

TRAINING PAYS

Agents Must Learn To Earn, Making Education An Investment, Not An Expense

Tough times makes training more valuable to help give staff a competitive edge

BY MARK E. RUQUET

PRODUCERS SHOULD NOT EXPECT to see discounts on their educational programs despite these tough economic times, but there are strategies they can develop to help save money while getting the most value out of any training experience.

However, the last thing an agency should do is jettison its educational initiatives just to save money, as the value training brings to an agency can far outweigh the costs, leaders in the field say.

"An agent has got to make a choice and decide what allows them to write more business," said Marvin Kelly, president and chair of the Society of Chartered Property Casualty Underwriters. "They must decide what the value of the designation is to the industry. Sometimes the decision comes down to what you can afford."

The major advantage for producers in keeping up with the latest educational programs is to stay on top of what is happening in the industry, Mr. Kelly said.

He noted that doing so is a long-term commitment, but the industry needs to "move forward and be progressive," adapting to changes that are ongoing socially and technologically.

In this especially tough economy, investing in sales courses can make producers better sales people, according to Jim Cuprisin, research director for The National Alliance for Insurance Education and Research. Any improvement in sales skills or techniques can prove to have immediate benefit, he added.

Getting a designation, such as the Certified Insurance Counselor (CIC)

or Certified Insurance Service Representative (CISR), is important not only for the knowledge one gains, but also because it can add prestige in the eyes of clients, said Mr. Cuprisin.

He added there is also evidence that agencies that invest in the professional development of their employees not only have more knowledgeable people

selling or creating the type of work environment that will enhance sales and make the office run more efficiently.

Agents, he suggested, need to have a marketing plan and lay out what the initiatives are for that plan. Once done, agents have to assess the skills of their staff and then discuss with the individuals what aspects of their education

they need to pursue. He said this assessment should not be done in a vacuum but be discussed openly with the staff.

One strategy for improving the sales force is administering personality assessment tests—not only for new hires, but also for current staff who have not taken the test to make sure they fit in the job they are in, Mr. Eng said.

Despite the economic downturn and lingering soft market, no industry representative said any new discounts are being offered for educational programs. How-

ever, they did note that there are ways to pursue higher learning, earn continuing education credit and make it more affordable.

Kitty Ambers, executive director of the American Insurance Marketing and Sales Society, said it is important for agency principals to manage the whole education process—which also means tracking progress to ensure individuals build their professionalism and meet their licensing requirements.

Getting the best bang for the buck can take a few different avenues, she noted, citing both insurance associations and company opportunities that can help hold down the expense of classes.

Those agencies considered in the

► continued on page 36

TIP SHEET

How Can Agents Save Money On Education?

Among the strategies agencies can employ to educate their staff of producers and customer service representatives without breaking the budget are the following:

- **Recognize and discuss** the educational needs with staff and producers.
- **Map out a strategy** for pursuing those education goals.
- **Couple professional designations** with continuing education needs.
- **Search for scholarships** to cover the cost of lessons.
- **Check with carriers** for their educational offerings.
- **Join an association** to get discounts and to network.
- **Don't skimp on quality.** Stick with a brand name and ask others about their experience.



on staff, but those individuals will stay with the firm longer because they see the firm is willing to invest in them, which helps with morale.

"It is hard to quantify, but in the long run it does pay off," said Mr. Cuprisin.

"[Agents and brokers] need to pursue education with a purpose," said Ray Eng, national director of Agency Development for personal insurance, who runs agency operation workshops throughout the country for Travelers Insurance Company.

In the past, one pursued education for the sole purpose of continuing education credits for licensing, noted Mr. Eng, but today, he added, there is a greater need to pursue education to enhance selling—whether that concerns

LEARN TO EARN

continued from page 34

“upper tier level” with a carrier can probably take advantage of free or heavily discounted classes, she said, stressing principals should take advantage of such offerings.

“It’s all about having a strategy and a plan,” observed Ms. Ambers. “In this business, you never know it all, and when you think you do, it changes.”

“Education is not a commodity, just like insurance is not a commodity,” noted Dave Evans, a senior vice president with the Independent Insurance Agents and Brokers of America. However, he acknowledged that there are pressures driving principals to think carefully about how to fulfill educational needs and consider what the best approach may be to meet that goal.

Many agencies are working with reduced staffs brought on by the economic crisis, he said. This puts time out of the office for everyone at a premium. Then there is the expense in time and travel for class work, which is an issue for agencies keeping a close eye on spending.

Technology helps answer some of these issues, he noted, but it has its limits. For continuing education credit, the issue over proctoring remains a sticking

point. Regulators want to be sure that the person taking the class is in fact that person.

However, online education is growing in popularity, said Mr. Evans, but not to the detriment of the classroom experience.

Understanding the necessity to balance education’s cost against the need is not lost on state associations, noted Dee Macheda, curriculum development, design and instruction specialist for the Independent Insurance Agents and Brokers of New York.

“We know it can be burdensome for some members and we strive to make education as cost effective and as convenient as possible,” she said.

She pointed out that there is only so much cost that can be taken out of a program, noting the association needs to make enough from the course to cover the expenses for doing it.

Several industry representatives suggested one way to cover the cost of education is to pursue scholarships offered by associations and professional designation programs.

Agents can also cut the cost of a program by arranging for lessons at the office, suggested Ms. Macheda. Participants get the opportunity to interact with the educator and the program can

be arranged to be held at a time that does not interfere with work.

Another cost-saving strategy, several representatives mentioned, is taking classes for professional designations that are also aimed at continuing education credits, killing two birds with one stone.

In this very competitive world, valuing education means more than being knowledgeable about a subject. It is also a way for an agency to cast itself above its peers.

“Agents that are out there doing the bare minimum, shame on them,” said Diane Fowler, executive director of the Professional Insurance Agents of Connecticut, New Hampshire, New Jersey and New York. “This is how they differentiate themselves from their competitors—by getting an education.”

There are some programs that offer bargain prices, but she said these cut-rate courses offer no educational value. She recommended sticking with brand-name programs taught by vetted educators with a proven track record.

“The overall message is that saving money should not always be the primary value,” Ms. Fowler advised. “To get the most out of your continuing education bucks, get a professional designation and just don’t go down the street to any course for easy credits.” ■

ONLINE TRAINING

continued from page 33

with respect to every department on the specific... Oehlert... may... claims... their jobs, while others may focus on...

some, risk management may be one part of their overall responsibilities as benefits managers.

The National Alliance, she said, provides programs designed to expose risk managers to as many factors as possible. For example, its CRM program consists of five separate two-and-a-half-day courses with focuses that range from analyzing and controlling risks, to financing risks and administering the risk management process, Ms. Oehlert said.

Woven through those courses is a case study where the participant can apply what they have learned and receive feedback.

Ms. Oehlert said the National Alliance... “com... by v... t... subject be... it to the every com... any,” he... He agr... providi... a wide ar... of sev... ris... man... is essen... al, ar... MS cov... “full menu of education,” from basic courses that

employees apart from their peers in the eyes of recruiters and employers.

Mr. McDonald of RIMS said he has seen heightened interest lately in classes dealing with enterprise risk management. He said risk managers are gaining interest in ERM as the term is becoming more popular among their auditors and bankers. Risk managers, he said, want to be prepared and proactive with respect to ERM from their own perspective.

Aside from ERM, he said more basic courses dealing with topics such as claims administration, analyzing insurance coverages, or working with brokers have been popular. “Workers’ compen-

sation, in particular, is a very popular

of education,” from basic courses that

to a more advanced track for more experienced professionals.

“Our members really have many different types of training vehicles that they can select from,” he said, noting that RIMS offers more than 50 two-day workshops in North America each year, in addition to its annual conference.

As for new initiatives, he said RIMS is partnering with the American Institute for CPCU and the Insurance Institute of America to develop a joint venture partnership. A “high-level,” three-day course will be offered, as well as a new designation—Associate Risk Management Enterprise (ARME). ■