

Professor Željko M. Vojinović, PhD¹

REGULATION OF INTERNAL RELATIONS IN BROKERAGE AND REPRESENTATION BUSINESS

REVIEW ARTICLE

Abstract

It is known that business activities of insurance brokers and representatives consist of two parts. The first part is external and concerns communication with insured persons, that is, cooperation with an insurance company. The second part is internal and involves regulation of relations in brokerage or representation itself or another organization. The subject of this paper is precisely the second part. Focus of the research is on several items. The first is the organization of work as one of the basic starting points. Starting from the importance of personnel, we analysed issues regarding employees, and then the sustainability of finances as an indicator of the financial success of a business venture. A special chapter is dedicated to the broker and the representative as the manager. Conclusion states that the regulation of internal relations among these insurance market participants provides a significant number of opportunities, along with numerous challenges. Priority is the necessity of maintaining specific features by which the most successful brokers and representatives will differ and stand out.

Key words: *insurance brokerage, insurance representation, internal organisation of brokers and representatives*

I. Introduction

When considering open issues in insurance brokerage and representation, the relationship and behaviour between brokers or representatives and customers

¹ Associate professor at the University of Novi Sad - Faculty of Economics.

E-mail: zeljko.vojinovic@ef.uns.ac.rs.

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is usually priority. It is clear that this is a necessity, since being close to the insured, observing and satisfying their needs also means securing one's own income.²

However, with the external approach, internal relations in brokerage and representation business are valuable as a part of this paper, which is regularly given less attention. According to applicable conditions in Serbia, this takes place either within a company or within a representation company (entrepreneurial activities).

Regarding internal business operations, this paper deals with several units –organization of business operations, involved employees, sustainability of finances and characteristics, i. e. features of representatives and brokers as managers. It is necessary that all these starting points are well connected and organised to ensure existence of a single entity with external operations and work that will be in the interest of both the insureds and insurance companies, representatives and brokers.

II. Problem of Establishing Work Organization for Brokers and Representatives

In order to start working in insurance brokerage and representation, one of the most important prerequisites is a clear and consistent business organisation.

Clear responsibilities is one of the key issues of appropriate organization of business operations. Statements like "We are a team, we help each other" often hide something that could be expressed by "We are still totally disorganized, we are completely confused".

Therefore, it is necessary to make responsibilities visible, for example, by displaying them on a large sheet of paper on the wall or in a computer. That could be made for both internal and external purposes.

Announcement for internal needs includes the most important areas - appointment scheduling, consulting, sales, claims processing, marketing, finance, accounting, HR and the like. Within those areas, tasks and responsible employees are explicitly stated. Instead of the first name and surname, or in addition to the first name and surname, a picture of a responsible employee fits perfectly.

Announcement for external needs should include different points of view. On one hand, these are reasons why customers come to representatives and/or brokers. On the other hand, it is their tendency to direct customers towards certain types of insurance or target groups.

Regarding *distribution of work tasks* between managers and associates, it depends on the number of customers, the number of employees, and the fact which

² Dieter Farny, *Versicherungsbetriebslehre* (5., überarbeitete Auflage), Karlsruhe, 2011, S. 511.

tasks and to what extent are necessarily assigned to the first manager. However, certain circumstances affecting every representative or broker should be taken into account:³

1. A brokerage or representation requires a certain, lowest turnover. The task for the first manager is to ensure it.
2. Business activities in the company should be regularly reviewed, improved, and further developed. The external service should be an actual external service in charge of consulting and sales, and the internal service should first take care of preparation and then the processing of work, providing a comprehensive support.
3. Planned engagement, involvement and further education of the top workforce is at least as important as adding new, profitable insureds for the growth of business. Business will thrive only if both views are respected.
4. In order to attract the best workers and the best insureds, it is necessary for a company to be attractive, be above average, and such virtues must be valued on the market.
5. To be one step ahead of others in everything is a secret of brokers and representatives who are continuously ahead of their competitors.

Scheduling the interview is a mandatory part of the preparation. Several reasons indicate it is advisable to transfer this task to an office employee. For many representatives or brokers, especially those who started on their own, it is a huge change to have someone else do this task. In this sense, the following is crucial:⁴

- if an employee schedules a meeting on behalf of a manager, and according to established target groups, the value of the meeting with the first manager increases;
- if a representative or a broker schedules a meeting for himself, the average success rate is significantly lower, because he simply does not have time to devote himself to it as an employee whose job description includes scheduling a meeting;
- many customers want to know exactly what is involved when negotiating. The answer quickly leads to a customer believing that the meeting is not even necessary. If the meeting is transferred to an employee, he will not be able to answer numerous professional questions, which is certainly better because a customer will understand the necessity and full meaning of a scheduled meeting;
- in general, in a growing company, more and more tasks are delegated. The same applies with scheduling meetings that will be regularly transferred to someone else.

³ Karl-Heinz Puschmann, *Praxis des Versicherungsmarketings* (2., vollständig überarbeitete und erweiterte Auflage), Karlsruhe, 2003, S. 177.

⁴ Volker Eickenberg, *Marketing für Versicherungsvermittler* (3. Auflage), Karlsruhe, 2013, S. 239-240.

We also have to take care of *working hours*. It is desirable for everyone to ask themselves a certain number of questions in order to reach the right solution – 1. How will a discussion look in their own premises compared to customer’s premises? 2. Which groups of persons will a broker or a representative focus on (individuals, small enterprises, companies)? 3. Do you want to address indirectly customers passing by business premises? 4. When do you most often call customers, that is, target groups?

Regarding working hours, it is recommended to record the number of visits and the frequency of calls during three or four relevant weeks. Then, you can reconsider when you want to service customers during working hours. This self-analysis, on one hand, tests the previous approach. On the other hand, it gives an opportunity to improve the business strategy. It is important how much and how in the package of services a salesperson, that is, a consultant, is available to certain types of customers. Finally, every hour of manager’s and an employee’s availability costs money.

Standardization of the most important procedures cannot be ignored. It is certainly feasible to be relatively successful in insurance representation and/or brokerage without a comprehensive organisation of business operations. However, more workforce is required. In addition, valid sales performance is achieved irregularly, on a case-by-case basis.

Therefore, it is recommended to organise, standardise and automate the most important work procedures so that they actually take place without excessive thinking.⁵

Since parts of procedures are being standardised, one should not stop, but do the exact opposite – continue to standardize, which will be one of the foundations of growth. The less you think about continuously repeating tasks, the easier and faster the work will be carried out. Standardisation of workflows will lead to the ascent to the next level of success. It is good to know that it is still impossible to automate completely brokerage and representation business operations.⁶

It is necessary to *describe work tasks* when organising and standardising jobs. Writing down has various advantages. When you write something, it immediately becomes clearer. By writing a task, you subconsciously move in the direction of its realization. If it is communicated verbally, even if it was repeated, we cannot be 100% sure that the message reached the person to whom it was intended and that it was correctly understood. When the first employee falls ill, his tasks will be taken over by the second employee, and so on, which is easier when the task is clearly described. By writing a task, we ensure a continuously high quality of work, regardless of the fact who takes over a task. Written tasks can be re-written easily later, if necessary.

⁵ David Gorr, „Der Versicherungsverkauf ist ein Prozessgeschäft und wenn man sich die einzelnen Prozesse anschaut, dann ist keiner zu 100 Prozent automatisiert“, *Der Vermittler*, jun 2021, S. 25-26.

⁶ Mark Schröder, „Auch digital lässt sich nicht alles automatisieren“, 2022, <https://www.computerworld.ch/social/business-it/digital-laesst-automatisieren-2731118.html>, pristupljeno: 12. 6. 2022.

Employees must also be included in job descriptions. Of course, we cannot expect them to have the same understanding of smooth business operations as the owner or the manager. An employee is responsible for regular performance of his tasks and rarely has the whole picture. It is up to the first manager to check, encourage, point out the importance of fulfilling described work tasks and give appropriate recognition.

III. Relations with Employees

Regardless of capabilities and opportunities of a manager and/or a founder, it is almost impossible to run the business alone. Therefore, selection of employees in a team will contribute to the joint success.

Engagement of first managers. Insurance brokerage and representation, compared to companies from other sectors, have a completely different development. It depends on the fact that a founder (or founders) initially take on all the work. Consulting, sales, management, public relations, marketing, customer support – all these tasks at the beginning, in most cases, are responsibility of the first manager. In addition, he deals with administration for a considerable part of a working day. Therefore, the answer to the question "When should I hire the first manager?" is "Immediately (or as soon as possible)".

Most business ventures in other sectors start with a plan. The plan establishes processes, personnel, includes various calculations. The owner takes tasks with which he contributes the most to creation of new value. In brokerage and representation, it is common to introduce an internal service only when more and more tasks remain uncompleted. With such an approach, you chase after needs, instead of taking a step forward and using your work ability to bring the greatest benefit.⁷

Successful introduction of employees in business involves several steps. First, it is necessary to determine the contents and priorities of their tasks. All that should be described simply and understandably so that they know what is expected of them.

When a new employee arrives, the following is important:⁸

- once again inform him in detail about the company – strategy, setting goals, building a company, workflows, reaching certain group of customers, other specific details;
- if there is already an employee, introduce them in a relaxed manner – each of them then talks about themselves and their tasks. A new employee also introduces himself, fits in a company, expresses his vision of future;

⁷ K.-H. Puschmann, S. 227.

⁸ Wolfgang Otte, „Im Profil Dietmar Bläsing“, *Versicherungswirtschaft*, März 2018, S. 88.

- if possible, assign him a consultant. A consultant must be interviewed beforehand to ensure his complete readiness and motivation (perhaps the manager will be a consultant for new employees);
- explain to him tasks with regard the entire company – key obligations, goals, their measurement, importance of basic tasks;
- let him study description of important obligations, which were arranged and written down beforehand, and go through each of obligations one more time together with him; finally, give a new employee an opportunity to do the work himself, under the supervision of a consultant;
- schedule an appointment in advance, frequently at the beginning, less later. Intervals between appointments later become longer, so once a week will probably be enough;
- after, say, the first four and then eight weeks, schedule main meetings where, in addition to existing current feedback, further development of employees will be discussed.

At the end of this part, it is important to stress that with small brokers and representatives, everything revolves around customers. For growing and large brokers and representatives, everything revolves around employees. They are a prerequisite for future satisfied customers.

Handing over tasks without becoming dependent on employees is another open issue. If you do everything by yourself in the beginning you will often have difficulty entrusting work to others in future. However, entrusting jobs is inevitable. In addition, each development step leads to handing over tasks. This is the true meaning of an entrepreneur: he creates employment for others instead of employing himself.

In order to avoid dependence on employees, all delegated tasks are recorded. An employee is given a task to write down all changes and new experience he gained while working. Thus, knowledge and skills are available to the entire company, not just the concerned employee.

Ensuring employees' satisfaction is also a factor that is understood. Obviously, it is largely determined by work conditions. Even when they are the best, you should consider whether tasks correspond to strengths and talents of employees. Does he know a deeper meaning of work and not just a simple performance of tasks? Can he perform his tasks independently? Did the manager make sure that an employee received further education? Is an employee regularly provided with an overview of his achievements and what is expected of him in future?

By respecting the points above, a good foundation is set for employees' satisfaction. However, let us keep in mind that there are always external circumstances beyond the control of any individual. Therefore, you should always be careful.

Continuous encouragement. It is important not to misunderstand encouragement. The first manager does not have to encourage his employees continuously. At least not immediately every day with a new action, a new request, a new measure.

It is more important to develop an encouraging framework of a company and features of a community at work. It is desirable to build a basis for hiring and motivating employees so that they will do their best, that their small, initial successes will be appreciated, that they will have favourable prospects to become even more important in a company, that they will be shown full trust and the like.⁹

Employment of a spouse. This is an interesting issue. The starting point is that no one is employed who cannot be fired. Then the following should be taken into account:¹⁰

1. Is she/he even suitable? The starting point is crucial: which tasks does the manager undertake and in which areas does he need support? When answering the question, it is suggested to behave as when hiring any other employee.
2. Will there be two bosses in future? Especially when differences of opinion arise in a continuous mix between business requests and family wishes, it must be clear to all other employees who is in charge.
3. Is it possible to divide clearly family from business? That requires a clear agreement. There is a great danger that possible differences of opinion are quickly transferred to the house. Quickly, and almost unnoticeably, the service can destroy a family.
4. Does the spouse identify with business activities, with the work, with the tasks? Is he/she enthusiastic about the area in which the other party is already working and the awareness of benefits that the policy buyers get? Will the spouse feel good about new jobs or will he/she want to help just a little, without thinking about full contribution?

Many representatives and brokers tend to give the job to the spouse only in order to save money, i.e. to avoid hiring someone from the outside. Therefore, entrepreneurship and professionalism often suffer. In any case, there are contrary examples – there are many excellent family brokerage and representation companies. Therefore, even if one hundred percent makes the right choice of a spouse, it does not always have to be the same in a business sense.

IV. Financial Sustainability

As it was pointed out, customers and right solutions for their needs are priority. However, everything is done in order to achieve profit at the same time, while satisfying interests of all involved parties.

⁹ David Gorr, Michael Stanczyk, „Der Vermittlerjob ist ein sensationeller Beruf“, *Versicherungswirtschaft*, Oktober 2020, S. 24.

¹⁰ Stefanie Hühig, „Desillusioniert, aber nicht weniger kampfbereit“, https://www.versicherungsmagazin.de/rubriken/branche/desillusioniert-aber-nicht-weniger-kampfbereit-3063141.html?utm_medium=email&utm_campaign=2021-12-02&utm_source=vmmnl, pristupljeno: 2. 6. 2022.

The lowest profitable turnover. A broker or a representative who covers only costs of a company, personal needs from the entrepreneur's salary, of course, all this along with tax obligations, in the end realises the so-called positive zero. In other words, after settling all business and private expenses, there are no funds left for business expansion and development.

However, it is worth it since it should mean that after paying all expenses, a substantial profit remains from which a company's assets, i. e. personal assets are increased.¹¹ Profit can be expressed as a certain percentage of turnover, a monthly amount in dinars or in some other way.

It is necessary to carefully plan which expenses must and which can be covered. It is up to a successful insurance broker or representative to think not only how to settle basic expenses, but how his business venture should achieve a higher income. Only then does the entrepreneurial effort pay off.

Expenses. Total amount of business expenses is primarily determined by the following points of view – the scope of insurance package, i. e. insureds; division of work by insurance types; working hours a business owner invests in his company; readiness for investment and growth; general level of costs in the area of business operations. Regarding marketing costs alone, it is considered that they should not exceed 10 percent of the annual turnover.¹²

All costs associated with brokerage and representation can be expressed as a percentage of total revenues. According to experience from highly developed Western European countries, that indicator ranges between 40% and 70%, depending on the income level. For brokers and representatives with annual income up to 50,000 euros, the recommended approximate cost share value is 40%; for those who earn up to 150,000 euros, the share would be 50%, up to 250,000 euros 55%, and beyond that, it gradually increases to 60%. For companies with total annual revenues of, for example, 1,000,000 euros, it is often necessary that expenses make up 65% to 70% of revenues.¹³

It is possible that the stated amounts will seem unreal to someone. Everyone decides to make an expense. Quality of maintaining relations with customers, professionalism, frequency of meetings with customers, internal business flows, benefits and scope of brokers and representatives and much more – everything is reflected in costs.

Connection between fixed costs and fixed revenues. Certain, that is, expected constant business expenses should not be connected to constant commission income,

¹¹ Matthias Beenken, So machen Vermittlerbetriebe Gewinn, <https://www.versicherungsmagazin.de/rubriken/branche/so-machen-vermittlerbetriebe-gewinn-3177660.html>, 18. 5. 2022.

¹² Nebojša Žarković, „Marketing posredovanja i zastupanja u osiguranju“, *Tokovi osiguranja*, 2, 2020, str. 30-31.

¹³ Steffen Ritter, *Ritters 10x10 für Finanzdienstleister und Versicherungsvermittler* (2. Auflage), Wiesbaden, 2012, S. 49.

but to expected development and business plan. To observe only continuous inflows at the same time means to behave with control.

Experience of successful people indicate that many of the strongest insurance brokers and representatives in terms of sales and profitability would never have advanced so much if they had limited themselves in such a way during the expansion of their business. It is exactly the opposite – there are parts of entrepreneurial development where the owner must be more willing to invest. In those situations, those who no longer believe in their own development pattern or do not have it at all mostly have difficulties.

Sometimes opportunities to obtain additional funds, i. e. incentives – from the authorities, international or non-governmental institutions and associations, a new business partner arise. In principle, such an opportunity should not be missed. Understandably, it should be taken with clear intentions and an elaborate plan.

Cost reduction. The eternal question that is immediately answered with a counter-question – why to cut costs? Why not to increase revenue? In a way, it is perfectly clear that it is not possible for every representative and broker to immediately and above all regularly earn an additional few hundred euros (under our conditions) or several thousand or tens of thousands of euros (under foreign conditions). A business strategy is often not suitable. You invest too much time on wrong activities that do not bring progress. You invest too much time on wrong customer relationships. Perhaps, you invest too much time in wrong employees.

One could give a recommendation that, in fact, does not introduce anything new – one should continuously take care of both sides of financial activities. Take care of high inflows and corresponding outflows, while limiting non-core expenses. You should never lose sight of achieved quality of service.¹⁴

Coverage of larger investments. They can be rather different in brokerage or representation. For example, in marketing (one-time or permanently), in employees (probably permanently), in fixed assets such as motor vehicles, office equipment, computer and other technical devices.

The first question in financing is often: "Should I pay for everything at once?" Of course, this is followed by "Can I do it without going into debt?" Anyone who can should not always do so. With regard to cash payment, three points should be taken into account at once:

- in the first place, of course, we must ensure sufficient funds for such an investment;
- then, according to our regulations, the investment increases the profit and, therefore, the tax base, i. e. the tax burden. It is pointless, but every insurance broker and representative in Serbia must keep that in mind;

¹⁴ K.-H. Puschmann, S. 283–284.

- third, it is necessary to maintain continuous solvency, so an entrepreneur must never run out of money.

If we conclude that payment of total amount at once is out of the question, the question arises of the way of financing, such as bank loans, i. e. renting a car or equipment. Obviously, it is not understood that a successful entrepreneur always pays for everything in cash in order to be proud of it.

Remuneration of external employees. Request for pay raises particularly affects growing companies. You are in an awkward position, in a real dilemma since you must take care of customers, and you need an external employee. What to do? You need a different approach. An employee is part of a company. An employee is even an important part of a company which, on top of that, is expanding. An employee makes sure that customers are treated the way the manager wants. Thus, an employee significantly contributes to the ability of a company or enterprise – he/she is, so to speak, their advertisement.

Just as customers are given clearly defined benefits and services, they are also given to employees. This is not primarily about the money they will receive in the form of earnings, but also about various tasks that are not undertaken by them, but by the first manager. This means that from the beginning an employee finds an environment where he/she feels comfortable, a company that is constantly progressing. In this way, a successful manager stands out from the crowd and becomes recognizable as a name that offers external employees more than just a remuneration.

Monitoring various indicators. It is not easy to classify indicators since their selection depends on the scope and type of business. Here are some examples that many insurance brokers and representatives will consider – the number of meetings held per time unit; the share of deals concluded compared to the number of conducted conversations; the number of policies per customer; the share of certain target groups or certain insurance types; the number of customers per sales employee; frequency of meetings with customers that bring the most revenues and provide the best development opportunities; revenues per customer; costs per customer.

Of course, monitoring the above stated and other indicators makes sense only when the target values are established. The initial question is, therefore, how exactly the work should be carried out and what results are aimed for. Only then, you can move on.

V. Broker and Representative as a Manager

Many are convinced that they have all prerequisites to be a good and a successful manager. However, we know very well that this is often not true. Insurance representatives and brokers, as well as other managers, should lead their employees, set goals, and provide material and financial resources in order to fulfil

those goals. What are determinants of successful managers in insurance brokerage and representation?

Good organization despite obligations. Perhaps this is one of the most serious open issues. Brokers and representatives face numerous, small and large tasks. They are all significant in some way and all must be completed. Success is only measured by the final sales and advisory performance.¹⁵

If a manager is dissatisfied about poor organization, the most significant thing has already happened when he/she realised his/her own shortcomings. Now he/she should find a way to eliminate shortcomings. When that begins to influence behaviour, it means that the correction of shortcomings has been finally accepted. Only the one who acquires the missing virtues will pass the entrepreneurial exam in his business activity. The more consistently, the more consciously he accepts and overcomes it, the more fruitful the business venture will be.

Unwanted extension of a working day. Business is growing and the number of customers has grown. Increasing number of customers would like the manager to take care of them, and that is a nice achievement.

However, increasing number of insureds are looking for continuous care, support in the event of a loss, and answers to various questions. All this, gradually, extends working hours and increases manager's responsibilities. To solve numerous open issues, he may hire one or more employees. However, they do not bring only relief, they also need to be guided. That extends working hours. Development also causes an increase in the volume of administration, not to mention legal obligations. This further extends the manager's working hours.¹⁶

What to do? First, record at least once a year, as completely as possible, the tasks of brokers and representatives. Then, consider who is currently in charge of those duties. After that the most important thing – every year to reconsider responsibilities to transfer to others. In the entrepreneurial world in developed countries, it is common to delegate tasks to employees. A year when no task is delegated is a year of intensifying problems.

Every delegated task should be concise with standard procedures. It is necessary for the manager to set goals for employees precisely and mandatory. In addition, it is necessary to consider impartially the competence of employees for delegated tasks. In this way, customers and not brokers and representatives will say "I do not have time."¹⁷

¹⁵ Carola Schroeder, Lust am Machtverlust? Wie Versicherungsentscheider Fehler in Sachen Führung vermeiden, <https://versicherungswirtschaft-heute.de/maerkte-und-vertrieb/2021-05-28/lust-am-machtverlust-wie-versicherungsentscheider-fehler-in-sachen-fuehrung-vermeiden/>, pristupljeno: 28. 5. 2021.

¹⁶ V. Eickenberg, S. 48.

¹⁷ N. Žarković, str. 32.

Avoiding mistakes when delegating tasks. Numerous researches have proven that willingness (I will) and ability (I can) to delegate tasks are decisive for growth. Yet, at the beginning, delegation is not easy. It is necessary to think openly about different points of view in order to trace possible omissions.

It is recommended that one should learn and practice delegation of tasks, since it is a crucial tool for further growth. Just knowing that it is an important pre-requisite for further development of a business venture makes a certain manager stand out on the market. It is up to him to take advantage of that.

Praise and criticism. Since recognition of outstanding work strengthens the performance of employees, while complaints present dissatisfaction, one should consciously apply both. Only in this way will a good manager be able to convey expectations regarding tasks to be completed.

There are recommendations for conduct regarding these issues – a) announce both praise and criticism, whereby the best way would be descriptively expressed as “praise neither too much nor too little”, no matter how vague it may sound; b) in the initial conversation with an employee, you should praise his previous engagement and then state, unequivocally and well-founded, which tasks are still not carried out as planned (with support); c) criticise only from a professional point of view; d) think about whether an employee has the opportunity to give his/her best and whether he/she in general is a person for that job; e) develop skills of employees. Business will thrive when everyone is doing what best suits his/her strengths and talents.¹⁸

To be in charge and not wear yourself out. Several types of conduct can be successful. For example, if we introduce changes we must adhere to them strictly, never trying to change too much at once; involve employees in changes and work with them on the next development step; express upcoming joint prospects at the delight of a team. If necessary, the manager will also inform employees about the economic requirements to get something done, as he will be interested in why everything is not going smoothly with employees and remove the causes.

A good manager in insurance representation and brokerage should be authentic. At the same time, he should continuously bear in mind that his effectiveness as the first man is a sum of different ingredients from past, present and future. Therefore, he is expected to work on himself, to use, like most successful people, opportunities for further training and to be advised by someone else. The above stated is not a sign of weakness, it is a sign of the will to develop – with development of his personality, the company will also develop.

Defence of personal life. A feature of representation or brokerage activities that spread very well is a great goodwill of the owner to work far beyond the regular activities. The more experience you gain, the more business opportunities open up.

¹⁸ V. Eickenberg, S. 221.

The most important thing is that the insureds view you as a reputable and recognized person. It is up to the manager to organize the company, i. e. the enterprise, to manage employees, to manage financial figures, to develop further his/her own professional knowledge. Although he/she occasionally transfers tasks to others (and he delegated many of them before), he is still responsible for too many tasks.

Working hours are increasing every year. Whenever you think that it will not work like that anymore – it goes on. With more effort, income is expected to grow. On the other hand, personal life turns into scheduling meetings with family, friends, acquaintances, which will take place unless some more important business turns up.¹⁹

The day when the representative and/or broker will become worried and dissatisfied is slowly coming. If not him, then his/her family. Exploitation of oneself and one's health is not noticed or is successfully pushed into the subconscious. Balance between personal and business life is lost.

Therefore, you should plan your working and personal time and disclose it. This makes the new redistribution of time binding. One of the issues is availability for business purposes, which should be limited. If you involve personal life more, someone may wonder where entrepreneurial commitment is. It should be born in mind that a prerequisite for sustainable success, both in top sports and in the business world, is the transition from the phase of work and success to the phase of recovery, and vice versa.

VI. Conclusion

Development of representation and brokerage business offers a large number of prospects as well as many challenges. Entrepreneurial attitude and thinking are crucial for success and growth. Without such an attitude and thinking, it is not possible to continuously and internally promote representation and brokerage activities and present all qualities of a successful manager. Although insurance is often considered rigid, the entrepreneur's point of view here is essentially reflected in the knowledge that there is no end to development of internal relations in a business enterprise.

Internal circumstances, as well as external factors, are continuously changing. Existing employees in brokerage or representation will leave and new ones will replace them. Possibilities of modern technology, which are unimaginable today, will become completely common and their influence on internal relations will increase. Changes will affect customers that will also look for different forms of business organization. Partly uncertain overall economic trends will determine the financial position of representatives and brokers. In general, development trends will emerge that simply cannot be planned or thought about today.

Therefore, it is important that insurance brokers and representatives are ready for future. Numerous challenges in their work from the point of view of interior

¹⁹ Cordula Nussbaum, „Die Uhr tickt“, *Versicherungswirtschaft*, Juni 2018, S. 43.

organisation will be overcome only if there is a willingness to work professionally. Every task solved today will be a ticket to a new, higher level of work that comes tomorrow. Adapting to changes will be continuously necessary and therefore you should always be prepared, where the most important thing is to keep your own personality, remain authentic and special.

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Translated by: **Jelena Rajković**