

'Show Them the Money'

K Nitya Kalyani

When Mr Anil Jha was in college in Mumbai, his father, a clerical level employee in a textile mill was bitten by the entrepreneurial bug. He set up a mustard oil extraction unit in their native state of Bihar, burnt his fingers badly and decided to sell his flat in Mumbai and settle down back home.

Result: The young Anil moved to a hostel, found he could not afford to pay for that too, and moved in with his married sister.

His brother-in-law, Mr Subash Mishra, was an agent with the Life Insurance Corporation of India (LIC) and supported him through college. (He is one of the India's top agents now.) He even filled job application forms on his behalf that Mr Jha just signed!

One of these was for the post of Development Officer (DO) in LIC! Another was to the Maharashtra State Government services, both of which Mr Jha qualified for.

"My brother-in-law told me that both jobs were good and that I could make money, though more honourably in LIC," he narrates!

And make money Mr Jha did! From his 1986 entry into LIC to 21 years later today, Mr Jha is the "# 1 DO in LIC, or maybe # 2."

Ask him on what parameter, as LIC ranks DOs by premium, commission, sum assured and so on and he shoots back: "By earnings. I don't care about other parameters."

Not an unexpected answer from him. After all, in public forums when he is asked what his professional motivation is, his blunt one word answer is, "Money."

"I have aspirations for my wife and children and I earn to fulfill them," he says.

With



86 agents on his team and team earnings of Rs 8 crore, Mr Jha's last year earnings was Rs 98 lakh.

If earning is the primary aim, then the way to do that is to invest in his profession, according to Mr Jha: for recruitment and training, for maintaining an office from where his team's clients are serviced.

For paying tele-callers whom he has employed exclusively to recruit new agents.

"You have to pay as per the market value if you want to retain good people and, if you do that, 50 to 60 per cent people will be good," he says.

The sad thing is that most DOs have virtually stopped recruiting and spending on their businesses to contain

cost, tracing this downturn in productivity to the new incentive scheme for DOs that was implemented a couple of years ago. "It does not encourage performers, but treats everyone at par," he says.

What does he

see as significant changes in the industry from the time he joined 21 years ago? With time and age, every human grows, priorities change, he says, reflecting what his answer should be. The basis remains the same, he says finally.

"My role is to appoint people as agents. Earlier, I was helping them make a living for themselves, today I am helping them thrive, even to make a killing," he laughs out loud delightedly.

A case in point is his top agent Mr Ravi Jethani. Having started his career as an insurance agent just four and a half years ago, Mr Jethani has earned Rs 1.18 crore in commissions and achieved the equivalent of eight MDRTs last year. He has already exceeded it this year, with barely half

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the year completed!

"We are targeting 18 MDRTs this year for him and it will be a record, Mr Jha says. Mr Jethani has also qualified for Top of the Table (TOT) for four years running.

Was all this possible in 1986, the year when he joined?

"Not possible." First of all, there was a lot of ignorance, even among agents and DOs.

There was not a single training institute, only in 1989 did Institute of Insurance and Financial Sciences Education Research and Training (IFSERT) start.

Customers hardly differentiated between insurance and post office schemes, insurance awareness was very low. Nationalised banks were giving 13 to 14 per cent for fixed deposits and what was the attraction of LIC paying 4 to 5 per cent? With the economy booming now, the disparity of interest rates has also gone. Awareness about insurance has gone up thousands of times now!

What is the role of the DO or the Sales Manager in the future scheme of things?

The DO's role is very important, says Mr Jha. Creating and nurturing teams and training them are critical to any company.

Speaking of training and selling models, he emphasises that he has long given up the "old" concepts like Human Life Value. His basis is the Asset Allocation Model and that is what he inculcates in his agents.

The theory is that each individual has to spread his investments across every class of asset and insurance is one important class.

This model works well when arguing for some allocation to insurance, says Mr Jha.

As a team, he says, his strengths is that he works smart. "As a team leader, it is not that I am the smartest guy. I look for complementary skills when I recruit, after all good music is only made when different kinds of instruments play together!"

So, he has Chartered Financial Planners (CFP), Chartered Accountants (CA), Association of Mutual Funds of India (AMFI) qualified agents, people who are from different strata of society and so on.

When they needed a custom-made software for product presentation, he had a team member who had the necessary skills to write the software at zero cost to the team!

And these different, complementary skills put his team on the rising path, he says. "If you are money minded and in Mumbai, it is a wonderful time to live!"

I am 43 years old, I work hard, I go to the gym regularly, I live a balanced life and give to charity. I have aspirations. I have a daughter and why should I not marry her off like Lakshmi Mittal married his daughter off? I have a son and I would like to give him the financial support that I did not enjoy at his age," he says.

His team's portfolio is also balanced. Of the Rs 8 crore, Rs 6 crore came from non-single premium endorsement policies and about Rs 60 lakh from unit-linked policies. "We avoid ULIPs and single premium policies since they create difficult barriers for growth in the next year."

Finally, what are his recruiting secrets? I look for someone who has a

qualification in financial services like CA or CFP. I also want him to have a client base of his own in his profession, preferably financial services. I prefer someone who is in his 30s rather than in the 20s where his priority will be dating!

And ten minutes into their interview, he finds if they have the most crucial thing he is looking for – Ambition.

"Ambition is 99 per cent of what one needs to be successful as an insurance agent. If that is there he will do anything – whether to learn the skills or get the experience or qualifications. If ambition is not there he won't even use the skills or experience or qualifications he already has to make it big."

"I am the example of ambition making you achieve," he says!

Once the recruit's ambition is established, the next thing he provides from his side is training.

"For the first ten years in this profession, I myself did not know what I did. That is my only regret in life, I lost that time."

Then from the late nineties, he discovered the value of training.

The micro aspects of the job, the skills and so on, are important – God is in the details, he emphasises.

"But new recruits need to be shown the big picture."

I myself show them how to think big. I believe that is the best thing I can give them. Not plans and policies and their details.

If they don't know that thoroughly, all hell won't break loose. But if I don't work on their aspirations and raise them from time to time, I am finished," he says dramatically.

Mr Jha spends Rs 3 lakh to Rs 4 lakh a year on training his team. The benefits? "I can't quantify them, but I am leading the best team in India!"

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