

Analysis and Solution to the Low Retention Rate of Insurance Agents in the Mainland of China

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Abstract—To explore the relationship between personal characteristics and background, strategy of human resource management, development of human resource and employee retention rate of life insurance companies and to explore the negative impact of low retention rate. The factors that affect the retention rate of life insurance companies are summarized. The company's neglect of the selection of new employees, unsystematic corporate training, unreasonable corporate incentive system, weak basic management of the company and lack of career development planning and guidance for business personnel will lead to the low retention rate of salesmen. Finally, the author puts forward Suggestions and specific measures on how to improve the retention rate of salesmen from five aspects: paying great attention to the retention index of salesmen, perfecting the talent management system, establishing the company incentive mechanism, strengthening the basic management of salesmen, strengthening the publicity of company brand culture and the image construction of insurance industry.

Keywords—retention rate, strategy of human resource management, development of human resource

I. INTRODUCTION INTRODUCTION OF THE INSURANCE INDUSTRY IN MAINLAND CHINA

Life insurance salesman is an important foundation for the benign operation and all-round development of life insurance company, and is the main source and foundation of the company's business. In the life insurance company, the retention rate of salesmen will directly affect the overall morale and productivity of the life insurance company. With the continuous growth of residents' insurance awareness and the development of the insurance industry, the problem of low retention rate of insurance salesmen has become increasingly prominent, bringing adverse effects to the company from several aspects, such as affecting the corporate image of the insurance company, leaking the company's business secrets and damaging the interests of customers. Because of this, how to use the corresponding human resource management strategy, formulate rational and effective human resource development plan, from the recruitment selection, education, training, performance evaluation, improve the system of compensation, training and development, career development and so on many Angle to attract talents, retain talents become the problem that the insurance company is more and more attention and priority.

As one of the rapidly growing service industries in mainland China, the retention rate of salesmen is not only related to the investment cost of human resources of insurance companies, including the cost of recruitment, selection and training, but also affects the performance and performance of salesmen. How to attract excellent talents to join the insurance industry and how to retain star business staff by improving or proposing more effective human resource management strategies has become a major challenge for the human resource department of life insurance companies.

In this article, through the analysis of insurance branch, explore the salesman characteristics and the background, human resources management strategy slightly, human resources development and the relationship between life insurance salesman retention rates, explores the influence the salesman left the cause of the low rate, including companies ignore not to recruit object selection, company system, the unreasonable shock excitation system of the company, the company basic management is weak and lack of salesman career development planning and counseling and so on five factors will lead to a low rate of retained, and against the company how to improve the salesman retention rates, From the perspective of human resources, this paper aims to recruit and select suitable employees, cultivate and motivate existing talents, and provide relevant advice for employees in terms of career planning.

II. RETENTION RATE BRINGS HARM TO LIFE INSURANCE COMPANIES

A. Influence the Corporate Image and Industrial Image of Life Insurance Companies

A large number of "orphan insurance policies" are the inevitable result of high turnover rate, which will not only lead to the increase of complaint rate, but also reduce the stability of personnel team structure. At the same time, the low retention rate will make the public feel that the decision-making ability of the company's leadership is poor and the management level is low, which will make the talented people turn away from the company. In the insurance industry, which attaches great importance to brand and service quality, low retention rate will damage the image and reputation of the company and even the industry, increase social doubts about the insurance industry, thus increase the resistance of the company's development and the psychological pressure of practitioners, and bring the pressure and difficulty of recruitment and selection to life insurance companies.

B. To Disclose the Secrets of the Life Insurance Company

As a bridge between the company and customers, the salesman of the insurance company not only grasps a large number of company sales strategies, product characteristics, company stage operation rhythm, but also grasps a large number of customer information data. If these agents enter other companies in the same industry, they will not only take away a large number of customer resources, but also put the original company at great risk of leakage of commercial secrets

C. Affecting the Operating Benefits of Life Insurance Companies

Cultivating good salesmen is a time-consuming and costly process for insurance companies. The high turnover rate of salesmen will definitely increase the operating cost of the company and the cost of retraining new employees. At the same time, the loss of salesman's service quality will lead to a large number of return insurance events. Although the company will transfer the "orphan insurance policy" to another personnel, but the new salesman is not familiar with the customer's habits and conditions, the service quality will be greatly reduced, which will directly impact on the company's operating benefits.

III. SUMMARY OF FACTORS AFFECTING THE RETENTION RATE OF LIFE INSURANCE COMPANIES

A. Ignoring the Selection of Additional Candidates

The pressure of life insurance companies is also increasing with the aggravation of market competition. The achievement of human assessment indicators and the scale of new single premium become important assessment indicators for life insurance companies. Industry recommendation, advertising, talent market, newspaper paper, campus recruitment, and so on are the recruitment channels of life insurance companies. Housewives, retirees, college students, laid-off workers, etc. become the main increase in the target. Increase the object from different channels increase in age, education level and comprehensive quality quality has very big difference, as a professional economic activity, more insurance sales to marketing researchers have a certain professional knowledge and cultural quality and relevant economic knowledge back view to accurate, objective of insurance marketing. However, most life insurance companies, under the pressure of double weight of business and human resource indicators, pay too much attention to the quantity of recruitment and neglect the quality of selection. The low entry threshold makes the overall quality of business personnel not high, which lays a hidden danger for the low retention rate.

B. Training is not Systematic

As an important part of human resource management strategy, education training runs through the career of life insurance salesmen and has a significant impact on their retention. Although most life insurance companies also provide various trainings for salesmen, there are many problems in education training system, such as lack of corresponding planning, backward training concepts, single training content and backward training methods. And most training is focused on risk

However, the training of sales skills has neglected the advocacy of professional ethics and corporate culture, resulting in the low recognition of business staff and high turnover rate.

C. Unreasonable Incentive System

Many life insurance companies have a problem with the current commission system: the percentage of commission in the first year is very high, the renewal commission is very low compared to the case, and it is usually paid out within 3-5 years. A high proportion of the first year commission may lead to misoperation such as misleading sales for the lure of money, and increase the risk of leaving the company, resulting in service delay and a large number of "orphan insurance policies". Besides, most life insurance companies have strict assessment standards. If the salesman fails to meet the assessment standards in this quarter, he will face the risk of demotion and termination except for one quarter's assessment grace period. Such commission system and assessment standard will also cause a part of the passive loss of staff.

D. Weak Basic Management

Insurance agency contract is double service contract, when conclude a contract, need makes clear the authority obligation of party both parties: same clerk cannot sign agency contract with two or more insurance company at the same time; If the salesman wants to leave his/her post, he/she should inform the company and submit an application in advance for the reason of leaving the company. After his/her departure, he/she should return the relevant documents and should not disclose the customer information. A company had a major case of leaking policyholders' information and a major accident in which a salesman used premiums for illegal fundraising. Due to the mixed quality of salesmen, the life insurance company's weak basic management of the marketing team undoubtedly gives low-quality salesmen the opportunity to drill holes and reduce the cost of violations. This not only causes the company reputation damage but also causes the entire life insurance industry credit crisis, which directly affects the clerk's determination and retention.

E. Lack of Planning and Guidance for Career Development of Salesmen

The salesman's career includes all his work experience after he joined the life insurance company. Many salesmen are confused about their future without a clear career plan of their own. They do not understand the meaning and function of insurance and the value of insurance. They only regard marketing insurance as a short-term plan to do more and earn more. However, most life insurance companies also have weak management in the career development of salesmen, and they do not

take the initiative to help the salesmen to make relevant career development plans, which will greatly reduce the recognition degree of the salesmen to the industry and the company, and increase the risk of loss rate.

IV. DEVELOPMENT SUGGESTIONS OF LIFE INSURANCE COMPANIES: ANALYSIS FROM HUMAN RESOURCE MANAGEMENT

A. Improve the Personnel Training System

1) Focus on the selection of recruitment objects

Life insurance companies should attach great importance to the healthy development of the team quality and the selection of personnel. Applicants should have a college degree or above and be aged 20 to 55, which is the best age for them to learn and adapt. In addition, life insurance companies should also use a variety of methods such as personality tests and interviews to investigate from various aspects such as values, psychological quality and anti-pressure ability. Meanwhile, they should also use a variety of evaluation indicators to screen from multiple perspectives such as language expression ability, communication ability, affinity and reaction speed.

2) Strengthen the construction of the company's training system

The training can convey the operation and management idea, enterprise culture, industry information of the insurance company to the salesman.

Financial professional knowledge, sales skills and other important information can not only improve the comprehensive quality of salesmen, but also improve the overall morale of employees in the company and create an excellent team culture in the company. Life insurance company should be the long-term planning, strengthening the construction of training system, from the compact attaches great importance to the training time of cohesion, enrich the content of the training, improve the training course attraction, improve the teaching skills and level of lecturer, etc, to optimize and improve the culture system, the company's enterprise culture through reasonable and effective training arrangement is inserted in the salesman's thought, reach into the company solidarity, synthetic, with the development of the good situation.

B. Establish and Improve the Company Incentive System

1) Optimize the assessment and promotion mechanism

Optimization assessment and promotion mechanism are very important to improve the salesman retention rates, company should implement comprehensive assessment mechanism, in order to ensure the quality of staff, avoid invalid increase, the company should raise the team effective manpower, performance of human management method into the quality inspection, hang reduce company virtual human, and promote the company marketing team quality, and the state transition as the objective, makes the salesman pay more attention to increase the quality in the process of increase, so the retention rate of the salesman also will greatly improve. At the same time, an effective evaluation and feedback mechanism should be established to encourage active communication and communication between internal and external personnel of the company, so as to help the company better implement assessment management and improve the transparency of assessment. In order to improve the retention rate of salesmen and strengthen the sales team, the company should establish promotion culture and create promotion atmosphere in the team.

2) Improve the compensation and benefits system

a) optimize the income structure

The company should reduce the percentage of commission in the first year, extend the term of commission payment and increase the commission.

The golden ratio. Company also can adopt floating salary system: considering the salesman SiLing, after-sales service and work attitude, and a series of factors to make appraisal indicators, within the scope of the company can afford, suggested the company to give the couple in a certain period of time such as in two years to provide basic salary support system, in order to guarantee their basic living standards. At the same time, the examination requirements for new employees were appropriately relaxed, the examination time was extended, and more time was given for them to adapt to the high-intensity work in the life insurance industry, which helped them build up their confidence and improve their retention rate.

b) Improve the welfare and benefits program

Life insurance company can be in adjust when commission structure, deduct partial commission to deal with endowment insurance for clerk insurance, medical treatment is sure and enterprise annuity, can solve the worry of the back of clerk so, enhance its company to belong to feeling and agree with degree, achieve the goal of stable team structure. At the same time, the life insurance company also actively explore current insurance agent system to employee contract, giving a small number of very good manager and sales elites are employees, enjoy the welfare due to the contract staff treatment, which can not only improve the salesman loyalty to the company but also can effectively improve the retention rate.

c) Establishment of the company honor system

Besides the material aspect to the salesman's reward, the company also should pay attention to the honor system establishment, pays attention to the salesman's spirit reward, through the honor system establishment can let the salesman have the intense work achievement feeling and the company pride, also can help it in the future better exhibition industry.

C. Strengthening the Basic Management of Salesmen

The company needs to strengthen the agency contract management between the company and marketing staff. Since the agency contract is a double-service contract, both parties' rights and obligations need to be clarified when concluding the contract: the same solicitor cannot sign the agency contract with two or more insurance companies at the same time; If the salesman wants to leave the company, he should inform the company and submit an application in advance for the reason of leaving the company. After demission, need to hand back relevant certificate, also cannot divulge customer information to wait. At the same time, life insurance companies should also strengthen the management of sales channels and marketing staff's illegal behaviors: to terminate the agency contract and report to the circ for penalty, increasing the cost of their illegal behaviors.

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