Fall 2024

Exclusive*focus*

An Official Publication of the National Association of Professional Allstate Agents, Inc.

NAPAA Helps Insurance Agents Roll with the Waves!

page 6

napaa

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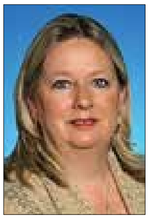

Rock and Roll with Allstate!

Claudia Gamache, NAPAA President, CPCU, ARM

Going, going 2024, hurry time to make that push toward your annual goals. Is Allstate in or out of the market in your territory? Are you changing your business plan as the company changes theirs? Are you able to satisfy the insurance needs of your customers? The company no longer provides a portfolio of products in each of the states. This could be impacting your compensation and the growth of your agency. When you broker business, you do not have an economic value in those policies. Your immediate need each month is to meet the ABO requirement, then move on to everything else.

There are so many components to being an agent. You need employees, they need licenses, they need binding authority, you have human resource requirements including paying employees a living wage, meeting new minimum pay requirements, benefits, holding employees to production goals. Do you need an office? Where do you go for tech support, etc? Continuous corporate changes and potentially uncompetitive products can get you into financial trouble.

Remember Alstar? Once you learned how to F2, this system worked so well that all the future programs ran DOS in the background. Remember the Alliance system? I think about the time I became proficient with Alliance, we moved onto early e-agent. Agents were using e-agent as a CIS before the company bought it! Policy reviews? Who can say Magic CPR…

I can't remember if there was another system between Alliance and Advisor Pro, and of course all lines were not always on the same program. Customer service had a lot to keep up with never-ending changes.

The annual carrot and stick program is also a challenge. Most of my years with Allstate, there was limited help in understanding the tools the company was building to measure progress toward goals. Maybe the company knew or didn't know that there were agents who were not getting the message or training to be able to succeed. Other agents were great at playing the game and they focused on the goal of the business and that was making money.

There is a benefit to agent get-togethers. It's a validation of how you operate. It's an opportunity to meet another agent who can help you.

I always believed that much of our success was built on where we were. Even now, I am reading that there are agents who can't write the business fast enough because other carriers in their territory are getting out of the line, or business. Others say they are re-quoting all their old clients, and our prices are still way too high, and they are not closing anything.

Think back to the time when Allstate supported the success of their agents and got them back on track if they had problems meeting their goals. Some people don't give full effort and may not deserve some flexibility to get back on track. Years ago, agents were not afraid they'd lose their business. I am saddened by agents who lost their agencies as part of ABO because something happened in their life that affected their ability to make their plans. I'm not dismissing the competitiveness of the territory either. There are too many agents who were affected by family illness or catastrophic losses and there is little or no accommodation for these agents. It doesn't matter if your office is making money for Allstate. Agents who must get out or want to get out are desperate to sell their agencies to avoid a further loss to their income. Our agreement states that we can sell to qualified buyers. Only recently have there been more sales to existing agents.

I was giving some thoughts to one of the earliest conferences I attended with NAPAA. About 2007, NAPAA was keeping an eye on activities in Canada. Allstate was merging Canadian agencies and building bigger service offices. Today, the EA program in Canada is gone. There are two funnels for business production: Direct offices writing Allstate, and Independent Agents representing two Allstate-owned companies.

The number of U.S. Allstate agents is going down. Allstate knows the agent needs to reduce expenses, so they have the option of working from home. Inflation (higher prices) is helping increase the value of some books. Because of conditions, insurance companies are taking action in many states as needed with higher rates, more customer terminations, declining to write lines of business, increasing down payments, tightening underwriting acceptability. This is helping agencies in various territories. Many agents are looking to the resources of NAPAA to help make business decisions. Agents are taking advantage of our publications, web pages, director and history.

Over the last couple of years NAPAA has been inviting agents to visit with our management team, as we visit a location near you. We just completed a meet and greet in California, which was well attended. I was impressed by the various sizes of agents and the distance they traveled for this opportunity. Agents were happy for the opportunity to not only meet with NAPAA reps, but also to see each other! The concerns do not change.

The phone system came up. Remarkably, there are still agents who have never moved from the original Allstate phone system. The Avaya system was a factor in killing the quote activity in many agent offices. The Avaya system gets the credit for the flow of phone calls including new business opportunities decreasing to a level that hindered meeting production goals. NAPAA has been working on protecting the calls coming into your office and providing a system that works for you. It looks like that change is underway. NAPAA wants all calls that generate in the agent's office to belong to the agent.

PRESIDENT'S MESSAGE *continued on page 15.*

Helping YOU Succeed

Whether you are a new agency, a former captive or an experienced agency owner – we offer a helping hand to help you rise to the top. The Smart Choice difference is that we support you without a joining fee, there are no exit fees, and you retain 100% control and ownership.

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"Smart Choice quickly got me direct appointments with four top A-rated carriers. Plus, they offer mentors and experts like my territory manager – who is like Yoda – she teaches me everything."

- Ben / Ben Williams Insurance Group

"When I met with Smart Choice, they talked about opportunity, and how they would walk alongside me because they have a vested interest in my success."

- Andy / Patton Financial & Insurance Group

"My State Director just believed in me, and he introduced me to people and helped me with everything including setting up my agency. I would not be where I am without him."

- Erica / Wilebski Insurance Agency

"I couldn't ask for a better state director, he's always come forward with good information and advice. I value his opinion and he's knowledgeable about all changes going on."

- Britt / Brittany Olson Insurance Agency

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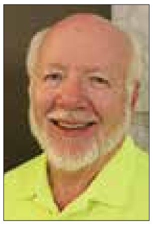

Thriving or Surviving!

Ted Paris, NAPAA Executive Director

There has been constant change in this exciting, rewarding, and profitable insurance world over the past few decades. But one could also describe the industry as frustrating, unrewarding, and financially disastrous. I guess it depends on one's viewpoint. If you grew up in a small town in the USA, your friendly neighbor insurance agent drove the nicest cars, wore the best clothes and lived in the nicest neighborhoods. People trusted him or her "back in the day." The agent knew everyone. And he knew everything about you, your family and your community. But the world has changed or as many might say moved on. As an agent, I would ask, have you changed or moved on?

When I wrote this in August, NBC was celebrating the 50th anniversary of Saturday Night Live. Talking about the good ole days, I would never miss SNL, as they call it now. John Belushi, Dan Aykroyd, Jane Curtin, Gilda Radner, and others. It was funny. Oh no, Mr. Bill or Cheeseburger, cheeseburger with Belushi or Gilda as Roseanne Rosannadanna said many times "it just goes to show ya. It's always something. If it's not one thing it's another." Or Father Guido Sarducci and his wit. Their comedy was rare. I don't watch today's version of SNL for several reasons. Too political, maybe. Or my tastes have changed. Or maybe it's past my bedtime as I've gotten older. I don't know. But times and comedy both have changed. And, "back in the day," Saturday Night Live was funny. As a reference, I have been married longer than SNL has existed.

While we might want to relive the past, we can't. While we might long for the simplicity of yester year, we can't go back there. While we might think the world is crazy and more dangerous than ever, it's not. Many are not old enough to remember the 1960s and how the world was on fire. The riots in LA, the riots in Chicago, the political unrest, and the wars across the world. The world then, as it is now, was never simple or easy. It is always changing and challenging just as owning an insurance agency is now. My point is for the agency owner times have changed; they are not going to go back. You are going to have to change to thrive and survive.

Allstate has decided to change the agency value proposition. The new value proposition is based on more and more new business production. And less of your income as a percentage will be from renewals. Fair or not, this is the new value proposition. Agents need to learn to accept this is how Allstate is going to reward the agency force going forward. This new way of valuing agencies is causing a great deal of pain, unrest, uneasiness, and heartburn. As an agent, you need to learn how to thrive under this new proposition. Or at least learn how to survive it. But I can assure you, Allstate is not going to reverse its direction because it is not what you want the value proposition to be. It's not going to happen. You must learn to deal with it. Like it or not. The only other option is to leave and go somewhere else. To many, that is not a viable option for several reasons.

As I have written several times, the only things Allstate gave you when you came on board as an agent, was that you owned an "economic interest" in your book of business and that Allstate would pay you to write and service the business you wrote at the current commission rate and offer a bonus if you achieved certain parameters. While the percentage of commissions have changed and the requirements for achieving bonuses have changed, the premise has remained the same. The Company has given you an opportunity to make money and build equity in your book of business. What you make of it is up to you. While many don't like the fact that Allstate changed commissions, or bonus structures or segmented the agents into different tiers, they have not violated the contract. According to Allstate, and you sign the agreement, the company can change commissions and bonuses with proper notice.

Trust me, I am not defending the Company. I am not condoning their actions, nor do I agree with the change in direction. Hopefully, TW and the company will see the error in their ways and return the value proposition back to one where retention of profitable mature business is more important than chasing unprofitable new business. Chasing new business at any cost is what got the Company to become unprofitable. When Exclusive Agents wrote most of the new business and they helped the Company have retention in the upper 89% to even over 90%, the company was profitable. It's a tale of two different outcomes. We can pray that the company will come back to the realization that EAs are what built TC and those same EAs will help righted the ship if TC will only let us so do.

But, however, in the meantime, agents need to figure out how to thrive and survive the current rules of engagement. As your income is being taken away due to reduced new business and renewal commissions are lowered, what are your actions? You only have two

ED REPORT *continued on page 15.*

CONGRATULATIONS

to the
NAPAA 2024 College Scholarship Winners!

NAPAA is proud to recognize the achievements of our six winners! We wish them continued success in their academic and professional endeavors.

The NAPAA College Scholarship Program recognizes exceptional full-time students who are soon-to-be college students or students in their first two years of college. All recipients are a family member of an active NAPAA member, an active NAPAA member's staff member's child, or nominated by an active NAPAA member. The award amounts may be applied to tuition expenses.

Keira Natalie Lefebvre
1st Place Winner
($1,250)

Madison Claire Lenox
2nd Place Winner
($1,000)

James Anthony Haywood
3rd Place Winner
($850)

Colton Robert Hunt
4th Place Winner (Tie)
($700)

Lily Anne Schindler
4th Place Winner (Tie)
($700)

Courtney Anne Humphrey
5th Place Winner
($500)

The Agency Agreement: Five Key Points

Dirk Beamer

Like industry leader State Farm, the Allstate Insurance Company has built its business historically on a platform of "captive" insurance agents who devote their time exclusively to selling and servicing Allstate products. Years ago, Allstate broke ranks with its chief competitors by allowing its agents the opportunity to sell the "economic interest" in their agencies to third parties. In 2013, the Farmers Group of Insurance Companies announced a similar model. While the Allstate Exclusive Agency Agreement presents a unique and potentially valuable opportunity to prospective agents, it contains fine print that warrants close attention.

Here are five key points prospective agents should consider:

01 **90-Day termination without cause.** Allstate reserves the right to terminate the Exclusive Agency Agreement for any reason—or for no reason—upon providing 90 days' notice. While, in theory, agents still have the right and opportunity to sell their "economic interest," they may have little time to do so. And the value of this interest may be compromised if the agent is forced to conduct a fire sale. Some agents lament that they were assured they would never be terminated without "cause." Regardless of what may have been said, the contract plainly speaks to 90-day termination without cause, and Allstate plainly can and does exercise that option regularly.

02 **Sales are at Allstate's discretion.** While the contract permits agents to sell to third party buyers, it stipulates that Allstate has exclusive discretion to approve or disapprove such a sale. Inevitably, this shrinks the potential market. Worse, it can lead to mischief if local management meddles in the negotiations between the selling agent and the buyer. While Allstate announces certain criteria from time to time that will determine whether an outside buyer is "qualified," those criteria change regularly and are not uniformly followed.

03 **Termination payments are not guaranteed.** Currently, Allstate offers a termination payment (TPP) to outgoing agents who, for whatever reason, do not sell to a third party. The termination payment is roughly equal to one and a half times the agent's annual commission income, and it is paid out over 24 months following termination. The termination payment itself is often smaller than the market price for the economic interest of the book of business, but it does at least provide some hedge for the agent unable to locate a buyer acceptable to Allstate, with one exception.

There is a five-year vesting requirement for all new policies written by "start-up" agencies. A start-up is either a scratch agency, or one that purchased less than 750 policies. Unfortunately, the Exclusive Agency Agreement does not guarantee that Allstate will continue its practice of providing termination payments. Agents investing in an agency face the risk, when they are ready to cash out, that Allstate will not approve a proposed sale and will no longer offer termination payments.

04 **The agreement Itself is subject to constant change.** The Allstate R3001 Exclusive Agency Agreement is 11 pages long. The Agreement includes the following provision: "Agency acknowledges that it has reviewed the Supplement, EA Manual, and Agency Standards and that it has an ongoing responsibility to review all changes to the Supplement, EA Manual and Agency Standards issued by the Company and agrees to be bound by them." Collectively, the referenced documents contain hundreds of pages of rules. Allstate modifies these documents routinely. In effect, Allstate takes the position, "We can unilaterally modify the Contract at any time, and you agree in advance to be bound by those changes."

So not only should potential new agents read the fine print, but they should also get out a crystal ball and forecast any additional fine print Allstate may wish to add in the future.

05

Commission rate is not guaranteed. Pursuant to the R3001 Agreement, “The sole compensation to which Agency will be entitled for services rendered pursuant to this Agreement will be the commissions as set forth in the Supplement, as may be amended from time to time.”

Historically, Allstate offered 10% percent on new P&C insurance business. In 2011, Allstate announced a new variable commission plan under which commissions would drop as low at 8% percent but would increase to 11% percent for highly competitive agents. In response to serious agent pushback, Allstate lessened the blow by putting the floor at 9% percent instead of 8% percent. How long that will hold remains to be seen.

An Allstate Agency represents a significant investment of time, money, as well as mental and emotional energy. Interested candidates must conduct a serious and careful examination of all aspects of the proposed arrangement.

A great place to start is a conversation with existing Allstate agents and/or the staff at the National Association of Professional Allstate Agents, Inc.

Dirk Beamer has served the National Association of Professional Allstate Agents (“NAPAA”) as General Counsel since 1999. In that capacity, he has successfully defended NAPAA against a federal internet trespass case brought by Allstate. He also sued Allstate on behalf of NAPAA and its members in a highly publicized federal lawsuit challenging Allstate’s treatment of its agents. In addition to litigation matters, Dirk regularly counsels NAPAA concerning its ongoing business affairs including contract negotiations, management and employment issues, and member concerns. Dirk provides similar services as General Counsel to The United Farmers Agents Association (“UFAA”).

Dirk regularly works with captive insurance agents from across the country, as well as their local attorneys, to handle business issues including purchasing and selling books of business, investigations and disciplinary proceedings with the carrier, employment law and contract litigation.

Dirk graduated from the University of Michigan Law School with honors in 1993. He is licensed to practice in Michigan and Ohio, and he is a member of the State of Michigan Bar Foundation — an honor reserved for less than 5% of the practicing bar in the state. In 2014, Super Lawyers magazine named Dirk one of the Top 50 business lawyers in the state of Michigan. He is a past recipient of the National Association of Professional Allstate Agents President’s Award. Dirk can be reached at dbeamer@wrightbeamer.com or visit his website at www.wrightbeamer.com.

Sleep & Our Health

Lezlee Liljenberg

Some people think sleep is way overrated, but being an eight-hour-a-night gal I know the power of sleep on my mind, body, soul, and attitude. A good night of ZZZZs rejuvenates me and helps keep me energized and productive. Even two or three nights of only 6 hours caused by worry and fretting over our businesses, employees, bills, quotas, and family can cause havoc on our ability to conquer the most mundane of tasks.

At one point, I was jealous of people who bragged about getting by with only 3 or 4 hours of sleep every night. First, I thought, "that is insane." Then I thought, that would be great to get more done in a day! However, jealousy was quickly replaced with pure joy that I can snooze for longer hours when I discovered the health ramifications to habitually going without sleep.

A few facts about sleep deprivation:

1. Up to 70 million Americans are sleep deprived. Sleep deprivation is when a person does not get enough sleep. This can be a short term issue, affecting one or a few nights, or it can be a chronic concern that lasts weeks or even months. Sleep deprivation can happen for countless reasons, many of them harmless, but it's also a key symptom of certain health conditions.

2. Sleep is an active process for every organ of our bodies, including the brain. Have you ever woken up fuzzy from a night of tossing and turning? Feeling like you were asleep, but your mind and body are telling you something totally different? Well, even missing 1.5 hours can have an impact on how you feel. That lack of sleep can cause:

- Lack of alertness;
- Memory problems (Lord knows I do not want any more issues with this one—the walking into another room and forgetting why I am there is bad enough without adding no sleep to the equation);
- Moodiness and agitation (which can affect those around us); and
- Lack of desire to be around others and involved in normal daily activities.

3. According to a 2021 study, sleep deprivation can also have a negative effect on our balance and coordination. This can lead to stumbling, putting us at risk of accidents, falls and injuries.

4. Clear away the toxins—deep sleep allows our brains to clear away the negative in our brains and bodies that accumulates during our hours of being awake. The rejuvenation process is considered to take 7-8 hours to process so if you are not sleeping, neither is your brain.

5. Then there is the Immune System. When we become sleep deprived, the body starts to create more white blood cells, which in turn causes an imbalance and a weakening of our immune systems. In turn, our immune systems have more difficulty in recovering, which can prolong any illness we may be dealing with at the time.

6. My personal favorite is what I dealt with personally while owning my agencies. Lack of sleep disrupts key hormone levels in our bodies. Chronic sleep deprivation can wreak havoc on Ghrelin, Leptin, and Cortisol levels. Working out and watching my diet was doing me no good. For years I could not figure out why I could not lose weight while doing all the right things. Except two things. I was not rested, and combined with the high stress levels my body was releasing the stress hormone, Cortisol, into my bloodstream. Once I got a handle on these two areas of my life, the pounds starting melting away. Meditation and reading positive affirmations and devotionals rather than jumping on my email or phone first thing was a huge help in turning the trainwreck of my mental and physical state around.

So how much shuteye do we need? Adults 26-65+ need anywhere from 7-9 hours. School aged children and teenagers should get 9-11 hours. That means earlier bedtimes and turning off the digital distractions.

If you are struggling with your bedtime, start shutting down a bit earlier, create a nighttime routine that tells your body it is time to turn off, power down an hour earlier, and refrain from reading or responding to anything negative at the end of the day. As many of us have heard a million times, "it will be there in the morning."

To keep my mental state intact, I started taking an aid like Unisom or Nighttime Tylenol to help me stay asleep through the night. Never having a problem falling asleep, I felt I did not need this type of help and my big fear? Getting addicted to anything! Yet, waking up at 2 a.m. and not being able to fall back to sleep was killing me, literally and figuratively. I had to do something, and the OTC night aids worked. As you know, I am not a physician and merely sharing information for you to think differently for a potentially different outcome.

Couple of Bonus Items:

Squeeze in a workout or walk during the day.

Have a colorful and healthy lunch rather than grabbing the fast-food menu with everyone else.

Cut the caffeine by 3 p.m. at the latest. I rarely ever have coffee after noon because it will keep me awake for hours, but I have always been susceptible to caffeine. My parents could drink it all day and never have an issue. All of our bodies are different. You have to do You.

Last call for alcohol: The experts suggest having that last drink by 7 p.m. This is a tough one for us Social Butterflies, so this is one I am still working on. Hey, just being honest here.

Some other suggestions are to get really comfy PJs, or Cooling Sheets, which are now a thing, or to use a sleeping mask (not an option for me—I get claustrophobia) and humidifiers with a relaxing scent like lavender are doing the trick for many insomniacs out there.

To put this thing to bed I have one last question.

What is your relationship with Sleep?

Is it a tug-a-war to see who is going to win?

If you have a good night, do you get frantic because you feel like you need to make up for lost time?

Or do you crave it and look forward to that time alone with sleep—just the two of you?

This relationship, like any, can be demanding or supportive. If you are pissed at sleep because he/she/they/them will not cooperate, then maybe it is time to view your relationship differently by changing from hostile, needy, and demanding to healing, caring, and necessary. Of course, medical help is always an option so if you are truly struggling never be too proud or nervous to seek professional help.

Hope this was helpful and good food for thought.

Gotta go get some ZZZZs!

Sweet Dreams!

Lezlee proudly continues to serve on the NAPAA Board of Directors. She lives in Arlington, TX, recently celebrated 22 years of marriage to Magnus Liljenberg (Ex-Allstate Manager) and loves her new career as an Insurance Expert Witness and Author. Her newest publication, "If You Only Knew: Navigating DNA Surprises and the NPE World" was released October 2023. Connect with her through her website www.iamlezlee.com.

Resources:

Here's What Happens When You Don't Get Enough Sleep by The Cleveland Clinic

Does Your Relationship With Sleep Need Repair? by Jessica Del Pozo, Ph.D.

PRESIDENT'S MESSAGE *continued from page 6.*

We traveled with NAPAA's attorney, Dirk Beamer, who addressed issues that were specific to overtime rules and new agency responsibilities as employers. A number of agents were going home to take another look at how their agencies were legally structured and what they can do to protect their ownership for their families in the event of the unexpected.

NAPAA was always concerned about agents competing with the independent agents selling Allstate products many in their immediate vicinity. Today, the Allstate product offering belongs to the EA as independent agents have access to Nat Gen for another version of Allstate owned products.

NAPAA believes that our actions with the help of the agency force have been instrumental in getting Allstate to live up to the agreement they have with you. Allowing you to be the provider of the Allstate product, having control of your phone systems, keeping competitors out of our immediate territory, and allowing us to sell to a qualified buyer based on a consistent definition of a qualified buyer.

Members and donors are helping NAPAA work toward a conclusion to these issues. Now more than ever, as Allstate exclusive agents are decreasing, someone needs to keep an eye on whether the commitments of a unilateral agreement are being met. Keep an eye out for our membership campaigns. Renew your membership. Participate as you can in the NAPAA activities and let us know how we can help.

If you'd like a meet and greet in your area, please give us a call. We have plans to make a quarterly visit.

Claudia Gamache retired in January of 2023 as an agent for Allstate Insurance, after having been an active agent from 2004 to 2022. She holds a broker's license and plans to continue her insurance education. Over the past years, she has served on various insurance and community Board of Directors. Claudia is currently the President of the National Association of Professional Allstate Agents. She has a CPCU, ARM, and AMIM designation, and her experience includes Management at Branch, Regional, and National levels.

Her experience has been primarily in Property and Casualty, but she also has Life Insurance experience and passed the 6 & 63 exams. She has been on the Company and Agency side of the business, and some of her more interesting experiences have been working with the E&S market and the development of PEO.

ED REPORT *continued from page 8.*

viable options. One is to reduce expenses to offset the reduction. But reducing expenses in the short term can cause long term problems. The other option is to increase production. But this option has its perils as well. If the cost to increase production is greater than the efforts produce, then you have a different set of problems to content with. So, what is an agent to do?

As a business owner, it is your responsibility to read the tea leaves. If only it were so simple. You need to take a deep dive into your operations. Where can expenses be reduced that won't affect my operations? Am I spending my money wisely? Do I have viable, affordable marketing plans that can produce the results I need? If not, what adjustments do I need to make to correct the problem? Do I have the right staff? Is my staff capable of producing better results? If not, do I need to train better? Do I need to manage and set expectations better? Or do I need to replace the staff? Is it my fault I am not getting better results from my staff? As a business owner, the buck literally stops with you. Do you have a budget? Do you have a business plan?

Finally, do you have the ability to analyze and make the adjustments needed? Tough questions and actions that you need to face.

Ted began his 30-year career in insurance at Farmers Insurance. There, in his 18 years as a district manager, he personally recruited and trained over 50 scratch agencies. When Ted left Farmers in 2005, his district was the largest in the Indianapolis area and the third largest in the state of Indiana. He continued his insurance career at Allstate, where he purchased three agencies in west-central Indiana. While at Allstate, Ted served on the North Central Regional Advisory Board, and earned numerous awards including the Chairman's Award, the Leader's Club Award, the National Conference Award, and many Honor Rings. Ted was an Allstate agent starting in 2005 until he sold and retired in 2017. He has been the Executive Director for NAPAA since 2017. He can be contacted at ted.paris@napaausa.org.

Retention Revitalization: 5 Ways to Keep Your Agency's Top Talent

Alaina Sims

The U.S. Bureau of Labor Statistics reports that insurance sales agent jobs are expected to increase by 8% through 2032. This faster than average industry growth means more opportunities in the insurance field may be available to your valued employees and highlights the need to both keep your A-players as well as hire new superstars to accommodate business expansion.

Agencies must ask how they can effectively retain their employees—both new hires and tenured staff—and develop them successfully. Really, this is an age-old question, but with today's dynamic insurance employment landscape, the answer has to continually change and adjust to meet new business and employee needs. Here are a few ideas to explore:

Flexible Work Arrangements

Flexible work arrangements remain a popular option as people continue to look for ways to balance both career and personal obligations. Employees are seeking not only location flexibility but also schedule flexibility, and as the labor market has taught us over the past few years, they are willing to leave their current jobs to find them.

In an effort to meet those needs and keep high-performing employees in the process, agencies can institute a remote work model, using either a hybrid schedule (working part of the week from home and part of the week in the office) or making jobs fully remote. Benefits include, for employees, saving the time they would spend commuting to an office and, for employers, reduced overhead costs. Another advantage is increased productivity, which benefits everyone.

Additionally, agencies may consider implementing a compressed workweek as a means of alternative scheduling. This enables employees to work their typical hours in fewer days, such as four 10-hour workdays or working 80 hours in nine days with a day off every other week. Flextime, which gives employees more leeway in choosing when they work, can be another way for personnel to arrange their workdays to meet both business needs and employees' life demands.

Recognition Programs

Whether your workforce is onsite or remote, celebrating employee successes is important. People want to know their contributions are valuable to the agency and valued by their colleagues. To show appreciation, agencies can start employee reward and recognition programs.

It can be as simple as holding in-person or virtual meetings to applaud successes and celebrate milestones. Agencies can also recognize employee accomplishments on their social media platforms. Of course, rewards like gift cards or extra time off are always favorites, but employers do not have to spend a lot of money to make their staff feel appreciated.

Knowing how each employee prefers to have their accomplishments acknowledged is important to consider when recognizing an individual's work. Do they like to be singled out in a meeting, or would a group email that highlights their specific achievements make them feel more valued? Behavioral assessments can provide important insights into each person's unique motivators and preferences so you can offer the type of praise that speaks best to them. Making employees feel appreciated and understood is a strong retention tool!

With professional growth—or the lack thereof—being a significant reason people cite for leaving their current employers, agencies may benefit from putting a bigger emphasis on learning and development.

Learning and Development

With professional growth—or the lack thereof—being a significant reason people cite for leaving their current employers, agencies may benefit from putting a bigger emphasis on learning and development. When workers feel that their employer is invested in their individual growth and future, they are more likely to stay. Additionally, technologies and methodologies are constantly changing, and L&D benefits agencies by ensuring employees' knowledge and competencies are current, enabling them to meet your agency's and the industry's evolving business requirements.

The modes and ways learning opportunities are delivered must stay current too, so agencies should consider using the following to help their employees grow and develop.

Microlearning

Microlearning is a method of delivering information in short bursts specifically when it's needed. Think of watching an instructional YouTube video or taking in content via a social media reel or news feed. Microlearning can be delivered via visual aids, text, and videos (usually 3-5 minutes long) among other ways.

Condensing a large amount of content into smaller, more easily digested pieces fosters stronger employee engagement and knowledge retention while also offering agencies time- and cost-savings benefits. These mini trainings can easily fit into employees' workdays without taking up a lot of time and can be revisited as needed.

Gamification

Gamification refers to including competitive, game-based features within the learning experience in order to add fun and bolster engagement. Gamification is often conducted via an online platform, which is especially helpful if people are not working in the same space. Employees can earn points, badges, or move to the top of a leaderboard based on their results.

The interactive elements of L&D gamification can help employees retain the information they have learned as well as give them opportunities to practice and use the skills they've learned in a real-world way. Gamification can offer instant feedback as participants master competencies, such as by taking quizzes or unlocking the next level of training.

Effective employee retention and development is about more than just trends and tips—it's setting your people up for success. Investing in your employees by implementing thoughtful practices can help reduce turnover and, most importantly, build a thriving, dedicated agency team.

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A New Loan Program From the SBA May Provide Much-Needed Working Capital for Small Businesses

Gene Marks

Rather than a fixed loan, this program makes available a working line of credit for a business to draw down on its line and pay it back, as it is able.

(This column originally appeared in The Inquirer.)

With interest rates at a more-than-20-year high, a slowing economy, and recent turbulence in the banking sector, getting a loan nowadays is more expensive—and in many cases more difficult—for small business owners. But there is one source of financing that has proved helpful: the Small Business Administration.

Through its network of banks and other lenders, the SBA guarantees fixed loans for eligible businesses that can be used for the purchase of equipment, inventory, and even other businesses at competitive interest rates and reasonable terms under its Section 7(a), 504 Microloans, SBA Express, and export loan programs.

A while back, the SBA launched yet another financing option, which could also prove popular, called the 7(a) Working Capital Pilot program (WCP).

Rather than a fixed loan, this program makes available a working line of credit for a business to draw down on its line, and pay it back, as it is able. A line of credit is among the most flexible and affordable ways for businesses to manage their working capital needs. Interest is charged only when the loan is in use, making it the most efficient way to access working capital.

"The SBA has expanded access to capital and increased small dollar lending over the past 3½ years," said SBA Administrator Isabel Casillas Guzman in a news release. "Now, we are strengthening loan offerings through this new 7(a) Working Capital Pilot program to provide growth-oriented small businesses with competitively priced lines of credit to fund orders and projects as they scale."

Chris Brown, a senior vice president and the director of SBA lending at Lancaster-based Fulton Bank, said it's a great step forward.

"The program is very cost effective compared to other working capital programs," he said. "It's also extremely flexible. It helps lenders like us to add another tool to help more small businesses obtain the capital they need to fund their business."

How a Line of Credit Can Help

With an available line of credit, a small business can get access to funds earlier than having to go through the process of applying and getting approval for individual loans. The new working capital line is collateralized against a company's accounts receivable and inventory, and it's available for businesses that need to finance both domestic and international transactions, something that was not as easy to do in the past.

"Many banks offer lines of credit, but this will allow us to expand the types of financing we provide to our small business customers," said Tom Pretty, the head of SBA lending at TD Bank, a leading SBA lender with multiple locations in the Delaware Valley. "I've had customers that use the existing 7(a) fixed loan program for working capital, but this new program provides another option with greater benefits because it's not a fixed amount and can fluctuate based on a company's needs."

Small businesses can open a line for up to $5 million with a payback of 60 months. Interest rates range from 3% to 6% above a "base rate" (generally the bank's prime rate) with the lowest rate being available for lines over $350,000. Those rates may seem high, but they're much more affordable than the 18%-30% that businesses can pay when they use credit cards for similar transactions.

Cheaper Than a Credit Card

According to a study from JPMorgan-Chase, credit card financing remains among the most popular financing options for small businesses; 79% of small employers had credit cards that were used for business purposes. The WCP program aims to provide a similar solution at a much lower cost.

"Because of the SBA guarantee, we can provide capital to our small business customers with lower risk to us," said Pretty.

The new working capital line is still in its pilot phase and not available for everyone. Eligible companies—including those where funds are to be used to acquire their business—must show a history of twelve full months of operations. Timely delivery of financial statements, especially ledgers showing accounts receivable and inventories, are regularly required. Business owners can also expect their bank to perform due diligence on their operations by reviewing files such as tax returns, corporate filings, lease and rental agreements, and other important business documents, both when applying for the program and continuously while the line of credit remains open.

For businesses able to meet these requirements, the new program will offer yet another way to finance their growth, even as interest rates remain high.

"We've definitely seen an increase in demand for SBA loans," said Brown. "This program is likely to be very popular with our customers."

Gene Marks is a columnist on smallbiz, economy, public policy, and tech for The Guardian, The Hill, Philly Inquirer, Wash Times, Forbes, and Entrepreneur. He is a small business owner and CPA.


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Ready To Sell Your Agency?

How your buyer utilizing an SBA lender like United Midwest can help maximize your asking price

Patrick Burns, SVP SBA Lending

You've put in the time, blood, sweat, and certainly the tears! Now, it's time to sail off into the proverbial sunset with your boatload of cash. But will you get that boatload you believe your Agency is worth? Well, that doesn't necessarily depend on "who" is buying, but rather the Lender behind the Buyer.

Buyers have limited banking options when purchasing a book: it's usually an SBA Lender or a Conventional Lender, which we'll call CVs. Let's compare the two main differences between CVs versus a Preferred SBA Lender, like United Midwest.

Clearing Obstacles

Always start with the Buyer's initial obstacles: credit, experience, relocations, and liquidity requirements to name a few. For most CVs, these obstacles are simply too much to overcome, and they will not approve the Buyer, but not for United Midwest. Resolving these factors is exactly why the SBA exists; to provide small business loans to those who don't fit into CVs' very small lending box.

There is nothing more disappointing than finding out that who you considered to be a great Buyer was never going to be approved due to these initial obstacles. Why do CVs continue forward knowing these Buyers won't meet their requirements? It may be because they just don't know the business like we do.

It's important to do a little bit of due diligence on your end and perfectly acceptable for you to ask your Buyer questions, just as they'll ask you about your Agency. Look at obstacles previously mentioned:

• We also understand not everyone has an 800-credit score and most CVs require higher than 700.

• We understand not all Buyers will have years of direct experience—but they may have relative experience or previous business ownership experience.

• Maybe there isn't an opportunity in the Buyer's hometown—but there may be one 3 states away if are willing to relocate.

• Not everyone carries $100k in the bank—we are happy to provide working capital needs at the time of purchase.

• We look beyond these hard "No"s and find validation, resolve issues to make exceptions. United Midwest works with Buyers to give them the chance to become business owners.

Loan to Value (LTV)

Convention Lenders are stuck with a max they can lend, often destroying your initial asking price. This is because they are limited to a Loan to Value factor. In most cases, CVs want the LTV to be less than 85%—some even prefer 80%.

At United Midwest, we don't factor LTV because it greatly depends on the valuation, and we're not here to determine that. We work from cashflow and don't believe your valuation should be based on some arbitrary number pulled out thin air. But that's exactly how CVs often determine the values of your Agency, by just creating a number based on their own risk factor. Doesn't help you much

To clarify, there is absolutely a difference between 'value' and 'collateral value'.

• Agency value is subjective (what you're asking and what someone is willing to pay).

• While collateral value is objective (what a Lender is willing to lend to your Agency).

So how do you determine the difference? By understanding what goes into it.

Valuations and Multiples

For Captives, some CVs limit the collateral valuation as a multiple of TPP.

• But what if you have a large Brokered book that doesn't have TPP?

• Or a portion of Premiums that aren't eligible, like a seeded book? How do I get more for my book if it's only factored on TPP? With that lender—you don't.

Other Lenders may determine their collateral valuation as a multiple of Premiums.

• But at what multiple? Determined by whom? And why?

• Is my $4mm Agency using the same multiple as a $12mm Agency? How do I get more for my book if they're only looking at Premiums and not cash? The answer, you don't.

For Independent Agencies, CVs may use a multiple a revenue.

• But who determines the multiple, the Lender?

• What if I'm heavy commercial, or have Life, Health, Medicare vs P&C, then what?

Maximizing Your Price

At United Midwest, we never prematurely cap what Sellers can ask for, and we don't set limits from the start. We don't use multiples based on irrelevant factors to determine valuations or work off LTV.

What we do use is cashflow and ratios, and we explain to Buyers and Sellers how much debt the Agency can afford. You have the ability to get more for your book if your Buyer is working with a PLP SBA Lender that isn't stacking the deck against you.

You have the freedom to set your price because we believe you determine the value—not the Lender. We should stay out of the 'feelings' and truly determine if the cashflow can support the price.

Benefits of United Midwest

To quote the Rolling Stones; "you can't always get what you want".

Be sure to take into consideration your Agency's performance, trends, growth/decline, retention on policies and staff, location, product lines, and so on, when determining your asking price. We are experts who work with both sides and look at all factors to determine if the deal works. We make suggestions utilizing cash, equity, Seller Notes, and yes sometimes—price adjustments. We do this with a goal for the Buyer and Seller to both be happy at closing—not just the Lender.

• We can lend the start-up capital your Buyer may need.

• We underwrite in less than 2 weeks and can fund in as little as 45 days. We aren't 90 days out.

• We welcome Seller Notes as the 10% injection.

• Plus, we have no banking or deposit requirements and no monthly or quarterly reporting.

This is some of what makes United Midwest the preferred SBA Lender in the insurance space. If you're looking to sell and want the fastest, easiest transaction not only for your Buyer but for you as well—have them reach out to me or call me for an initial consultation on how to maximize your asking price.

Patrick Burns, SVP SBA Lending, can be reached at 469-744-8121 or via email at PBurns@umwsb.com.

Patrick's love of sports spills over into his profession as an SBA lender for the last 23 years, specializing in insurance, medical, dental, veterinary, and general businesses. He relentlessly pursues ways to build the best financing solutions for his clients and believes in a team approach for each step, so clients understand the process and ultimately close the loan quickly.


TOP 100 P/C AGENCY
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PGI is climbing the ranks.
Our new ranking on the National Top 100 Property & Casualty Agency list reflects the strength of PGI Agency Owners.
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Things You May Not Know About Franchising

Richard Pope

> The truth is that there is a franchise for just about everybody. With over 4,000 franchise brands in the industry today, there is something out there for everyone. The key is to sift through the possibles and focus on the ideals.

I pay for referrals. Yes, we all live and die by our referrals. You need referrals in your insurance business, and I need them in franchising. Many people have friends, family, former co-workers, or even people that they meet in the daily course of their business who could be the perfect candidate for a franchise. SO—if you refer a prospect to me that ends up purchasing a franchise with my assistance, I will send you a $2,000 referral fee. If your referral ends up purchasing multiple units, then I will increase the referral fee by $1,000 for each subsequent franchise unit purchased at the same time. We call those 3-packs, 4-packs, 5-packs etc.

Great referrals are:

- Looking for a career change
- Looking for a side hustle (investment)
- Out of work or hoping to leave corporate America
- Hating what they are currently doing and looking for options
- Burning with desire to call their own shots and be their own boss.

Franchises have a wide investment range starting under $100K and going up from there. Most franchise companies will have minimum financial qualifications because they want to make sure that their franchisees have enough money to live on and not struggle as they get their business up and running. Franchise companies do want their franchise owners to succeed and will help guide them in their search for financing. Most franchises are financed by the SBA and this financing is usually based on a 70% debt and approximately 30% ($50K-$75K) in equity.

The most popular franchises offered and sold today are service based. Serviced-based franchises can be run from home, an executive office space, or an industrial park location. No need for long-term leases and high rents. Brick and mortar locations are not in high demand. Service franchises serve a need, not a want. Emergency services, plumbing, HVAC, senior care, health care, pet care, and home improvement are the most sought after among the high demand categories. Service-based businesses also have a higher rate of return because they don't have to support a high-priced location, there's not as much equipment needed and, in most cases, fewer employees and less turnover.

Franchises offer great investment options. Many franchise owners own multiple units. Most franchise buyers opt for multiple units over the single unit purchase. Multiple units offer many economies of scale like common management, common equipment, larger advertising and marketing budgets, and scaled, controlled growth. Also, most franchise companies give you a significant break on the upfront franchise fees with a multi-unit package.

But how do you know if you can be successful with one franchise vs another? This is where common sense comes in along with your own work ethic and business savvy. The Franchise Disclosure Document (FDD), as required by the Federal Trade Commission, contains earnings claim information, with details, in Item 19. Also listed in the FDD is a list of all franchisees, important information about the history, ownership, and financial condition of the franchisor. If a franchise unit has closed for any reason, this must be disclosed in the FDD. So, this is where common sense comes in—IF a franchise company has been in business for a long time, has many franchise owners, has multi-unit owners and doesn't have any closures, then common sense would tell you it's a successful franchise.

So how do you know if YOU will be successful? Only you can answer that question but, typically, if you follow the system, put in the time and effort, you will be successful. Many people will analyze the numbers, the financials, the market, and everything BUT their own work ethic—that would be a mistake. As an owner of a business, you must be business savvy. Remember, the owner runs the business but does not do the painting, plumbing, the cleaning, or the cooking—you get the point. Franchise owners with business savvy are the ones that are successful.

The truth is that there is a franchise for just about everybody. With over 4,000 franchise brands in the industry today, there is something out there for everyone. The key is to sift through the possibles and focus on the ideals. There is a lot that goes into making a match and that is where I come in. It costs nothing for a prospective franchisee to work with me. The companies pay me, so the candidates don't have to. I've been in the industry for over 35 years, and I know the companies, and I know what works and what doesn't work. Knowledge is the antidote to fear, and I want to work with my candidates to help them gain the knowledge they need to make a decision that they feel good about. Buying a franchise is not about guessing—it's about making an informed decision.

I hope that this article has enlightened you and given you a clearer perspective about who makes a good franchise owner. Whether it's you or someone that you know, if you have an interest in franchise business ownership, I would love to talk with you. Remember, I pay referral fees, and you can help yourself by helping others. They will be grateful and so will I.

Richard Pope is a career franchise business consultant who has been active in franchising for over 35 years and has helped thousands of people find their way through the franchise process. Richard has worked at the highest levels of franchising for several corporate franchising giants and has traveled the world installing franchises. Richard lives in Scottsdale, AZ, and currently works with people from all fifty states. He would love to hear from you.

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To book time with Richard, please go to https://calendly.com/rcpope.

Sick of Wasting Money on Useless Internet Leads?

Here's how we turned them into $150K months

Craig Pretzinger

I thought I had it all figured out. My agency was cruising along, comfortable in its routine. Then, just before the pandemic hit, the company started pushing internet leads. At first, I scoffed. "We don't need those," I thought. But something nagged at me. What if we were missing out?

Reluctantly, we dipped our toes into the world of internet leads. It was like learning a new language. We stumbled through building our telefunnels™, a process that felt more like constructing a Rube Goldberg machine than a sales strategy. But slowly, painfully, we started to see results.

Just as we were finding our rhythm, just as the gears were starting to turn smoothly, March 1, 2020, arrived like a sucker punch to the gut. "Everyone works from home now," they said. Just like that, the rug was pulled out from under us.

Panic doesn't begin to describe what I felt. I called Jason, my partner for the Insurance Dudes Podcast and our secret weapon for extracting knowledge from the best of the best. We'd interview the best agents, and, over and over, the answer was always "internet leads."

Jason and I talked for hours every day back then. We weren't just discussing business strategy; we were calculating the potential death toll from Covid. The fear that had been pumped into us by the relentless news cycle was taking its toll. We were getting nervous.

I stared at and reflected on our numbers: $117k one month, $150k the next. Our best two months ever. But instead of joy, all I felt was a bitter taste in my mouth. All that work, all that progress, surely it would all be washed away by this tsunami of uncertainty.

For weeks, Jason and I went back and forth. Should we pull the plug? Should we retreat, conserve our resources, and wait out the storm? The temptation to do so was almost overwhelming. But something held us back. Maybe it was stubbornness, maybe it was hope, or maybe it was the memory of all those late nights and early mornings we'd poured into building our process.

I considered the thought of "starting over" when the dust settled, and a wave of nausea flooded through me: if I pulled the plug, there's no telling when I'd ever start all this back up again, and worse, who even knew when that would be? It reminded me of an old saying about the best time to plant a tree: 20 years ago, with the second-best time being today.

We just couldn't afford to stop. And it struck us that we would likely benefit from being some of the few renegades who didn't run and hide—who didn't let the uncontrollable uncertainty affect what they COULD control.

So we kept going. We didn't take our foot off the gas. Our team, now scattered to their homes, kept making those calls, kept feeding the telefunnel™. It had taken over a year of struggle to finally break through and see consistent, predictable sales. Why? Because we'd been consistently quoting and systematically making dials.

And then something remarkable happened. The dip we'd anticipated, the plunge we'd braced for—it never came. Our agency wasn't just surviving, it was thriving. Remotely, no less.

That's when it hit me. When you consistently feed abundance into your telefunnel™, when you never let those gears stop turning, the only possible outcome is more quotes. It's just math.

But oh, the math. That had been the crux of our problems in the past. I'd ignored it time and time again, treating it like some arcane mystery rather than the powerful tool it truly was. And then there were metrics like LTV (Lifetime Value) and CPS (Cost Per Sale) that we'd never even considered before.

These numbers weren't just figures on a spreadsheet. They were the lifeblood of our agency, the pulse that told us whether we were thriving or dying. Every percentage point improvement in our conversion rate, every decrease in our cost per lead—these weren't just abstract concepts. They translated directly into growth, into security, into success.

We started having daily meetings, not to micromanage, but to celebrate our wins and learn from our losses. We instituted call reviews, turning every interaction into a learning opportunity. We set up a "hot seat" where team members could showcase their best calls or work through their challenges.

Our vision, once a vague notion of "success," became crystal clear. We weren't just selling insurance anymore. We were providing peace of mind in uncertain times, and we had the data to prove it. And we were doing it at scale! Scaled quoting leads to scaled results, even with mediocre salespeople.

We'd put too much focus on the producers and their sales skills. But, from math's perspective, it just didn't matter how good someone was at closing if they weren't quoting 10-12 households a day. We went from averaging $12k per LSP to $35k! 3x just by eliminating the 'guessing' and trusting the math and sales cycle—it was so obvious, yet so unnatural to track our ROI using lifetime value. We'd done it wrong all along, and had unrealistic expectations, underestimating how many leads we needed and overestimating our speed to result.

It was kind of like Allen Iverson complaining about being benched for missing practice. "We talking 'bout practice?" You see what Iverson didn't understand was no matter how good he was, no matter how much raw talent he had, avoiding the time-proven data about the importance of practice, would statistically end poorly: Larry Brown (coach) knew it, Kobe knew it, and really, most of the world knew it as well.

Ask him now, as he sits at home with zero rings, whether he would have followed Kobe's lead and embraced practice even more had he known what it would earn Kobe. (For the record, the championship count is Kobe 5, Allen 0.) Incorporating integrity and humbleness go a long way—I love the standard Kobe set, and the results it led to; winning consistently requires a next-level attitude towards commitment to processes.

If I told you this journey was easy, I'd be sugar-coating—a lot. There were days when the numbers seemed to mock us, when every dial felt like an exercise in futility. But we persevered. We trusted the process. We believed in the power of consistency and the undeniable truth of the data. We trusted what the best of the best showed us, and that the process worked—if the labor wasn't bearing fruit, then there was a reason: too few leads, too few dials, not enough practice for LSPs, no meetings, bad leads, inconsistent hiring, inconsistent lead flow, and the list goes on.

Now, imagine walking into your agency (or logging into your virtual workspace) every morning, knowing exactly what to expect. Not because the insurance business has suddenly become predictable, but because you've mastered the art and science of lead acquisition, lead flow, and follow-up, all the way to the sale.

Living in a world where your team isn't just hitting their targets, but smashing through them is a much different reality than eking by one sale at a time, searching for the next silver bullet that will defy math and yield $100k in new business without any sort of input (leads) or process (telefunnel). This world is different. Here every call, every quote, every policy sold is a step towards not just meeting your sales targets, but unlocking the freedom promised to us prior to signing our R3000 agreement.

This isn't a fantasy. It's the reality we've created, and it's a reality that's within your reach. But it requires more than just buying leads or setting up a telefunnel™. It demanded a fundamental shift in how we approached our agencies and our lead machines. It meant taking a step into some discomfort, some uncertainty, and having faith in this process that would work. In retrospect, and after bringing home millions in revenue since inception of my own telefunnel™, it seems like a no-brainer: but then I remember how many different things I struggled with before really committing to this. And you want to know the best part?

It's simple math. We're not talking 'bout calculus or machine learning, we're talking addition and subtraction, and maybe even a little multiplication and division. But most of it is handled via calculators and spreadsheets anyway. And most of it can be done in your head!

Are you ready to trust the numbers, even when your instincts are screaming at you to retreat? Are you prepared to embrace the discomfort of change, to push through the plateau and emerge on the other side stronger and more successful than ever?

You may think—sure Craig, but you had all the inside info and were able to get the secrets to doing it. True. And that's what I thought when I was talking to the powerhouse agents like Jay Adler, Jeff Shi, or Jeremy Olsen, all early adopters of the telefunnel even before we systematized it and won our trademark for the process. A process so clean the US Patent office recognizes it as a unique process for insurance agents to use to compress the time it takes to scale their agencies. We were there too. Questioning whether it really worked—it took overcoming that fear of failing (wasn't that what I was doing by doing 50k a month anyway?), and having faith in the process. And we documented ALL OF IT.

The blueprint is waiting for you—over 200 pages of hard-won insights, strategies, and techniques that took us from the brink of giving up to consistently outpacing 99% of other agents. This was written over the last 3 years and shares insights that may just give you that missing piece you've been looking for. It isn't just about making more money or winning awards. It's about transforming your agency, your team, and yourself, and that's what we're hoping you're ready for: removing that operator hat and donning the cap of the owner of your agency will unlock freedom most agents never see over a 40-year career.

The choice is yours. Will you continue down the path of uncertainty like we did for so long, or will you join us in embracing the power of data-driven success? Your future self is waiting. What story will you be able to talk about with regards to the moment you decided to change everything?

Grab a copy of our International Best-Selling New Book, Million Dollar Agency, available on Amazon digitally or paperback and throw away the checkers, it's time to map out your next 10 moves like a chess master.

Craig Pretzinger is an agent with multiple locations and over $10 million in premium on the books. He is co-creator of The Insurance Dudes Podcast, one of the top 100 Marketing podcasts in America, with over 500 episodes published. The Insurance Dudes' mission is to help insurance agency owners create a predictable, consistent, and profitable agency sales machine. Learn more by heading to live.teledudes.com, or check out the podcast or YouTube channel.

Revolutionizing Insurance Marketing:

How informed delivery can boost your client acquisition

Dave Banko

In the competitive landscape of insurance, staying ahead of the curve is crucial for growth. Traditional marketing strategies, while effective, can be supplemented by modern tools that cater to an increasingly digital audience. One such tool is Informed Delivery—a service by the United States Postal Service (USPS) that can transform how insurance agents connect with prospective clients, particularly homeowners. With a rapidly growing user base and impressive engagement statistics, Informed Delivery offers a unique opportunity to enhance your marketing strategy, drive new client acquisition, and elevate your agency's success.

Understanding Informed Delivery

Informed Delivery allows users to preview their incoming mail through a daily email, complete with grayscale images of the envelopes and, in some cases, interactive digital content. This service is particularly powerful because it bridges the gap between physical and digital marketing, offering recipients multiple touchpoints with your brand.

As of the latest data, Informed Delivery boasts 64.9 million registered users across the U.S., reflecting a 15% year-over-year growth. This growing user base generates over 6.2 billion impressions annually, creating a vast opportunity for insurance agents to expand their reach and connect with potential clients in a whole new way.

How Informed Delivery Can Work for Insurance Agents

Let's consider a practical example. Suppose you're launching a direct mail campaign targeting homeowners who might benefit from switching to your agency. Traditionally, these mail pieces would arrive in their mailboxes, yielding only one way of reaching you to follow-up. However, with Informed Delivery, these homeowners receive a digital preview of your mail piece in their daily email or via the online Informed Delivery dashboard. These notifications can include an interactive element—such as a clickable link to a landing page where they can request a quote or learn more about your agency and the services you can provide.

The dual exposure—first through the email and then through the physical mail—ensures that your message is seen twice, significantly increasing the likelihood of engagement. Moreover, the digital component allows immediate action, whether it's visiting your website, filling out a form, or contacting your office directly.

The Impact on Client Acquisition

Integrating Informed Delivery into your marketing strategy can have a profound impact on client acquisition. Consider the following statistics:

High Engagement Rates: With 91% of users accessing Informed Delivery via the Daily Digest email, your campaign benefits from high visibility. These emails have an average open rate of over 70%, far exceeding typical email marketing open rates which are under 20% industry wide.

Strong User Satisfaction: 91% of users report being satisfied or very satisfied with the Informed Delivery service, and 92% would recommend it to others. This satisfaction translates into trust—an essential component when marketing insurance services.

Enhanced User Interaction: Users spend an average of 1:33 minutes on the Informed Delivery dashboard, significantly longer than the average time spent on other industry websites (0:47 seconds). This extended engagement provides ample opportunity for your message to resonate.

Furthermore, Informed Delivery campaigns provide a free marketing channel, allowing you to elevate your hardcopy mail with a complementary digital experience at no additional cost. This not only maximizes your advertising dollars but also enables quicker results, as customers can take immediate action without waiting to retrieve their physical mail.

Connecting with Homeowners in a New Way

For insurance agents, connecting with homeowners is crucial. Homeowners are particularly attuned to communications that relate to their property, making them an ideal audience for targeted insurance offerings. Informed Delivery allows you to connect with these prospects on multiple levels—digitally and physically—reinforcing your message and increasing the chances of conversion.

By leveraging the dual exposure offered by Informed Delivery, your marketing efforts become more memorable and impactful. This repeated interaction helps to build brand recognition and trust, ensuring that when a homeowner is ready to make an insurance decision, your agency is top-of-mind.

A Strategic Advantage for Insurance Agents

Informed Delivery is not just a marketing tool; it's a strategic advantage that can significantly boost your client acquisition efforts. With a growing user base of nearly 65 million, high engagement rates, and the ability to pair physical mail with a dynamic digital experience, Informed Delivery offers insurance agents a unique way to connect with prospective clients and stand out in a crowded market.

Don't miss the opportunity to harness this powerful tool. By integrating Informed Delivery into your direct mail campaigns, you can enhance your reach, increase engagement, and drive new business to your agency—ultimately transforming your marketing strategy and positioning your agency for future success.

Dave Banko is the Owner and President of DART Direct mail, a specialized direct mail firm that works with hundreds of Insurance agents nationwide every week to provide lead-generation direct mailing campaigns that utilize and harness Informed Delivery to help drive response. See www.DARTmailings.com for more information.

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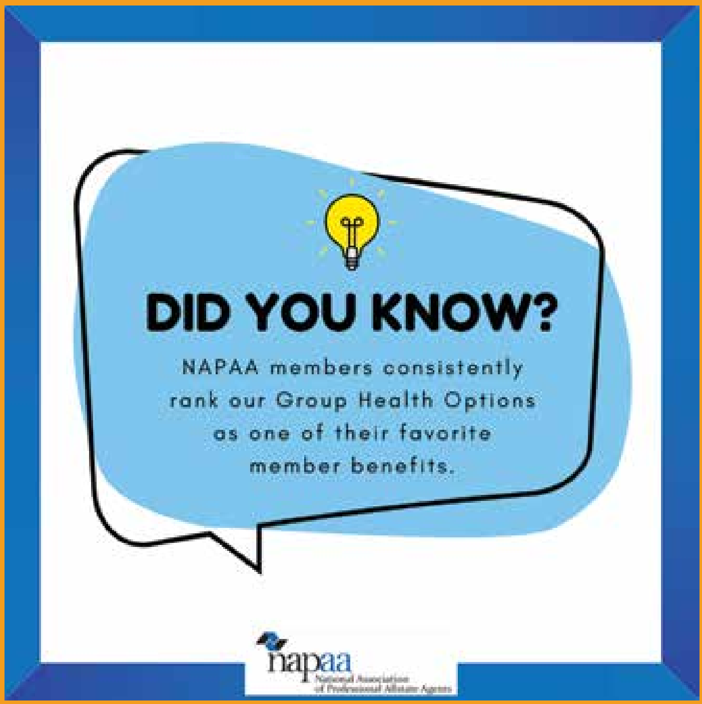

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Not Your Father's Insurance Agency

Simple strategies for changing with the times

Bradley Flowers

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In the nostalgic, old-school days, insurance transactions were a social affair. People would stop by the insurance office to pay their bill, chat with their agent, enjoy a cup of coffee and casually waste about 30 to 45 minutes of their time, as well as their agent's. While this traditional model of insurance agencies still exists in certain pockets of the world, I believe that retail insurance agents are poised for a different approach in the future if we want to stay in the game.

The rise of companies like GEICO, Progressive, Lemonade, and others has compelled the insurance industry to adapt and innovate. While retail insurance agents hold the advantage with their relationships, access to carriers and community involvement, they must embrace change and learn from the success of tech giants like Amazon. This article explores the evolving landscape of insurance agencies and highlights key strategies for modernization.

Text Messaging as the Primary Communication Channel

Insurance agents should prioritize text messaging as the primary form of communication for addressing common issues, answering questions and resolving concerns. Implementing this change is remarkably easy, but the benefits are significant.

By embracing text messaging as a communication channel, insurance agencies can streamline their operations and provide a more convenient experience for customers. Once customers become accustomed to texting their agent, the workload on your staff decreases substantially. This is because customers no longer need to call the office for routine tasks like updating their auto policy or requesting an ID card. Instead, they can simply send a text message. This not only saves time but also allows the task to be assigned to the most appropriate staff member, thereby optimizing efficiency.

Instead of spending valuable time on administrative tasks, agents can focus on providing advice and guidance to clients facing emergencies or accidents. Text messaging allows for quick and efficient communication in urgent situations, ensuring that customers receive the support they need promptly.

At our agency, we have perfected the art of onboarding new customers through automated text messages. These messages not only express gratitude for their business but also introduce key staff members, provide links to our mobile app and encourage customers to leave five-star Google re-views. By onboarding every customer in the same manner, we can anticipate their needs and address potential issues proactively rather than reactively.

Text messaging also offers a personalized touch to customer interactions. Agents can send customized messages tailored to each customer's specific needs, providing a more personalized and attentive service. Whether it's sending policy updates, renewal reminders, or claims status updates, text messages can keep customers informed and engaged with their insurance coverage.

Moreover, text messaging has become the preferred mode of communication for most people nowadays, regardless of age. Surprisingly, this preference for texting transcends age groups, as even older customers, such as grandparents and baby boomers, prefer to text us. It's a convenient and familiar mode of communication that fits into people's busy lives and allows for quick and efficient interactions.

By incorporating text messaging into the insurance agency's communication strategy, agents can enhance customer satisfaction and loyalty. It provides a convenient, efficient and personalized way to address customer needs while freeing up time for agents to focus on more complex and valuable tasks.

Harnessing the Power of Mobile Apps

Introducing a mobile app for your insurance agency is a game-changer in today's digital age. With the widespread use of smartphones, having a mobile app allows insurance agencies to stay connected with customers, provide convenient access to services and enhance the overall customer experience.

A well-designed mobile app serves as a one-stop solution for customers to manage their insurance policies, access important documents and initiate claims. By offering these functionalities through a mobile app, insurance agencies empower their customers with self-service capabilities, reducing the need for manual intervention and streamlining processes.

One of the key benefits of a mobile app is the convenience it offers. Customers can easily access their insurance policies at any time, review coverage details and make necessary updates directly from their smartphones. This eliminates the need for lengthy phone calls or visits to the office, saving both the customers and the agency valuable time.

Moreover, a mobile app enables customers to upload and submit documents, such as accident photos or proof of repairs, when filing a claim. This expedites the claims process by eliminating the need for physical document submissions, reducing paperwork and accelerating the overall claims settlement time.

In addition to policy management and claims processing, a mobile app can provide customers with valuable tools and resources. For instance, it can include features like a virtual insurance card that allows customers to access their policy information without carrying a physical card. This feature not only enhances convenience but also reduces the risk of losing important documents.

Another valuable feature of a mobile app is the ability to receive personalized notifications and alerts. Customers can opt-in to receive notifications regarding policy renewals, payment reminders or important updates from their insurance agency. These proactive notifications keep customers informed and engaged, ensuring they never miss critical deadlines or policy changes.

Furthermore, a mobile app can incorporate additional functionalities such as roadside assistance requests, appointment scheduling and access to a network of preferred service providers. These features provide added value to customers, making their insurance experience more comprehensive and convenient.

Cultivating a Progressive Work Culture

Creating a strong and positive organizational culture is crucial for insurance agencies to thrive in today's competitive landscape. A vibrant culture fosters employee engagement, enhances productivity, and promotes a sense of belonging among team members.

> Embracing a flexible work schedule and outcome-oriented management is vital for the future success of insurance agencies.

Building a culture starts with a clear vision and mission statement that reflects the agency's core values and purpose. These guiding principles serve as a compass, aligning employees towards common goals and shaping their behaviors and decision-making processes. When employees understand and embrace the agency's values, it creates a strong foundation for a cohesive and purpose-driven culture.

For example, our core values at Portal Insurance are:

We care.

We take massive action.

We always play the long game.

We give more value than we take.

Everything we do, from interacting with customers to hiring, training, and operations are run through our core values. I encourage you if you don't have core values in your org to sit down with your team and come up with three to four core values that you all collectively agree to operate under.

Additionally, promoting work-life balance is crucial in sustaining a healthy and positive culture. Encouraging flexible work arrangements, promoting employee wellness programs, and offering benefits that prioritize well-being contribute to a more engaged and satisfied workforce. When employees feel valued and supported in managing their personal and professional lives, it leads to higher job satisfaction and increased productivity.

Embracing a flexible work schedule and outcome-oriented management is vital for the future success of insurance agencies. Rather than fixating on employees' physical presence in the office from eight to five, agencies should prioritize results and team collaboration.

I will never forget when COVID-19 started and everyone was sent home, I had an agency owner call me and ask, "How do I ensure my employees are truly working when they are working from home?"

My answer was simple: "Are they a good teammate and are they getting their job done?"

Those should be the only two metrics we judge an employee's performance by. One: Are they a good teammate? Two: Are they getting their job done? Who cares if they are working 40 hours?

Allowing employees to manage their time efficiently, attend to personal commitments, and still meet job responsibilities fosters a happier and more productive workforce. By promoting a positive work culture that values work-life balance, agencies can attract top talent and encourage their team to go the extra mile for customers.

Adapting to Innovation and Securing the Future

The rise of direct-to-consumer insurance carriers should not be ignored by traditional retail agents. While agents hold the advantage with their expertise and personalized service, ignoring innovation may lead to eventual obsolescence. Direct-to-consumer companies are not trying to create a new vertical; they want to emulate the success of retail agents. Recognizing this, agents must stay informed, adapt to changing customer preferences and embrace innovation. By doing so, agents can continue to deliver superior customer experiences while leveraging their relationships and expertise.

The insurance industry is undergoing a transformation, driven by changing customer expectations and technological advancements. Retail insurance agents have a unique advantage with their relationships, access to carriers and community connections. However, to thrive in the evolving landscape, agents must embrace innovative strategies. Leveraging technology and trying to out-innovate ourselves rather than succumb to "the way we have always done it" is a recipe for success in the future.

While retail insurance agents hold the advantage with their relationships, access to carriers and community involvement, they must embrace change and learn from the success of tech giants.

To thrive in the evolving landscape, agents must embrace innovative strategies.

Bradley Flowers is a nationally recognized insurance agency owner and business enthusiast. He is the founder of Portal Insurance in Mobile, Alabama, that in 2019 was named the "Agency for the Future" by Safeco Insurance for the Southeast United States. Bradley is the co-host of the Insurance Guys Podcast, the most downloaded podcast in the insurance industry.

Innovation Funding and Frameworks

Natalie Born

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One thing is clear, innovation in the insurance space has been on the rise in recent years and undoubtedly it has to do with the subsequent rise in customer expectations. Customers desire a more personalized experience as technology continues to advance. Digital transformation in the finance and insurance space has the potential to streamline key processes, reduce operational costs and enhance the overall customer experience. In addition, AI and machine learning can automate many processes like underwriting, claims processing and risk assessment.

Customers now expect personalized solutions. Insurers are leveraging data and AI to offer tailored policies that better suit individual lifestyles and risk profiles. This can lead to more competitive pricing and improved customer retention. And this type of new technology also leads to disruption in the industry.

We know this: Regardless of what technology advances come, customer experience (Cx) will still be at the top of the list to focus on, improve upon and fund. In fact, there was a recent survey conducted by SAP that notes that "80% of CEOs believe that they deliver a superior experience to customers, but only 8% of their customers agree."

This is known as the experience gap, and if we are going to close this gap we are going to have to think about how the integration of tools like AI, ChatGPT and more can combine with the need to continue to provide world class superior customer service with humans as the face of that experience. If we want our customers to experience superior service this means we also have to create several seamless experiences to underpin and support it all. In order to get there, here are a few core areas every organization should be monitoring and improving regularly:

Cx (Customer Experience) - Your ability to create superior interaction with your customer through every phase of the buying journey. Creating experiences that they will not forget and are willing to pay a premium for.

Ex (Employee Experience) - Your ability to engage your employee's heart and hands to help win the company's mission. We do this through supporting their growth and development, investing in them with the right tools and training, and helping them to be intentional about their future within the organization.

Ox (Operational Excellence) - Operations is about extracting value from the physical or intangible assets owned by an organization. Operational Excellence is anchored in a culture of continuous improvement. Be a little bit better today than you were yesterday.

Fx (Financial Excellence) - Ensuring that what you are doing today is fiscally responsible so you can scale what you want to build tomorrow.

Rx (Risk Excellence) - With an increase in technology advances comes an increase of risk, cyber security challenges, otherwise known as hackers, attackers and bad actors. Ensuring that you have clear protocols in these areas so that your company will be around for future opportunities.

Dx (Digital Excellence) - Today most people are buried in spreadsheets and have disparate systems that don't speak to one another. This is not providing excellence for our employees or security for our customers. Most organizations are ripe to go through a digital transformation to ensure disparate systems connect and talk to one another.

Ix (Innovation as an Accelerant) - Innovation is simply the ability to surface and monetize patterns within your business.

While all these areas are absolutely critical to your success today, I want to focus on Ix or Innovation as an Accelerant and Fx or Financial Excellence as we think about how to invest in the mission critical areas of our business for future growth, scale and investment in innovation.

But when it comes to innovation, if we are going to be positioned to win, we need to fund what matters and fund it well. But how do we know if we are on the right track?

I can recall a time when I was working for a large multinational firm. I realized that there were several projects limping along, and a high-profile project was failing. One day, I was reading a Harvard Business Review article titled "Funding Innovation: Is Your Firm Doing it Wrong?" I had an "Aha!" moment. In this article, Carmen Nobel told a cautionary tale about innovation. What I saw in the message that began to ring true is that not only must ideas, features and products have stage-gates to ensure their success but also to ensure the bright idea doesn't later lead to our downfall.

Nokia and Apple took center stage in this storyline, and it paralleled with a large program my organization was working on at the time. This project was sucking millions of dollars out of the organization. It was so big and unwieldy it didn't seem like any leader could wrestle it to the ground. In fact, the leaders working on this project became a revolving door. When I began to read this article, I realized that we were also doing it wrong.

Organizations can't afford to operate without guard rails when it comes to innovation. In fact, it's part of the reason why innovation is not always a nice word in some organizations. It feels like there are no boundaries, high spending and little return. If we are going to innovate properly, we must change this. We must set it on fire. The old way of doing things is not working. We need to thrust teams out of their chairs and into the world of their customer.

Innovation Principle: We must set it on fire. The old way of doing things is not working.

As we build any innovation program, we must continue to ask, "Does this satisfy the needs of my customer NOW?" Now is an important word because the target is constantly changing. Some people create a persona once and then set it and forget it. Your persona should be updated often (at the least, review every 18 months) because wants, needs and desires are directly tied to your return on investment.

Innovation Is Freedom Within a Framework

Oftentimes, boundaries—not endless pools of money—are what help us innovate. Giving people a framework or boundaries allows them to focus their research, time and intentions on a finite number of directions, not infinite. Don't just sit down and try to think about ideas. Think about a problem and how you can solve it. People cannot solve problems they don't know about. For most people, innovation starts with a problem statement. So, start with the problem you are trying to solve, look at the resources you have to solve it and start there. That's innovation.

Create a framework for teams within your organization to use. Where there's a lack of framework or clarity, people make it up. The leader's job is to give their team stable frameworks to build on. Your stable framework is like building a house, and the foundational layer is your vision, mission, values and goals. These things inform your culture and drive your behaviors.

How can we think about funding innovation programs that don't break the bank? Here are some guiding principles of how we should think about funding innovation.

Funding: New Products and Services

A good test for whether or not innovation is happening is to ask yourself if your company has released a new product or service in the last three years that equates to at least 15% of the overall revenue. If you are not releasing new products and services, you're not planning for future growth. If you are not planning for future growth, you are not planning to be around. At the core, we should be listening, testing and prototyping new ideas constantly. Don't just invest in today. Invest in the future.

Does your company have a line-item designation for innovation? I believe innovation should be owned by everyone in the organization. Research and development or innovation should be planned and budgeted for.

Innovation Must be Tied to ROI

When you are first innovating, ROI may begin with customer interest. It can quickly turn into customer urgency if they start to want your product. Eventually, though, it has to turn into their willingness to use or buy the product.

Before you ever build anything, those indications can be there on a smaller scale.

Let's validate the value proposition—Why does this matter?

Let's validate the product—What does it do to make your life better, easier or more meaningful?

Look Back, Look Out, Look Up

The project our company was working on needed to do three things. Participants needed to look back at why it wasn't working. They just kept trying to move forward, but sometimes we need to pause to really understand why something isn't working. We needed to look out, invite our customers to the table to be a part of the conversation and look up to understand where the market was going, not where it already was. We needed to create the environment we wanted to win.

We didn't think about how to disrupt the current landscape. You can be guaranteed our competitors were thinking about it. They were bringing solutions to the table that we couldn't dream of because we were solving the wrong problems. We were asking, "How do we get off of our old technology stack and onto a newer platform that is more stable?"

The real questions to ask would have been, "How do we create the right outcomes and conditions in the market to drive the most customer value? What ideas, technology stacks and solutions drive toward that value? Now, how do we, in the process, set up the right conditions to drive the market toward the future we want to create? What problems can we begin to solve today by becoming a futurist, placing a bet on tomorrow?"

Begin From Here

It is time for agency leaders to step up their game

Troy Korsgaden

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One of the core beliefs I have held from the moment I started my agency and throughout my consulting career has been "service before sales." I have always believed that providing unrivaled service is the key to sustainable success. When you consistently put clients first, the sales will follow.

Service before sales was the premise for my *Discussion Partner* book published in 2018. In this book, I discussed the importance of moving from a transactional to a relationship mindset where you partner with your clients in finding the best solutions for their families and businesses. And while many people agreed with this idea, little changed throughout the industry.

Two years later, I published *Inflection Point*. My message was similar, but more urgent. The industry had reached a point where the current business model no longer worked and major transformations were needed for agencies to continue to grow and thrive. Putting clients at the center of every process was essential for survival.

In *Inflection Point*, I said, "The time to change is now. Right now." I am here today to warn agency leaders that the inflection point—the opportunity to get ahead of the wave of change affecting our industry—has come and gone. If we do not make major transformations, and I'm talking quantum leaps, not incremental steps, the industry as we know it is doomed.

Yes, I said, "doomed." I want to be very clear about just how urgent this situation is. It may be a slow demise. Like the fable of the frog in a pot of water, many may not realize they are slowly boiling to death. Or it may be fast with a new business entering the market that completely disrupts the insurance and financial services industry, as Uber did to the transportation industry and Airbnb to hotels.

Changes in the economy, regulatory environment and market conditions, along with the need to increase rates to maintain profitability have created a perfect storm that has left many in the industry flat-footed, trying to figure out how to retain clients and increase market share.

Many carriers have turned to technology to address this issue, and it is certainly an integral part of the solution. But I believe that, as an industry, we have lost our way. For too many, technology has become a strategy for cutting costs rather than enhancing the client experience. Chatbots and online claims and policy administration processes provide convenience, but they also reinforce a transactional relationship between clients and the company. They do not deepen client relationships. They cannot manage the nuances of clients' complex and unique situations. Deep relationship-building comes from a professional, committed field force. One with the knowledge, skills and resources to partner with clients in building a path toward their future. And that field force is in danger unless we act now.

I am not saying that the initiatives businesses have undertaken to provide more solutions and better service for clients have not been worthwhile. We are a noble profession that has helped countless people over the past 100-plus years. I have worked with many carriers and agencies that are dedicated to serving their clients. We should celebrate our successes and be proud of the products and services we provide.

But celebrating our successes will not take us where we need to go. Now is the time to rebuild our people, our processes and our platforms to deliver on client expectations and provide the experience they desire and have every right to expect.

What Clients Want

If the client must be at the center of everything we do, then let's think about the experience from the client's perspective for a moment. What questions do you think potential clients have as they consider purchasing insurance and financial services? How much will it cost? What coverage do I need? Yes, but I believe, whether consciously or unconsciously, what they are really wondering is:

- Can I trust you to provide the best plan for me at the best value?
- Will you be there when I need you?
- Will you make it easy for me to do business with you?

It starts with trust. Without trust, consumers will continue to view our products and services as commodities, and our relationships with them will continue to be transactional. No different from buying a carton of milk from the store.

It's no secret that many consumers do not have a positive perception of the insurance and financial services industry. Edelman's 2022 Global Trust Barometer ranks the financial services sector as one of the least trusted industries. The good news is that trust in the industry has been slowly but steadily rising over the past several years. To retain clients, increase market share and survive as an industry, we must accelerate that growth. What would it mean to your business if you were recognized as the most trusted insurance and financial services agency or company in the country? I guarantee you customers would flock to your door. People are desperate to find someone they know they can trust who will help them navigate the complexity of our industry.

We build trust with clients by showing that we care not only about their risk protection and financial security needs but also about the experience they have in their interactions with us, by implementing processes and systems that make their lives easier, by staying in touch with them more than once a year at renewal time and by not trying to sell them something every time we speak with them.

Clients want and expect an unrivaled experience when purchasing insurance and financial services products. They want the convenience of one place to go for advice and service. They want knowledgeable advisors who have their best interests at heart and will provide suitable product solutions that fit the unique needs of their families and businesses.

Because I am in the business, friends and acquaintances often ask me what they should look for when purchasing insurance and financial services products. This is what I tell them.

- You should find one advisor to be your discussion partner on all things insurance and financial services. You have one primary care physician, one CPA, and one dentist. Why would you want multiple advisors for your insurance and financial services needs?
- The advisor you choose does not need to be a specialist in every product. However, they must have access to the information and expertise required to assist you with all your needs.
- Your advisor should take the time to explain products and coverage options in easily understandable terms. You should walk away from meetings knowing what is and is not covered and understand the reasons behind your advisor's recommendations. You should leave feeling good about the decisions you made and confident you have a plan tailored to your unique needs.
- Demand value and reasonable costs. Most people don't need cheap insurance. They need the proper protection for their family or business at a reasonable and affordable cost. Saving $20 today and finding out later that you have the wrong coverage could end up costing you thousands.
- Be honest. Provide your advisor with all your information without reservation. To make proper recommendations for protecting what you have and growing your assets, your advisor must have a complete, 360-degree view of your household or business.

Depending on the person, I may provide more detailed recommendations about liability coverage, deductibles or umbrella insurance, for example. But you'll see that the advice I give centers almost entirely around finding someone they trust.

What Carriers Want

As agency leaders, we are in a unique position to influence change. We are the link between clients and carriers—the people building relationships with clients and gaining an understanding of their needs. However, to remain relevant, it is as important to understand carriers' needs and goals as it is to understand our clients'.

Carriers face the same challenges as agency owners, albeit on a larger scale. Like any business, carriers must make a profit to survive. They must retain clients and generate new business while managing expenses. And they must do all of this without losing sight of the promise they have made to their clients—to help them protect their assets and achieve their financial goals.

To sustain a strong agency field force, carriers must be able to justify the expense of recruiting, developing and rewarding agents and advisors. Because carriers can use technology to automate many transactional processes for clients, they need agents and advisors with the expertise to build longterm relationships and manage more advanced client needs. They need consultants, not salespeople. They are looking for knowledgeable professionals with both business and corporate acumen. Professionals who are tech-savvy enough to direct clients to technology when it is appropriate, who understand the levers of cost efficiencies and running a profitable business and who are committed to providing unrivaled service to retain clients.

Of course, a partnership is a two-way street, and carriers have obligations to the field force as well. In addition to streamlining internal systems and processes, carriers must examine the agent experience, ensuring that people have the knowledge, skills and resources they need to succeed.

I have worked with too many organizations where there is friction and, sometimes, downright animosity, between carriers and the field. That kind of adversarial relationship helps no one—not the carrier, not the agency and certainly not the client. For transformational change, we must become partners, working together to fulfill a common promise to our clients.

Agency Leaders Must Step Up Their Game

As agency leaders, we must earn a seat at the table by supporting both clients and carriers. If we don't, we will become a smaller and smaller portion of the distribution system, to the detriment of the industry and consumers.

For the past ten years, I have been telling agency leaders that they must put clients at the center of every system, process and workflow, and they must place service above sales. They nod their heads and agree with me, but I only see it truly happening in a handful of agencies. I have come to realize that many agency leaders think their agencies are client-centered because they are providing satisfactory service and meeting industry averages for client retention. But their focus remains solidly on closing sales.

Satisfactory service is no longer enough. Even closing sales is no longer enough. They will not support sustainable growth, and they won't earn you a seat at the table. In the new agency business model, providing unrivaled service and solutions is the key to success.

Providing unrivaled service means setting performance standards that go above and beyond to ensure client satisfaction. It is proactively checking in with clients more than once a year, continually looking for ways to contact and reasons to call. It is thoroughly preparing for client meetings, having meaningful discussions with clients during those meetings and then following up after meetings to answer questions and address outstanding issues.

To provide unrivaled solutions, agencies today must become the gateway to their clients' insurance and financial services needs. When a client has a question about protecting their physical or financial assets, the first person they should think of is you. You and your team don't have to be experts in every insurance and financial services product. However, you must build a network of expertise to provide your clients with the solutions they need. You aren't handing your clients over to these experts. You are partnering with them to provide specialized solutions; just as primary care physicians manage the overall health of their patients while occasionally referring them to specialists for care in areas they don't handle.

People do business with people they know and trust. And carriers need us to build that trust in ways that only we can. But it is time to step up our game. If we don't get this right, there is no second chance. I have a personal mantra that I use each day. Whatever happened the day before, good or bad, I start each day with the mantra: "Begin from here." If it was a bad day, begin from here and move forward. If it was a good day, begin from here and make it even better.

Wherever you are on your journey to build your business—whether you have 100 clients or 1000, whether you are successful or struggling, whether you are a solo practitioner or have a large team—begin from here. Move forward and make it better. Our survival depends on it.

Troy Korsgaden is a published author, trainer, speaker, consultant and the founder of Korsgaden International. Troy's expertise, industry knowledge and ability to transform are un-matched. His energy, dynamism, humor and distinctive ability to connect with his audience truly set him apart and keep him in high demand.

ENDNOTES

In Edelman's report, the financial services sector includes digital payments, banks, personal insurance, credit cards, property/casualty insurance, financial advisory, digital wealth management, and cryptocurrency. Of those, property/casualty insurance, financial advisory, and digital wealth management are among the bottom four, with trust percentages of 57%, 53%, and 44%, respectively. 2. P. Senge, The Fifth Discipline (2006).

In the new agency business model, providing unrivaled service and solutions is the key to success.

People are desperate to find someone they know they can trust who will help them navigate the complexity of our industry.

How to Compare Independent Insurance Networks

Your checklist to ensure you're asking the most important questions

Daniel Molinero, ASNOA

More money, more independence, more access—how many times have you heard these buzzwords from the networks you've talked to? Many networks try to lure new agents in with these promises, but once affiliated, you may quickly see the tarnish beneath the shine. If you're new to being independent, it's hard to know what to check for with each network and where each network might fall flat. That's why we've created a quick checklist of questions you should ask every network you interview.

Use these five questions to decide which independent insurance aggregator is right for you:

1. Is there a startup cost?

Many networks have significant startup costs just to be associated with them. If you're considering one that does, make sure to ask if there are additional charges when you need more support. Some networks will nickel-and-dime you for any support that goes "outside of the box," and your startup fees can pile up quickly. Ensure you understand what your startup fees cover.

2. Are earnings transparent?

Transparent earnings are crucial because a network may tell you that you're getting 100% of the commission, but they don't always disclose back-end deals with carriers or if they're withholding money from profit sharing. Make sure to ask about about and understand how your network handles carrier bonuses, commission incentives, and profit tiers for each carrier. Your agency's profit and revenue should be straightforward and transparent to ensure that you're maximizing your hard-earned sales.

3. What kind of backroom support is provided?

Becoming an independent agent can be a significant challenge if you're not aware of all the responsibilities involved in running an independent agency. Does this network offer its agents any training, accounting support, mentorship programs, or anything beyond carrier access? Being an independent agent means you own everything, which can be daunting. What does each network do to ensure that you not only get off the ground but also thrive and grow? If this doesn't seem as crucial as the other questions, consider how you plan to manage your agency's training, accounting, marketing strategy, and more. Working with an aggregator that acts as an extension of your independent agency can make all the difference.

4. What kind of access will I receive?

Every network will tell you that they provide more carrier access, but it's always smart to dig deeper. Are you getting producer access, direct appointments, or just working with an underwriter and service center? These different types of access significantly impact potential bonuses, who actually owns the policy and business, and how clients will receive service from you. Having only producer access might exclude you from bonuses, but being limited to direct appointments can make meeting every production requirement to keep your codes active a nightmare. Find out what types of access you'll receive and how they will affect your business.

5. What are your exit options?

You might not have thought much about it yet, but consider what you should be able to do if you leave a network: sell your book and keep the profits, pass it along to someone of your choosing (succession planning), or leave without a noncompete. Sometimes things don't go as planned, and you don't want your exit to be harder than your entry. Many networks make it difficult to leave once you're bought in, with contracts that are hard to terminate, small print about what your buy-out will cost you, or other secretive practices. Make sure you know your way out before you get too far in.

Don't let buzzwords like "greater access" distract you from the fine print! You should get out of an aggregator what you put into it.

The insurance network you choose to work with should provide you with fair commission and bonus structures, easy-to-understand contract terms, and continuous agency support.

At the Agent Support Network of America (ASNOA), our goal is to help every agent grow and succeed long past the onboarding phase. With support at every step of the way, we help you get off the ground, build a strategy that complements your business goals, and provide continuous training and resources for you and your staff. No other aggregator acts as an extension of your agency like ASNOA.

Interested in learning more? Reach out to us by emailing grow@asnoa.com, calling (866) 484-9849, or applying to join our network at asnoa.com/apply. Our team of Business Development Representatives is happy to answer these five questions and more to help you set up your agency for success.

Cash Flow: The Lifeblood of Your Agency

Melanie Otto

Although insurance agency owners don't need to worry about inventory management or supply chain issues like certain other small businesses, they do have one challenge in common: cash flow management. In fact, cash flow is one of the top reasons for small business failure. Cash flow adequacy is the ability to have enough cash and cash equivalents to pay your current bills each month without draining your resources—and ideally even putting money aside for future investments into your business. Maintaining adequate cash flow is essential to your agency's health, as well as its ability to thrive and grow longterm. External pressures and the agency's habits affect cash flow management.

External Influences

In addition to the effects of the overall economy on business expenses, staffing costs, and client purchasing power, there are a few industry-specific issues you can attempt to manage by delivering superior customer care. Help them understand the market issues that are impacting them, while also educating them about the choices they have to meet their specific needs.

Being proactive in your conversation with a customer who's been hit with rising premium costs is important. It's not enough to simply say "All insurance companies are raising premiums." Guiding them to understand the importance of their coverages and the potential impact of reducing coverages can aid in customer retention.

Agency-Controlled Influences

You can put some guardrails in place to ensure your expense load is rightsized to what the overall economic and carrier environment is. Each of the following 10 habits can positively affect cash flow and lead to a strong bottom line.

01 **Plan for seasonal trends and cyclicality.** It's important to accurately recognize and address revenue and expense trends, whether they're based on policy renewal cycles, lower sales for certain product lines during specific times of the year, or other factors. Although you may be profitable on a year-over-year basis, monthly cash flow may vary as income and expenses are unlikely to be consistent every single month. Plan for peaks and valleys of both revenue and expenses.

02 **Forecast your cash flow.** Put a very detailed budget together both for revenue and expenses and compare it monthly to what actually occurred. Dig in to why each line item varied from the budget and adjust next month accordingly. Plan for periods where revenue and costs may be cyclical. Consistently measuring and assessing will help you know your costs.

03 **Manage overhead costs.** Although a certain amount of overhead can't be avoided, it's important to analyze your overhead at least once per year. Make sure you eliminate duplicate spending or other redundant expenses. Regularly look for areas to "trim the fat."

04 **Manage growth efforts.** Expanding your agency won't happen overnight and requires strategic decisions that identify your growth goals, establish your marketing budget, and outline your plan of attack. Overly optimistic growth and ROI projections can have you dipping too far into your financial reserves.

05 **Maintain and review monthly financial statements.** Whether you're the one who handles the books or you have an employee or outside firm who manages your agency's financials, make sure your financial statements are always current and that you take time to review them each month. Like the budget, timely review of financials will aid in better decision making. You'll also be more prepared should you seek capital from a financial institution.

06 **Establish checks and balances**. If you have a staff member or vendor who is responsible for accounts receivable, accounts payable, taxes, premium remittance, and other related items, you need to have a system of checks and balances in place. This can protect your agency against fraud, embezzlement, and redundant spending.

07 **Make wise staffing decisions.** Many small business owners try to do everything themselves leading to exhaustion and things slipping through the cracks. If you are a producer in your agency, it can also lead to a reduction in your personal production. Hiring or outsourcing needs to be approached strategically. Evaluate your needs and the goals for the new hire. Be realistic about the ramp-up time and experience needed for each position, and plan for the cost until the new hire is producing revenue or efficiently supporting revenue-building activities.

08 **Establish sufficient cash reserves.** Although this seems obvious, it's easy to overlook it when day-to-day needs demand your attention. Strategically building up cash reserves can position you to be ready when you want to upgrade equipment, make marketing investments or increase staff.

09 **Protect against attrition.** Customers can be fickle. Ensure strong customer relationships are established with multiple people in the office to protect against attrition when an employee or producer leaves.

10 **Practice effective credit management.** Manage the level of debt you put on the agency. Credit is a tool that can be used appropriately to support agency growth and make wise investments but beware of overleveraging. Instead of relying on credit cards, establish a business line of credit. Having credit readily available can allow you to take advantage of strategic marketing opportunities or hires. Your banker can help guide you.

Implementing the above habits will aid in understanding and managing the cash flow of your agency, which is vital to your survival and growth.

Melanie Otto is Senior Vice President of Agency Finance at First Mid Bank & Trust. For over 15 years, she has successfully supported insurance agencies with growth capital, debt restructuring, and acquisition financing. Melanie's consultative approach is highly valued by her customers. If you'd like to talk more about how to manage your cash flow and access a line of credit, reach out at motto@firstmid.com and learn more on First Mid Agency Finance's website at www.firstmid.com/agency-finance/ or reach Melanie at 877.294.8785.

What Is a Paycard and How Does It Work?

Paychex

A paycard is a paperless method for paying your employees. Generally speaking, it resembles a plastic card, not unlike a credit or debit card (though its purpose is different). Also known as payroll cards, these can be ideal payroll solutions for businesses wishing to offer one or more additional ways of paying your workers, particularly those who don't have a bank account for direct deposit.

How Do Employee Paycards Work?

Employers usually create and implement a payroll card program with a third-party provider. Then, they enroll employees choosing this option, and the provider issues payroll cards. This form of electronic payment is linked to a bank that permits the transfer of funds, but this link is between the paycard vendor and a bank, not between the employee and the bank. Instead of receiving a paper check, employees can use paycards to obtain cash and pay monthly expenses up to the limit of their wages. Paycards function like debit cards when making purchases, paying bills, or withdrawing cash. Paycards allow the holder to use only the funds loaded on them.

Employees can access funds from the payroll cards nearly instantaneously. Also, money can be attached to the same paycard with each employee's pay cycle, so it's necessary only to provide a single card during the life cycle of their employment.

What Is an Unbanked Employee?

An unbanked employee is an individual who does not have a checking or savings account at a bank or credit union. According to the latest figures available from the U.S. Federal Deposit Insurance Corporation, "an estimated 4.5 percent of U.S. households (approximately 5.9 million) were 'unbanked' in 2021," and this 4.5 percent rate marks "the lowest since the survey began in 2009."

With payroll cards, unbanked employees are spared the hassle (and additional cost) of cashing a physical paycheck.

What Are Payroll Card Pros and Cons?

Payroll cards for employees can be a convenient option for unbanked workers and their employers. For one thing, paycards are a practical "green" alternative to paper checks. Here are some payroll card pros and cons:

Paycard Benefits

Since payroll cards require a PIN, an added layer of security helps ensure that access to employee funds won't be easily compromised.

All employees may be considered candidates for the electronic transfer of funds, regardless of their relationship with a bank.

Generally speaking, the cost of this payment option to employers is less than that of issuing paper checks. Efficiency is further enhanced as payment can be authorized, but employers don't have to physically present or mail paychecks to unbanked employees.

While expenditures related to setting up a payroll card system differ among third-party vendors, upfront fees are typically minimal.

Paycard Disadvantages

Employees may incur fees for certain paycard-related reasons. The law requires employees to be informed of these potential costs.

It's up to each employer to fully outline the purpose and use of paycards to their workforce to avoid misunderstandings related to the process.

Employers must be aware of any regulatory and legal matters relating to payroll cards. Compliance isn't difficult, but it can't be ignored.

Commonly Asked Questions About Payroll Cards

Here are frequently asked questions concerning the use of paycards for employees:

Why Do Employers Use Paycards?

There are considerable potential savings for employers in using payroll cards, ranging from reduced expenses related to manual checks, lost or stolen checks, and the production and handling of paychecks. In addition to saving time, money, and other resources by going paperless, employers use payroll cards to assist employees who don't have a traditional savings or checking account.

Where Can Employees Use Paycards?

Employees can cash out wages from paycards at a bank, ATM, or other point-of-service location offering cash back (e.g., grocery stores). Employees may also be able to pay bills over the phone using their paycard number or authorize electronic bill pay to specified companies, such as a property leasing or mobile phone company.

Employees can use paycards at any merchant that accepts debit cards. This includes grocery stores, gas stations, and retail shops.

What Is the Difference Between a Payroll Card and a Debit Card?

A payroll card is like an employee's debit card, with one key difference. Payroll cards are not linked to an employee bank account but operate with a separate account, usually offered by a third-party provider. This is the crucial distinction between a paycard and an employee debit card.

If Employers Give Employees Paycards, Do They Need to Provide Pay Stub Information?

Check on any state laws mandating the delivery of pay stubs (wage statements). If employers use paycards or direct deposit, they may still be required by state law to provide employees with a statement showing their wages, deductions, and other required information.

Do Paycards Have Fees?

Generally, employees don't incur costs by using a payroll card. By law, employees must be able to access their wages in full without any fees. This can be done by presenting the card to a bank teller, using an ATM associated with the card issuer, paying bills by telephone, or using the card for point-of-sale purchases.

However, employees may encounter fees for electronic fund transfers or for using ATMs not in the issuer's network. Fees may also be charged for replacement cards, balance inquiries, or other reasons.

Do Paycards Save Employers Money?

Paycards can be a money saver for employers. Because payroll can be processed by having the bank reload pay cards with wages for the current pay period, the employer can avoid expenses associated with issuing paper checks, including costs for reissuing lost checks and postage for mailing. The savings may not be dramatic, but they can add up over time.

Can Paycards Be Managed Online?

Employers can manage paycards online via computer or phone 24/7 through online portals and applications. The funding is authorized electronically so that employee payments can be made despite extenuating circumstances, such as storms, natural disasters, or other emergencies.

Similarly, employees can manage their paycards online by viewing account balances, reviewing transactions, and authorizing online bill pay (e.g., to a utility).

A Useful Addition to Your Payroll Solutions

Paycards can be a valuable addition to your payroll solutions. With the proper guidance and information, employees may benefit from the flexibility and convenience of having a paycard as a payment option.

In the past few years, businesses have experienced fallout from the pandemic. They've had to deal with changing health and safety regulations, a high rate of turnover, difficulty finding qualified employees —to name a few. We are seeing these challenges across every industry —from the insurance industry to food service to hospitality to construction.

We are helping the National Association of Professional Allstate Agents not only adapt to change, but to thrive. As a national leader in payroll and HR, we can help you add value to your agency in a number of ways. We are also subject matter experts on a wide range of HR and business issues. You can call on us for expertise on today's changing workplace. Connect with your dedicated NAPAA/Paychex representative: 844-846-7824 (mention code 5699) napaa@paychex.com

Why Your Insurance Agency Should Be More Inclusive

Amy C. Waninger

Typically, my articles speak generally to professionals in a variety of roles and industries. Today though, I want to address insurance agents directly.

Why Insurance Agents?

I spent more than a decade working in the insurance industry. Because of this, I appreciate the unique role insurance plays in our society. First, insurance makes all economic investment possible. No one would buy a home or start a new business without a way to manage or transfer that risk. Second, the industry is there for people on their worst day.

Insurance agents are on the front lines of the industry. Agents work to help protect the people in their communities. They help determine families' and businesses' coverage needs. Agents often serve as translators, putting complex jargon in lay terms. What's more, they are typically the first responders when a crisis befalls an insured. For all these reasons and more, it's important to me that every agency is ready to welcome and serve diverse clientele. No one should face life uninsured or underinsured.

Now, to the Topic at Hand

To understand why it pays to be intentionally inclusive in your insurance agency, we first need to explore the potential of reaching underserved markets in your community.

Before we continue, I'd like to point out that there are dozens of ways we can measure diversity. When discussing diversity, most people immediately think of demographic characteristics such as race, gender, and age. These are certainly important factors in determining market segmentation. Because of this, most of the available data will focus on demographic traits. Future posts will also cover ways to make space for other differences. These include cultural and language differences, being mindful of different family structures, considering clients with disabilities, and so on.

For now, though, let's look at some U.S. demographic data and consider the implications for your insurance agency.

The U.S. Population Is Changing

According to US Census demographic data:

- The birth rate is in decline in the United States. People are waiting longer to have children and are having fewer children than did past generations.
- The rate of decline is highest for white, non-Hispanics.
- Hispanics of all races represent the fastest growing ethnicity in the United States.

Consider these overall population trends and what signs of change you are seeing in your own community.

Is your insurance agency prepared to meet the needs of—and compete for the attention of—a more diverse client pool?

To explore this question, let's look at some implications for both personal and small business lines.

Home Ownership Trends

A Brookings Institute report on the change in home ownership from 2001 to 2015 breaks down data by race and ethnicity.

We can see from this data that both homeowners and renters are following overall population trends, with fewer white homeowners and renters over a 14-year period, and an increasing number of Hispanic homeowners and renters.

Hispanic consumers, therefore, represent a growing market for agents selling homeowners' and renters' insurance.

When you further consider that more than 90 percent of new car buyers are also homeowners, you can see the cross-marketing potential of these consumers.

Business Ownership Trends

What about small business policies?

A growing number of small businesses can be attributed to minority and women owners. Nearly 1.5 million U.S. businesses are owned by racial and ethnic minorities, and more than one million U.S. businesses are owned by women—including Lead at Any Level®. Veterans account for 360,000 businesses in the United States, though that number has shown moderate decline in the past three years.

Furthermore, the Small Business Administration reports that from 2007 to 2012, the percentage of minority- and Hispanic-owned businesses rose within the small business landscape.

Taken in total, agents should realize that a growing percentage of small commercial policies will be purchased by women, as well as Black, Asian, and Hispanic business owners.

Accurate data is not available on the number of businesses owned by LGBTQ individuals. However, the National LGBT Chamber of Commerce (NGLCC) has certified roughly 1,100 businesses—including Lead at Any Level®—in this category. This number is expected to grow substantially as more corporate partners begin to expand their supplier diversity programs to recognize and include LGBT Business Enterprises.

The Small Business Administration's website advises owners of small businesses to "Get business insurance" as a critical step in the business launch process. The SBA's guide further advises business owners to "Find a reputable, licensed agent."

New business owners will probably start with the agent they already know: the one who sold them their home and auto policies.

Insurance Agency Data

Relative to the overall U.S. population, licensed insurance professionals are disproportionately White, non-Hispanic, and male.

More than 80 percent of Insurance Agents are white, compared with just 73.6 percent of the general population. And while those numbers do roughly represent the demographic proportions of small business owners today, keep in mind that those percentages are changing rapidly.

Recall, however, that only about 67 percent of new homebuyers and 52 percent of renters are also white, non-Hispanic.

Based on my own research, most of us tend to do business with people who are already in our networks. And our networks tend to be very homogeneous, specifically, very much like us demographically.

This means that minority populations are likely underserved by our industry. Therefore, they may also be underinsured.

Gender Differences

To bring this into even sharper focus, consider that 65 percent of insurance agency principals and senior managers are men. (Source: Independent Insurance Agents & Brokers of America (Big "I"). 2018 Agency Universe Study Full Report.)

However, Forbes estimates that women drive between 70 and 80 percent of all household purchasing decisions.

In other words, if women (of all races and ethnicities) don't feel welcome and comfortable in your insurance agency, you are likely losing a lot of business!

Summary: Invite Diversity into Your Insurance Agency

Considering the underrepresentation of women and minorities in insurance agency leadership, we can imagine how underserved—and underinsured—some members of our communities may be.

What can your insurance agency do to attract and welcome a more diverse customer base?

I'll share my thoughts in future articles. In the meantime, I'd love to hear your ideas and questions.

Amy C. Waninger is the Founder & CEO of Lead at Any Level, where she improves employee engagement and retention for companies that promote from within. Amy offers assessments, advisory services, and training on essential skills for inclusive leaders. She is the author of eight books. Learn more at www.LeadAtAnyLevel.com

The Essentials of Networking and Brand Building for Growing Your Agency

Mia Whatley

In today's digital world, it's easy to overlook the power of face-to-face interactions; however, real, impactful connections are typically made in person. What makes successful insurance agents stand out is often their networking skills, and networking is all about creating and maintaining strong connections in the industry with peers, mentors, clients, and even competitors.

Motivational speaker Brian Tracy once said, "The glue that holds business relationships together, that is trust, and this trust is purely based on integrity." When you prioritize networking, the primary result is building trust—trust among your clients, in your community and in the industry. Well-connected agents give clients confidence that they're in capable hands. Collaborating with others in the industry through networking can lead to mutually beneficial partnerships. Networking helps you reach a broader range of clients, reducing reliance on a single market segment. In addition, networking events can serve as an affordable way to market your agency. Being an expert networker provides a variety of avenues for building trust and ultimately growing your agency and your bottom line.

There are multiple ways to network—attending industry events such as conferences and trade shows, joining your school's alumni network to connect with fellow graduates, and getting involved in your community's volunteer activities—to name a few. When you show up or join in, be sure to be authentic, listen attentively to others, stay in touch after the event or forum, and offer your advice and expertise when solicited.

Networking is the cornerstone of building your brand, and building a trustworthy brand as an insurance agent is integral to your success and growth. Some essential strategies for brand growth include sharing educational content such as blog posts, videos, and infographics that simplify insurance concepts, hosting webinars and workshops to position yourself as a knowledgeable resource, as well as tailoring your recommendations to each client's specific needs. Be sure to keep an active presence on social media and send regular newsletters to keep clients informed and engaged. Participate in community events and online forums to establish your expertise. By focusing on education, transparency, and personalized service, you can build a brand that clients trust and rely on for their insurance needs.

Building relationships with other insurance professionals can also enhance your trust and credibility with clients. Find local professionals who might benefit from your insurance services. Approach them with a clear pitch on how working together can benefit their clients and boost their own brand.

Partnering with an insurance network can further enhance your efforts. A network provides access to more resources and support, helping you build stronger relationships with your clients and partners. Leveraging the network's connections can boost your agency's credibility and growth.

Remember that networking and brand building are ongoing processes. The industry will change, and new competitors will emerge—stay on top of it! Nurture existing relationships to sustain trust and loyalty. New opportunities will arise, and a strong network and brand position will help you capitalize on them. This is a marathon, not a sprint! Consistent dedication to networking and brand building will ensure your agency's longterm success and growth.

Mia Whatley joined the Smart Choice marketing team in February 2024. She is responsible for assisting with the development and implementation of both external and internal marketing strategies for the company. She holds a bachelor's degree in marketing from the University of North Carolina Greensboro, and brings a wealth of experience in event management, marketing content creation, and market research and analytics.

Agencies for Sale

GEORGIA

Savannah

Pence Family Agency, Inc
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $2,600,000
PIF: 4220 Premium: $8,500,000
Number of Staff: 3
Number of Licensed Staff: 3
Georgia is growing – don't wait, cash flow is amazing! This established $8,500,000 premium agency is located in highly sought after Savannah. The agency owner has built an amazing business and is looking for the right successor to take the reins and continue growing as he plans for retirement. The agency has been a multiple-year Trip & Bonus Qualifier, with a fully trained staff of three ready for the transition. The Savannah metro area is an easy place to own a business, has an inviting community feel, highly rated private schools with college acceptance rates in the 90%+ and easy access to beaches, boating, fishing, and other coastal towns! The Savannah area has a median home price of $500,000 and an average income of approximately $100,000. Families represent 65% of the community, and nearly 55% of residents own their homes. Search no more, you have found that turnkey opportunity that helps balance work and family!

SW
678.223.7397
nicole@sammconsulting.com
Asking Price: $1,000,000
PIF: 2524 Premium: $5,200,000
$5.2M Allstate BOB in Southwest, GA. This is a seasoned book, with experienced staff. Call SAMM today for NDA and more info.

HAWAII

Mililani

Manuel Buenconsejo: Allstate Insurance
720.902.5200
GChitwood@G-Forceac.com
PIF: 3000 | Asking Price: $755,000
Premium: $3,500,000
Number of Staff: 3
Number of Licensed Staff: 3
Excellent growth potential in Mililani, Hawaii. Are you looking for a turnkey business opportunity with excellent growth potential, located in the highly desired state of Hawaii? This established, $3,500,000 premium agency is in Mililani, Hawaii. The agency owner has built an amazing business and is looking for the right successor to take the reins and continue growing as he plans for retirement. Mililani is an easy place to own a business, has a small town feel with a sense of community, and magnificent views to match the island vibe. Mililani has a median home price of $780,000. Families represent 63% of the community, and nearly 70% of residents own their homes. Look no further for a location with access to the beach/ocean, highly rated schools, hiking in the nearby mountains, convenient travel in and out of the local airport. Mililani is an ideal location to live and work. Now is the time for you to find that work and family balance!

ILLINOIS

Aurora (Western Suburbs of Chicago)

Harvey A. Goodwin
630.404.7077
harveyg414@aol.com
PIF: 1858 | Asking Price: 2xTPP
Premium: $2,900,000
Number of Staff: 1
Number of Licensed Staff: 1
38-year agent ready to move on when the opportunity arises. Either take over (rent $530 all-inclusive) or merge with our other agent. 37.44% LR, 89.31% RR, TPP (termination payment plan)

MARYLAND

Savage

Fred Hazeltine
443.758.8534
fredhazeltine@gmail.com
Asking Price: $249,000
PIF: 21377 Premium: $1,268,559
Number of Staff: 1
Number of Licensed Staff: 1
Agency available in Savage, MD, just north of Laurel.
Pro level agency with a nb percentage of 6.7%. 25 years in business, high customer satisfaction, current loss ratio 39% retention 88.1. Best to contact by email.

MINNESOTA

Waconia

Watermark Insurance Agency, Inc.
720.902.5200
GChitwood@G-Forceac.com
PIF: 3410 Asking Price: $1,175,000
Premium: $6,900,000
Number of Staff: 3
Number of Licensed Staff: 3
The agency owner has built an amazing business and is looking for the right successor to take the reins and continue growing. The agency has been a multiple-trip and bonus-winning location. The Waconia area is an easy place to own a business, has an inviting community feel, highly rated public schools, and easy access to all the amenities of a larger city. Many people call this town a hidden gem, with easy access to the lake! The Waconia area has a median home price of $500,000 and an average income of approximately $120,000. Families represent 65% of the community, and nearly 55% of residents own their homes. Search no more, you have found that turnkey opportunity that helps balance work and family!

MISSOURI

Nixa

Hall Insurance Professionals, LLC
720.902.5200
GChitwood@G-Forceac.com
PIF: 700 Asking Price: $225, 000
Premium: $1,200,000
Number of Staff: 3
Number of Licensed Staff: 1
Located in Nixa, MO A Growing Suburb South of Springfield
This established $1,200,000 premium agency is located in Nixa, MO, a growing suburb just 15 miles south of Springfield. Nixa has a small-town feel, with excellent public schools and a focus on small business owners, while offering great amenities and easy access to Branson and the Springfield Airport, all within 30 minutes – it is the perfect central location to live and work!

MONTANA

Kalispell
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $945,000
PIF: 2620 Premium: $4,000,000
Number of Staff:3
Number of Licensed Staff: 3
This established $4,000,000 premium agency is in Flathead County, MT, the fastest-growing county in Montana. The agency owner has built an amazing business and will be retiring and looking for the right successor to take over the reins and continue growing. Flathead County is an easy place to own a business, has a sense of community, and a great feel. The median home price is $615,000, families represent 63% of the community, and nearly 70% of residents own their homes. Look no further for a location with skiing at Whitefish Mountain, highly rated schools, hiking in Glacier National Park, convenient travel in and out of the Kalispell Airport, and relaxing by the lake in the Village of Bigfork. Flathead County is an ideal location to live and work. Now is the time for you to find that work and family balance!

NEW YORK

Staten Island

Lana Pikman Agency
646.644.0606
Lanapi0606@gmail.com
Asking Price: $150,000
PIF: 338| Premium: $786,000
Number of Staff: 1
Number of Licensed Staff: 1
Retention 96.64%
Annual revenues $78,686

PENNSYLVANIA

Walnutport

Havighurst Insurance Agency
610.428.2750
wehavhome@yahoo.com
Asking Price: $1,349,000
PIF: 4546 | Premium: $5,900,000
Number of Staff: 4
Number of Licensed Staff: 3
40+ year old Pro level agency with Great Cash Flow, High Retention, Low Loss Ratio. Agency location is agent owned and ideally located.

Agencies for Sale

ARIZONA

Flagstaff

The Halstead Agency
928.380.6357
chbd36@gmail.com
Asking Price: Negotiable
PIF: 3000 Premium: $3.58 mill
Number of Staff: 4
Number of Licensed Staff: 4

60+year award-winning established agency. Longstanding loss ratios below 40%, high retention rates, and cross-sales. Beautiful and inexpensive office location in a vibrant downtown location. Rare and unique opportunity to own a thriving business in a desirable mountain town. Mild seasons and natural beauty make for extensive outdoor living, with activities like skiing, hiking, biking, and dining. The town boasts a diverse population, a major university, and a vibrant arts community.

SCOTTSDALE

Frank and Barb Schubert Insurance & Financial Services, LLC
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $3,300,000
PIF: 6720 Premium: $12,500,000
Number of Staff: 8
Number of Licensed Staff: 8

AZ is Growing – Top Producing Agency Opportunity now available – don't wait, cash flow is amazing! This established $12,500,000 premium agency is in highly sought-after Scottsdale. The agency owner has built an amazing business, will be retiring, and is looking for the right successor to take over the reins and continue growing. The agency has been a multiple-year Trip & Bonus Qualifier, with a fully trained staff of 8, plus an in-house financial planner, all ready for the transition. The Scottsdale metro area is an easy place to own a business, has an inviting community feel, highly rated public schools, and easy access to all the amenities the Valley has to offer. The Scottsdale area has a median home price of $750,000 and an average income of approximately $180,000. Families represent 65% of the community, and nearly 55% of residents own their homes. Search no more, you have found that turnkey opportunity that helps balance work and family!

CALIFORNIA

Carmichael

Alain Ionescu
916.752.7706
alainul01@yahoo.com
Asking Price: $890,000 (Negotiable)
PIF: 2500 Premium: $3,500,000
Number of Staff: 2
Number of Licensed Staff: 1

Organically grown agency since 2000, only Allstate agency in Carmichael CA, multiple awards, 56% loss ratio, 88% retention. An elite agent with an average of $370,000 commission over the last 3 years; agent ready to retire. Furniture and computers are included in the selling price, turnkey operation, and the agent is ready to stay on board for training.

COLORADO

Commerce City

Petrov Insurance Corp
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $600,000
PIF: 1420 Premium: $3,100,000
Number of Staff: 2
Number of Licensed Staff: 2

Established award-winning agency located in Reunion, Colorado. This established agency is located in Reunion, CO, a growing community just 15 miles northeast of Denver. It has a small-town feel with excellent public schools and focuses on small business owners while offering amenities and easy access to larger cities. With the University of Colorado in Boulder and the Rocky Mountains to the west, Denver International Airport to the east, Cheyenne, Wyoming to the north, and Denver to the south, it is the perfect central location to live and work!

Denver

The Mathes Agency
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $680,000
PIF: 1523 Premium: $3,200,000
Number of Staff: 2
Number of Licensed Staff: 2

Are you looking for a turnkey business opportunity with excellent growth potential, located in the highly desired state of Colorado? This established $3,200,000 premium agency is in Denver, Colorado. The agency owner has built an amazing business and is looking for the right successor to take the reins and continue growing as he plans for retirement. Denver is an easy place to own a business, has a sense of community, and a great feel. Denver has a median home price of $750,000 with an average income of approximately $144,000. Families represent 60% of the community, with almost 72% of residents owning their homes. Proximity to both Denver International Airport and a short drive to the mountains creates an ideal location to live and work. Now is the time for you to find that work and family balance!

Fort Collins

Newendyke Insurance Agency, LLC
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $495,000
PIF: 1350 Premium: $2,650,000
Number of Staff: 1
Number of Licensed Staff: 1

This established $2,650,000 premium agency is located in Fort Collins, CO, a growing community just 50 miles north of Denver. Fort Collins is part of the "Gateway to the Rockies", has a small town feel with excellent public schools, and focuses on small business owners while offering the amenities and easy access to larger communities. With Denver International Airport about an hour to the southeast, University of Colorado in Boulder to the southwest, Cheyenne, Wyoming to the north and Denver to the south – it is the perfect central location to live and work!

Littleton

George Sechrist Insurance Agency
720.779.1500
GChitwood@G-Forceac.com
Asking Price: $750,000
PIF: 1233 Premium: $3,000,000
Number of Staff: 2
Number of Licensed Staff: 2

This established, 25+ year agency is located in south Jefferson County, CO, a growing suburb of Denver. The agency owner is looking to retire and is looking for the right buyer to take over. With a 92% retention rate, this opportunity is primed for further growth! South Jefferson County has a small town feel with excellent private school and home school options and focuses on small business owners while offering the amenities of larger nearby cities. With Denver International Airport about 45 minutes to the northeast, Colorado Springs about 60 minutes to the south and the mountains a short drive to the west, it is the perfect central location to live and work!

Longmont

Heath Orvis Agency LLC.
720.902.5200
GChitwood@G-Forceac.com
Asking Price: $1,375,000
PIF: 2400 Premium: $5,500,000
Number of Staff: 3
Number of Licensed Staff: 3
Colorado – The #1 State to Own a Business

This established $5,500,000 premium agency is located in a highly sought-after Northern Colorado city. The agency owner has built an amazing business and is looking for the right successor to take over the reins and continue growing. The agency has been a multiple-trip and bonus location. The Northern Colorado area, often referred to as the Tri-City Region, is an easy place to own a business, has an inviting community feel, highly rated public schools, and easy access to all the amenities of a larger city. Many people call this town a hidden gem, with easy access to the mountains to the west, Denver International Airport to the east, and Denver to the south. The median home price is $650,000 and average income is approximately $120,000. Families represent 65% of the community, and nearly 55% of residents own their homes. Search no more, you have found that turnkey opportunity that helps balance work and family!

FLORIDA

Apopka

Allstate Agency
407.913.8522
malcolmzx7@gmail.com
Asking Price: $850,000
PIF: 1534 Premium: $3,953,794
Number of Staff: 1
Number of Licensed Staff: 1

After 17 years of dedicated service, I have decided to embark on a new chapter in my life. Retirement! We are seeking a new owner to carry on our legacy of trust and reliability, ensuring that families and businesses continue to receive the protection and peace of mind they have come to know and deserve. Please call or email via the contact info listed. Please leave a message if I do not answer. I will call you back.

Walnutport

Havighurst Insurance Agency
720.902.5200
g-chitwood@g-forceac.com
Asking Price: $1,399,000
PIF: 3990 | Premium: $5,700,000
Number of Staff: 4
Number of Licensed Staff: 3
Premium Agency in highly sought after Pennsylvania suburb!
This established $5,700,000 premium agency is located in a highly sought after Pennsylvania suburb, ideally located between the Poconos and the Allentown metro area. The agency owner, who also owns the building the office is located in, has built an amazing business, and is looking for the right successor to take over the reins and continue growing as he plans for retirement. The agency has been a multiple trip and bonus winning location. The Walnutport area is an easy place to own a business, has an inviting community feel, highly rated public schools, and easy access to all the amenities of a larger city. The Walnutport area has a median home price of $335,000 and an average income of approximately $82,000. Families represent 65% of the community, and nearly 55% of residents own their homes. Search no more, you have found that turnkey opportunity that helps balance work and family!

TEXAS

Hurst

Kretschmar Allstate Agency
817.614.6829
skretschmar@hotmail.com
Asking Price: Negotiable
PIF: 2963 | Premium: $7,423,000
Number of Staff: 5
Number of Licensed Staff: 5
Established agency. One of the originals, dates back to a Sears booth. Low loss ratio. Office is ready to go if buyer chooses. 2023 revenue was $1,050,000.

Rockwall

Mike Akers Allstate Agency
972.672.1970
mikeakers1954@gmail.com
Asking Price: Negotiable
PIF: | Premium: 790: $2.4M
Number of Staff: 2
Number of Licensed Staff: 2

NAPAA Leadership

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Lockport, IL

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Lezlee Liljenberg
Arlington, TX

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Exclusivefocus

National Association of
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Letters to the Editor: All letters must include an address and a phone number. We reserve the right to edit letters for clarity and space.

This issue of Exclusivefocus magazine may contain articles of interest submitted to NAPAA by outside authors. NAPAA is not responsible for the opinions, advice or accuracy of any information provided therein.

NAPAA's Mission Statement

NAPAA is dedicated to the success of Allstate Exclusive Agency Owners and to advance the independence and entrepreneurial spirit of our members.

NAPAA's Goals

Our goals are subject to alteration, influenced by a constantly changing environment and the needs and wishes of our members.

NAPAA encourages its members to actively participate in the process of defining and refining our Mission, Goals and Positions.

Our General Goals:

- To provide an organization specifically tailored to benefit Allstate Exclusive Agents
- Monitor legislative and legal issues pertinent to Agents and their clients
- Provide reliable communications on all issues that affect Agents and the ability to call upon our members to act
- Provide Agents with a distinct voice on issues that affect them, continually exploring options and solutions
- Make tools and resources available for members in an effort to increase agency value and success.

For more information, please visit
www.napaaUSA.org

Fall 2024

this issue of *Exclusivefocus* is brought to you by the National Association of Professional Allstate Agents.

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- **No pre-payment penalties**

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"I have had nothing but **the most professional and prompt service** and experience with NW Preferred. Everything is **very quick, very easy**, and I definitely recommend them for any of your agency financing needs."

Emilia Berg – Allstate Agent, IL

"I could not be more pleased with the service have received from NW Preferred. Unlike many institutions, **they understand the unique nature of the insurance business and specifically how Allstate operates.** I highly recommend them and have no regrets about partnering with them at a time I really needed it."

Mark Linn – Allstate Agent, OK

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