

## Producer Book Benchmarking

Last month, we provided 2009 new business commission statistics for various producer categories. As producers seek to grow their book and maximize W-2 income, there are two fundamental issues. Either there are not enough accounts in the book or the existing accounts are too small, therefore consuming capacity.

Based on producer benchmarks relative to industry peers, executives can provide the focus and clarity necessary to help producers grow their respective books and thus organizational revenue, earnings, value and viability.

The table at right illustrates average book statistics for a Senior Producer - defined as salespeople with over three years production experience while maintaining total book under \$500K.

This information helps producers establish desired new target account sizes, quantify the W-2 impact of trading down accounts to create capacity, and start to plan for future success. Just like organizations leverage benchmarks to validate strengths while exposing weaknesses, so too should individual benchmarks be used to support the corporate goals.

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### Average Book Statistics

Senior Producer		
Average Book of Business		\$405,130
Average New Business Written		\$49,389
Average New Business as % PY COMM		12.2%
Average Number of Accounts in Book		115
Average New Accounts Written Prior Year		16
80/20 Analysis Pre-Trade Down		% of Book
Top 20%	23 Accounts	66.5%
21% to 40%	23 Accounts	18.2%
41% to 60%	23 Accounts	8.9%
61% to 80%	23 Accounts	4.5%
Bottom 20%	23 Accounts	1.9%
Total:		100.0%
Total Book Average Account Size		\$3,523
Top 20% Average Book Size		\$11,714
Bottom 20% Average Book Size		\$335

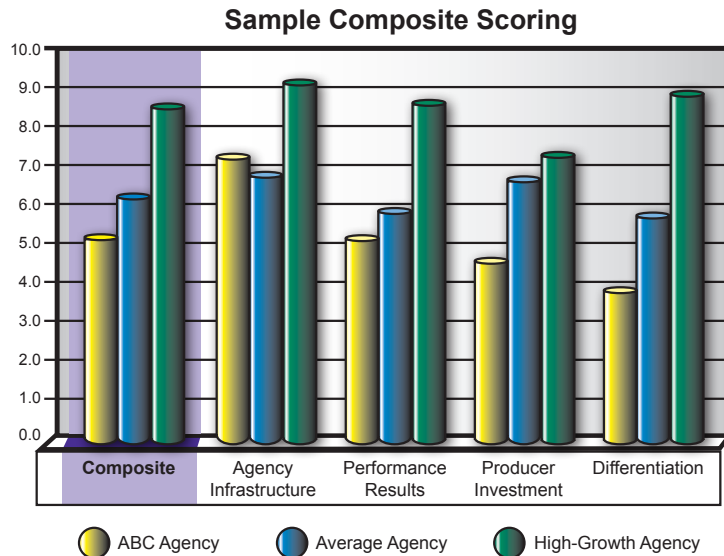
*For the average Senior Producer, the W-2 impact of trading down the bottom 20% of accounts (at a 25% renewal commission rate) is \$1,926.*

*Source: MarshBerry*



### MarshBerry's Sales Management Benchmarking Report

correlates the metrics and practices of the nation's leading organic growth agencies and brokers relative to your organization. By measuring your performance on over 50 key sales management ratios and practices, you will be able to compare your company's growth potential against peer groups and high-growth organizations while planning a road map for future growth success.



For a customized organization and/or producer benchmarking report, please contact Craig Niess at 440.392.6584 or [Craig@MarshBerry.com](mailto:Craig@MarshBerry.com).

MarshBerry's clients are committed to realizing their fullest potential with respect to growth, profit, survival and shareholder value. Our agent, broker, bank and carrier clientele engage us to achieve their goals within the retail and wholesale channels of the insurance distribution system. Our unparalleled industry-specific services include consulting, performance benchmarking, peer-to-peer exchange networks, merger and acquisition intermediation and producer recruiting.