

“The Turning Point”

Speech to SGA’s

My Month Convention – Del Coronado, CA

July 29 - August 2, 1992

The executive office has restructured American Income according to this year’s theme, “take a chance.” Mr. Rapoport is ready to realize another American Income dream and this restructuring will get things moving. As the State General Agents start another fiscal year, Rapoport wants them to be ready for unbelievable opportunities.

Rapoport says that the previous themes of “make something happen” and “raising standards” met with great success. What this year’s theme can accomplish is a new modus operandi. Rapoport says that the end goals for this year are an increase in the sales force and a clearer delineation of responsibilities for each position. Now American Income will offer only five contracts for employees. There will be 40 percent and 50 percent contracts for agents, 57.5 percent and 65 percent contracts for General Agents, and 70 percent contracts for Managing General Agents. Each contract will come with specific responsibilities for that position. For instance, a General Agent with a 57.5 or 65 percent contract will be responsible for all the field training of agents. MGA’s will be promoted to State General Agents only after 17 months with their MGA contract, \$50,000 in net annualized life premium, three or more agents under their leadership, and a 73 percent 13-month persistency. The executive office has taken a chance by restructuring and defining how the company works. Rapoport believes that a simpler, clearer, and more direct approach to management will cut out waste.

Rapoport wants the State General Agents to take a chance and start using all of their resources. He suggests learning from others in areas like persistency from the success stories of David Cohen and Stanley Zeidner. Marc Zipper was able to increase his persistency by 13 percent. State General Agents should be sharing knowledge to benefit the whole company. In recruiting, SGA's can use the bulletin on eight ways to get good returns from advertisements. They can check off what they are doing to keep track of their progress in effective recruiting. If State General Agents use their resources effectively, they can increase their sales force within a year. For SGA's in categories I and II, Rapoport wants 8-20 new agents within 12 months. In categories III and IV, he wants an addition of 6-10 people.

State General Agents who accept the new structure, explain clearly each person's responsibilities, and use resources effectively will have no trouble increasing their sales force. Rapoport ties an increased sales team to increased profit. He wants the company to hit the \$1 billion mark this year. So many dreams have come true at American Income. As Paul Valery said, "If you want to make your dreams come true, wake up." Rapoport wants the SGA's to get out there, take chances, and start building up profits.