

INCENTIVE COMPENSATION MANAGEMENT FOR THE FINANCIAL SERVICES INDUSTRY

There are quite a few built-in challenges to incentive compensation in the financial services industry.

In this infographic, the focus is on five key strategic and analytics challenges — and how Incentive Compensation Management (ICM) tools address these challenges.

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CREATING/MODIFYING PLANS & QUOTAS

ICM solutions enable financial services organizations to create and modify both simple and complex plan designs that include commissions, bonuses, multiple measures, modifiers, and a variety of payout frequencies.

PLAN DESIGN PERFORMANCE ANALYSIS

ICM solutions provide detailed, centralized analysis across several different plan metrics, ensuring stakeholders have access to data that supports decision-making on a real-time or on-demand basis.

FORECASTING & BUDGETING

ICM solutions provide an environment for the extrapolation of actual data for forecasting full-period results from partial-period performance and to load forecast data to provide insight into future program spend.

PAYEE AND MANAGER REPORTING

ICM solutions deliver a multitude of reports for management, including real-time roll-ups. In addition to compensation reports, ICM can provide activity reporting by product, territory, or payee.

PLAN GOVERNANCE (CONDUCT RISK)

ICM solutions make the entire audit process simpler by incorporating and automating set processes and accountability into the plan design, approvals, and administration.

SUMMARY

Incentive compensation is a journey. The future points to new incentive compensation requirements that support qualitative measures of performance like customer engagement (e.g. Net Promoter Scores) and generational differences and expectations that will necessitate different types of compensation plans. Also, demographic changes in our population will make it imperative for companies to retain "key" performers and reward them accordingly. Finally, changes to processes and technology, (e.g. online purchasing, multiple channels), will continue to mandate the utilization of ICM. For a deeper dive into these challenges, download the [whitepaper](#).

