PART-TIME LIFE INSURANCE AGENTS

Pros and Cons of Employing Them—Advantageous in Rural Communities.

What is the place in the economy of an agency and the legitimate purpose which the employment of a part-time man may serve? was the question of Mr. A. J. Meiklejohn, district manager of the Confederation Life Association's Eastern Ontario branch. One of the most important purposes is the education and development of a promising apprentice to the end that he may permanently give all his time to the business. Those who are entrusted with the management of agencies and the building up of a staff are quite aware of the fact that with rare exception men do not succeed in this business until they are at least twenty-five or thirty years of age; by that time the capable ones, which are the only ones we want, have become established in some other line of business or professional life. It follows that until insurance schools are established for the education and preparation for this profession, as well as others, that we must draw our recruits from men who are already entered successfully in some other occupation. It would scarcely be fair in any case to induce a man to give up a satisfactory position to undertake insurance writing, and we find it necessary frequently to give such men part-time contracts in order that they may try themselves out—for no one knows whether he will prove a success until he has been given a fair trial. I do not believe in the employment of part-time men in cities and towns that are large enough to satisfactorily justify the placing of full-time men, but in small places and rural districts the part-time local agent may serve a good purpose. It is important, however, that he should be a man of excellent standing in the community, thoroughly reliable, and carry sufficient weight that an introduction by him of his client to the general agent will give a respectful hearing, and in this way a great deal of time may be saved, as the local agent merely serves the purpose of getting in touch with business and interesting his prospect in a proposition and then introducing an experienced salesman to his client. In rural districts especially the public look upon anyone who has anything to sell with more or less suspicion, and a proper introduction by the right local agent, a man who has the confidence of the public, will disarm the client of his suspicion.

Help at the Start

I have found it more advisable, especially in placing new men on my agency list as part-time men, to give them commission contracts which call for the same commission with or without help from the general agent. Although this does not work out to success with a lazy agent who wants you to do all the work and give him the commission, I think it well to let him understand from the beginning that he must have some preparation with his client before accepting an introduction from him with a view to closing the business. On the other hand, with an agreement of this kind, a new agent will not hesitate to ask you to come in and help him at any moment he feels that there is a chance of closing up some of his business. As soon as the agent has become sufficiently competent to do business by himself, it is well to increase his commission on business done alone and in accordance with his ability, even though he may not ask for this increase. I find it is a good plan to offer some type of bonus for a minimum production as a stimulation to keep up his interest and give a steady production. Sometimes a very little suggestion, as, for instance, putting it up to the agent to average a $1,000 per week, will serve an excellent purpose. During the early months of a part-time man's contract it is very important to keep a constant supervision of his work and do everything possible to encourage him. A good start is an excellent incentive for future success. It is stimulating to him to have the district manager point out at the end of six months that he has given satisfaction and that the manager is expecting him to equal, if not better, his first six months' production. The district manager or general agent who has a wide field and a large staff will frequently find it impossible to visit every member of his staff as often as he would like. I have found that a short, bright letter with a word of encouragement or timely suggestion is sometimes quite as good as a personal visit.

May Finally Adopt Underwriting Profession.

One of the first things I do when I get a new idea or suggestion is to try it out myself and then hand it on by letter to the members of the staff. A part-time man thus feels he is part of the machinery of the institution he represents and is led to take some pride in his company. I have noticed in localities where a successful part-time man who has developed a certain amount of pride in his company is at work, that letters from policyholders speaking well of the company come in quite frequently to the branch offices. This, of course, is one of the most encouraging signs, as the better a company is known and the more satisfied its policyholders are the easier it is to write business. This confidence which the local agent has in his company speedily diffuses itself throughout the whole community, if he is the right kind of man.

Having developed a bright part-time man who is perhaps engaged as clerk in a country store, or machinery agent, or bank clerk, into a state of some efficiency, one can only wait until the institution to which he belongs treats him in a manner which he disapproves when the company will be able to adopt life insurance. I have had some success with insurance brokers in small places who write fire, life and accident. As soon as it is possible to give him a renewal contract, I take an interest in keeping up his production, and I have found as a rule he writes a comparatively steady business of a good kind. The city insurance broker I have nothing to do with. The chief difficulties in the way of successfully handling part-time men are the danger of them dying out—they will write a few of their friends, and unless carefully watched may stop there. When their productiveness has ceased I find it wise to call in their rate books and cut them off the list. There is a psychological moment in the agent's success, when they have to be watched very carefully and encouraged and helped to tide them over this period of loss of interest.

Relations Between Client and Agent.

Another difficulty frequently presents itself, arising from the fact that as soon as you get a man into a position to do business he is sure to receive flattering offers from other companies, which in the majority of cases he finds when it comes to finally signing up an agreement are really no better or as good as the contract he has. It has the effect to upset him and to lead him to be on the lookout for the last cent possible to get out of the business. Then again, the badly-informed and untrained part-time man is liable to be guilty of misrepresentation, due generally to ignorance, which is found to cause trouble to the company. It is better to carefully point out to him from the beginning the absolute necessity of familiarizing himself with the contract which he sells and getting some general knowledge of the company he represents. I insist on having the part-time man take considerable trouble in placing policies with the client; to go over the contract and explain it fully to his client. This not only satisfies the policyholder, but serves as an education to the local agent.

Mr. Burrows, Belleville, was entirely opposed to the part-time man. He usually did little business, but claimed the commissions.

WHAT LIFE INSURANCE CAN DO

Prominent Men Speak of the Benefits of a Policy to Rich and Poor Alike.

There was no doubting the enthusiasm of the men and the magnitude and future prospects of the business at the annual banquet of the life underwriters of Canada at Ottawa last week. Faith in the work and in the future was the predominant note of the excellent speeches. Controller Parent, in English and French, welcomed the delegates to Ottawa. Mr. W. Lyle Reid, president of the Ottawa Life Underwriters' Association, proposed the toast of the ladies in a happy little speech, stating in passing that the chief talking point in selling life insurance was woman.

Mr. J. E. Kavanagh, superintendent of agencies in Canada of the Metropolitan Life, in toasting "Life Insurance," said it could be defined from many standpoints, that of the insurer, the insurance agent, the beneficiary, the public in general, government supervision. From the public standpoint, it might be described, he continued, ironically, as a clever scheme on the part of many healthy people of the country, which employed a number of agents throughout the land with instructions to call on the other people of the country, get them to sign an application, to visit the doctor, satisfy him, and then for the next twenty or fifty years to remind them that they had wives and children and mothers and that they might die one day!

How Life Insurance Helps.

There were other definitions. Life insurance was a business that enabled sweethearts to get married before they had saved a great deal of money. It enabled the young man to go into business similarly, because of the insurance on his life. It enabled men to build houses, buy homes, get mortgages, for men to enlarge business.

The life insurance business was just beginning to see its growth. Some thought that the business was overdone. He thought it was but in its infancy. People were just beginning to realize its great possibilities, not only as protection against death, but also against trouble in business, against sickness. Serious efforts were being made by the companies to prolong life by mitigating social evils and the ravages of tuberculosis. The business was tending to make the country in which we live a better one.

Most Talkative Business.

In an eloquent address of some length, Hon. Rodolphe Lemieux, K.C., spoke to the toast of "Canada," tracing the heroism and hardships of the early French settlers in Canada and the constitutional changes in the country's history. "You rightly think that Shaughnessy, Mackenzie, Van Horne, and Mann are great railroad pioneers, but what could they have done without the men who first blazed the trail—La Salle, Jolliette, Champlain?" Describing the growth and resources of the country, no one knew, he said, better than the insurance man the significance of the constant volume of immigration.

Mr. Lemieux had had his strong prejudices against the insurance agent, but among his friends now were men in whose arms he was one day to die to give some benefit to his family. It was always difficult for even a lawyer to speak after an insurance man. When he studied for the bar, he was told a lawyer should be the best speaker in the country, bar the insurance agent. Life insurance was the most talkative business in the world. Of all institutions in Canada, insurance was the best —after politics and the bar.