

**NEWS RELEASE**

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**ABIA AND MARSHBERRY RELEASE BANK-INSURANCE VIABILITY INDEX**

*Managing staff productivity benchmarks essential to earnings and operational viability*

WASHINGTON – The ABIA and MarshBerry [Bank-Insurance Viability Index](#) indicates that, with organic and acquired growth strategies inhibiting top-line enhancement, bank-owned insurance platforms must focus on staff productivity to maintain earnings.

Rather than looking solely at revenue per employee as a measurement of staff productivity, the Employee Marginal Profitability (EMP) measurement quantifies the contribution per employee to the overhead and profit of the agency. The EMP is derived by subtracting payroll per employee from revenue per employee. Top-performing bank-owned agencies maintain a higher payroll per employee (\$88,540) than their average bank-agency peers (\$86,756). But top-performing agencies also generate greater per-employee average revenue (\$175,200) than their average bank-agency peers (\$159,418). This translates into significantly higher EMP per employee.

Enhanced productivity is generated through initiatives such as:

- Increased new client acquisition,
- Higher volume of commissions coded to Small Business Units, and
- Bonus targets tied to achievement versus activity.

As bank-insurance operations continue to budget and plan for 2011, managing staff productivity benchmarks must become a core initiative.

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*The American Bankers Insurance Association (ABIA) is the separately chartered insurance affiliate of the American Bankers Association (ABA) and is the only Washington, D.C.-based full service association for bank insurance interests. The ABIA's mission is to develop policy and provide advocacy for banks in insurance and to support bank insurance operations through research, education, compliance-assistance and peer group networking opportunities. ABIA Membership consists of banks, and their affiliated agencies, insurance companies, marketing, and administrative services suppliers, non-bank lending organizations and other firms involved in the bank affiliated insurance industry. Additional information on the ABIA can be found on the Internet at [www.theabia.com](http://www.theabia.com).*

*MarshBerry is a specialized management consulting firm rendering services and solutions to insurance organizations, financial services providers, lending institutions and trade associations. Client engagements focus on organic growth, valuations, mergers and acquisitions, operational improvements, research and insights on benchmarking, and proven practices of high performers.*

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