



Cookson Walker Consulting

# Activity-Based Selling

## Managing the Sales Process

By Karen Rutherford and Eric Walker

Teachers learn how to act like educators long before they walk into a classroom. Doctors devote long internships to acquiring on-the-job knowledge while tradesmen apprentice to become plumbers, carpenters or electricians. But in the insurance world all too often we turn sales producers loose and expect them to instantly know how to be successful.

If you are an owner of a brokerage and are still the largest producer, or if you see your producers busy at their desks but the production report doesn't show organic growth, then maybe your producers don't know how to execute their duties. Do you worry about sending junior producers into the field because of an increased errors and omissions exposure? Do your underwriters constantly make requests for more information? If those are some of your concerns then maybe your producers would benefit from more structure around daily, weekly and monthly activities.

As the famous Dr. Phil says, "behave your way to success." But how does a new producer know how to behave his or her way to success? Most have only passing experience with an insurance producer. Successful producers routinely execute a number of activities that put them in a position to write significant levels of new business and maintain excellent service levels with existing clients. New producers need a system to fast track their understanding of all these activities.

### LEARNING

For brokers trying to develop producers there is more to the process than just testing and hiring a good candidate, providing training and offering a satisfactory compensation package. Brokers must also have a solid plan to assist new producers in "behaving" their way to success. For some, the ability to meet and sell to new clients is second nature, but for many it is a learned skill.

Tag-team selling is one way to develop junior producers, but it has weaknesses. Junior producers are left to observe a producer in action. If the junior is skilled at breaking down the steps, understands the long-term alternate strategies and is able to ask questions, then maybe he or she will learn enough to be successful. The down side of this technique is that the producer doesn't often really understand his own best skills and can't analyze the approaches he uses in a clear enough fashion for a junior to learn, leaving the junior producer feeling overwhelmed and more than a little frustrated by the process. Even worse than a little frustration, the junior producer may feel that he or she can't possibly act like the skilled producer and could decide to find alternate work.

Managers will benefit from putting clear activities in place for producers to follow as it allows supervision in the most unobtrusive manner. New producers or producers who are underachieving often need a pattern of activities to keep them on the right track.

### **CRITICAL BEHAVIOURAL ACTIVITIES**

Producers are generally responsible for finding prospects, obtaining enough information to create a great submission providing clients with a fabulous proposal, and then managing the relationship to ensure long-term account retention.

The first client activity is generating leads. Some producers are fortunate in this phase because they join an office with a telemarketing department and are simply handed a list of potential clients to call. However, many producers will have to initiate this activity themselves. In order to be successful, they need to be trained in the five steps of lead generation and given the technology required to track and manage their activity. The five steps include: Research; preparation for the call; establishing rapport; executing the call, and confirming the next contact.

The research phase includes at the very least “Googling” the client. Long before a call is made, a producer must understand the nature of the business, the size, the number of employees, the products and the key business issues that a particular client might be facing. Once trained, a producer can execute this phase in just minutes a day.

Prior to actually making the first call, clear goals must be established. Far too many producers lose the opportunity to meet the client by being too pushy during the initial contact. The goal of the introductory call must be understood: It is only to get a first meeting – the rest of the pitch must be saved until later.

Every successful sales person knows the importance of establishing rapport, but many new producers do not actually understand the various steps to take. Some will naturally form a bond while others will have to follow a specific protocol to achieve to friendly connection that is most conducive to building a relationship with a prospect.

You would think the easiest activity actually would be calling on clients but many producers find it difficult just to get out of the office to make visits. Every excuse in the book will be used to justify why they are sitting at their desk hour after hour, day after day. Often the reason is simple: They need structure to their day to guarantee they will leave the office daily to see potential clients.

Once a lead has been generated, an appointment set and a meeting for prospecting has been arranged, support documentation is required for the contact with the potential client. This “leave-behind” material touts the strengths of your brokerage, sets out testimonials from happy clients as well as the value-added services your firm provides. The material must be professional in look and content; there is no room for typos or personal writing styles at this point in the relationship.

Producers, once equipped with leads and quality materials, need to be trained in the activities used to keep them in the game, especially after the client has declined to give an opportunity to quote. Far too many producers move on after the first rejection but the fact is that it takes some time for new clients to get to know and trust them a little before they let them in. Producers with more than 20 years experience will tell you that they have

often chased an account for several years before closing; the longest we know of is a large account that moved only after being wooed for 18 years!

Time management is critical and the commercial lines manager must be able to determine which producers are good at this task and which ones need training based solely on the observable activity coming from a producer's desk. Producers who are struggling to be successful will find a way to make the smallest task last all day; they will be masters at looking busy and accomplishing little. Successful brokers have days filled with actionable items and the result is a growing book of business. The behaviour of successful producers guarantees they will always have several good quotes in every month and many more clients in the relationship-building phase.

## **REFERRALS AND ROUTINES**

Referrals, also critical for successful brokers, are the easiest thing to get, if you just know how to ask. Producers need to be trained to phrase this question at least 10 different ways and to be prepared to change approaches based on the client's reaction.

Routines must be clearly laid out and followed to ensure maximum success. There must be time in every day for properly documenting files, calls and visits. Every producer must know how to use the broker management system to input activities, follow-ups and where their duties include creating submissions or proposals.

Every office has a rhythm to the day, the week, the month, and producers need help in getting in sync with that. Producers develop an understanding over time about the best time to call clients, finish paperwork and meet with internal staff. However, understanding what to do doesn't need to take so much time if activities are defined for a new producer right from the first day on the job.

Make your job easier. Create activity-based workflows for your producers. Be sure you include: E&O control; producer time management protocols; and documentation to audit and review producers. Create a clear guideline of activities, the timeframe in which they must be completed, and provide support to guide new producers through your system. Be prepared to coach your producers in the best behaviours for success. Your producers will amaze you with the results.

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