



Customer Profile:

Insurance

Location:

USA

Business Need:

- Long and complex compensation processes
- No uniform delivery of reports or statements across the organization
- Suboptimal compensation management due to multiple systems
- Long implementation time for new or revised compensation plans

NICE Solutions:

- NICE Incentive Compensation Management

The Impact:

- Roll out of new compensation plans cut from 6 months to 30 days
- Consolidation of 10 systems into a single ICM solution for reporting across the organization
- Instant prospective commission calculation ensures regulatory compliance
- Management solution tracks disputes and inquiries

From Six Months to Four Weeks: Cutting Compensation Plan Rollout Time

About Nationwide

A Fortune 100 company, Nationwide is one of the largest and strongest diversified insurance and financial services organizations in the United States. The company provides a full range of insurance and financial services, including: auto, commercial, homeowners, farm and life insurance; public and private sector retirement plans, annuities and mutual funds; banking and mortgages; pet, motorcycle and boat insurance.

The Challenge

Nationwide runs extensive sales operations, which involve in-house insurance agents, independent agents, and a team of sales managers and associates.

One of the key operational challenges was the use of 10 different compensation systems across multiple business units to handle sales commission and variable compensation operations. This resulted in cumbersome procedures, lack of uniform reporting, and difficult management. Implementing changes in compensation plans could take up to six months, incurring significant costs.

An additional shortcoming was that commissions and variable compensation were calculated and paid by different systems and business units with limited insight into the salesforce total compensation.



The Solution

It became clear that, in order to overcome the challenges the company faced, Nationwide would need a solution that could consolidate and streamline their compensation processes. The solution selected, NICE ICM, included both the flexibility to accommodate variable compensation options and the simplicity to facilitate easy updating. As a NICE Systems product, the solution was also designed to be robust enough for a company the size of Nationwide.

Nationwide's various agent groups were gradually transferred into the NICE ICM system, in order to ensure a smooth process. Initially, variable compensation plans were set up in the NICE system, after which over 10 000 in-house and independent agents began receiving commission payments through the new system.

Using NICE ICM, Nationwide was able to implement tailor-made compensation plans covering base commission and variable bonuses. Variable commissions include over 20 different bonuses for which agents are eligible, in addition to their regular commission.

The Nationwide team independently manages compensation operations, implementing changes and introducing new plans, managing year-over-year maintenance, running calculations and processing payments. Several commission processing schedules are used — daily data processing for commissions for all agents and monthly variable comp runs for agents, sales managers, and sales associates.

The upcoming phase of NICE ICM implementation will include an on-demand "What-if" calculator, which will allow Nationwide to continue to provide business needed functionality to its sales force. Agents will be able to accurately present their expected commission from selling an insurance policy as part of the proposal to the customer. The "What if" calculations will take into account the individual agent's attainment to date, as well as other factors that might affect the commission, and will deliver the results in less than a second.

"As we continue moving additional commission elements into the NICE ICM System, we're increasing our centralized management. We are quickly moving toward a single system for processing and reporting all compensation data."

Pam Miller, Director, Nationwide Compensation Administration

About NICE

NICE (Nasdaq: NICE) is the worldwide leading provider of both cloud and on-premise enterprise software solutions that empower organizations to make smarter decisions based on advanced analytics of structured and unstructured data. NICE helps organizations of all sizes deliver better customer service, ensure compliance, combat fraud and safeguard citizens. Over 22,000 organizations in more than 150 countries, including over 80 of the Fortune 100 companies, are using NICE solutions. www.nice.com