

What Keeps You Up At Night?

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There's no doubt about it—being an agency owner is extremely challenging. So, there are probably nights when the pressures and responsibilities keep you up. Or maybe you wake in the middle of the night and start thinking about things that need to be done or just lie there worrying.

What keeps you up at night? See if any of the following scenarios sound familiar:

- **You may be confident that your producers know how to sell, but are you sure they know what they're selling?** For example, do you know what they're telling customers when asked about specific coverages? It's a good idea to discuss this with your sales staff or perhaps travel with your producers from time to time.
- Your service staff plays a major role in the success of your agency. After all, they're the ones your customers deal with on a regular basis. **Are your service employees happy? Where would you find a replacement?** Finding talented staff isn't easy. Have you ever noticed that many industry professionals get recycled? This costs you money. Think of your employees as an investment. Make sure they feel appreciated, and surround them with other pleasant, hard-working people. Employees are loyal if they like where they work and who they work with. It's equally important to provide them with the training they need. It's an investment that will pay big dividends.
- **You know you need to grow, but where is the growth going to come from?** Based on the local economy, you may need to use some creative approaches in order to meet your agency's growth objectives. That's where a written sales plan comes in. Maybe the plan calls for opening up additional offices, or hiring additional sales staff, or rounding out existing accounts via cross-selling. Whatever your goals are, make sure they're part of a formal plan. Remember, if you fail to plan, you plan to fail.
- **Do you have the necessary internal audit measures in place to ensure that business is conducted professionally and ethically?** I'm not talking about someone stealing from you (*although, unfortunately, these things do happen*). I'm asking whether you can be certain that typical transactions are being handled timely and in accordance with accepted insurance practices and standards. There are a number of approaches you can take to make sure they are. Some agencies have policy and procedure manuals, some hire operations managers, and some audit themselves (*using existing self-audit tools or outsourcing the evaluation*). If you're not sure that things are being handled in accordance with industry standards, and consistently among all staff, then conducting an audit is money well spent.
- **What is your agency's reputation?** After all, isn't this really what you're selling? You can hope for the best, or you can ask your customers what they like, and don't like, about your agency. Give them an incentive to respond to your survey, and make sure you're responsive to their feedback.

These are just a few issues plaguing today's agency owners and managers. Your business success is important today and well into the future, when the day comes for you to turn your investment into your retirement. With this in mind, let me ask you one more question. **Are you carrying sufficient E&O limits to protect your business if a claim is made for which you're found liable? Do you risk losing everything?**

Calculating the right E&O limit for your agency can be done in several ways. One popular approach is to consider the value of your agency. For instance, if you were sued and lost everything, how much would you lose, in dollars and cents? And if a claim could drain your personal assets as well, this should be factored in.

Unfortunate though it may be, sometimes things go wrong. Utica National wouldn't be a leader in E&O coverage for 40 years if agents didn't have claims. That's why E&O coverage is one of the most important business decisions you'll ever make. **And making the right decision now means you're less likely to lose sleep later.**