



INSIGHTS FOR INSURANCE CARRIERS

# Integrated distribution management

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**A unified-platform approach  
to onboarding, compliance,  
& compensation**





# Integrated distribution management

## What it is

Integrated distribution management consolidates multiple administrative core functions—such as agent **onboarding**, licensing **compliance**, **compensation** and relationship management, and performance **analytics**—into one seamless platform. The benefits of this approach extend far beyond convenience.

## Why it matters

Today's insurance practices are evolving, and yesterday's legacy systems, fragmented technology stacks, and disconnected processes are no longer well-adapted to an industry where speed, efficiency, and seamless agent experiences are the best measures of success.

# Does it sound like everything is changing?

If it feels like the world is perpetually on the brink of transformative technological change, that's because it is.

Each day seems to bring exponential advancements in machine learning (ML), automation, and artificial intelligence (AI).

Historically, insurance has been seen as slow-moving, but leaders inside the industry are now seeing it shift quickly as insurers take action to prepare for the new age of automation and AI-powered workflows.

State regulators, too, are working to manage this inevitable change. [More than half of all U.S. states](#) have now adopted the NAIC model bulletin on the use of AI systems by insurers to ensure consumer protection.



# Technology evolves with its users

As the capabilities of technology accelerate in the marketplace and the functionalities consolidate onto unified platforms, the value of human intelligence and hard-won insights should not be underestimated. Artificial intelligence can greatly augment an expert's ingenuity, not wholly substitute it, and it can't replace all the know-how heading for retirement.

## The aging insurance workforce

A significant shift is occurring as a substantial portion of the insurance workforce nears retirement. The U.S. Bureau of Labor and Statistics estimates that 400,000 insurance professionals plan to leave the industry by the end of 2026, with half of the workforce expected to retire within the next decade.

The reality of generational replacement underscores the urgency for carriers to attract and retain new talent while digitizing institutional knowledge into continuing systems and processes. Top-quality digital experience is key to ensuring continuity of operations amid this change.

## New producers, new prerogatives

To address workforce turnover, insurance carriers are enhancing onboarding efficiency for young professionals by implementing digital tools, training programs, and mentorship opportunities.

Notably, 77% of surveyed professionals emphasize the critical need for carriers to invest in streamlined compliance and onboarding processes. Many new industry entrants expect digital-first solutions for licensing and compensation management.

## The nexus of people and technology

For forward-looking insurers navigating these changes, it's important to nurture the next generation of distribution leaders while developing trusted external partnerships for objective guidance and support. In this way, carriers can not only future-proof their technology, but their teams as well.

# Managing insurance distribution

Amid 21st century changes, many insurance carriers are still managing their distribution channels much as they did in the 20th century. They focus on compliance, onboarding, and compensation individually—these can be entirely separate departments within larger organizations—without noticing an issue until something is out of tune.

**This isn't just a process that needs improvement: it's a missed opportunity for strategic growth.**



## Compliance

Carriers must ensure that agents and brokers possess the appropriate licenses and adhere to state-specific regulations wherever they sell policies. This involves verifying credentials, monitoring ongoing compliance, and managing appointments—not just for the agents, but their whole upline. Failure to maintain rigorous compliance oversight can result in legal penalties and reputational harm.



## Onboarding

Streamlined onboarding processes are essential for integrating new producers efficiently. This includes conducting background checks, facilitating training, and ensuring that all contractual agreements are in place. Efficient onboarding not only accelerates the time-to-market for new agents but also enhances their productivity and satisfaction. An effective onboarding process sets the tone for the agency-carrier relationship and influences the decision to work with one insurer over another.



## Compensation

Timely and accurate compensation is vital for maintaining strong relationships with distribution partners. In fact, clear and accurate compensation statements are [the top compensation factor for 67% of independent agents in their decisions to place business with a given carrier](#), even more than competitive commissions. To keep these top producers fully engaged and effective, carriers must manage complex commission structures and hierarchies while ensuring that payments are processed accurately to motivate agents and align their efforts with the organization's strategic priorities.

Only 33% of independent agents felt their primary carrier partners offered great service in their onboarding, licensing, and compliance practices.

## Silo challenges



**Inefficiency** – Onboarding new agents and agencies takes time and resources.



**Inaccessibility** – Accessing producer performance metrics and compensation data stored separately across multiple systems causes unnecessary frustration.



**Inaccuracy** – Tracking compliance credentials and ever-evolving state rules requires dedicated monitoring.



**Instability** – Manually managing multiple hierarchies and ensuring accurate payments to each entity means a higher likelihood of mistakes.



**Insecurity** – Old technologies bring easily exploited security risks.

## The human impact

Any of these factors can negatively impact how agents, employees, and other stakeholders feel about working with a particular carrier. To better engage the real people who facilitate business through each distribution channel, thoughtful carriers ought to prioritize the functionality to create positive experiences in their technology selections.

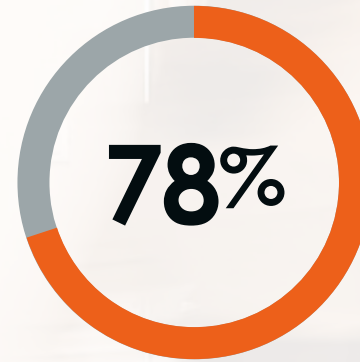
With the right technology platform—and team of experts behind it—to power distribution, carriers can create a positive, personal impact that extends all the way to the bottom line.

## The power of a unified platform

Consumers everywhere use integrated technology platforms without even thinking about it. Integrated platforms are ubiquitous in the tools and patterns of daily life.

Consider smartphones: Previously, all the functions of any smartphone would have been fulfilled by single-purpose, separate devices, but now they exist in one seamless solution that offers simplified data exchanges across different apps. This level of **intuitive automation**—with the cost-saving benefit of centralized service and simplicity of continuous upgrades, too—is exactly how an integrated distribution management system should function for carriers.

By centralizing distribution management into a comprehensive, connected platform, insurers can streamline operations, improve data quality, and make faster, more strategic decisions to win more business.



of [independent agents say](#) improving ease of communication is one of the top ways carriers can get more of their business.

# Managing distribution on an integrated, expert-supported platform

A modern, integrated distribution management system should unify the core carrier functions of compliance, onboarding, and compensation to provide insurers an immersive understanding of all their producer partnerships—all on a single, optimized platform.

By bringing together the principal functions of the distribution process into one comprehensive, connected, and compliant system, carriers can cut time and costs, reduce risks, drive strategic compensation, and create better agent experiences at every stage of the agent lifecycle.



## Onboarding

Easily onboard agents with digital interviews and advanced automation

- Build strong agent connections
- Accelerate time to revenue



## Compensation

Flexible commission and incentive programs that drive growth

- Fast, accurate compensation
- Simple compensation statements
- Streamlined, scalable administration



## Compliance

Streamline and automate compliance operations

- Accurate agent records
- Built-in compliance rules
- Streamlined regulatory transactions

## Integrated distribution management



# Sircon for Carriers

## Before

### Inefficiency and slower processes

Manual workarounds waste valuable time.

### Higher compliance risks

Isolated records and inconsistent compliance processes increase the likelihood of errors and penalties.

### Unable to leverage strategic compensation

Compensation programs don't scale with the business and lack the agility to react to market demands, limiting growth potential.

### Frustrated agency partners and employees

Difficult-to-use systems impact productivity and retention.

### Increased costs

Maintaining multiple systems can strain IT budgets and place an additional burden on IT teams.

## After

### Increased productivity

Integrated technology reduces redundant, manual work and automates licensing and compliance—that means more time for the work that really matters.

### Enhanced data accuracy and decision making

A single source of truth prevents costly duplication errors. Access to unified data drives smarter strategic moves.

### Scalable growth

Dynamic, adaptable, and automated compensation programs enable carriers to rollout strategic programs that drive agent sales.

### Better customer and agent experiences

A streamlined workflow builds loyalty and trust.

### Lower operational costs

A single platform eliminates inefficiencies, unnecessary software expenses, and redundant tasks.

**Insurers that embrace automation can reduce costs, improve compliance accuracy, and accelerate agent onboarding.**



Stakeholders in the insurance distribution value chain—including regulators, carriers, distributors, individuals, and education providers—benefit from technology that provides greater efficiency and better serves consumers across all states. Technology can connect all of these stakeholders meaningfully to automate and eliminate redundant and error-prone manual tasks.

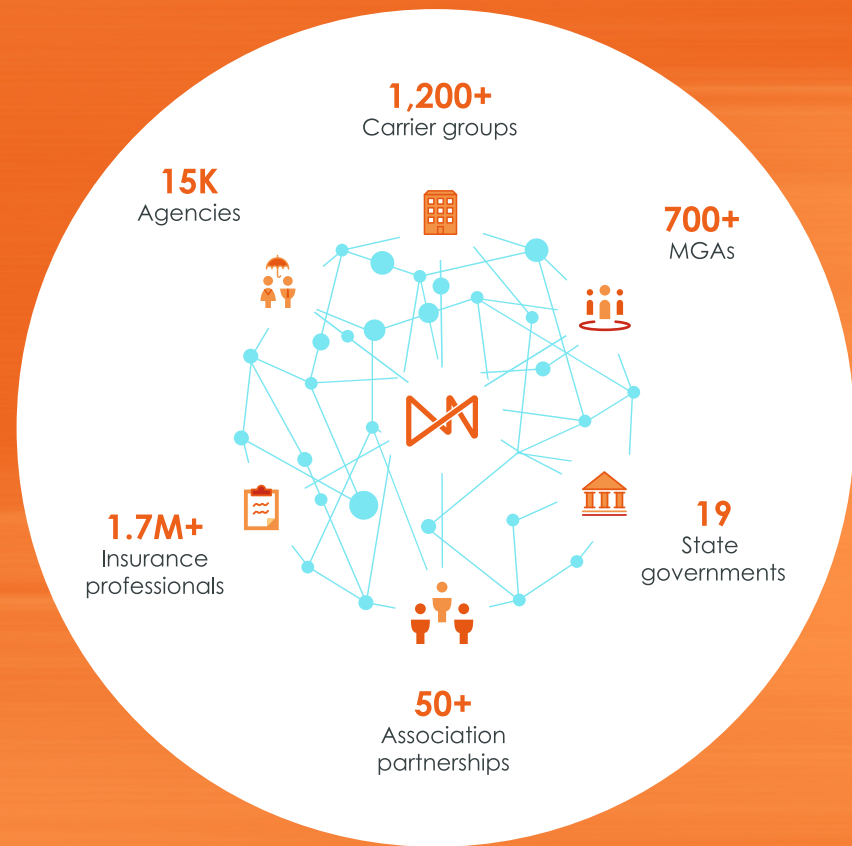
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# Succeeding in sync

Since 1969, Vertafore, the leader in modern insurance technology, has built and delivered best-in-class InsurTech solutions to connect every point of the insurance distribution channel. By collaborating with Vertafore, carriers can fine-tune operations, amplify efficiency, and fortify their position in the market.

With onboarding, compensation, and compliance working in harmony, you can connect and empower your distribution network to achieve strategic growth.



The technology capabilities of Vertafore are unparalleled.

Better tech ► happier agents ► productive partnerships ► increased revenue.

 Sircon for Carriers

[Learn more](#)

# Ready to take the next step?

Contact us or call **800.444.4813**