

Board compensation plan

Board compensation plan enables both business and individual growth through different boards within a single tree. A board plan is a hybrid option usually combined with other compensation plans like matrix, binary, monoline, etc.

Board plan - An introduction!

Board MLM plan is one of the most popular compensation plans. The distributor or member who met or qualified certain criteria set by MLM companies will get a new position in the next board. A board is a new tree formed for those members who achieve these criteria. Board plan is also known as the recycling matrix plan.

Multiple boards exist in a compensation tree for different criteria based on company rules and regulations.

A board plan suits best for all companies who want to maximize the business profit and the efforts of distributors.

Having an advanced technical system would be great to manage the business. What's your thought? Yes, an exclusive board MLM system will do it. Curious? You'll know!

How does the board plan work?

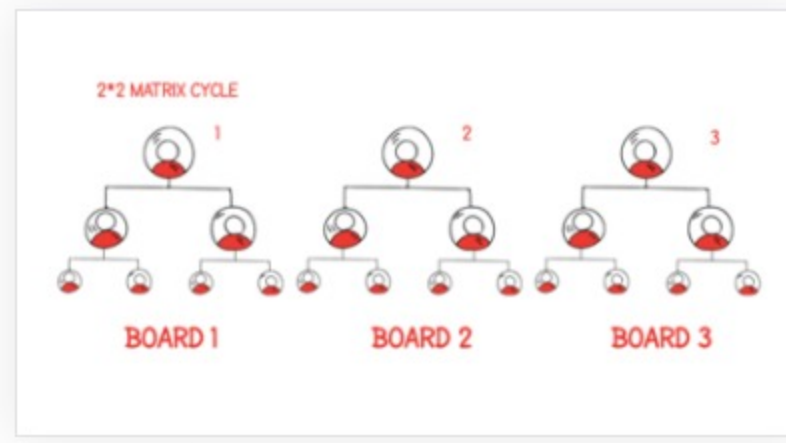
Let us explain the board plan in terms of matrix board compensation. A board plan can be implemented with other MLM plans too. Board hybrid plans are discussed in the final section.

The board compensation plan comes with multiple boards like mentioned in the above section. In a board matrix plan, a board is nothing but a normal matrix cycle. Even Though a company chooses 2x2 matrix cycles there will be different matrix cycles like 2x3, 3x2, 3x4, etc. in the board plan.

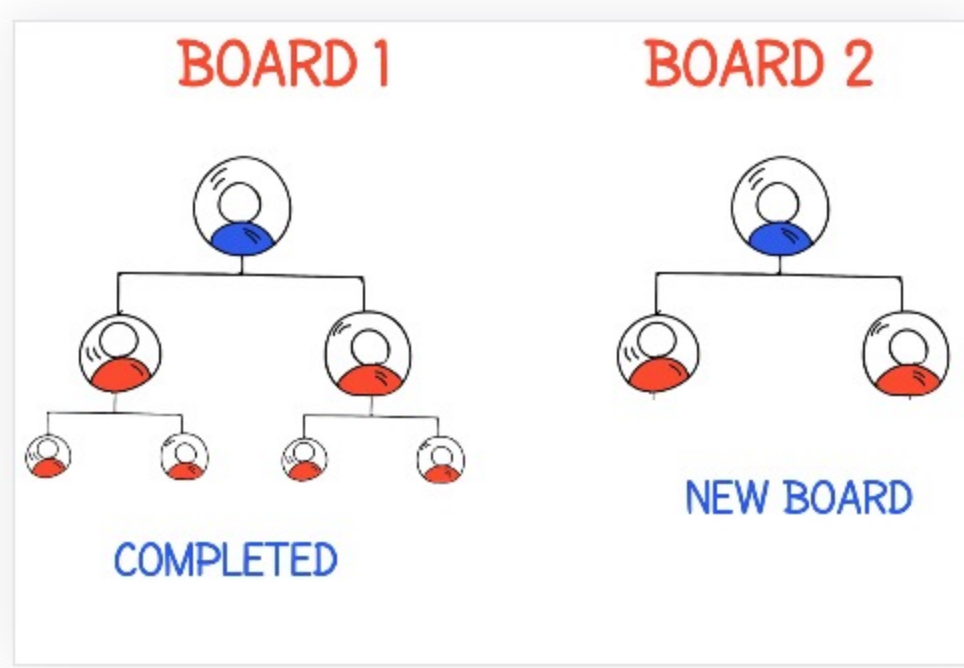
All the boards in a matrix board plan work similar to a matrix plan. Like a 2*2 matrix plan,

- There will be 2 business levels
- 2 members in level 1, and 4 members in level 2
- In total, there will be 7 members

Once board 1 completes i.e. 7 members fill the positions of 2*2 matrix cycle.



(Board MLM plan working)



(2*2 matrix cycle)

The frontline member gets a new position on the new board (board 2). Thus this member gets another sales opportunity with multiple re-entries. Without paying any more, the frontline member who completes a matrix cycle gets an additional position, hence known as the recycling matrix.

There is a misconception about the board plan - *'breakaway'*. There is no breakaway in the board plan, instead here the distributor who completes the board cycle gets a position in the new board without losing the position in board 1.

Now his matrix board will look like,

Likewise, the next person who completes his/her matrix cycle from board 1 will get a new position on board 2. Anyone who completes a matrix cycle will be promoted and there are no position concerns.

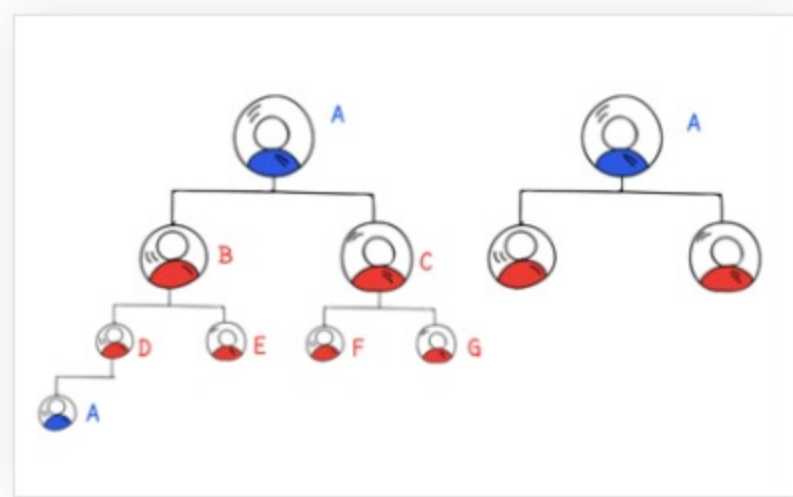
Similarly, if a distributor from board 2 completes the matrix cycle (board 2), then that distributor gets a new position on board 3. This cycle follows until there are no boards left in the system. MLM companies mostly prefer 3-4 boards or matrix cycles as per their requirements.

Well, a person who proceeds to new boards will have multiple positions - all the previous positions, and the new position.

Number of positions available for distributors in full board cycle = All the positions achieved previously + new positions achieved

Apart from this, some companies offer re-entry options too. Re-entry means alongside promoting the person to a new board they will also provide an extra position in the completed board matrix cycle.

For example, the person who completes board 2 will get three positions.



(Board MLM plan)

See, in the picture, member 1 has three positions in the tree - Two positions on board 1 where first one is initial position when she joined the tree and a re-entry position she received after completing board 2. Also a new position on board 2 when member 1 completed board 1.

This process might continue on further boards too. So if the member 1 completes his/her board 2, she will get a new position on board 3 as well as re-entry position on board 2.

The opportunities are thus vast for distributors. It's this point that triggers the companies, distributors will try to maximize their effort. This ultimately benefits for none other than the companies itself. A perfect option for both distributors as well as the company.

This is how the board MLM plan works.

Compensations in the board plan

Compensations are highly demanding in the board plan and distributors receive rewards for their efforts.

Board completion bonus:

A bonus received once the distributor completes one board or cycle and promotes to the next board.

Example: Distributor X completes his 2x2 matrix cycle i.e. board 1, and gets a new position in board 2. MLM company sets \$50 as the board completion bonus.

➔ Distributor X receives \$50 as a board completion bonus

Re-entry bonus:

A bonus received by the sponsor once the direct downlines complete a board and get a re-entry position on the same board.

Example: Distributor X completes board 1 and is promoted to board 2. As a motivation or an extra opportunity, the company provides a re-entry on board 1. MLM company sets \$15 as a re-entry bonus to the sponsor.

➔ Sponsor of distributor X receives \$15 as re-entry bonus.

Sponsor bonus:

Bonus received for adding a new member to the board plan tree.

Example: The distributor X sponsored a new member to the board. The new member bought a \$100 package and the company offers 10% as sponsor bonus.

➔ Distributor X receives \$10 as sponsor bonus (10% of \$100).

Level commissions:

Commission received for filling new members to each level of the tree. The percentage of level commissions varies for each level. Distributors also receive level commissions for spillover downlines.

Example: Distributor X sponsors a new distributor and adds to the second level. He has already filled the first level, so new members are added at the next available positions.

➔ Matrix MLM company is providing a 5% level commission at the second level

➔ New members have joined under \$100 package.

➔ Distributor X receives \$5 (5% of \$100).

Advantages/benefits of board MLM plan

Maximize individual effort: Distributors get maximum effort as compensation on individual basis rather than a group

Active business: Business becomes active because of the growth rate and companies get beneficial

Plan within a plan: The concept of splitting distributors into boards is a plan within another plan which nourish more benefits

Hybrid board plan

The plan itself is a hybrid option where it is integrated with most of the other compensation schemes like,

- BOARD + MATRIX • MATRIX BOARD PLAN
- BOARD + MONOLINE • MONOLINE BOARD PLAN
- BOARD + UNILEVEL • UNILEVEL BOARD PLAN
- BOARD + BINARY • BINARY BOARD PLAN

(Hybrid board plan)