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The American College - How Good?

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multiline skills course versus its response to the life course (*PROBE*, 5/15/86, "Keeping Secrets").

This company has contributed significant numbers of students to the life courses. Formerly, it did not market life; now it does very successfully. Certainly its agents' skills in life insurance selling were honed by LUTC applications.

I am not familiar with any life company that is opposed to its agents' participating in these courses out of fear its agents would give away some exclusive company trade secrets.

This same company, however, a primarily property and casualty oriented company, has forbidden its agents to participate in the multiline skills course for that reason. This is true in spite of the fact that some of the contributors to the course are from the same company. The resistance is based on the fact that property and casualty coverage is owned by most everyone and replacement is an accepted method of writing "new" business.

The behavior patterns of the accomplished among us have shown us that "What we give away, we keep; for it is in the giving that we receive. What we keep to ourselves, we lose; for in the keeping we cannot reproduce; and when we die, we take with us only that which we have given away." Thus, we selfishly benefit from sharing. This kind of selfish is good and applies to all segments of our industry.

Refusing to share with those from whom it has taken is selfish and self-defeating and can hardly be called good or fair. Thus, the company has the option of being selfish and winning, or being selfish and losing.

—Kirke Lewis

The American College—How Good?

In *PROBE* for July 1, I argued with myself at some length about the future size of the American College, as indicated by the \$30 million capital campaign in which it is now engaged. (Arguing with yourself is a fruitful occupation—you never lose and you always at least tie.) However, capital campaigns perform another function: to increase the quality of education offered by the institution. Most colleges and universities today have no real wish to be bigger; it's enough just to stay abreast of the demands made on them.

In his talk during the announcement of the campaign, Bob Beck, chairman of the College's board of trustees and chairman of the Prudential, expressed his faith in the capacity of the College "to deliver professional education better than we can get anywhere else in the world." The College seems pretty close to that goal right now. There is no other institution in the financial services business that offers the courses, the designations, the degrees, the faculty and the staff in such rich variety.

Doubtless it can do more. It addresses a constantly changing universe of more than a quarter-million people engaged in the marketing of various financial services. The laws, the regulations, the strategies and the customs change constantly. Continuing education—continuing *learning* on the part of that universe—is the byword. While I admire the individual who received his CLU designation 30 years ago, I'd hardly recommend him as an agent if he had done no studying since.

If the College succeeds in its campaign—and I have heard no reason to believe that it won't—it would seem to be superbly positioned to invite under its wing all the educational institutions in the insurance and financial services field—education operations, and perhaps a little beyond that. If the others are interested solely in empire-building, it will be a sad commentary on their concern for students of the future, as well as continuing education.

The American College has always had a great respect for on-campus universities that have helped it spread the gospel of insurance education. Working in tandem with them, and with the American Risk and Insurance Association, the organization of insurance professors, the College has advanced far beyond Bryn Mawr, its headquarters.

There is no doubt that Bob Beck's search for "the best in professional education" is worthy and highly important. I have watched the American College since it was in knee-pants (as, indeed, was I) and I have never failed to be impressed with its sensitivity to the needs of the business. It took a long and dangerous step when it extended itself beyond the borders of life insurance, but that seems to have proved out. The capital campaign may enable it to take the next logical step of embracing all financial services. The quality of its staff is unique, and the scope of its offerings should be equally so.

However, I feel there are limits beyond which the American College should not at-

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tempt to go, both in size and quality. It should not infringe on the conventional education system; indeed, it should be a support and a buttress on its behalf. And it should not ask more of the life insurance community than that group of dedicated individuals is willing to give. Excellence for its own sake, like growth for its own sake, has boundaries.

—Don Barnes

Courage to Do What's Right

Several field organizations have taken policy positions on internal procedures, which, though contrary to the organization's material self-interests, were courageous and correct as matters of principle.

For example, some years ago NALU added an educational requirement to its membership standard. At first, it had no impact because of a time lag for total implementation. However, after a period of time, some existing members failed to meet those minimum expectations and have since lost their membership. This subject has been reviewed by the NALU Board and has been reinforced.

Also, most of the field organizations have ethical requirements and all have enforced "terminations for cause," despite the loss of members and income.

These actions are to be commended. There have been two more dramatic and current examples that are worth reporting at this time.

The General Agents and Managers Conference (GAMC) changed the rules for all its honor awards last year. The two major changes were:

- To include almost all of the products now in their membership portfolios (such as life, D.I., group, property and casualty, and investments and equities) on which the

agents make commissions and the agency manager receives override; and

- To significantly increase the earned commissions required for qualification. For example, the Master Agency Award now requires almost \$2 million of agent commissions. The not-too-surprising results are that the number of earned awards dropped substantially (by over one-third in the case of the MAA), resulting in a significant reduction of income to GAMC. However the importance of the awards was significantly enhanced.

The Million Dollar Round Table (MDRT) at the same time switched from volume to commissions for membership qualification. I predicted in an earlier *PROBE* article and in a letter to the MDRT that there would be a significant membership drop, even with a modest \$27,000 requirement level, particularly for the newer and younger aspirants. Aware of that possibility, the MDRT Executive Committee and the voting members, nonetheless, went ahead with the change.

Now the results are in, and the MDRT 1986 membership dropped by several thousand. Most of the loss did come from "provisional applicants" (the newer prospects). Despite this loss, MDRT has again significantly increased requirements for 1986 to \$35,000 and did so fully aware of the negative impact it could again have on membership.

All the field organizations are to be commended for their courageous actions. MDRT in particular is to be commended for raising the sights of its current membership and its prospective members, while concurrently moving once again towards a more significant and exclusive identity.

My initial reaction, of discouraging MDRT's increased requirements, was wrong. MDRT is now doing a better job establishing success standards for our industry.

I congratulate all these groups and look forward to more onward-and-upward movement.

—Norman Levine

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