

Bonuses Play Prominent Role In Rewarding Health Insurance Sales & Sales Support Positions



Sales bonuses, commissions and corporate bonuses are all part of the tool kit for incenting the sales force. Deciding which to use can be a daunting task. A starting place is to determine competitive practices at other Health Insurance companies. The *2015 Health Insurance Sales Force Compensation Survey* conducted by HR+Survey Solutions, LLC. (HR+SS) provides this information. The survey asked participants to indicate what type of incentive programs are used for their sales and sales support positions.

While all sales positions are eligible for commission and bonus incentive plans, bonuses are the most prevalent pay tool for a majority of sales positions surveyed. Commission and bonus are used about equally for field sales positions. In contrast, bonus is the more typical incentive mechanism for inside sales teams.

In terms of actual payouts, senior managers (e.g., VP and Directors), inside sales (manager and reps), and sales support roles received most of their incentive pay from bonuses. Commissions provided the majority of incentive for field sales managers and sales reps. But a meaningful amount of incentive is also being delivered as bonus to sellers.



Selling health insurance is more complex these days due in part to more health plan options, ancillary products and overlapping sales channels. We have noticed in other industries that as selling environments and sales roles become more complex, bonus plans become more prevalent. So the broad use of bonuses in health insurance sales compensation may correspond with the industry's increasing complexity.

Prevalence Of Sales Incentive By Role			
Field Sales Roles	% Commission Eligible	% Sales Bonus Eligible	% Corporate Incentive Eligible
VP / Director	53%	74%	25%
Manager	78%	75%	10%
Senior / Junior Rep	75%	76%	5%

Prevalence Of Sales Incentive By Role			
Inside Sales Roles	% Commission Eligible	% Sales Bonus Eligible	% Corporate Incentive Eligible
Director	58%	42%	8%
Manager	50%	88%	4%
Supervisor	35%	81%	7%
Senior / Junior Rep	48%	80%	1%

For sales support roles, bonuses are by far more prevalent than commission plans, with many companies using both sales bonuses and corporate bonuses.

Prevalence Of Sales Incentive By Role			
Sales Support Roles	% Commission Eligible	% Sales Bonus Eligible	% Corporate Incentive Eligible
Director	9%	36%	73%
Manager	0%	88%	89%
Supervisor	14%	68%	67%
Senior / Junior Rep	10%	80%	62%

For more details about the survey or to discuss the implications for your company, please contact Judy Canavan at jcanavan@hrssl.com.