



MICHAEL WALLS

is vice president of the life and annuity division of Resource Brokerage, LLC. The firm concentrates on supplying group benefits, individual health, life, annuities, DI and LTC from top carriers backed by full service to its broker/clients, which allows them to concentrate on selling.

Walls can be reached at Resource Brokerage, LLC, 957 Plum Grove Rd., Suite C, Schaumburg, IL 60173. Telephone: 847-605-1200, ext. 14. Email: mwalls@resourcebrokerage.com. Website: www.resourcebrokerage.com.

Is CE Worth Continuing?

Current State of CE

Continuing education (CE) credits have long been a requirement for brokers and agents in most states. Every two years brokers must "rack up" a required number of CE hours (*the national average is 24 hours*) to ensure that their licenses can be renewed. The fee for renewal has increased again. Illinois agents now pay \$180 every two years to renew their licenses, up 20 percent over last year. Obviously, acquiring needed CE is critical to renewing licenses; therefore, cost is an important consideration for brokers.

Insurance carriers and brokerage general agencies (BGAs) often sponsor free classes and seminars which reward their attendees with CE credits. These programs are most often no more than sales seminars strictly related to one product or one group of products and services. If brokers do not sell the sponsoring carrier products or do not write business with that BGA, the seminar attendees may not learn anything useful.

Another popular option is to obtain CE credits online, through course work and testing that can all be accomplished over the Internet. These courses usually carry small fees, and charge per hour of credit. The only obstacle to obtaining the CE is a credit card and an open book test. Most brokers do accomplish CE through self-study. Brokers only need to read a manual, fill out the test, and mail it in with payment. Our office receives offers all the time from marketers who buy a list of producers from the state department of insurance. The one on my desk now offers 15

hours of CE for \$49, or 30 hours for \$69.

While 30 hours over the course of two years doesn't sound like much to ask, CE has become even more convenient to obtain and can be accumulated with online classes, open book tests, and mail-in forms.

The decisions about how we educate ourselves and our colleagues in the industry have a very real and lasting impact on our culture. The *hurry up and get it done* mentality can sometimes pervade the philosophy of the insurance industry when it comes to CE. Naturally, this doesn't apply to all producers. Certainly, most producers take CE seriously and want to fully comply with all industry regulations in a constructive fashion.

Quality CE Offerings

Depending on your level of experience, you've probably been hooked into one program or another that you were sorry you started. Here are some guidelines and signposts which mark programs worth a broker's time.

The American College designations are a good indication of quality. Whether you choose to work toward the certifications and attach them to your title or not, these designations represent a level of expertise that matches the highest standards in the industry. The course work for each credential is universal and up-to-date, and the instructors and materials have been certified by the college.

Carrier-sponsored CE courses aren't necessarily promotional events, but they

certainly can be. Make sure the course you're taking educates agents on principles and universally applicable skills, not just the ins and outs of a particular carrier's newest products. A free lunch is one thing, but if you pay for it by limiting your own education or the options you can offer your clients, that free lunch will cost you business.

Programs with no strings attached have only their own quality to make the case for your continued participation. There should never be an obligation to contract with the carrier or wholesaler to obtain CE. These programs abuse the CE system for guaranteed quotes from class attendees. You should be able to attend a group's program and measure for yourself if these are people with whom you would do business, not be forced to sign up after you have sat through a cut-rate seminar. Voluntary contracting is a must.

Benefits of Classroom Environment

Chances are you will have a shared problem with many other agents in the room, and chances are someone in that room, if not the instructor, has learned to solve the problem. Your chance for this type of collaboration through a mail-in or online course is virtually zero.

As a wholesaler, we interact with many brokers and agents here. Some do plenty of business in a particular line of insurance, so they don't consider expanding by adding LTCL, DI or any other line of coverage. But through our classroom interactions, it's likely that an agent will have a prospective buyer for a line he doesn't sell; now the agents can trade referrals.

Yet agents who sell the exact same products also have plenty to teach each other. Especially in areas where competition for insurance business is not fierce, collaboration among agents will yield more business. The Chicago area is a prime example: There is plenty of potential business, plenty of lives to insure. Trading secrets is more fruitful than trying to limit another producer's knowledge and worrying about competition. In fact, less confusion and fewer bad client experiences are vital to the overall viability of the industry. Over the years, I've had more than one MDRT producer tell me, "There's plenty of business for everyone."

Insurance is very much a numbers game, but winning a client takes a personal touch. Secrets new and old are shared in the classroom environment. An agent who has been building a book of business for 30 years has much to share with an agent who's just starting out. But the 30-year agent will learn new methods from young agents who have tapped into an emerging stream of business or perhaps a technological advance with which older agents may not be so familiar.

Especially for independent agents, true classroom sessions provide a setting for forming mentor relationships. Young agents will have a better chance of finding a mentor with whom they have good chemistry if they meet a larger pool of agents, instead of just the next one in line at their agency. Teaching and learning styles vary greatly. This fundamental relationship is too important to gamble on hoping for a good match.

Last, a classroom sharpens our social

and communicative skills at the same time we learn the business. A broker won't sell his first policy unless he knows how to look people in the eye and communicate effectively.

Independent Insurance Wholesalers

Education affects the culture at an insurance firm. Agents who are engaged in truly educational course work are going to be more innovative and more apt to share good techniques with other agents at the firm.

CE does not have to be meaningless. There is an enormous difference between answering an open-book test as opposed to engaging in a live seminar with an expert who can teach students the things that could never be gathered from a book or website.

Continuous Learning Culture

Smart wholesalers are moving against the high-tech and *faster-faster-faster* solutions to CE because they know the worth of real education. Even industry veterans with a litany of qualifications after their names know they must work to stay current. Better agents—that's the whole idea of continuing education. Do you want to work with a firm and get your CE from people constantly learning new ways to apply universal insurance solutions, or a firm where credentials are all purchased for \$49?

The health and viability of our industry demands that its patrons rethink continuing education to restore the validity of our collective credentials by asking for quality offerings from the firms we choose as partners. 🌐