

2014 Compensation Survey Report

InCite Performance Group



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2014 Compensation Survey

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PROBLEM: It is very difficult to get best practice information on actual compensation for detailed employee positions in North America.

INTENT: Obtain information on compensation for employees in Insurance firms in North America.

SURVEY KEY POINTS:

- This report was developed with the participation of 38 agencies/brokerages, all members of InCite Performance Group. In this report agencies/brokerages are referred to as 'Firms'.
- Our initial intent was to create tiers for each market. However, we found that geographical tier size had almost zero relevance on the survey. Size of the firm had the only clear difference. Therefore, we will communicate the survey results based on three sizes of firms (Canadian Firms are included in the Small, Midsize, Large Firm categories), with a separate listing for Canadian firms. The three sizes are (based on revenue):
 - Small Firms: Under \$5,000,000
 - Midsize Firms: \$5,000,001 - \$9,999,999
 - Large Firms: \$10,000,000 and above
- Canadian firms should look at the Canadian category first to understand the Canadian market. However, the compensation alignment for most positions was still very aligned with the overall small/midsize/large firm model. Only a few positions were clearly compensated differently in Canada (primarily CEO, Personal Lines, and Producers)
- Firms that paid the \$75 fee and participated in the survey will receive the report at no additional charge. Firms that did not participate will be charged \$250 for the report.
- Names of Firms will not be listed. However, the information received is very complex and may require additional information. If an agency would like additional information, Larry Linne has the report and it will be available for detailed descriptions and specific information.

ABOUT THIS REPORT:

1. In many areas midsize firms pay more than large firms. Our assumption from follow up questions and discussions was that firms paid more in midsize companies because they felt they were “working their people harder than if they were in a single job.” We did find in many cases the people were doing multiple jobs. However, we also found other elements that would suggest other options:
 - a. People were doing multiple jobs but not doing those jobs as well as someone that would be full time (seems obvious but wasn’t considered in many cases).
 - b. Dependence on a specific person (usually personality) was a driver of the higher compensation and the decision was made to pay higher because of the appreciation or need for that specific person.
 - c. Less experienced Managers in the positions who made the decisions to increase pay. Larger companies tend to have better data and experience in getting compensation at the proper levels.
 - d. Midsize and small firms typically did not have a compensation philosophy or guidelines.
2. Since this industry is entrepreneurial, the compensation for partners/owners and Executive Team Members was all over the board. It was very difficult to pick up any norms or structure. Each firm compensates owners and key executives based on what is best for that business. The compensation had zero correlation to market.
3. Some unique positions and compensation were identified at the end of this report. Please take a note of those positions. We saw them as good insight to unique things people are doing in the industry from a job and responsibility standpoint.

EXECUTIVE COMPENSATION

EXECUTIVE COMPENSATION

CEO / President – Top leader of the organization. Typically not a shared position. Leads strategic planning, tactical planning, community brand, balance sheet results, and vision.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$75,000 - \$270,000 + Bonus \$600,000	(\$90,000 + \$10,000) – (Salary \$273,600 + Bonus \$158,053 + Profitability \$353,875)	\$75,000 - \$420,000 plus bonus	\$100,000 - \$303,000	\$90,000 - \$324,781 plus profit bonus

- **Benefits for CEO/President:**
 - 50% receive car allowance, country club membership, travel expenses
- **Report Notes for CEO/President:**
 - The diversity of answers and methods of compensation does not correlate with Firm size, country, or tier market size. The methods of compensation are inclusive of all options:
 - Salary only
 - Salary plus bonus, stock options, and commissions
 - 3 CEOs are paid 100% salary with no bonus or incentive.
 - 50% of CEOs are paid salary and a financial performance bonus.
 - 85% of Firms over \$10m in annual revenues pay a salary, performance bonus, and profit share/bonus

CFO – Financial Leader with strategic and tactical responsibilities. Participates on Executive team and does not do day to day accounting functions.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$76,250 - \$207,000	Not enough people in this position for credible data.	\$80,000 to \$190,000	\$80,000 - \$120,000	\$76,250 - \$207,000

- **Benefits for CFO:**
 - One Firm provides country club membership.
 - All Firms provide typical expense reimbursement
- **Report Notes for CFO:**
 - 91% of CFOs are also COO of the company.

COO – Operations leader with strategic and tactical leadership responsibilities. Has other managers down line reporting.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$76,250 to \$210,000	NA	Only COOs in small Firms are also CFO's and in CFO information above.	\$100,000 salary + Bonus to \$175,000	None from above comp range.

- **Benefits for COO:**
 - 30% of COOs receive auto allowance.
 - All Firms provide typical expense reimbursement

CSO – Sales leader with strategic and tactical leadership responsibilities. Has responsibilities for all sales personnel, BDC, and/or external marketing, and possibly insurance company marketing responsibilities.
 COMP RANGE: Only three CSOs in survey. All very uniquely compensated with no comparative elements.

President – Leader of the income statement functions of the company. Reports to a CEO but is involved in strategic and tactical planning and execution.

- **Report Notes for President:**
 - President data was incorporated into CEO data.

Senior VP – Larger organizations may have a Sr VP position for someone who is in a functional position of the agency but brings value to the executive level of the organization through participation on the executive team, planning, and value creation.

- **Report Notes for Senior VP:**
 - No Senior VP identified in responses

Department VP (Sales, Ops, other) – Department leader with executive level experience and value. Participates in executive level meetings, decisions, planning.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$67,000 - \$163,000	None, as Canada has the high and low range	NA	\$67,000 to \$110,000 plus bonus (\$10k potential) plus commissions for insurance sales.	\$117,000 salary to \$175,000 salary plus bonus up to \$52,000.

- **Report Notes for Department VP:**
 - 82% provide profit bonus and/or performance bonus.

ADMINISTRATION COMPENSATION

ADMINISTRATION (IT, FINANCE, HR) COMPENSATION

FINANCE

Controller – Planning directing and coordinating all accounting operational functions, preparing financial statements, providing financial data to executives, overseeing all accounting staff.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,000 to \$93,000	\$50,000 to \$86,600	\$50,000 to \$86,600	\$65,000 to \$85,000	\$80,000 to \$93,000

Accounting Manager – approves GL entries and reconciliations, prepares monthly financials, coordinates the budget process, and hires and trains accounting staff.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,000 to \$91,000	\$55,000 to \$59,000	\$50,000 to \$69,000	\$50,000 to \$60,000 (one exception of Firm paying \$92,000 for multi position person with this title)	\$55,000 to \$76,800

Assistant Accounting Manager – maintains fixed asset schedule, assists in preparation of budgets, and monthly financial statements and reports; assesses internal controls, budget variances and supervises accounting staff.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$57,645	\$40,000 to \$50,000	NA	Pay average and range is in the higher end of the total comp range.	NA

Accounts Payable – Processes Firm accounts payable.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$31,200 to \$43,300	\$40,000 to \$44,200	\$32,000 to \$35,000	NA	\$35,000 to \$44,200

Accounts Receivable – Prepares customer aged receivables and ensures accurate collections and write-offs.
Reconciles company direct bill

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$38,000	NA	None in position (shared by other roles in Firm)		\$30,000 to \$38,000

Invoicing Level 1 – all functions of client billing on Broker Management System (personal lines)

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$27,600 to \$45,000	\$30,00 to \$45,000	\$27,600 to \$36,000	\$32,000 to \$45,000	\$40,000 (Three Firms paying this amount)

Invoicing Level 2 – all functions of client billing on Broker Management System (commercial lines and benefits)

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$63,867	\$45,000 to \$48,000	NA	NA	\$45,000 to \$63,867

HUMAN RESOURCES

HR Manager – This position is responsible for a wide range of HR responsibilities including human resource leadership, HR strategic initiatives, employee attraction and retention, employee relations and performance management. This position is also responsible for overseeing the payroll function of the operation

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$43,000 to \$218,000	\$72,000 to \$218,000	\$43,700 to \$76,000	\$50,000 to \$118,000 (Broad range of duties and shared responsibilities)	\$53,500 to \$218,000

Assistant HR Manager – Confirms timesheets are accurate; answers employee questions regarding compensation (salary, benefits, vacation); ensures performance reviews are completed by all department managers; administers HR projects once implemented by the HR Manager.

- **Report Notes for Assistant HR Manager:**
 - Only one person in this role in one Firm and the role has multiple other duties.

Payroll Coordinator – Collects, verifies and processes payroll and benefits within established deadlines while ensuring high levels of accuracy.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$32,000 to \$53,100	\$50,000 - \$53,000	\$32,000 as 1/3 rd position	\$40,000 - \$53,000	

Trainer – Primary responsibility is to plan, deliver and assess training programs targeted at new and current employees based on the company's training objectives.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$45,000 to \$76,000	\$55,000 to \$62,000	NA	\$55,000 - \$76,000	\$45,000 - \$62,000

- **Report Notes for Trainer:**
 - Position is listed as part time by a few Firms
 - Position is one a split responsibility of another position at a few Firms.
 - One Firm pays \$64,400 for the person and applies 50% of the compensation to this job.
 - Canadian Firm has part time trainer at \$20,000

IT

IT Manager – Responsible for operational integrity of servers, server peripherals and network infrastructure maintained by the Information Technology Department. Recommends IT strategy to the Executive Team and manages staff in the IT Department.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$125,000	\$30,000 to \$81,600	\$30,000 to \$57,000	\$57,000 to \$82,400	\$81,600 to \$125,000

IT Assistant Manager /Systems Administrator – Responsible for the software and hardware including installing troubleshooting and configuring software and performing server rebuilds and system recovery

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$40,000 to \$75,000	\$46,600 (only one response)	NA	NA	\$40,000 to \$75,000

Help Desk / Tier 1 – Accountable for initial call or email to support and administration related the hardware and software applications. Solves simple problems and escalates more difficult ones.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 to \$46,000	NA	No difference across size of Firm		

Help Desk/ Tier 2 – Resolves more complex issues related to software or hardware and decides when a trouble ticket or site visit is required.

- **Member Comments for Help Desk/Tier 2:**
 - Function handled by other positions in the Firm

Help Desk/ Tier 3 – Researches and resolves most difficult problems irresolvable at Desk 1 and 2. ID's trends and devises preventable solutions.

- **Member Comments for Help Desk/Tier 3:**
 - Function handled by other positions in the Firm

Broker Management System Software Training – Determines BMS training curriculum, creates course material and handouts, conducts BMS specific training on Firm workflows and procedures.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$60,000 to \$80,000	NA	NA	NA	\$60,000 to \$80,000

PC Technician – Installs, configures and maintains desktop, laptop and peripherals (printers). Removes old equipment and performs data migration. Mainly hardware related function.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 to \$40,000	NA	No difference across size of Firm		

- **REPORT NOTES FOR ADMINISTRATION DEPARTMENT COMPENSATION:**
 - Numerous people have split responsibilities in all size firms

OPERATIONS MANAGEMENT COMPENSATION

OPERATIONS MANAGEMENT COMPENSATION

Operations Manager – This position is responsible for formulating, implementing and monitoring strategies to ensure that the growth and retention goals of the all the operations/department team are being met.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$72,670 - \$105,000	NA	\$76,875 - \$105,000	NA	\$72,670 - \$90,000

- **Member Comments for Operations Manager:**
 - Bonus of up to 10% of salary (1 position)
 - Bonus of 5% of net new profit
 - \$12,000 bonus (on \$90,000 salary)

Operations Department Manager: Commercial Lines – This position is responsible for formulating, implementing and monitoring strategies to ensure that the growth and retention goals of the Commercial Lines Sales and Service team are being met.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,840 to \$150,000	\$55,000 to \$82,400	NA	\$54,000 to \$100,000	\$82,400 to \$150,000

Operations Department Manager: Personal Lines – This position is responsible for formulating, implementing and monitoring strategies to ensure that the growth and retention goals of the Personal Lines Sales and Service team are being met.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$54,000 to \$135,000	\$55,000 - \$82,400	None in stand alone position	\$54,000 to \$57,000	\$82,400 to \$135,000

Operations Department Manager: Benefits Lines – This position is responsible for formulating, implementing and monitoring strategies to ensure that the growth and retention goals of the Benefits Sales and Service team are being met.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,840 to \$150,000	NA	NA	\$55,840 to \$76,800	\$75,000 to \$150,000

Operations Department Manager: Surety and Bonding Ops – This position is responsible for formulating, implementing and monitoring strategies to ensure that the growth and retention goals of the Surety & Bonding team are being met.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$114,400 to \$150,000	NA	NA	\$114,400 to \$150,000	

• **MEMBER COMMENTS FOR OPERATIONS DEPARTMENT MANAGER COMPENSATION**

- Small Firm: We have two Team Leaders (Operational Managers). Each Team Leader has different areas they are responsible for. One is for 1/2 CL, Mktg, EB. One is for 1/2 CL, Cert Proc, Bonds, Loss Control.
- Small Firm: We have part time "practice Leaders" in both EB and CL. Both get paid almost entirely on their respective books of business, but do have an incentive opportunity that typically pays them \$6-8k annually. The CL manager also has a bonus opportunity of approximately \$30k. The surety dept is embedded in the Construction team and gets paid off the combined book (CL plus Surety).
- Director of IT is also Operations Mgr and Dept Mgr for Benefits, salary listed in both of these sections. He does get a phone allowance of \$560/month.
- Operations Manager also functions as HR Manager and Risk Manager.
- All three operation managers service a book of business as well.

OPERATIONS SERVICE COMPENSATION

OPERATIONS SERVICE COMPENSATION – COMMERCIAL LINES

Account Manager 1 Commercial Lines (sometimes known as Account Administrator) – This position is responsible for the day-to-day processing of new business and renewal business. They are held accountable for delivering excellent customer service through efficient workflow processes and communication with the Account Manager. This position serves as the 'key' behind the scenes team player.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$33,000 - \$52,000	\$50,000 - \$54,000	\$40,000 - \$50,300	\$33,000 - \$44,354	\$40,000 - \$43,000

Account Manager 2 Commercial Lines – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 - \$100,100	\$40,000 - \$100,100	\$40,000 - \$50,300	\$46,056 - \$64,479	\$45,000 - \$50,000

- **Report Notes for Account Manager 2 Commercial Lines:**
 - Outlier in Canada of \$101,100. This is a small firm in Canada, did not want to add to the small category as it would throw off the normal range

Account Manager 3 Commercial Lines (sometimes known as Senior Account Manager) – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors. Responsible for managing team operations and coaching team members to deliver service excellence. May direct and mentor Account Managers at the request of the Team Leader. May be assigned special projects as needed from time to time.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,000 - \$109,655	\$50,000 to \$54,000	\$51,000 - \$60,000	\$54,000 - \$109,655	\$55,000 - \$75,000

Account Manager 4 Commercial Lines (sometimes known as an Account Executive) – This position champions relationships with both new and/or existing accounts and acts as the premier risk consultant on the High Performance Team. This position functions as the subject matter expert for client management, risk clarity insurance industry niche. Assists Producer with cross selling & rounding out opportunities with clients and prospects; collaborates with Producer to develop strategic plans for how to retain/renew current business.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$50,000 - \$197,515	\$50,000 to \$197,515	\$50,000 - \$197,515	\$58,000 - \$105,000	\$55,000 - \$108,000

OPERATIONS SERVICE COMPENSATION – EMPLOYEE BENEFITS

Account Manager 1 Benefits (sometimes known as Account Administrator) – This position is responsible for the day-to-day processing of new business and renewal business. They are held accountable for delivering excellent customer service through efficient workflow processes and communication with the Account Manager. This position serves as the 'key' behind the scenes team player.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$33,849 - \$57,500	\$55,000	\$51,000 - \$52,000	\$33,849 - \$55,000	\$38,000 - \$57,500

Account Manager 2 Benefits – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$33,000 to \$77,561	\$43,000	\$33,000 - \$40,000	\$37,195 – 66,000	\$47,250 - \$77,561

Account Manager 3 Benefits (sometimes known as Senior Account Manager) – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors. Responsible for managing team operations and coaching team members to deliver service excellence. May direct and mentor Account Managers at the request of the Team Leader. May be assigned special projects as needed from time to time.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$45,000 - \$90,000	NA	\$45,000	\$42,568 - \$90,000	\$64,000 - \$75,000

Account Manager 4 Benefits – (sometimes known as an Account Executive) – This position champions relationships with both new and/or existing accounts and acts as the premier risk consultant on the High Performance Team. This position functions as the subject matter expert for client management, risk clarity insurance industry niche. Assists Producer with cross selling & rounding out opportunities with clients and prospects; collaborates with Producer to develop strategic plans for how to retain/renew current business.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 to \$120,000	\$35,000 - \$52,000	\$40,000	\$52,000 - \$101,000	\$35,000 - \$120,000

- **Report Notes for Employee Benefits Service Positions:**
 - AM 4 – Many of the people in this job receive commission, bonus, and have growth of book incentives.
 - AM 4s were also considered AE's in the US brokerages in many cases.

OPERATIONS SERVICE COMPENSATION – PERSONAL LINES

Account Manager 1 Personal Lines (sometimes known as Account Administrator) – This position is responsible for the day-to-day processing of new business and renewal business. They are held accountable for delivering excellent customer service through efficient workflow processes and communication with the Account Manager. This position serves as the key ‘behind the scenes’ team player

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$25,000 – \$52,000	\$31,000 - \$50,300	\$25,000 - \$52,000	\$35,800 - \$43,000	\$30,000 to \$35,000

Account Manager 2 Personal Lines – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 - \$50,000	\$40,000 - \$50,000	\$30,000 - \$50,000	\$33,600 - \$46,028	\$39,800 - \$46,000

Account Manager 3 Personal Lines (sometimes known as Senior Account Manager) – This position is responsible for the primary day-to-day contact with the client and all third party carriers/vendors. Responsible for managing team operations and coaching team members to deliver service excellence. May direct and mentor Account Managers at the request of the Team Leader. May be assigned special projects as needed from time to time.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$65,000	\$50,000 to \$54,000	\$40,000 - \$65,000	\$45,800 to \$52,000	\$45,000 to \$62,500

Account Manager 4 Personal Lines (sometimes known as Account Executive) – This position champions relationships with both new and/or existing accounts and acts as the premier risk consultant on the High Performance Team. This position functions as the subject matter expert for client management, risk clarity insurance industry niche. Assists Producer with cross selling & rounding out opportunities with clients and prospects; collaborates with Producer to develop strategic plans for how to retain/renew current business.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$40,000	NA	NA	\$30,000 to \$40,000	NA

- **Report Notes for Personal Lines Account Managers:**
 - Larger Firms have more structure in the different levels of compensation. Larger Firms tier their compensation models closer together and promote to a different comp level.
 - Most small market Firms provide more incentives above salary to Account Managers.

- **Member Comments for Personal Lines Account Managers:**
 - Commission and/or bonus amounts are paid to AMs
 - Average annual commission received by Account Manager 2 is \$1,850. Average annual bonus received by Account Manager 2 is \$650. Average annual commission received by Account Manager 3 is \$2,055. Average annual bonus received by Account Manager 3 is \$1,600.
 - Commission is earned by all Account Managers. 50% of new business commission. Average \$8,000 / annum. Bonus based on 1/12 of Salary – Based on CI's established by employee and manager.
 - \$2,000 bonus based on policy count
 - Referrals 20% of NB Commission – 40% Commission on NB written themselves/Account Round. Weekly check in bonus – \$250 per quarter for goals met: Me, Inc/Proactive Hrs, Customer Retention & revenue goals plus \$10 for referrals. Christmas Bonus Book Reviews, Licensing Bonus, and Miscellaneous Incentives
 - Pay 40% on new business.
 - Large Firm: “Account Managers (all levels) are paid an annual salary and can earn 35% commission on new business that they suggest/offer and write on existing clients, account rounding. The can also earn 10% commission on new business referrals to other Firm departments. Account Managers are also part of our Firm year-end profit bonus plan where they can earn 1/3 of the Firm profit.
 - AM1 – avg bonus \$ 3278 – 1% of total PL commission paid broken out .75% based on individual team book of business and .25% based on the backup and support when others are out and overall team work.
 - 10% new business commission.
 - Referral commissions at 20% of new business.
 - Eligible to participate in growth bonus of 1/3 of growth.
 - Large Firm: “Bonus of up to 1/2 salary based on CIs established by Manager.
 - Account Managers (all levels) are paid an annual salary and can earn 35% commission on new business that they suggest/offer and write on existing clients, account rounding. They can also earn 10% commission on new business referrals to other Firm departments. We have 2 account managers (family members) that have company cars. Account Managers are also part of our Firm year-end profit bonus plan where they can earn 1/3 of the Firm profit.
 - We pay up to one month additional salary based on Firm profitability.

Receptionist 1 – This position answers phones; directs clients; takes client payments.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$20,000 - \$34,000	\$25,000 - \$34,000	\$27,320 - \$37,131	\$20,000 - \$34,000	\$25,000 - \$32,000

Receptionist 2 – This position assists with phones and clients; processes claims notices updates, administrative tasks.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$28,000 - \$42,500	\$28,000 - \$35,000	\$28,000 - \$31,000	\$29,100 - \$38,110	\$30,000 - \$42,500

Receptionist 3 – This position assists with phones and clients; deposits client payments; hires, trains and manages receptionists.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 - \$50,400	\$36,000 - \$50,400	NA	\$30,000 - \$33,000	\$30,000 - \$50,400

- **Member Comments for Receptionist Positions:**

- Bonus structure was available for 7 receptionists.
 - \$1500 annual bonus
 - One month salary bonus available based on profit.
 - \$500 for special project bonus.
 - \$3,250 + \$3,000
 - Eligible to participate in growth bonus at 1/3 of growth in commission.
 - Referral commissions
 - Annual bonus for company profit

SALES DEPARTMENT COMPENSATION

SALES DEPARTMENT COMPENSATION

Sales Manager – Responsible for development and execution of sales and marketing plan. Production team are direct reports. Reports to CSO or President.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$75,000 to \$275,000	\$50,000 (Part of another job), \$75,000 to \$105,000	\$50,000 to \$87,000	Data inconsistent and irrelevant	\$90,000 to \$135,000

- **Report Notes for Sales Manager:**

- Sales Manager comp was inconsistent. The comp plans are varied and typically not a full time position. Sales Managers were given additional comp from \$25,000 to \$75,000 for additional duties. Some were given 5% of new business.
- Only 6 out of 38 Firms had a full time Sales Manager.
- Many of the Firms had Sales Management duties given to the CEO, President, or Department Manager

Assistant Sales Manager – Administrative support to the Sales Manager. Can have BDC/Marketing manager traits. However, the key responsibility is to assist the Sales Manager with all administrative duties.

COMP RANGE: \$54,494. Only one person in the position in a midsize Firm.

BDC – This position can be defined with numerous responsibilities. Many of those responsibilities are listed in the positions below. However, if multiple duties are combined into one job, the BDC is probably the best way to define for this survey.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 to \$56,000	\$25,000 (part time) to \$38,000	\$30,000	\$38,000 to \$46,000	\$48,100 – \$56,000

- **Report Notes for BDC:**

- \$1,000 to \$8,000 bonus available to 25% of the Firms reporting
- **Outlier \$135,000** (Very large Firm)

Marketing Manager – Develops the marketing plan for the Firm and drives the execution. Also, is responsible for developing visual marketing presence (web, presentations, advertising materials, etc) and also, coordinates and plans events.

COMP RANGE: \$37,000 to \$76,000

- **Report Notes for Marketing Manager:**

- Based on responses, we are confident that the description was not read for most who filled out the report. The reporting seems to be listing the Insurance Company Marketing position. The comments refer to this being an operations position by more than ½ of the respondents. It is our opinion that this data is not valid for this position due to these inconsistencies.

Social media / SEO – Position is focused 100% on search engine optimization and the management of social media presence, coordination, and content.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$30,000 to \$42,000	No difference across size of Firm or region			

Telemarketing – Sets appointments for Producers. Does marketing research through phone calls and internet search.

COMP RANGE: \$10,000 and \$15,000 paid to outside consulting or to part time employee. Only two Firms participating.

Producer Large Commercial – Producer focused primarily on large commercial insurance (This is also where combined lines of business Producers will be identified).

- **Report Notes for Producer Large Commercial:**

- Producer Compensation is very difficult to understand due to all the elements of services provided, team support, expense account flexibility, vehicle, benefits, etc. So, we will put the ranges and norms in this report.
 - New business ranges from 25% to 50%.
 - Renewals range from 25% to 30%.
 - The majority of Firms reported a 35% new business and 25% renewal business compensation plan for Commercial Lines Producers.

Producer Small Commercial – Producer focused primarily on small commercial insurance only (i.e. a Producer in a SBU, IBU or Select division).

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
See note below	\$60,000 to \$89,000	\$21,600 to \$40,000	\$51,886 to \$89,000	\$45,000 plus 40% on NB to \$60,000 plus 25% on NB

- **Report Notes for Producer Small Commercial**
 - 20% of the Firms reported commission compensation and 80% reported salary for this position.
 - The range of compensation (unknown where only percentages were listed) was \$21,600 to \$75,000.

Inside Sales – Producers who typically work in the office and handle call in or walk in business, or who handle referrals that can be handled from the office.

COMP RANGE: \$45,000 to \$54,000

- **Report Notes for Inside Sales:**
 - One outlier was at \$101,579 with no explanation.

Producer Benefits – Producer focused primarily on large employee benefits insurance only.

COMP RANGE: For the same reasons listed under Large Commercial Producers compensation, we were unable to give clear compensation ranges of all Firms at all sizes. However, we did see the following:

- New business ranges from 25% to 50% commission.
- Renewal business ranges from 25% to 35%. The majority of Firms pay renewal commission at 25%.

Producer Small Benefits – Producer focused primarily on small employer groups and individual health insurance plans.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$45,000 (plus \$10,000 commission) to \$86,000	No difference across size of Firm or region			

- **Member Comments for Producer Small Benefits:**
 - 60% NB Individual / 50% NB Individual Referred / 40% Group / 30% Group Referred
 - 30% to 40% new was reported by three Firms.

Producer Personal Lines – Producer focused primarily on personal lines insurance only.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$21,000 plus commission to \$60,000 plus commission	No difference across size of Firm or region			

- **Report Notes for Producer Personal Lines:**

- Commissions were primarily paid on new business only. New business commissions were higher with lower compensation.
- Commissions on new business ranged from 25% to 80%.
- Highest paid Personal Lines was \$89,000.

Producer VIP Personal Lines – Producer focused primarily on high net worth personal lines accounts.

- **Member Comments for Producer VIP Personal Lines:**

- Large Firm salary: \$165,000
- 40/25 commission that compensated at \$116,897.
- Department Manager \$50,000 salary, 25% commission, \$10,000 bonus.
- Midsize Firm salary: \$35,000

Producer Surety and Bonds – Producer focused solely on surety and bond clients.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$81,000 to \$290,000 (size of book)	NA	No difference across size of Firm		

- **Report Notes for Producer Surety and Bonds**

- 40% to 50% new business commission
- 25% to 35% renewal commission

Producer Financial – Producer who focuses primarily on financial products (retirement plans, securities, life, investment, estate planning, exit planning).

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$36,000 + 50% new and renewal - \$126,063	NA	NA	No difference across size of Firm	

Trainee (Producer) – Producer who is not validated and is considered in development or training (all categories)

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$35,000 - \$73,000 + Commission	No difference across size of Firm or region			

- **Member Comments for Trainee (Non-validated) Producers:**
 - Salary of \$36,000 - \$73,000 with no commission or bonus.
 - \$69,250 plus 25% commission.
 - \$60,000 plus 25% commission on new.
 - \$36,000 plus 40% commission on new.
 - \$35,000 plus 20% commission.

- **MEMBER COMMENTS FOR SALES DEPARTMENT OVERALL:**
 - Our personal lines account managers are responsible for sales.
 - Average car allowance for Producers is \$700 mo.
 - Surety and Bonds are handled by Commercial Service Manager. This Manager also is an Account Manager on a commercial book.
 - Monthly allowance for expenses given to Producers.
 - 20% referral commission to every employee who refers a new piece of business to the Firm.

RISK SERVICES COMPENSATION

RISK SERVICES (CLAIMS, LOSS CONTROL, SAFETY, APPRAISERS, PROMISE KEEPING)

Claims Manager – Full time manager of claims. Coordinates with the carriers and the clients as well as advocates on behalf of the client.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$36,225 - \$97,500	\$45,000	\$57,500	\$36,335 - \$80,000	\$64,000 - \$97,500

Assistant Claims Manager – Supports the claim management activity of a Claims Manager.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$32,287 (Midsize Firm) - \$70,000 (Large Firm)		NA	\$32,287-\$70,000	

Underwriting Manager – Analyzes risk in insurance proposals, determine policy terms and calculate premiums on the basis of actuarial, statistical and background information.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$45,000 - \$50,000	NA	No difference across size of Firm		

Safety Manager – Develops and delivers safety programs for clients.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$75,46 - \$120,000	NA	NA	\$76,000 - \$80,000	\$120,000

- **Member Comments for Safety Manager:**
 - One Firm pays \$30,000 - \$35,000 plus 25% new and renewal commission.

Safety Trainer – Delivers safety training and programs to clients. Directed by someone else who coordinates activities.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$38,000 - \$40,000	NA	NA	NA	\$38,000 - \$40,000

Loss Control – Does loss control inspections, recommendations, and risk management planning for clients.

COMP. RANGE	CANADA	SMALL	MIDSIZE	LARGE
\$75,000 to \$99,892	NA	NA	\$95,000	\$75,000 - \$85,000

Appraisers – Appraises property for insurable value.

- No responses in Survey.

Promise Keeper (Deliverable Accountability) – Responsible for development (administrative) of risk plans and the coordination of execution of those plans. Could participate in work product such as EMOD analysis, tool delivery, other)

COMP RANGE: \$75,000. Only one person listed in this position in the survey.

- **Report Notes for Promise Keeper:**
 - Four Firms listed the BDC as the person who does this function.

ADDITIONAL POSITIONS

ADDITIONAL POSITIONS LISTED WITH COMPENSATION

Consultant – Subjective position and will require a definition from the person filling out the survey. Could be Management consulting, HR consulting, Exit Planning consulting, or other subject matter specialist.
COMP RANGE: \$125,000 – Only one person identified in the study

Auto Broker

COMP RANGE: \$26,390 - \$42,000 (Canada only)

Personal Lines Account Administrator

COMP RANGE: \$26,000 - \$42,000

Personal Lines and/or Commercial Lines Account Administrator:

Many Firms are using Resource Pro for Administrative Support.

Large Commercial Lines Marketing Manager

COMP RANGE: Salary at \$90,000.

Personal Lines Quality Control Manager – Verifies accuracy of policies, endorsements and documents received from companies, updates Firm management system. Carrier management. Processes payments; batch processes changes.

COMP RANGE: \$35,000 - \$40,000

Commercial Lines Quality Control Manager – Processes Commercial Lines policies and endorsements into the FIRM management system daily with a high degree of accuracy. Verifies accuracy of new and renewal policies, endorsements and documents received from companies. Communicates with and secures corrections from all carriers on incorrect items.

COMP RANGE: \$37,000 - \$50,000

Alternative Risk Consultant

COMP RANGE: \$110,000 per year.

Claims Consultant

COMP RANGE: \$50,000 per year.

Q132 – Notes – Please feel free to enter any additional information that may be different or unique to your organization and that will help us to understand your data.

- All staff is eligible for bonus twice per year based on retention, production, new business. Range from 0-12% total per year.
- We give a bonus of up to 6% of salary, based on our profit.
- We sell in teams and share the commissions based on a matrix.

EMPLOYEE GROUP BENEFITS PROGRAMS

EMPLOYEE GROUP BENEFITS PACKAGE

Q4/5 – For your Employee Benefits Package, please note the Employer/ Employee Contribution (\$ amount).

- **Report Notes for Employee Benefits Package:**
 - 29% of Firms pay for Employee & Spouse
 - 29% of Firms pay for children
 - The structures are very different in each Firm. Therefore, we could not find correlations that would be useful data
 - Please see comments at end of Report that detail different programs

Q6 – Do you offer Dental Coverage?

- **Report Notes for Dental Coverage:**
 - Dental coverage provided by 85% of Firms
 - Of those that provide Dental Coverage, approximately 50% are Employer paid

Q7 – Do you offer Vision Coverage?

- **Report Notes for Vision Coverage:**
 - Vision coverage offered by 66.7% of Firms
 - In approximately 50% of Firms it is Employer paid

Q8 – Do You Offer Short Term Disability?

- **Report Notes for STD:**
 - 70% of Firms offer Short Term Disability
 - 45% are Employee paid

D9 – Do you offer Long Term Disability?

- **Report Notes for LTD:**
 - 90+% of Firms offer Long Term Disability
 - 75% are Employer paid, 25% are Employee paid

Q10 – Do you offer Life Insurance?

- **Report Notes for Life Insurance:**
 - 97% of Firms offer Life Insurance
 - Majority offer one-times salary, up to \$50,000

Q11 – Do you offer a Pension Plan/401K/Profit Sharing Program?

- **Report Notes for Pension Plan/401K/Profit Sharing Program**
 - YES >90%

- **Member Comments:**
 - 401k match = 25% on 6% deferral discretionary annual profit sharing
 - Simple IRA – 3% match
 - Simple IRA program. Agency contributes up to 3% of employees salary
 - 50% match on first 6% of employee contribution
 - Not as part of the benefits package. We do have a RRSP Contribution plan in place.
 - 401k plan – Vesting schedule 20% per year - 100% vested after completion of 5 years of service, profit sharing contribution to eligible employees annually about 3% of total compensation
 - The company matches 50% of the first 6%.
 - Employer contribution of 3% Safe Harbor per employee and annual Profit Sharing TBD each year.
 - Shareholders only. Pension plan with joint contribution by insurance company
 - Employer offers participation in a 401-K Plan. Employer will match employee contributions up to 6%.
 - Discretionary Contribution on Profit Sharing-Historical Contribution has been 8%. Profit Sharing Match of 2% on employee payroll deferred amount up to maximum deduction amounts issued by Government.
 - We offer a 401(k) and an ESOP.
 - Available to full time ee's after 6 months full time employment. Match 100% up to 5% of compensation.
 - 401K Plan we match \$1 to \$1 first 3% and .50 next 2%
 - Employer matched contributions on an RRSP Plan
 - 401k/profit sharing plan w/ eligibility after 6 months of full-time employment. Offer traditional and Roth plus match 100% up to 5% of compensation.
 - ESOP and 401(k) offered
 - Up to 5% matching contribution to a registered retirement savings plan for all employees after 6 months. Also a 1/3 contribution of all commission growth over the previous year equally distributed to all full time non-producer, non-executive employees.
 - 6% of T4 income, 3% from employer and 3% from employee.
 - 401(k) Safe Harbor with profit sharing component
 - 401K – 100% up to 3% match. Discretionary profit sharing
 - Match up to 3%
 - Dollar for dollar up to 3% of gross wage
 - Have a 401k for elective deferrals and since 2010 we have a GESOP that receives match and any earned profit sharing contributions
 - 5% ER match/profit share
 - 401K, employer match = 50% of first 10% of salary deferral
 - 401K – employer matches 50% of first 6%
 - 401k match 50% of first 2000 of contribution. Profit sharing – usually 7% of compensation
 - Matched RRSP Program – 2 - 4 yrs. service company matches \$1,000, 5 - 9 yrs. service company matches \$1,750, 10+ yrs. service company matches \$2,500
 - Match \$1 for \$1 up to 5%, then we have a discretionary contribution of up to an additional 4%.

Q12 – If necessary, briefly describe any additional and or unique aspects of your healthcare benefits (i.e. you offer multiple plans):

- Menu of five medical plans available. Employer contributes to HAS
- Travel Assist Program. Resilience (Employee Assistance Program)
- Employee premium payments are based on the plan the employee enrolls in and their election of how they would like the employer money used – towards the deductible or towards premium
- Employer offers health insurance coverage through a PPO plan and an HSA plan. Employee decides which plan to participate in.
- Firm pays \$250 to employees who are not enrolled in our healthcare plan to assist them with paying premiums wherever they are purchasing benefits. Firm contributes \$77 per employee who is enrolled in a High Deductible Health Care Plan.
- We currently offer 3 plans: 2 HMO's and 1 PPO
- Premiums for health insurance above are monthly; we offer add'l ancillary worksite products such as AFLAC and Lifelock
- CEO has additional life insurance coverage
- PPO and HSA plans both offered at no cost to employee. Employer contributes \$886 to HSA account if chosen option
- Prescription drugs 100%, personal counseling, massage, chiro, and a host of others.
- Our plan is an HSA/High Deductible plan FSA
- In Canada if the employee pays for the disability benefits then the benefit is tax free if in when it is paid. We increased everybody's salary to pay for the benefit, so essentially we pay for the benefit
- Firm self-insures back to the employee. Our deductibles are around 4 - 8,000 on our plan. The employee deductible is \$300 with a \$1,500/1,750 out of pocket
- Employees do not have a 90-day waiting period for benefits. They qualify the first day on the job
- We offer 6 different health plans with various deductibles etc. What they pick causes the range on what the employee pays