

Hiring Success

By Chris Burand

I am a fan of Southwest Airlines because they are so successful in an industry full of unsuccessful companies. A few years ago, a book outlining their success was published (*Nuts! Southwest Airlines Crazy Recipe for Business and Personal Success*, Freiberg & Freiberg). Besides probably being the funniest business “How-to” business book, it is still one of the best—and most lessons apply to insurance agencies.

One issue so many agency owners struggle with is hiring employees who care about the agency.

In the book’s words, “What does it take to get employees to assume ownership for a business, to truly take personal responsibility for its success?” Southwest has achieved this extremely well so agencies may find some words of wisdom in their success.

1. *Hire people that think like owners.* People that think like owners will focus on the agency’s health, not just their jobs. As the book points out, ownership is a state of mind as much as a piece of paper.

2. *Hire self-starters.* This is particularly true of producers. A producer that just wants job security is not going to be successful. Southwest made potential pilots pay for their own \$10,000 training with no promise of even being hired. The pilots had to pay for this training even before Southwest would interview them! That way, the training served as a screen. Only self-starters made it to the interview process.

3. *Share the profits.* Suppose all the people you hire take ownership and are self starters, but then you don’t pay them for their success. I can guarantee the results won’t be positive. If you hire people that think like owners and take responsibility for their work and the agency, they must be treated like owners. Make bonuses serious sums so the agency’s interest is closely aligned with the employees’ interest. Make the bonuses significant enough to get the employees’ attention.

4. *Listen.* Make sure your employees know you want their opinion. In every agency I visit, the staff knows more about what happens daily in the agency than the principals. Therefore, if you want to improve, you need their input.

Most people want to make a difference in their jobs. Knowing they do enhances an agency and the employees’ lives. It makes recruiting good employees easier.

5. *Communicate trust.* Communicate consistency. Communicate goals. Again and again and again. I visit many agencies where the staff and even producers have lost faith in agency management for never following through on any initiatives. In these situations, management has violated all three of these tenants. They have not shown trust, they have not shown any consistency, and the agency’s goals are a mystery.

The most important asset any agency has is its people. Once an agency begins successfully

hiring good people, and keeps them, the agency will begin having a much easier time hiring even more good people. Success breeds success.

This does mean giving up some freedom because any time we make a commitment to anyone, we are giving up some freedom. For some owners, this loss of freedom may be too much. If this is the case, admit it and then stop complaining about the inability to get good employees—that is the potential price for hanging on to your freedom.

However, if you can accept the loss of some freedom, these five simple suggestions make great sense and I know every agency that follows them will enjoy more success.

Chris Burand is president of Burand & Associates, LLC, an insurance agency consulting firm. Readers may contact Chris at (719) 485-3868 or by e-mail at chris@burand-associates.com.

NOTE: None of the materials in this article should be construed as offering legal advice, and the specific advice of legal counsel is recommended before acting on any matter discussed in this article. Regulated individuals/entities should also ensure that they comply with all applicable laws, rules, and regulations.

August 2005