



THE ANDERSON @agency Report

Best Technologies & Best Practices for Superior Results

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Featured Expert: Pat Alexander

Agency Staff Perpetuation

A few years ago, an acquaintance (who is of retirement age) decided to work three days a week in lieu of full time. She intended to maintain this work arrangement for several more years. The agency was glad to accommodate, and everything was going along great. Recently, however, her husband was injured in an accident, and his recovery has been slow and difficult. He's just now almost able to do his normal activities. This couple has always traveled and plans to do more. They have a large group of friends and young grandchildren. After thinking it over, my friend decided to retire in order to do the things she and her husband had worked, planned, and saved for. She gave her notice, and in less than 30 days, she was gone.

Look around your agency. How many of your service staff are eligible (or will be soon) to retire? Do they say they aren't ready to retire yet? For some, that may be true—but people can change their minds very quickly.

After my friend quit, the agency was not prepared to fill her position. Now it's four months

later and her duties have been split up, but there's still a void that needs to be filled. Will an event like this leave a hole that you are not currently prepared to fill?

Are you prepared?

If you unexpectedly lose even one person, think of the insurance and customer knowledge that will be lost. Service staff usually knows more about your customers than you or the producer do. The service staff knows who needs what, how they want it, and when. Not only does this apply to what they know about your customers, but it also applies to dealing with your markets. They have built long-term relationships with the underwriters or brokers of MGAs. These relationships are a valuable asset to your organization. While it is always a struggle to replace longtime staff, you should have a plan for perpetuation. More important than the actual plan is keeping the plan active. How would a particular individual's work be handled in the short term? Who has the knowledge to step in and help or move into that position?

Many agencies are seeking and finding young producers. These young people are sent to producer school, often mentored by a more senior producer, and supported by a very experienced CSR. I have seen a number of agencies match the younger producer to the soon-to-be retiring senior producer for a smooth transition. Agencies make every effort to see that the young producer succeeds. I'm not saying this is wrong; I think it is vital that agencies take this path to ensure the smooth handover of current valuable accounts and to secure new accounts. The problem is, very few agencies are taking the same steps to perpetuate their service staffs.

How will you hire the next generation?

My concern is how the agency system is going to go about hiring, training, and retaining service staff in today's world. Do you understand how to hire, manage, or retain Gen-Xers and Millennials? Many agencies don't.

Below are the "6 Principles of Millennial Management," which I found at *GenerationsAtWork.com*:

- 1. You be the leader.** This generation has grown up with structure and supervision, with parents who were role models. The "You be the parent" TV commercials are right on. Millennials are looking for leaders with honesty and integrity. It's not that they don't want to be leaders themselves; they'd just like some great role models first.
- 2. Challenge me.** Millennials want learning opportunities. They want to be assigned to projects they can learn from. A recent employee survey found that "trying new things" was the most popular item. They're looking for growth, development, a career path.

- 3. Let me work with friends.** Millennials say they want to work with people they *click* with. They like being friends with coworkers. Employers who provide for the social aspects of work will find those efforts well rewarded by this newest cohort. Some companies are even interviewing and hiring groups of friends.
- 4. Let's have fun.** A little humor, a bit of silliness, even a little irreverence will make your work environment more attractive.
- 5. Respect me.** "Treat our ideas respectfully," they ask, "even though we haven't been around a long time."
- 6. Be flexible.** The busiest generation ever isn't going to give up its activities just because of jobs. A rigid schedule is a surefire way to lose your Millennial employees.

What Do Millennials Think? Take the Survey!

Pat Alexander is conducting a study specific to the independent insurance agency system about Millennials and the insurance industry. Please ask everyone in your agency who is 30 and younger to take the survey at www.taareport.com/millennials.

All information gathered will remain confidential unless the individual agrees to an interview and disclosure of the information from the survey and interview.

Pat will report back on the findings from the survey, and will be researching and reporting on solutions for these issues.

The article goes on to say that this generation is "... arriving in the workplace with higher expectations than any generation before them—and they're so well connected that, if an employer doesn't match those expectations, they can tell thousands of their cohorts with one click of the mouse."

That means they might post news to their MySpace or Facebook site. Or, more likely, they will twitter to their most important group of co-workers, friends, and family. Haven't heard of twitter? "Twitter is a service for friends, family, and co-workers to communicate and stay connected through the exchange of quick, frequent answers to one simple question: What are you doing?" Twitters are restricted to 140 characters so their communication is to the point.

As I review these six principles, I believe that insurance agencies have a lot of work to do. Most of us don't have a clue about how to hire and manage this group, yet the independent insurance agency system's very existence depends on us finding out very soon. ☐

Pat Alexander, CIC, is a consultant, coach, and mentor. Her many years of experience in retail agency and MGA settings give her a broad range of knowledge in agency operations. She is dedicated to educating her clients on using technology to enhance and build their business and profitability. Pat can be reached at pat@patalexander.com or 817-605-1663.

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Take this survey at www.taareport.com/millennials

1. What is your age?
2. What is your level of education?
 Completed High School
 Completed BA/BS Degree
 Completed Technical School
 Other (Please specify)
3. What is your current position?
4. What are the duties of this position?
5. Is this your first job? Yes No
6. If this is not your first job, what have you done in the past? Please list all prior positions, including part-time and the main job function of each.
7. How did you find out about your current position?
8. Why did you choose to take this particular position?
9. List everything about your current position that interests you. Explain why.
10. List anything about your current position that doesn't interest you. Explain why.
11. What, if anything, does the agency need to do to keep you in your current position?
12. Do you want to continue pursuing a career in the insurance industry? Yes No
13. Does another position in the agency interest you?
 Yes No
14. If another position in the agency interests you, which ones and why?
15. If other positions in the agency don't interest you, does this mean that you are happy in your current position and plan to continue in this position?
16. If you are not interested in pursuing a career in the insurance industry, describe what job or business would you prefer to be working in and why?
17. If you prefer to be working in another business, why are you continuing to work in your current position?
18. If you are interested in pursuing a career in the insurance industry, where do you see yourself in the next 5 years? Please indicate the type of position you would want to be in (e.g. Service, Sales, Claims, Risk Management, Underwriter, etc.).
19. What attracts you to this position and/or the insurance industry?
20. What additional tools or technology do you think are needed to make your job more productive/interesting?
21. What tools or technology do you think are needed to attract clients in your agency group and younger to do business with your agency?
22. Would you agree to be interviewed for more in-depth information for this study?

TAAR Has Changed... for the Better!

As a “seasoned” member of the insurance industry (that means I’ve been around awhile) and as *TAAR*’s owner and executive editor, I have the privilege of interacting with innovative agents across the country. I am able to discover from leading agencies the best practices they have developed to satisfy the changing needs of their clients. I often tell my clients that “change for change’s sake” can be detrimental—but change to produce a better product or service is well worth the effort.

And just like your agency, *TAAR* has changed to help you find and implement the best technologies and best practices for superior results.

New name: The *Anderson Agency Report*. As a continuing sign to you of my personal commitment to quality and a laser-like focus on the needs of the independent agency, I am putting my name behind *TAAR*. The content of *TAAR* still remains about the overall impact of technology on every element of your agency.

More content: We’ve added four new pages to *TAAR*, which contain more of the articles you have enjoyed and profited from over the past years.

New look: Easier readability. *TAAR* has a completely new design. My hope is that it will be easy to read, navigate, and allow you to find the information you need quickly.

Our new company mission says it all: *The Anderson Agency Report* will provide you with the latest information about the best technologies and best practices to help you achieve *superior* results. It is my personal promise to you.



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