Hiring Quality Producers

by Chris Burand

A simple and obvious solution to many, likely most, agencies' growth issues is to hire a quality producer. As proven by the 70%-80% failure rate, the solution is much easier said than done. However, hiring quality producers is not as hard as it often seems if agencies follow these rules. By the way, these rules are based on my clients' actual, repeatable success. These rules are not theory based.

1. Identify the dead wood. Quality producers do not want to work with a bunch of retired-in-place producers and owners clipping coupons. Just think about it from their perspective. Can you see a really good producer saying, "I can't wait to get to work to sell lots of insurance while all my coworkers sit around not making any sales! What an invigorating place! The competition is energizing! Even better, I am making all the sales while the owners rest on their renewals. I just love making everyone else rich!"

Good producers want to work in agencies where everyone is pulling their own weight, where other producers are good and generate competition. Good producers want to work in an agency that is growing. Agencies supporting dead wood don't grow.

2. Create a real sales culture. To create a sales culture, first eliminate the dead wood. While hiring quality producers is easier said than done, firing dead wood or invigorating them is even more difficult to do for most agency owners. I do not know what else to write about this point. The agency owner has to make, one way or another, a decision to build the agency or employ a person that does not do their job. Firing people is rarely easy but for what it is worth, I have never seen a producer fired who did not benefit by the firing. To the best of my knowledge, they have all found a better job that fits their personalities better thereby reducing stress and increasing happiness. I have even seen many return to the agency and thank the owner for firing them because they knew they needed to leave but they did not have the inner strength to leave.

If an agency owner cannot fire deadwood, he or she cannot build a true sales culture. Building a sales culture with deadwood producers is like attempting to build a house with twigs as the foundation. A real sales culture is based on accountability. The producers not only have to make sales, but more importantly, they are held accountable for all the activities that eventually lead to sales. In this manner, the sales culture is built and managed daily rather than just measured once a month or more honestly as usually happens, annually. Try it! You'll like it!

3. Test. The best test for producers is the SPQ Gold test from Behavioral Sciences. This test is good on many levels but what has been interesting to me is the fear and apprehension that flashes across the face of so many agency owners when I describe the test. They know they would "fail" the test. They are then caught in a bind, an important emotional bind. They have to hire someone that is better than they are at selling. One of the key secrets to why producers

fail 70%-80% of the time is that a large proportion of agency owners are not good producers and if someone is not a good producer, they typically do not like to hire good producers. Good producers are intimidating and ego busting. Good producers can even be grating.

My clients who climb this emotional mountain successfully always do so using the same technique. They separate their emotions from what is best for the agency. Again, easier said than done and likely impossible to do on one's own. A support system is likely required. Asking for help is actually key to successfully hiring producers. Asking for help is a sign of strength, not a weakness.

- 4. Owners are not involved in ANY initial interviews. When agencies advertise for producers, they list all the desired qualities. However, I have never seen an advertisement that lists the most important quality to owners. That quality is the agency owner must think the producer is a "good guy" or a "good girl." That quality is a huge reason so many producers fail. Do you want a producer that is a "good guy" and can't sell or a producer that may or may not be a "good guy" but can sell? Owners have a tendency to fall in love with every producer they interview so stay out of it. Let just about anyone else do the initial interviews.
- 5. Develop and manage. Notice that the first four steps do not involve planning or contracts or training or anything else? If you just follow the first four steps, your odds of successfully hiring a quality producer will increase dramatically.

If you want to maximize your odds of success, do create clear producer development and management plans. These are two different plans. Considerable detail is required. If you've never done this previously, these plans are nearly impossible to create on one's own. Hire producer development and training specialists.

Once these five steps are in place, the search can begin. Don't begin the search first. These are not easy steps. Frankly, most agency owners are not capable of steps 1, 2, 4, or 5 combined. Many agency owners are simply not emotionally capable of taking these steps and many are not emotionally capable of delegating these steps either. The pain of delegating the hiring to people who are better equipped to hire successfully is often the most painful part of the solution.

Delegation feels like abdication of personal responsibilities. Yet delegation is really leadership. Being a leader, and a leader is the decision maker who does what is right for the agency rather than making the emotionally easy answer for the owner, is what really makes the difference in finding and hiring quality producers.

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.

December 2013