



Success sharing

Common success, shared profits

Companies often face the challenge of aligning variable compensation systems with their **long-term business strategy**. Typically, traditional bonus systems merely take annual budget targets into account. Long-term variable compensation systems

offer an alternative, but they're not suitable for every company and often not for the broader workforce. A success-sharing model provides an **intermediate solution**: it enables annual payouts that are still linked to the company's long-term success.

What's profit sharing?

A success-sharing model is a variable compensation system that shares the **success of the company directly with employees**. This can be in the form of **profit sharing**, where a defined percentage of the generated

profit is distributed to employees, or **value sharing**, which depends on the company's value development. In addition to financial success, qualitative criteria such as customer satisfaction can also be considered.

How does a success-sharing model differ from a traditional bonus model?

	Success-sharing model	Traditional bonus model
Focus	Shared success	Rather individual performance
Time horizon	Short- and long-term	Mostly short-term
Calculation	Transparent and simple to understand	Sometimes complex and subjective
Corporate culture	Team-oriented and sustainable	Competition-oriented

There's often a strong **interaction** between the variable compensation system and the corporate culture. A success-sharing model is particularly well suited to the following cultural characteristics:



Team orientation:
collaboration instead
of individualism



Long-term vision:
sustainable value
creation instead of
short-term success



Transparency:
open communication
about compensation systems
and how they work

Depending on the needs of the company, it is also possible to combine the design of a success sharing model with aspects of a traditional bonus model.



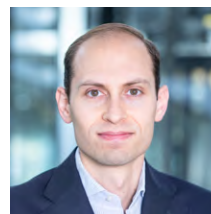
Is a success-sharing model the right choice for your company?

- Does your incentive system aim to reflect not only short-term but also long-term ambitions?
- Are you looking for an alternative to purely individual bonuses?
- Would you like to simplify your current variable compensation system?
- Is a fair and transparent compensation culture important to you?

Let's start a conversation



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