

“Take a Chance!”

Speech to State General Agents - Dallas

May 14-17, 1992

In 1990 American Income adopted the theme of “Make Something Happen” and the company experienced a much-improved fiscal year. In 1991 the theme was “Raising Standards” and the persistency level has steadily grown since. In 1992 the theme will be “Take a Chance.” Mr. Rapoport explains the exhilarating feeling of going with the unexpected and getting great results. This year the State General Agents will be asked to start investing in programs with uncertain outcomes. Rapoport encourages the SGA’s to start expanding their thinking and to take chances.

When Rapoport first started working in the insurance field, he was uncertain as to whether it was right for him. He had doubts about the potential income in a commission payment system. However, he learned that fear can “be motivating or paralyzing.” He chose to use his fear to mobilize his actions. In the early 1950’s, Harold Goodman, Audre Rapoport’s uncle, took a chance on a young Rapoport. Rapoport accepted Goodman’s offer and started American Income. He took a chance on himself to handle such a large leadership position. Rapoport says, “I had no more idea about running an insurance company than I know about what goes on in space.” However, he used his fear of uncertainty and took chances. Both men made millions. Rapoport says, “If there is one thing that will obstruct our way to success, it is an unwillingness on your part to take a chance.”

Rapoport likes gambling but hates gamblers. He explains that a gambler spends 90 percent of his time watching the tables and 10 percent of his time in action. Rapoport disdains any person who is immobile for that much of his or her workday. Gambling is the action of taking risks. When a person gambles, he or she beats the odds through the use of his or her “energy, brain and integrity.” Rapoport wants the SGA’s to start gambling on public relations people. He says that credit unions have incredible opportunities for leads, but not enough of the SGA’s have a public relations department committed to credit unions. He pushes them to take a chance on public relations people in credit unions.

A businessman’s concern about expenses will lead him to failure, Rapoport says. When Rapoport experienced severe financial difficulties during the first 20 years of the company, he kept his problems to himself. Rapoport says that he understood that, “The captain eats alone.” As leaders, the State General Agents will have to make sacrifices. If they have financial worries, that should not keep them from taking chances. SGA’s should come to Rapoport with their concerns, find a solution, and keep moving. Rapoport suggests opening up a satellite office within an SGA’s territory with a couple of Managing General Agents to work it. Finance should not be a concern, he says. Instead, they should be taking chances.

Risk-taking requires a change in attitudes and actions. For example, Rapoport was looking at a first quarter report. With 25,819 policies issued, it was the best quarter in American Income history. But with closer scrutiny, Rapoport realized that this company had only reached 0.0001 percent of the United States population. Subjectively, the report showed success. Compared to the big picture, however, the company has a

long way to go. Rapoport would like to see more attitude changes and risk-taking in credit unions. He wants State General Agents to have a full-time credit union public relations person within 90 days. He also wants SGA's to take chances on Managing General Agents. The best way to geographically expand is to spread out MGA's throughout the state. State General Agents will have to take more chances on people to keep growing.

Rapoport says we need to "structure ourselves for success." When time constraints and conflicting schedules start to stress them out, Rapoport recommends breaking things down and start doing them right away. He has also included a chart that helps State General Agents better structure their operations.

Rapoport says that a good leader takes risks on people and projects. Failure should only be a lesson along the way to success. He leaves them with a quote from William Allen White on how to take chances:

"Lady Luck has been good to me and I fancy she has been good to everyone. Only some people are dour, and when she gives them the comehither with her eyes, they look down or turn away and lift an eyebrow. But me, I give her the wink and away we go."