

SHORTCOMINGS WITHIN AND WITHOUT.

Mr. Herbert C. Cox, President of the Canada Life, and also President of the Canadian Life Insurance Officers Association, made a very pleasing address on "Shortcomings Within and Without," before the Life Underwriters Association Convention in New York on September 4th, from which the following extracts are taken:—

However simple or however intricate in its conception, and however true in its action a mechanism may be, there are a thousand and one contingencies which may at an unexpected moment interfere seriously or otherwise with its proper functioning. From the giant of the steel foundry to the hyper-sensitive Swiss movement, all are subject to trouble from within and without, which no matter what the primary cause, may result in loss of energy and time affecting a very wide circle.

Organizations, economic or political, financial or industrial, suffer from imperfections inherent to their nature or arising from some outside influence, despite the keenness of the offensive and defensive planned by the alert minds charged with their progress.

No apology, therefore, is necessary for the suggestion that shortcomings may and do exist in an undertaking which deals so intimately as does life assurance with the human element, whose proneness to err is so usually conceded. With no desire to be pessimistic, but rather to point the way with optimism to greater possibilities, it is my purpose to touch very lightly upon some features of our work which have impressed themselves upon me during several years in the management of an important general agency, as well as in my present executive relation.

In an effort so tremendous as is ours, every ounce of human energy, every moment of time, and every dollar of money should be rigidly put to account. This can only be done through the utmost measure of entente between the home office and the agencies. Complete harmony and unity of action between these two great divisions of our anatomy would be perhaps too much to expect, but the nearer we approach the ideal relation of head and heart, for which we look in the human bodies we insure, the nearer we shall come to the ideal in life assurance organizations.

Agency Force the Heart of the Body.

The heart of any life insurance company is, of course, the agency force, whose function it is to continually pump the life blood of new business through the system, and any murmur or leak in this organ should be immediately registered in the head—the home office. Essential, then, is the adequate care and nourishment of the heart—in other words, the proper training and equipment of the producer. Less than ten companies, so far as information is available, have adopted any definite method of educating their salesmen, the balance drafting thousands of men into the business each year in the hope that some may find permanent lodgment and success. Necessarily much waste attends this process of elimination, and we are here given the opportunity for some real cost accounting. The names of the com-

panies which have adopted the wiser course are readily obtainable, and any or all of them will, no doubt, be willing to share their method. Surely the agency managers as well as the home office must realize the advantage of skilled labour and the greater results to be obtained by its use.

Following our simile further, the heart must not be allowed to run away with the head, as it frequently attempts to do in the belief that it reflects the public pulse, nor, on the other hand, must the head in its cold logic stifle the enthusiasm and fervor of its sister organ, but it should seek rather to guide and utilize that spirit, so the end that both head and heart may attain their full normal capacity and keep the body politic healthful and clean. Through intensive education, rather than extensive instruction of the agency representative will, I believe, be found the way to this desirable unity.

Is the vision of the executive and the agency manager sufficiently broad? Are we alive to the bigness of our opportunities? Do we realize the possibilities for men of parts in this business? Without disparagement of our present forces may we not ask whether we have not in our own hesitation failed to attract to our standard the high capacity it properly commands? Do we quite appreciate the potential earning power to be developed by men of brains and breadth? I must confess to a frank and great surprise a few days ago upon learning that an agency manager of my own company, in a territory not too inviting, had in seven months earned more than the combined annual salaries of four important executives in the home office! Immediately the foregoing queries presented themselves, and the answers were unfortunately all in the negative. Should we not hitch our wagon to a brighter star?

Educative Propaganda for the Public.

It is perhaps not unnatural that, with the want of education of the salesman, there should also be a lack of constructive and instructive propaganda among the purchasing public. Granted that most, if not all, companies, individually and periodically, advise the general reader through the medium of the public press of their assets, their assurance in force, the amount paid in death claims, etc., etc., etc., but is this interesting or informing to those who may take the time to read it? Is it well directed energy and expenditure from the home office viewpoint? Is it of service to the salesmen? The mission of effective advertising is to relieve the salesman as largely as may be of the onus of educating the prospect so that his time and effort may be directed purely to the task of selling his policies. Much of our advertising is assuming this character, with, I believe, very material results to the companies who have adopted it and whose field men have had the acumen to sense its value to them. * * *

Undue Taxation.

May I here venture to deplore the practice of the various States and Provinces in taxing unduly the premiums of your clients, the tendency of this taxation being ever upward? The attitude of the

(Continued on Page 967)