

# DXdao Workers Compensation Guidelines 2020

The goal of this document is to help DXdao workers to estimate their future compensation and project a long term relationship with the organization, like any other financial organization in the world DXdao wants to have a compensation framework that provides the workers financial stability and creates a healthy environment where they can collaborate and grow professionally in the DXdao experiment.

*These guidelines are used to ESTIMATE the workers compensations. Which means that the final compensation proposed by the worker can be different, in this case the worker should explain his case in his compensation proposal.*

The compensation of an individual working for DXdao is **estimated** based on:

- Experience level: Junior, Intermediate, Senior or Expert.
- Commitment level in DXdao, this is affected by the amount of REP and DXD already issued to the worker, it takes into account all reputation from past proposals and DXD held in vesting contracts by the worker.

## Work Reputation Guidelines

Reputation is **directly related to the effort of a worker**, a month of work equals his monthly financial compensation (based on the level of experience and commitment level of the worker) plus the monthly reputation compensation.

The DXdao aims to build long term relations with the workers, it will take two years for the worker to reach the maximum commitment level.

**Worker time to reach Max REP = 24 months**

**Total REP = 1250000 REP**

**Max Commitment Level Reputation = 4% of Total REP = 50000 REP**

**Monthly REP compensation = 0.166 % of Total REP = 2082 REP**

**Monthly Financial Compensation = Experience Level \* Commitment Level**

**Total Monthly Compensation = Monthly Financial Compensation + Monthly Rep Compensation**

These formulas allow the worker to choose in which currency and assets he wants his total compensation being paid, where financial compensation can be substituted for REP compensation and vice versa, it also ensures **that reputation cannot be bought or transferred, it has to be earned.**

## Commitment Level

A worker has a commitment level 1 when he has between 0 and 1 monthly REP issued or between 0 and 0.5 of his monthly financial compensation of DXD in vesting contracts.

A worker has a commitment level 6 when he has reached the max reputation issued or if he has 3 of his monthly financial compensation of DXD in vesting contracts.

## Monthly Financial Compensation Table

	Junior	Intermediate	Senior	Expert
Commitment Level 1	2000 USD	2666 USD	3333 USD	4000 USD
Commitment Level 2	2200 USD	2933 USD	3667 USD	4400 USD
Commitment Level 3	2400 USD	3200 USD	4000 USD	4800 USD
Commitment Level 4	2600 USD	3466 USD	4333 USD	5200 USD
Commitment Level 5	2800 USD	3733 USD	4667 USD	5600 USD
Commitment Level 6	3000 USD	4000 USD	5000 USD	6000 USD

*With these salaries a team of 12 people (2 Full time experts, 4 Full time seniors and 6 Full time intermediate workers) will cost **at least** ~50000USD per month, ~600000 USD per year.*

*Salary math based on:*

*Developer, full-stack 57000 USD per year*

*Developer, QA or test 54000 USD per year*

*Developer, front-end 52000 USD per year*

*Reference: <https://insights.stackoverflow.com/survey/2019#salary>*

## Recommended Payment Conditions

- The worker cant end up with more than 4% of total REP after being compensated.

- The worker can receive DXD as part of his financial compensation, where the recommended vesting schedule would be of 24 months with 6 months cliff. The amount of DXD to be transferred is taken based on the buy price taken from DXtrust, [dxtrust.eth.link](https://dxtrust.eth.link).
- A part of the DXD to be paid can be received without vesting when the work proposal is finished if certain conditions are met.
- Once max reputation is reached the worker will receive enough reputation to protect his current reputation stake, the remaining of the REP will be converted to DXD or USD.
- The USD amount in the compensation can't be higher than 8000 USD, in case there is remaining compensation REP or DXD can be used.

Token vesting to be used:

<https://github.com/OpenZeppelin/openzeppelin-contracts/blob/release-v3.0.0/contracts/drafts/TokenVesting.sol>

DXTrust app: <https://dxtrust.eth.link>

## Compensation Calculation Process

1. Choose the experience level. The worker should provide information for validation of the requested experience level. This is needed in case of the first classification of experience as well as when the worker proposes a higher level of experience.
2. Choose the commitment level. The worker should provide information for validation of the requested commitment level. This is needed in case of the first classification of experience as well as when the worker proposes a higher level of commitment.
3. Choose if the worker will request a bonus payment or REP issuance if certain conditions are met when the work proposal finishes.
4. Choose if the worker will request an extra compensation, in this case the worker should provide information for validation of the request.
5. Choose the final financial and reputation distribution, and assets or currency in which the worker wants to be paid.

## Extra Compensation Tools

- Gitlab compensation calculator:  
<https://about.gitlab.com/handbook/total-rewards/compensation/compensation-calculator/>

## Examples

- A junior worker with commitment level 3 with monthly REP compensation of 2000 REP and 12000 REP already issued can receive:
    - Monthly Financial Compensation + Monthly REP Compensation: 2400 USD and 2000 REP.
    - $\text{Monthly Financial Compensation} \times 0.5 + \text{Monthly REP Compensation} \times 1.5$ : 1200 USD and 3000 REP.
    - $\text{Monthly Financial Compensation} \times 1.5 + \text{Monthly REP Compensation} \times 0.5$ : 3600 USD and 1000 REP.
    - Monthly Financial Compensation + Monthly REP Compensation: 1200 USD, 1200 USD in DXD, and 2000 REP.
    - $\text{Monthly Financial Compensation} \times 0.5 + \text{Monthly REP Compensation} \times 1.5$  in DXD: 1200 USD and 3600 USD in DXD.
    - $\text{Monthly Financial Compensation} \times 1.5 + \text{Monthly REP Compensation} \times 0.5$ , half REP and half DXD: 3600 USD, 600 USD in DXD and 500 REP.
  - An expert worker with commitment level 6, monthly REP compensation of 2000 REP and 50000 REP (Max REP) already issued will receive:
    - 6000 USD as monthly financial compensation.
    - 50 REP (taken into account 5% total REP will be issued in a month, so issuing 5% of his REP to protect his REP stake).
    - 1950 REP valued in DXD or USD ( $6000/2000 \times 1950 = 5850$  USD). In this case the worker can reach the 8000 USD monthly limit, the exceed of the limit can be requested in DXD. Final compensation can be
- Final compensation can be:
- 8000USD, 50 REP and 3850 USD in DXD.
  - 6000 USD, 50 REP and 5850 USD in DXD.