

SGA Meeting

December 7-9, 1983

Although their performance over the last year was not spectacular, Mr. Rapoport greets the State General Agents with enthusiasm and optimism. He has an outline for them on how to make 1984 a much more productive year. They can do this by improving in the areas of public relations, product, persistency, recruiting, and leadership. Rapoport gives them some ways to improve because he wants to make them “the hardest-hitting, leanest, toughest and richest agency leaders anywhere.”

The insurance field has become increasingly competitive. However, American Income’s public relations team has been working hard “maximizing the opportunity we have with the labor movement.” Rapoport refers to a recent article in the A.I. Spotlight that talked about how international unions are encouraging a “Do Buy” system, which advocates union members only buying products made by other union members. Rapoport says that they should be excited about the “Do Buy” system because American Income is the only insurance agency that can honestly say that all the hands that have touched a policy are union hands. Public relations people have also made it easier for American Income salespeople to make contacts with union leaders. They have supplied a list of union-cause contributions the company has made, “The Choice Is Yours” brochure, and the PR Booklet. Rapoport says, “What union leader can say no when you say to him that a company with this background is offering an AD&D program to each one of his members?” P/R does have its drawbacks, however. For example, one of worst problems with agencies is inbreeding. Rapoport says, “Our PR people pick out 25 or 30

labor leaders with whom they are friendly, and they continually work with just those 25 or 30.” Public Relations people need to expand and incorporate other locals outside of their comfort zone. PR people also need to check mailing lists to be sure the addresses are accurate. Agents become disheartened when they continuously get bad addresses. One way the company is helping public relations is by including an application form with every TG-13. This form will provide much more information on a union and its locals, “before we enroll it.” The simplest and most successful way to approach public relations “begins with those 25 calls a week.” Rapoport says that this should solve any lead or public relations problem.

The company has brought out two new products, the SSPP and the \$35.16. Both are meant “to raise the amount of ALP per app.” However, neither of these will work if the SGA’s are not willing to accept new ideas. These two products cost more than other policies, but they offer more life benefits. Riders like the D.A.F. and the B2000 will increase a customer’s protection and increase an Agent’s commission. Rapoport asks them to refer to the December 5th Monday Morning Tape for more information about the SSPP and the \$35.16. Another interesting product idea is the A71000. Rapoport says that the SGA’s should be suggesting to the Agents, “If you’ve missed a sale, go for the A71000.” This is an easy sale that will give them extra money and will also boost their confidence for the next presentation. The company has also had some encouraging developments in the approval of the Medicare policy and the new Basic Hospital Policy in “an increasing number of States.” The company will strive to provide a labor package for the Agents that will be “without peer in this industry.”

Persistency has many factors that can influence it. For instance, an Agent personally delivering a policy has proven to be a factor in the renewal of the policy by that policyholder. Reinstatement of business is another way to combat low persistency. The Term Riders, the Waiver of Premium in the Event of Strike, and the D.A.F. are all “very important tools with which to effect reinstatement.” The State General Agents have to be creative in ways to keep policyholders renewing their business with American Income.

When recruiting, an SGA’s attitude will determine the success of his or her efforts. They have to be able to communicate the incredible opportunity that a potential Agent would have at American Income. However, if State General Agents do not believe in the opportunity at the company, then they cannot sincerely recruit. Many SGA’s have used recruiting advertisement as a crutch in their responsibilities to bring in new people. If recruitment numbers are low, many offer the excuse of “Well, they didn’t answer the ad. I did the best I could.” Rapoport dismisses this excuse as laziness. Rapoport says, “You see people every day. If you believe you have the greatest opportunity in the world, indicate that when you talk to someone.” Personal recruiting can supplement any lag in responses to advertisements.

Leadership is all about sacrifice. Rapoport mentions the old saying, “The captain eats alone.” When something goes wrong in an agency, it tests the ability of the State General Agent to lead. For example, Rapoport refers to the way many SGA’s distribute leads as nothing better than “slopping the hogs.” Agents deserve quality leads that will result in a sale one out of three times. Rapoport advises them to use lapses and policyholders as a way to avoid handing out “scattered leads.” He says that then “it’s no

longer your problem. It's their opportunity." American Income leaders should be excited about conducting interactive Monday Morning Meetings. They should look forward to spending time with their sales team and not let anything detract from their commitment to that meeting. Agency leaders should also throw office parties to encourage fun in the workplace. They should eliminate marginal salespeople and strive to make every Agent earn \$1,000 a week. Rapoport says, "We are here to have fun and make money, and that's what your agency is all about."

Rapoport's speech tried to give the State General Agents more confidence in the opportunities available to them and to their sales force at American Income. By taking practical steps to improve in the areas of public relations, product, persistency, recruiting, and leadership, they can make sure 1984 will be the best year in company history.

Rapoport asks them to implement the strategies they have talked about at this SGA meeting. He ends with a quote from Shakespeare: "On such a full sea we are now afloat, and we must take the current when it serves, or lose our ventures."