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An Educator Views the Future in Agency Management

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Transcript of Address

An Educator Views the Future in Agency Management

by S. S. Huebner

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The address emphasized the outstanding importance of the general agent or manager, in that he holds a strategic position in the life underwriting world from the standpoints of efficiency of service, good public relations, and the dignity and welfare of the life insurance institution. He has been a vital force for good, and sometimes also indifference, depending upon the individual. It is he, chiefly, who selects the personnel, and thereafter manages and directs it. Throughout the country, I have heard the importance of the general agent and manager emphasized as the pivotal force in the whole program of educational progress for the life underwriter. . . . There can be no doubt about the pivotal position of the general agent and manager and his strategic responsibility for the development of the personnel upon which good life underwriting depends.

The manager is favored with tremendous opportunities for the future of life insurance. In the first place, education is the key to life insurance and its management, and the past forty-five years, and particularly the last twenty-five years, have shown tremendous progress in life insurance education. Universities and colleges to the number of 250 give over 850 courses in insurance, with 41,000 students in attendance annually. The Graduate Workshop for Family Security Education is rapidly placing the subject in the high schools of the nation. The American College of Life Underwriters is now firmly established and is receiving the cooperation of 110 universities and colleges. The L.U.T.C. program has 8,000 students enrolled this year, and will in due course be a great feeder into the C.L.U. movement. The American Association of University Teachers of Insurance is cooperating heartily with the American College, and the S. S. Huebner Foundation for Insurance Education is rapidly overcoming the dearth of teachers by the training of Fellows and Scholars for that type of position. Moreover, life insurance has no competitor in its five great economic missions, namely, as indemnifier of the loss of the human life value, as a great savings and investment medium, as property insurance for the insured's non-life insurance estate, as a means of scientific liquidation of estates through annuity arrangements, and as a great aid to organized philanthropy and life conservation work.

But great opportunities are always tied up with great responsibilities. There is a balance between the two. Responsibilities involve the handling of personnel. Therefore, broadly speaking, this area involves the duty of selection and whole-hearted guidance of the personnel making up the field service. The agency force is interwoven into all of the fabric of life insurance. The public does not know presidents and vice presidents, except occasionally. But the public knows life

insurance as it knows the agent and the local manager. As I said in 1941: In all callings, subordinates usually look up to their superiors -- their employers or bosses -- for proper guidance, encouragement, and urging along sound career-making lines. An employee who does not expect that is likely to be undependable; and an employer who does not care to bother with that responsibility to those who are under him is no better. Every general agent and manager -- and we have thousands of them in this country, with tens of thousands under their supervision -- should always be conscious of the important fact that anyone who is fortunate enough to become a manager of others holds two great obligations to his calling. One, of course, is immediate production. We must, of course, produce adequately to justify our position. But too often in the rush of things, there is a tendency to do nearly all of the worshipping at the shrine of immediate volume. Sight must not be lost of the second outstanding obligation of the employer, namely, the intelligent guidance and urging of subordinates along proper career-building lines. That, too, is production of a long range and institutional character. Other people will have to take our places some day, and all callings are dependent essentially upon human life values. Therefore, employers who, as a social duty, assume seriously this second obligation, in the immediate present, assure the progress and welfare of their profession in the future.

Specific educational responsibilities of the manager as regards the future were listed as follows:

- (a) To advise and strongly encourage preparation by way of knowledge of the subject matter in life insurance as well as a proper attitude on the part of the life underwriting personnel. This means encouragement of the Life Underwriting Training Council program, L.U.T.C., if that is the level where the agent properly belongs, and the C.L.U. program, if that is where the candidate belongs. Greatest competency in this respect would result if the manager himself pursued the C.L.U. program as well as the Agency Management Course offered by the American College of Life Underwriters.
- (b) To encourage continued study all through the working life of the underwriter. This would assure a substantial feeding process from the L.U.T.C. into the C.L.U. program and lessen the tendency of many to feel that two years of L.U.T.C. study is sufficient.
- (c) To believe in the force and value of education, of a thorough and comprehensive character, for all who intend to make life underwriting a career, just as do leaders in the fields of law, medicine, teaching, accounting, and other professions; likewise to keep uppermost in mind the concept of life underwriting as a profession and not to forget the future as it relates to the institutional welfare, the public service, and the proper public relations points of view.
- (d) To believe in the force and value of organized education for the demonstrated man in his employ and not only for the novice who is just beginning, in the hope of giving him rather quickly a measure of success. A good man can be made better through proper education, but a poor stick remains a poor stick, irrespective of educational endeavors.

- (e) To aim to secure a fair share of his manpower directly from university and college graduates, preferably from those who have specialized in life insurance. Life insurance, like other professions, should do its share in selecting and developing in the first instance its own new manpower.
- (f) To encourage the proper type of economics with reference to subjects having an important bearing upon the policyholder's insurance and annuities, such as the sinister effects of wastefulness in public expenditures, excessive taxation, deliberate lowering of production of consumers' goods, the basic causes of inflation, and the need for aggressive support of all things that foster sound thrift and sound investment.
- (g) To encourage community effort ("Bread on the waters"), particularly along the lines of bequest raising and life conservation efforts.