

When I Grow Up, I am Going to be an Insurance Agent

By Mel Clemmons

I know each of us has fond memories from our childhood. For me, there is probably none more significant than that “one day” when I was in the third grade, on the playground, telling my friends that now famous line, “When I grow up, I am going to be an insurance agent.” All eyes focused on me intently, and then, to my great surprise, all of the other kids shouted, “Me too!”

With the eagerness all 8-year-olds possess, each of us took turns imagining the day we would get to put on a suit and tie and call prospective clients to try and sell them a universal life policy. All of us were ecstatic about spending our mornings providing a policy review for a family of five drivers, going over liability limits for their auto and homeowners insurance, and discussing the importance of placing their valuable personal property on a policy rider.

Thinking back to that special day opened up even more incredible memories. I remember most of my pals could barely contain themselves just thinking about talking to underwriters about unmatched claims and undisclosed drivers. One of my fellow 8-year-old buddies started doing fist pumps over the thought of reviewing an auto policy that resulted in increased premium of \$4 per month. Yes, we all agreed, it was going to be a fantastic life as an insurance agent!

In all honesty, that “one day” never occurred, but the embellishment does make our career choice seem a bit more glamorous when viewed through the innocent eyes of an adoring 8-year-old child. Nevertheless, I want to take a few moments to tell you why selling insurance is my chosen profession and why working in our industry is one of the best-kept se-

crets in the business world.

Part of my life’s mission is to help 1,000 people become entrepreneurs in the insurance industry. I am unaware of any profession that has so few barriers to beginning a career, yet offers an unbelievable earning potential. In many states, a candidate for an insurance license need only attend a preparatory class lasting as little as a few weeks, take the state exam, and upon achieving a satisfactory score, become a licensed professional. By comparison, lawyers must attend school for about eight years; morticians, about three years; barbers, one-and-a-half years; and television camera operators, about a year of technical school.

Each of these professions mentioned offers the potential for significant income, but they also have a limiting factor of not being able to provide a renewable income stream without having to repeat the original effort for which they were compensated.

By contrast, insurance professionals – more specifically insurance agents – have the potential of earning an income stream that could last a lifetime. Through residuals (renewal premiums), insurance agents can outearn virtually any comparable business opportunity. Most people have no idea of the income potential of an insurance agent. While some might frown on the possibility of the general public acquiring such knowledge, I choose to think there is a need to educate more people about the entrepreneurial opportunities in our industry. As agency owners, we are constantly looking for ways to expand our businesses, but without eager professionals to help us grow, we have little to no chance to succeed.

So, how do we change this misconception? A great place to start is with the post-high school education programs offered at many junior colleges or through internship programs offered at major universities. Agents who are willing to mentor aspiring business people can contact either establishment to let them know about opportunities within their agency.

Over the past several years, I have witnessed two “twenty-something” kids, with no formal sales or college education, become multi-millionaires. The first one began his career as a sales producer, and after spending two years learning the ropes, moved out and started his own agency in Stockbridge, Ga. He grew his agency to \$3 million in annualized premium within three years. Soon after that, he brought his father into the insurance business and eventually they acquired a large agency. This same young entrepreneur introduced his cousin to insurance and hired him to work in one of his agencies. Thereafter, they purchased or built several more agencies. After all was said and done, their agencies combined annual earned premiums was estimated at \$14 million.

The second agent started a scratch agency after being turned down by a few of the large direct writing companies due to his lack of a college degree. His disappointment only left him that much more determined to follow his passion. However, opening the agency did not come without a cost.

Among the many sacrifices he made was having to combine his living space with his office. In addition to this, over the next two years he reinvested virtually all of his earnings into his business. Suc-

cess followed quickly, and he ultimately hired five sales producers and grew his business into a \$4 million agency. He later acquired a \$6 million agency, making his agencies net earned premium worth \$10 million. He was able to accomplish all of this in just five years. Ultimately, as with most good rags-to-riches stories, he married the woman of his dreams, purchased the home he always wanted, and drives a car most men would sacrifice a body part to own.

Please understand, I am not attempting to use these examples to “rub success in the face of the less successful,” but to show the possibilities that result from taking advantage of the leverage our industry provides. Certainly the vast majority of insurance agents earn a more moderate income, but in many cases, this is a limitation of unwillingness to risk capital, combined with a lesser amount of effort. It is not a limitation of the industry.

In the coaching sessions I provide as part of my business, I teach people to believe in the impossible. In certain cases,

proving the impossible possible might mean taking a person with no formal training and no college education, giving them a license and a vision, and watching them become a success story for everyone to celebrate. Ultimately in true “pay if forward” fashion, that person would then, in turn, help someone else achieve their dream.

Before I go, I want to tell one more story about an agent I know. At 19 years old, in college, with a pregnant girlfriend and no money, this young lad had nowhere to go but up. It was the early 90s, and after a short stint selling cell phones, he was able to secure a job working at a small independent insurance agency. After getting his insurance license, and earning just \$7.00 an hour, he soon excelled at insurance sales and ultimately became the agency’s sales leader. Soon, this young man helped recruit some of his college buddies, and eventually saw nine of them earn enough to pay their way through school.

Twenty-plus years later, this same “kid” is helping others share the dream of entre-

preneurship through his consulting firm.

You can choose to do many things to make money, but what you choose to do in order to make a difference in someone’s life will be your legacy.

So far, in this life, I have helped to inspire or create around 57 new business owners. One of those agents who worked for me in college called a few weeks ago from Nashville, TN. He said, “Thank you for showing me the endless possibilities when we were 19-year-old kids.” He continued, “I am now a contestant on ABC’s new TV show ‘Dream Builders,’ and I own a construction company that builds multi-million dollar luxury homes.”

I thought to myself, 57 down, and 942 more to go, with God’s help. **Ef**

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