel money cards, travel insurance, passport check and send)

## **2. KEY PRINCIPLES**

- These roles will attract a maximum allowance of £1000 for performance above the branch target and need to be fully self funding.
- The PSS will be rewarded through a quarterly payment for above target performance in their specialist area. The PSS will also qualify for the SIS payment and the branch bonus payment may benefit from the PSS improving sales performance as it may move the branch above a new payment threshold.
- To ensure the opportunities exist in all Crowns there will be the opportunity for PSS in smaller branches to receive a lower allowance depending on the level of incremental sales achieved above the branch target for the relevant product area.
- The PSS will be selected on the basis of their demonstrable ability to sell individually and their potential to coach others to sell the products.

- The PSS will be required to maintain a high level of product knowledge and be willing and able to coach other colleagues on their PSS products as well as selling personally. The PSS will run WTL sessions where applicable to their product.
- In branches with PSS on Travel and Express Mails there will no longer be the requirement to have a separate Product Champion for these products.
- The PSS will work as required within the branch and will be an integral part of the branch team working together to achieve both the SIS branch target and the overlay target on the relevant products needed to make the PSS self funding.

### **3. EFFECTIVE DATE**

The PSS allowance will be introduced from October 2009. PSS overlay targets and quarterly payments will be pro-rated for the remainder of the financial year.

### **4. THE ROLE**

The PSS will be part of the branch staffing complement, they will work on their normal duty rotation and will continue to be included in the team pool for annual leave. The PSS will be a CSC graded employee who has the potential to earn either an additional bonus or in time a consolidated allowance as a result of meeting the PSS overlay target. PSS will have the necessary training to enable them to coach others and will be invited to attend product workshops as applicable

### **5. SELECTION and ELIGIBILITY**

The PSS role is open to both full time and part time colleagues from within the branch, although it is recognised that employees working less than 20 hours per week may find it difficult to fulfil the role requirements. If part time colleagues are appointed to the role the branch will be expected to meet the full PSS target\* and the PSS will receive the full PSS payment\*, neither the targets nor the payments will be pro-rated (\*see section 6 for details).

#### Selection:

Colleagues at the Advanced Level on the Career Path will be invited to apply for either the Travel or Express Mails PSS role (some mail specialists are already in place although it does not necessarily follow that those performing these roles currently will be permanently appointed.).

Those colleagues who have previously been travel or mails product champions will be encouraged to apply and this experience should stand them in good stead. Applicants will need to demonstrate a good track record of sales and product knowledge although previous coaching experience is not

a prerequisite for application as training will be given. Where there is more than one applicant, the Branch Manager will select on the basis of a standard competence based interview.

If no suitable candidate is identified, the Branch Manager has the discretion not to appoint into the PSS roles until such time as a suitable candidate is available. Standard appeal processes will apply which would be with the CAM hearing the appeal with CWU support available.

## 6. TARGETS and PAYMENTS

The maximum additional amount that can be earned by a PSS is £1000pa. All sales achieved above the overlay target will count towards the SIS bonus benefiting both the PSS and the remainder of the branch team.

The PSS earns their allowance by generating the required additional sales income on top of the original branch income target for either Travel or Express Mails through personal sales and coaching of their colleagues.

The additional income required to fund the PSS to earn £1000 is £3000:

£1000 for the PSS allowance

£1000 for the SIS uplift (depends on whether the branch is close to a threshold but based on an average)

£1000 POL profit

Each product has an income factor attached and the additional revenue to hit the PSS target can be generated by selling eligible products in any proportion provided the total additional income £3000 is met.

As £3000 is a significant additional income target for some branches it is possible for the PSS to earn a smaller allowance if proportionately lower overlay targets are met. The quarterly payments will be made on the basis of annual run rate above the branch target for that product.

PSS annual income above branch target	PSS annual allowance/ bonus	PSS quarterly income above branch target	PSS quarterly allowance/bonus
£3000	£1000	£750	£250
£2250	£750	£562.50	£187.50
£1500	£500	£375	£125
£750	£250	£187.50	£62.50

The PSS will be notified of the income factors attached to each product that are in force at the time – these income factors vary from time to time depending on interest/exchange rates or the contracts in place at the time with suppliers.

The branch target for the relevant product group ie mails or travel must be hit before the PSS overlay target will start to count but to qualify for the PSS payment it is not necessary for the overall branch Focus Product target to be met.

Until April 2011, subject to the PSS targets being met, PSS' will receive a non pensionable quarterly payment. This quarterly payment will be made at the same time as any SIS payments due. Quarterly payments will be made on the basis of the current run rate. In quarters where the cumulative branch target for the eligible products (mails or travel) is not met there will be no PSS payment. There will be a catch up element at the end of the year for the £1000 allowance level and no "claw back"

So for example:

The overlay income target to qualify for the £1000 PSS travel allowance, in addition to the current branch target, is £3000 and could be made up of :

Travel money: £275 000,  
 Travel insurance: 14 multi, 40 single  
 Passport check and send: 89 passports

(or the same products sold in different proportions to generate an income factor of £3000)

The following sales were made in addition to the branch target:

quarter	target	actual	Quarterly payment due	Annual catch up
1	T.Money £69k T Ins multi 4 T ins sing 10 Passport 22	T.Money £19k T Ins multi 2 T ins sing 2 Passport 6	£62.50	
2	T.Money £69k T Ins multi 4 T ins sing 10 Passport 22	T.Money £52k T Ins multi 3 T ins sing 8 Passport 16.	£187.50	
3	T.Money £69k T Ins multi 4 T ins sing 10 Passport 22	T.Money £35k T Ins multi 2 T ins sing 5 Passport 11	£125	
4	T.Money £68k T Ins multi 2 T ins sing 10 Passport 23	T.Money £169k T Ins multi 8 T ins sing 25 Passport 58	£250	
Annual total	T.Mon £275k T Ins multi 14 T ins sing 40 Passport 89	T.Money £275k TIns multi 15 T ins sing 40 Passport 91	£625	£375

£375 catch up is the difference between the £625 paid to date and the £1000 due for hitting the annual target.

## **7. PAYMENT ELIGIBILITY**

Eligibility for the PSS bonus is dependent upon:

- The PSS target for the relevant product being achieved. This target will be the current branch target + an overlay income target which makes an annual PSS self funded payment of £250, £500, £750 or £1000.
- The individual having demonstrated an ability to personally sell either Travel or Express Mails products and, as importantly, coached and trained other team members to sell.
- The individual running WTL sessions and keeping abreast of and sharing relevant market and competitor info.

If, at the beginning of each Company financial year (from April 2011 onwards), a PSS has demonstrated a minimum of 12 months track record of meeting the target for their PSS area (whatever level) the PSS bonus payment will be paid as a pensionable temporary pay increase each month.

To retain this pensionable PSS increase the PSS must continue to achieve the PSS target at the minimum of the £250 pa level. The allowance level will be reviewed and adjusted either up or down annually dependent on sales for the previous financial year. The PSS payment will be nil or the pensionable increase removed if the additional PSS income target at the £250pa level is not met. In such cases the employees' pay will revert to the applicable pay for the Advanced CSC grade at that time and the PSS will receive quarterly non pensionable bonus payments as applicable to their performance level for the next financial year.

In all cases of long term absence the PSS quarterly allowance will be treated as for the SIS payment eligibility. For those already in receipt of the temporary pensionable pay increase this will be retained until the PDR following their return to work at which point performance will be reviewed.

## **8. MEASURING PERFORMANCE**

PSS performance will be reviewed and discussed monthly with their Line Manager, as part of the standard 1:1 process. These monthly discussions will feed into the annual PDR process as for all employees.

Using the SIS reporting suite the PSS will be made aware of weekly sales performance and the branch quarterly run rate against the sales income target for the relevant products will be available on the Weekly Tracker.

The PSS will also be observed coaching and training others and will be given feedback on their performance. The PSS will be expected to do the necessary reading and research to keep up to date with product or market changes and share this information with managers and other team members.

Ongoing training and support will be provided to help the PSS maintain or improve the branch sales performance and their coaching of others to the required level.

Where the branch achieves less than 90% of the branch sales income target for the PSS products (travel or mails) at the full year then the PSS pensionable increase will be removed and the Branch Manager may recommend to the CAM that the PSS is removed from the role and reverts back to branch colleague status. In these circumstances normal appeal arrangements will apply.

If PSS is not meeting either their coaching or personal selling obligations and the one to one and PDR evidence supports this the Branch Manager may recommend to the CAM that the PSS is removed from the role and reverts back to branch colleague status. In these circumstances normal appeal arrangements will apply.

## **9. DISAGREEMENTS**

In the unlikely event of any disagreement arising from the implementation of this agreement this will be progressed in line with the IR framework agreement. Points of Principle will be referred to the signatories of this agreement for resolution.

## **10. REVIEW**

It is recognised that the introduction of the PSS allowance is an important development and long overdue. The application and success of this agreement will be jointly reviewed six monthly from April 2010.



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