



# Pay Raises

## Are increases based on cost of living or merit?

Compiled by: Elizabeth Marvel, Office Technology Magazine

Following is a question submitted by a dealer member as part of BTA's Dealers Helping Dealers resource and many of the answers received. These answers and others can be found in the members-only section of the BTA website. Visit [www.bta.org/DealersHelpingDealers](http://www.bta.org/DealersHelpingDealers). You will need your username and password to access this member resource.



### How are pay raises determined for your employees — cost of living increases or merit raises? What is your process in terms of employee appraisals?

"Employees are evaluated every 90 days as to current performance, then annually on their anniversary dates in regard to pay increases based on merit. We also have a monthly incentive plan for all employees who are not in sales that pays them based on the performance of the company against our plan. The bonus is a fixed amount if they are at plan and can slide up if above, or down if below. This keeps everyone pulling to beat plan. Each year, the plan goes up by the new run rate for the previous year, then the percentage increase is applied to the individual's monthly bonus and that may become the entire raise for the year."

*Tim Renegar, owner  
Kelly Office Solutions, Winston-Salem, North Carolina*

"We do a cost-of-living increase each year and evaluate their work performance before giving a bonus."

*Sam Stone, president  
Stone's Office Equipment, Richmond, Virginia*

"Yearly reviews, and both merit and cost of living, depending on the employee's performance."

*Dan Detrick, vice president  
CopyLady Inc., Fort Myers, Florida*

"Merit. We use an accountability chart. We have all of our employees on bonus programs and profit-sharing programs. We don't give raises every year."

*Chip Miceli, CEO  
Pulse Technology, Schaumburg, Illinois*

"We do both cost-of-living and merit raises. The scale is one to five and, usually, if you are a three, you get about 3%. If you

go over and above, it could be 5% to 7%."

*Kim Valenta, vice president  
Offix, Gainesville, Virginia*

"Raises are determined with a balance between individual performance and company profitability."

*Michael DelBorrello, owner  
Cyan Sky Copier Technologies, Schnecksville, Pennsylvania*

"We use both. We set a range for managers, like 2% to 6%. But for people who are excelling, we bump based on value or compared to comparable people in the organization."

*Nick Lioce, president  
The Lioce Group, Huntsville, Alabama*

"Cost of living and merit. Service techs are evaluated using NEXERA tools. Sales reps' pay increases are simply more commission on sales. Admin employees are merit based."

*Jeffrey Taylor, president  
Kingsport Imaging Systems Inc., Kingsport, Tennessee*

"We gave almost all employees a 3% cost-of-living increase in 2024 and we do annual reviews for merit/performance-based incentives."

*Chap Breard, owner  
MOEbiz, Monroe, Louisiana*

"Mostly cost-of-living increases. We have no formal employee appraisals; it was recommended by our attorney to not do these on a routine basis. We do have off-site one-on-ones several times a year, but nothing formal."

*Josh Jehn, CFO  
Waltz Business Solutions Inc., Crestview Hills, Kentucky*

"A budget is established with an overall percentage increase; each department's senior leader is provided with this percentage and he (or she) can either grant a percentage higher or lower based on performance. Raises are determined by merit."

*Edith DeCourcy, CFO  
Seminole Office Solutions Inc., Longwood, Florida* ■

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