

The New Year — a time for reflection — an Agent's Perspective

[Submitted anonymously. Received in the NAAFA office 2/7/2011]

1. Although American Family has reinvented itself over and over again, it is the same non-managed, non-innovative silo company that only thinks about one thing - the executives and their pay.
2. AmFam raised prices because corporate is spending money now on IT and Marketing and of course the corporate jet.
3. AmFam is not paying dividends like other mutual companies because AmFam doesn't have strong investment results, AmFam underwriters do not underwrite risks effectively and AmFam is recovering the costs of acquiring and servicing business through the expense component of the dividend, (oh and the agents refuse to be cooperative and sell).
4. AmFam is going to offer new discounts but they can't tell agents what they are, when and how they are going to work with the other discounts already offered.
5. AmFam is going to offer more competitive rates to "certain" states and areas that the other areas will have to subsidize with higher premiums.
6. AmFam is competing with agents via the Internet but stating it is to help agents even though the agents' sales are better than the Web sales.
7. AmFam's MOD has raised its prices to agents, lowered its funding and changed its allotment to those same agents. MOD has not been effective for years but in 2011 the new old DSM/ASM will be trying to force you to buy and subsidize this MOD disaster.
8. The renewals that AmFam pays to agents are being paid farther and farther into the future. Now it is not paid to agents till 8th of the month. Allowing the company to make another week of interest on the money. But agents are not supposed to notice.
9. The renewals AmFam pays to agents are too low compared to what other captive companies pay their agents.
10. AmFam is trying to get rid of older agents and hire new ones that will be more obedient and subservient and try to get their friends and family to buy from AmFam.
11. AmFam is hiring temporary workers all over corporate and they are making mistake after mistake but Agents pay the OSAT price for these errors.
12. AmFam doesn't care as they are using OSAT to keep from paying bonuses to agents.
13. Employees at AmFam are as unhappy and as unfulfilled as the agents.
14. Employees at AmFam think all agents are like the biggest agents in Wisconsin that they see playing golf with Sr. Mgt. all summer long.
15. AmFam is losing more business than it can write and those agents who do PIRs (like the company requests) are finding ways to cut their renewals - not upsale — which is why retention is high.
16. AmFam keeps finding ways to get agents to be responsible for more of the service (home survey redundancy) as well as financial support of the company (having to pay for our own servicing of equipment, MOD, etc.)
17. AmFam Sales Management is non-responsive to agents and only care about kissing up to Madison.

18. AmFam has too many agents in small territories and way to many DSMs (who add no value to anything whatsoever).
19. AmFam DSM's mostly have a no-show job, play favorites and have nothing to do with the agents they're responsible for if they can help it.
20. AmFam's Tier Rating of Agents program is rating agents without giving agents the detailed information on how that rating was achieved.
21. AmFam's *3 Strikes Against Agents* program that asks agents to sell every person they can, but if that new business walks for whatever reason, punishes agents for not writing good business and then wonders why agents are not writing tons of new business.
22. AmFam's insulting Marketing of American Express that directs people to the policy sales and service center but those leads will only be sent to agents that fit a "Certain Undisclosed Criteria".
23. AmFam's New Customer Campaign that only counted new customers that came in through P&C channel not all channels like life/health or business channels.
24. Creating the ASM program and telling agents that we now have a strategic partner. Yet I, as a business owner, have no choice in who my strategic partner is.
25. AmFam treating agents like employees in all but name only.
26. AmFam creating a business conference to hide their treatment of agents like employees.
27. Agents have to compete (like gladiators) with each other for prizes and bonuses versus a win/win scenario where all can win the top prize by making qualifications.
28. Management doesn't care about agents but created the Agency Council (filled with Toady Agents) to try and make it look like the Agency Force supports all of AmFam's decisions that go against an agent's best interests.
29. No one at AmFam or at the Sales Management level responds back to an agent if they don't want to. An agent's request is often ignored.
30. Agents get crappy IT equipment while AmFam corporate gets the latest and greatest. After all, top management needs to look at their daily stock prices to see how much they made each minute.
31. AmFam's systems and processes keep getting changed frequently. Even people who work in Madison cannot keep up with the changes.
32. AmFam says it will decrease sales force and make bigger agencies (how will these big agencies and/or cut agencies be determined is a secret.)
33. AmFam says it will decrease sales force but keeps hiring sales agents.
34. State Directors who used to be agents don't want anything to do with agents now that they have arrived in management.
35. Being in the top 80% is not good. AmFam requires agents to have an OS AT rating of 10. AmFam doesn't even have to meet that requirement. Why not say, "if agents OSAT beats AmFam scores, agents get their bonuses?"
36. Having contests based on persistency/OS AT so that agents don't work to achieve any qualification until those qualifications are assured.
37. AmFam wants every agent to be 100% good at selling every product no matter how it is priced. They do not value agents who have niche markets and do well in those.
38. Canceling the audit so that now agents have to rely on AmFam services to make entries in timely fashion each month (which they never do) to qualify.
39. Hiring new agents on finance programs that are dooming that agent to failure but it takes three plus years for a new agent to recognize this fact.

40. AmFam promises everything and never keeps their promises.
41. AmFam spends a fortune on marketing campaigns that no one sees or hears about. The advertising looks like car ads.. it's not distinctive like Flo. Why waste the money.
42. AmFam's Brokerage Division does not pay agents for any thing at or under \$300 per policy. How is that even fair?
43. Everyone including temps think they can boss agents around as agents are the lowest level of employee.
44. Most service people and managers use threats with agents versus asking nicely.
45. Wait, most letters from AmFam threaten policy holders...
46. AmFam has a BOD that votes on big changes and enacts the change the next day. What company does that?
47. AmFam moves top executives around to different divisions to see if they can identify anything these execs are good at.
48. DSMs talk about and bad mouth certain agents in their own districts to other agents and to other districts agents.
49. AmFam doesn't know what it's doing and is too arrogant to ask or hire outside experts.
50. AmFam communications is all happy talk and double speak saying nothing. It is a waste of time and money.
51. AmFam believes revenue losses are always the agent's fault and they take it out of agent's income.
52. Amfam policy changes are always in favor of company and there is never a benefit to or for agents in those changes.
53. Why do AmFam Senior Managers get bonuses but not agents?
54. It is not the economy, stupid, it is always the agent's fault.
55. What other captive agency company rates its agents with JD Power surveys?
56. What other captive agency company uses more than sales results for agent bonuses?
57. AmFam believes in penalizing agents who put their clients' financial well being before AmFam.
58. AmFam pits agents against their clients' best interests.
59. AmFam has cost agents to lose long-term clients over cost increases.
60. AmFam expects that after a pissed off client leaves the company that somehow agents can recapture them.
61. At all-lines and all-American functions, most AmFam senior managers only interact with agents on the award stage.
62. When agents attend All-American and other agents' trips, they are subsidizing the trips for all of the company employees who attend.
63. Whoever plans those trips at AmFam always selects the lowest level banquet package the hotel offers.
64. AmFam is in serious trouble financially *and* with the only real sales ability it has - its agency force.
65. How long can AmFam keep creating Negative Growth?
66. How many agents will be fired or leave before AmFam tries to figure out what it is doing wrong?
67. How long can AmFam keep beating up the agency force and giving agents conflicting signals about the direction company is headed and whether agents are

supposed to focus on sales, services, retention or just staying out of the fray until the company either gets bought out or goes under?

68. If AmFam wants agents to leave, why don't they offer an enhanced retirement package?
69. If AmFam wants agents to sell, why don't they give bonuses on sales results only?
70. If AmFam wants agents to be the company's customer service center, why don't they offer to help pay for agents CSR salaries?
71. If AmFam wants to motivate agents, why do they threaten and set up these outrageous penalty programs that have no transparency and agent cannot challenge findings?
72. Why does AmFam need DSMs? They have no power and no authority over Independent Business Owners.?
73. What will be the next thing that AmFam takes away from agents? They want to control these items but they do not provide business cards, letterhead, computers, offices, bonuses, phones...
74. When will AmFam make a change that won't have to be changed 20 more times and it still won't be right?
75. If AmFam was a TV show, it would be Survivor with agents as the participants.
76. Management is a noble profession if done well. At AmFam, agents feel unappreciated, frustrated, underutilized and demeaned.

[If I've missed anything, please feel free to write to NAAFA and add].