

## IMPROVING AGENCY PERFORMANCE

*Five core coaching skills make the difference*

By Kimberly Paterson

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It was Friday afternoon at 4:30 p.m.—the welcome end to what had been an awful week at the agency. Owner Charlie Davenport had lost one of his key clients and failed to land a large, prestigious technology company he'd been cultivating for months. To top it off, his best commercial lines CSR had turned in her resignation.

Charlie had big plans for 2008: buying a small agency in a neighboring town, hiring two new salespeople, increasing his income by 20%, and taking a well-deserved two-week vacation to New Zealand. But so far the plan wasn't materializing.

The constant pressure, shortage of time and demands for his attention were overwhelming. He felt the entire weight of the business sitting on his shoulders. Charlie had good people. Most had been with the agency for a long time and performed their jobs reasonably well. But from Charlie's perspective, they had no passion for the business or desire to do more than get through the day.

Competition was getting more brutal every day. New opportunities were getting tougher to find. Charlie was "running on empty." Intuitively, he understood that if he was going to reach his 2008 goals, he needed to stop carrying the entire load himself, start getting his people more engaged, and free up some time so he could focus on building the business.

Charlie knew what he needed to make happen. *How* to make it happen was the challenge; after all, he'd been trying to do it for years. In search of a fresh perspective and a clear action plan, Charlie decided to hire a business coach who had been helping a friend turn things around in her agency.

At his initial coaching session, several things became crystal clear. First, if Charlie was going to leverage the strengths and talents of his people, he needed to engage them at a different level. It was critical for him to communicate his vision for the agency and help his people see beyond their day-to-day "to-do" lists. Second, Charlie needed to learn how to delegate and coach his people to deliver the results he was looking for.

Over the next 90 days, Charlie worked closely with his coach to master five core leadership coaching skills:

### **Setting expectations**

Charlie was passionate about customer service and believed it was one thing that differentiated his agency from competing agencies. He constantly preached the importance of service to his people.

When Charlie used the words "great service," he envisioned a memorable service experience—something that would stand out in the customer's mind. Interviews with agency employees revealed that they had a very different picture. To them, great service meant returning phone calls promptly, being courteous, and keeping the promises they made to customers. These were good goals and met customers' minimum expectations, but the employees didn't move beyond to exceed those expectations and create a "wow" experience. There was a major disconnect between Charlie's vision and the people on the front lines delivering the service.

Like many professional agency owners, Charlie had gone to great lengths to develop clear procedures for how his staff should sell, handle renewals, and process new business. Other than a guideline on returning phone calls within 24 hours, these procedures were mostly about efficiency and avoiding E&O claims. Charlie believed that great customer service was obvious. After all, everyone is a customer, so

employees would know what great customer service feels like.

Charlie's people were willing and able to do more. The missing link was a clear understanding of what Charlie wanted and the roles he expected his people to play in helping the agency get there.

*Coaching Skill #1: Define everything.* Two people can look at the same picture or hear the same words and have a totally different interpretation. When Charlie used the words "customer service," he imagined one thing and his employees visualized something very different.

Assume nothing about what others know or think. Define everything. Create a clear and vivid picture of what you want. The clearer the picture, the more successful you will be. Talk about how each person sees the picture until you know there is a meeting of the minds. Ask people to play back what they hear so you can be sure they understand. Recognize that you will need to communicate your expectations repeatedly.

### **Creating buy-in**

Charlie understood the importance of connecting with people. His ability to create immediate rapport with clients was at the heart of his sales success. Interviews with agency employees revealed that Charlie didn't have the same level of rapport with them. Most described him as "formal" and "always in a hurry" and "a little intimidating."

Through coaching, Charlie quickly realized that if he was going to engage his people and maximize their strengths, he needed insight into how to motivate each of them. That called for a level of rapport and relationship with his employees that he simply didn't have.

*Coaching Skill #2: Build rapport.* People often think of rapport as the ability to get along. In an effective coaching relationship, it goes far deeper. Rapport is about mutual trust, the ability to see each other's point of view, and a willingness to share your own vulnerability. Your level of rapport with an employee is in direct proportion to your ability to influence and motivate him or her. You build rapport by taking a genuine interest, being curious about who the employee is and how that employee thinks. Your interest needs to be real. People sense feigned interest within seconds.

### **Empower employees to solve problems**

Most days Charlie felt as if he carried the weight of the entire agency on his shoulders. Every morning when he arrived at the office, someone was waiting for him and asking for his help in solving a problem. Charlie hired good people and paid them good salaries. He expected them to show more initiative in finding their own solutions.

Charlie's coach asked to sit in on several of his one-on-one employee meetings. By the end of the second meeting, it was clear why employees turned to Charlie instead of trying to handle their problems: He was a great problem solver. Within five minutes Charlie would hear the employee out, offer a viable solution, explain specifically how to handle the situation, and send the person on his or her way. With every problem Charlie fixed, he reinforced and rewarded the very behavior that was driving him crazy.

Charlie needed to shift his focus from solving problems to leading his people to address their own issues.

*Coaching Skill #3: Ask empowering questions.* In most situations, employees have the wisdom and experience to find effective solutions. The dilemma is that most bosses see themselves as problem-solvers. When employees come to them with a problem, their default tendency is to solve it.

While this method may be fast and efficient in the short run, everyone pays in the long run. Employees lose confidence because over time their problem-solving skills become weaker and weaker. Think of these skills as a muscle—"use it or lose it." Bosses are constantly stuck in day-to-day operations and don't have the time and freedom they need to concentrate on building the business.

The key to getting employees to take more initiative is asking questions that draw out their ideas and connect them to their problem-solving capabilities. Consider this example: Suzy is having trouble finding a market that will write an account with a poor loss history. The typical boss—who doesn't want to lose the renewal—says, "Call Al over at ABC Insurance Company. Tell him you work for me; there's a good chance he'll do it for us."

The boss who wants employees to take more initiative says, "Suzy, three months ago you were in a similar situation and you managed to get the job done. How did you do it?" This question immediately connects Suzy to success and her own capabilities.

### **The need to be heard**

Interviews with the agency staff revealed that employees did not believe that Charlie really wanted their ideas. The employees' perception was that they were expected to get their work done and leave the rest to Charlie. When questioned about this, a number of people mentioned they had submitted suggestions through an in-house program and never got any feedback. Others said they used to make suggestions, but nothing ever came of it so they just stopped doing it.

*Coaching Skill #4: Acknowledge and validate.* People want to be heard and know that their ideas are listened to and valued. When employees aren't acknowledged, they shut down and stop contributing their discretionary energy to the job. One of the coach's most important tools for engaging employees and improving performance is acknowledging and validating.

Acknowledging is showing that you really listen and that you understand what the employee is saying by internalizing and playing back his or her words. Acknowledging phrases include: "Let me see if I get this" or "Let me play that back so that I can make sure I understand." Validating is recognizing and respecting the employee's view without judging him or her. Taking the time to acknowledge and validate employees will dramatically reduce frustration and improve communication and productivity.

### **Accountability**

Charlie was enthusiastic about getting his people to take more initiative in solving their problems and moving the agency forward. But like many entrepreneurs who have built successful businesses, there was a part of him that was reluctant to let go. The key for Charlie was to understand that empowering people wasn't about relinquishing control—it was about clarifying goals, building performance improvement plans, and making people accountable for their results.

*Coaching Skill #5: Creating SMART goals.* Charlie worked with each of his people to establish SMART goals for how they intended to enhance performance.

SMART goals are Specific, Measurable, Achievable, Reasonable, and Time-oriented. What makes the process so powerful is that management sets the expectations, but employees create their own goals for how they're going to get there. When they create the goals, their level of buy-in and commitment increases dramatically.

Six months after Charlie began using his five core coaching skills, he witnessed a new level of energy in the agency. Employees became more focused, and at the same time they seemed to be enjoying work. Salespeople began closing more deals and doing it without Charlie's help. The agency is now seeing a healthy increase in new business each month. If the trend continues, it looks like Charlie will meet his 2008 goal.

Employees still drop by Charlie's office; but these days, it's usually to talk about a new idea for how the agency can improve its service. He actually looks forward to the days he spends in the agency. That said, he and his wife are finally going to take that two-week vacation in New Zealand they've been dreaming about.

### **The author**

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