

AGENT'S GUIDE FOR INTERNSHIPS

Brantley Risk & Insurance Center

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INDEPENDENT INSURANCE AGENTS
OF NORTH CAROLINA



Since 1988, the Brantley Risk & Insurance Center has been educating and preparing industry leaders with the help of its Founding Strategic Partner, the Independent Insurance Agents of North Carolina (IIANC). The Brantley Center is a privately-funded, self-supporting center that receives no state funding. The purpose of the Brantley Center is to prepare the next generation of industry leaders. The Center supports the teaching function for the risk management & insurance major, facilitates and encourages research on insurance topics, and provides a vehicle for on-going interaction with the insurance industry through continuing education programs, executive-in-residence appointments, internships, and placement of graduates in the industry.

The Brantley Center prepares the next generation of industry leaders through student interview preparation, resume production, internship facilitation, and teaching valuable "soft skills" that sets them apart from other majors. Our students have made a commitment as students to become leaders within the risk management and insurance industry.

IIANC is a statewide trade association representing nearly 1,000 Trusted Choice® independent insurance agency and branch locations. IIANC's member agencies employ approx. 7,000 people in a variety of agency roles and offer internships to introduce students to the independent agency system.

This internship manual is compiled by the Brantley Center and IIANC in support of insurance education. Parts of the information in this manual are reprinted with permission from the Independent Insurance Agents of New Mexico. For more information about student interns, please contact BrantleyCenter@AppState.edu.

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Table of Contents

Introduction	4
Types of Internships and Pay	
Internships for Credit	4
Internships Not for Credit	4
Internship Duration	4
Benefits of Internships	
For Students	5
For Employers	5
For the University	5
The Hiring Process	6
Putting an Intern to Work	6
Intern Checklist for Employers	7
Sample Interview Form	8
Sample Interview Evaluation	9
Sample Offer Letter	10
Sample Intern Orientation	11
Sample Intern Projects	12
Sample Weekly Intern Assignments	13
Sample Weekly Evaluation	16
10 Concerns of Interns	17

Introduction

Each Risk Management and Insurance (RMI) major has made a commitment to pursue a career in the insurance industry or risk management profession. These young people are the future of our industry and the independent agency system. Successful agencies have a plan to identify, develop and grow their staff. An important component of such a plan is an internship program.

Hiring RMI majors as interns before they graduate puts your agency in a position to acquire the best and brightest young career insurance professionals. In addition to being a recruiting tool for top talent, an internship provides temporary help for staff and/or the accomplishment of special projects that otherwise may go unaccomplished. Students and employers gain practical knowledge and insight into specific capabilities of the student and the student's compatibility with your organization.

While internships are not restricted to RMI majors, agencies have experienced high turnover when they don't select students who are committed to a career in insurance as demonstrated by their choice of major. The purpose of this guide is to familiarize you with the internship process so that you can create a framework for internships at your organization. A list of universities that offer studies in insurance can be found at http://www.aria.org/RMI_Programs.htm.

Types of Internships and Pay

Internships are typically conducted during the summer between the students' junior and senior years. They can also be conducted during the fall or spring semesters. Most universities are very flexible in how Internships are structured. Students prefer an internship experience that is planned and monitored with intentional work and learning goals. Students can earn academic course credit by completing an internship that meets certain academic criteria, but many students don't need the credit and can get the same benefit without paying tuition.

Internships for Credit

Internships for credit have a greater degree of structure and accountability on the part of the student. The university may require a contract, the student may have additional reports or papers to write and tuition payment is required.

Internships Not for Credit

Depending upon university requirements or at the student's discretion, not for credit internships may also be utilized. However, internships that are not for credit are not to be diminished, nor is there a distinction between for credit and not for credit internships on a student's resume. Universities work with employers to assure that all students have a good internship experience that is mutually beneficial. Other universities may or may not allow internships that are not for credit.

Internship Duration

Internships are generally conducted during the summer between the students' junior and senior year. Internships can vary in duration but must be full-time for at least 10 weeks to earn academic credit. Not for credit internships are similar but more flexible. Some employers identify students earlier in their academic career and bring them in over multiple summers and other school holidays.

Internships are required to be paid with very few exceptions. Wage levels range from \$14 per hour to \$18 per hour, with \$15 per hour being most common.

Benefits of Internships

Participation in internships offers a number of advantages for students, employers and the university:

For Students:

- opportunity to assess insurance career possibilities
- opportunity to preview a future fit with a your agency
- opportunity to develop job-related skills and train under both academic and mentor supervision
- enhancement of employment opportunities
- enrichment of classroom instruction experience
- opportunity to earn money for educational expenses
- opportunity to acquire training in agency management systems

For Agencies:

- aids in recruiting and selecting future full-time employees
- reduces the cost of recruiting and selecting full-time employees
- provides a source of temporary employees
- provides benefits from an injection of new ideas from students and faculty
- increases the profile of your organization in your community and at the university
- provides an opportunity to influence the structure of the university's curriculum
- experimentation with new positions or functions without having to make long-term commitments.

For the University:

- provides a new avenue to assess student and academic quality
- creates a source of practitioner input into curriculum development
- provides a source of employment opportunities for students
- contributes to the recruitment of exceptional students
- provides additional exposure to the insurance industry
- delivers education outside the classroom that enriches classroom experiences for everyone when interns return to campus

While the advantages of internships to all participants are numerous, successful programs require considerable commitment by both parties. Students must be committed to providing a quality contribution to the operation of the employer. Employers must be committed to providing a meaningful work experience, quality mentoring, and adequate feedback to the faculty and staff.

The Hiring Process

If possible attend an RMI Career Fair and interview two or three students who fit the profile that you are looking for. If distance is a problem, consider a phone interview. When interviewing a student for an internship position, follow the same rules as if you are hiring a permanent employee.

Do discuss the type of work that you expect the intern to perform. You may wish to have a Weekly Intern Assignment Schedule; a sample is provided later in this guide.

Be sure and let the prospect know when they will hear from you. It is a good idea to make an offer as soon as you make a decision. The best prospects go early. If the student wants to take some additional time to make a decision set a date that is mutually acceptable for a decision.

When hiring an intern, it is important that all parties (university, student and employer) understand the expectations and responsibilities of the program. A Sample Internship Agreement is provided later in this guide.

Pay

Do discuss pay. Internships that are not paid typically are less valuable for the student and employer. Compensation can include provisions for housing, or a housing allowance, or the student can pay for their own housing out of their earnings. Wages can be paid on an hourly basis or as a lump sum stipend at the end of each week. Some students may have financial need, so please discuss these issues to avoid misunderstandings. See above for suggestions on hourly wage amounts.

Housing

Most students are pretty resourceful about finding a place to stay for the summer, but they may need some assistance in this area. Often local colleges have available dormitory space that students can rent. Perhaps you have a company employee that would be willing to rent out a room for the summer. A housing allowance can be part of a pay package that works to the benefit of both the intern and employer.

Putting an Intern to Work

The most important step to a successful internship is to appoint one person to serve as the mentor for the intern. This may be the person who will be directly supervising the intern, but it does not have to be. It should be someone who likes to teach and is familiar with your organization. The intern needs someone they can go to for help. The mentor is also responsible for being the liaison to the university and for completing an evaluation at the end of the semester.

An intern's orientation should be treated the same as any other new employee. A Sample Intern Orientation follows which you can use if you do not already have one. Sample Intern Projects and Sample Weekly Intern Assignments are also provided later in this guide and should be a part of the orientation process.

Periodic evaluations, both of the intern and by the intern, are an important part of a successful internship. This allows for continuous improvement of the intern's work and your internship program. A Sample Intern Evaluation is provided later in this guide.

"Ten Concerns of Interns" later in this guide is feedback from past interns which will allow you to avoid pitfalls others have made as you prepare your successful intern program.

Intern Checklist for Employers

- Identify need (in coordination with several agency personnel and potential mentors)
- Identify person at the university (faculty/staff) to work with
- Draft intern job description
 - ✓ Job duties
 - ✓ Qualifications desired including major
 - ✓ Application procedure
 - ✓ Compensation rate and duration of internship
- Recruit intern
- Appoint (or have intern choose) mentor
- Conduct intern orientation
- Conduct periodic evaluations of intern – preferably weekly.
- Obtain evaluation of intern experience at the end of the internship.

Sample Interview Form

Name _____ Date _____

When is your anticipated graduation date?

What is your professional goal upon graduation?

Is there a particular part of the state or country that you want to live after graduation?

Is there an area where you do not want to live?

Why did you pick your current major?

What motivated you to apply for this position?

What was the most interesting part of any job or volunteer work that you have had in the past?

What was the most boring part of any job that you have had?

What do you consider your strengths and weaknesses?

Would you consider sales as a profession?

What do you know about our company?

This internship is a temporary position; however ideally, we are looking to develop a long-term relationship with an intern. We plan on providing some education and training to you in the hope that you will consider a career position with us after graduation. Is that something that interests you?

What questions do you have about us?

Sample Interview Evaluation

Note: if possible it is better if this is completed independently by two or more people.

Rate 1-10 (with 10 being the highest)

- Overall dress and demeanor _____
- Ability to communicate _____
- Organization of thought _____
- Friendliness _____
- Interest in sales _____
- Suitability to our company _____

Comments: _____

Action to take:

- Make an offer.
- Do second interview or phone call.
- Send letter thanking them for their time and wishing them well.
- Other:

Sample Offer Letter

We are excited about your joining our team this summer. Both you and our agency have a responsibility to make this a fun and rewarding experience for both of us.

The dates of the internship are from _____ to _____. The pay will be \$x.xx per hour. You will be working in our (blank) department doing (blank). There will be a final project/presentation during the last week of the internship.

We strongly encourage you to:

- Ask questions. There is no such thing as a dumb question. It is much more efficient to ask questions rather than make mistakes.
- Your mentor for this summer will be (blank). Take an active role in establishing communication with him/her.
- Be outgoing. Meet and greet people with warmth, enthusiasm, and sincerity.
- Share your ideas and suggestions. We expect to learn as much from you as you expect to learn from us.
- Don't be disappointed if we are not able to implement all of your ideas.

The entire agency is committed to making this a rewarding experience for both of us.

Sincerely,

Sample Intern Orientation

Overview

The depth of orientation may depend on whether or not there is a possibility of making the intern a permanent employee sometime in the future. Obviously, if the intern is being hired for a particular project, some elements of the orientation process could be omitted. Either way, making an honest, positive impression on your intern concerning the industry and the agency business is worthwhile.

- **Introduction to agency intern mentor**
- **Introduction to staff**
 - Provide a venue for introducing the intern to agency staff, preferably in small groups. Help prepare the intern to share personal information– academic goals, professional aspirations, what he/she hopes to gain from the experience and from your staff.
- **Overview of insurance industry**
 - Read American Institute text: “Introduction to Property and Casualty Insurance”
 - Provide copy of insurance dictionary
- **Overview of agency operations**
 - Review agency history
 - Review vision, mission, values, etc.
 - Describe agency management and ownership
 - Provide overview of organizational structure, organizational chart
 - Describe staff roles, functions, relationships
 - Explain supplier relationships: carriers, vendors
 - Describe community involvement
 - Provide overview of client base
 - Review agency marketing plan, strategic objectives
 - Review employee manual

Sample Intern Projects

It is not necessary to have a particular project or presentation, but we have found that this is very helpful. It provides the intern with a sense of accomplishment and gives them something to add to their resume. It gives the agency a chance to complete those tasks that have been just waiting for someone to have some time to do. The project will usually be a supplement to their other agency assignments.

- Review the agencies website from a consumer's point of view and provide a list of recommendations. (They could compare it to some competitors such as Progressive, GEICO, or State Farm)
- Create or redo the agency brochure.
- Develop a marketing plan for a specific segment or product.
- Develop and/or participate in a community involvement project.
- Develop a matrix of the agencies major carrier's guidelines and programs available.
- Develop a list of binding authority by carrier and type of business.
- Design a customer survey for the agency. (This could be part of an E&O prevention plan)
- Update or write all or part of an agency procedures manual
- Do all or some of the agency E&O self-audits. (See the "A Practical Guide to Agency E&O Risk Management" from Swiss Re.
- Conduct market research on a market segment that you wish to expand. Update or develop a prospect list.
- Assist in the development of client contact system.
- Design a marketing program for "lost" accounts.
- Assist the accounting department in developing new reports, such as comparing the agency to industry benchmarks.
- Provide users with technical support for your IT system. Provide ideas to management on emerging technology and how they might relate to the agency.

Sample Weekly Intern Assignments

(This should be considered as a rough guide and you should adapt it to fit your agency. Interns can use any "down time" to study and it is probably a good idea to allow for some time to study the licensing materials. In addition to getting ready to take the exam they serve as a good basic review of insurance. For students who do not have any background in insurance we recommend "How Insurance Works" available from the IIA.)

WEEK ONE:

- Agency Orientation
- Observe CSR handling customer requests.
- Review agency standards of customer service. (If you do not have a formal written set of standards this may be a good project for the intern).
- Sit with the receptionist to observe how incoming calls and visits are handled

WEEK TWO:

- Attend pre-licensing class (Check with your state association for class and online offerings).
- Take licensing exam (Note: Some people do not pass the exam on the first attempt. If this is the case encourage the intern to retake the test as soon as possible.)

WEEK THREE:

- Observe and learn how to handle customer requests including:
 - Auto Endorsement Requests
 - Homeowner Endorsement Requests
 - Loss payees
 - Mortgagee
 - Cancellation requests
 - Claims
- Read a summary of the activity for an agency account for the last three years from the agency management system. Be able to explain this in plain English.

WEEK FOUR:

- Continue to work on handling customer requests as in previous week.
- Observe how the agency handles Excess and Surplus lines, including:
 - Need for using.
 - Process and how it is different from "standard" agency business
 - Legal Requirements in your state

WEEK FIVE:

- "Shadow" a producer. Determine how the producer identifies prospects. Accompany on sales calls.
- Note:
 - How did the producer gather the necessary information?
 - How is the proposal created and presented to the prospect? (Phone only, email, regular mail)
 - What kind of follow up was made to the prospect?
- Do a property inspection, photo and diagram. (If the agency uses an outside source for this, consider having the intern accompany the inspector to some property prospects.)
- Identify several target markets that the intern would like to investigate because of hobbies or interests.
- Meet with the agency mentor and do a mid- term evaluation. Set goals for the second half of the internship.

WEEK SIX:

- Assist the producer in doing quotes and proposals for all companies and all lines of coverages.
- Review requirements for binding with all companies.
- Obtain the current Best's ratings for www.ambest.com for all companies represented by the agency including excess and surplus lines markets that are frequently used.
- Make a chart of standard companies represented including products and their various target markets.
- Develop a marketing strategy for one particular target market.

WEEK SEVEN:

- Spend the week at an insurer, shadowing an underwriter who writes target business.
- Develop “Best Practices” for how a submission should be made to the underwriter.

WEEK EIGHT:

- Implement the marketing strategy previously developed under supervision of mentor.

WEEK NINE:

- Implement the marketing strategy previously developed under supervision of mentor.

WEEK TEN:

- Implement the marketing strategy previously developed under supervision of mentor.
- Have intern present their project (if any) or marketing strategy and results to several agency employees.
- Complete the Final Evaluation and review with the intern, before sending it to the university.
- Ask the intern to evaluate their internship and give suggestions on how to improve the process.
- Ask the intern for their suggestions on how the agency could better market their products and services, with attention to the particular target market.

Sample Weekly Evaluation

Intern name: _____

Week: # _____

Mentor name: _____

Dates: _____ - _____

Please rate the student intern in each of the following categories.

Professional Qualities:

Excellent Good Fair Poor N/A

Establishes rapport with mentor					
Establishes rapport with staff					
Establishes rapport with clients					
Communicates well					
Seeks new knowledge					
Shows initiative					
Manages time well					
Produces accurate reports/records					
Demonstrates adequate knowledge					

Personal Qualities:

Excellent Good Fair Poor N/A

Is punctual					
Is dependable					
Accepts Constructive Criticism					
Demonstrates Enthusiasm					
Dresses Professionally					

I certify that _____ (student intern name) completed _____
 internship hours this week.

 Supervisor Signature

 Supervisor phone

 Date

10 Concerns of Interns

Compiled by Michael True, Director, Internship Center, Messiah College, Grantham, PA

- 1. Give us real work!** It can't be said too many times that interns want to work and learn. An internship can help you get a job done that you couldn't otherwise, right? If you've brought on an intern as a recruitment tool, then how will you be able to assess their abilities? It just makes sense to utilize your interns well.
- 2. Do what you say, and say what you do!** Be honest with your interns about what they can expect during their internship. If the job will require stuffing envelopes, then make that clear. But if you tell the intern they will be researching a project, and they spend 90% of their time doing "grunt" work, then bad feelings will develop. Honesty doesn't cost you anything, and it will make interns feel that much more respected.
- 3. We like feedback!** Remember that interns are students, and they may not have the business skills and experiences that you take for granted. If your intern makes an oversight, just pull him or her aside and explain how the situation should be handled in the future.
- 4. We want to be included too!** Is there a staff meeting they can attend? Can they quietly tag along to that next project meeting? Headed to lunch with a couple of people from the office? Please include them in the daily life of your workplace. After all, if you provide a little more perspective on the intern's work, the product will be that much better.
- 5. Please explain.** When you assign work, make sure you give a detailed explanation. While the work may seem trivial and obvious to you, it may not be obvious to someone who's never done it before. Patience and a few extra minutes in the beginning can pay off later when your intern can produce good work independently.
- 6. I want a mentor!** Make sure that interns have a mentor or supervisor to provide guidance. Make it someone who likes to teach and the experience will be even better.
- 7. A minute of your time.** The best mentor in the world is useless if he or she can't or won't spend the necessary time mentoring. As newcomers, interns may not speak up if they're feeling ignored, so the burden of making sure they're okay is on the mentor. If the busiest person in the office wants to be the designated mentor, he or she should schedule regular times to meet with the intern.
- 8. Be prepared!** That wonderful day has arrived and the intern goes to start their internship only to learn that no one knew they were coming, and there is no place for them to work.
- 9. Um... I need a chair.** It is amazing how many employers hire an intern and don't think about the fact that they will need a desk, chair, phone and a computer in order to do the task assigned. It is not fun, and not efficient to move an intern from desk to desk as people are out one day to the next. If you want to get a job done, you need to supply the intern with the tools to do the job.
- 10. Show me the money (as best you can).** While each intern is different, and each industry is has its own personality, remember that interns have expenses. Your organization may not be in a position to pay much, but anything can help. Maybe you can help pay for their parking, take them to lunch every so often, or develop some other creative way to assist them.

DISCLAIMER:

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