Agency Builder: Structuring Your Agency

Contracting downline agents

- **Licensed only agent (LOA)**
  Everything sold by this agent will be paid to and owned by the agency, not the selling agent.
- **Independent, but tied to your agency**
  They own their own book of business and are paid directly. They would be placed on a lower than street commission rate when it's applicable.

Protect your investment

When hiring downline agents, you should always contract them as LOA to protect your time and money.

- Put a non-compete in place (typically 2 years) protecting your book of business.
  - If an agent decides to leave you own the book
  - They may buy it back
- You can design the compensation structure based on your contributions/value adds, such as office space, technology, training, and leads/referrals from marketing or brand recognition.

Compensation structure

- Pay a small salary and a one-time per policy commission set amount.
- Pay per hour and no commissions unless a goal is hit per week/month/quarter.
- Split their commissions on a structure like 70/30 or 80/20.

Remember, it's your business, so there is no wrong way. In the beginning, most leads/referrals are going to be coming from the business. Consider starting one way, and having a goal before switching to a different payout structure as your agents start bringing in their own leads. The key to keeping your downline of agents happy is mentorship and compensation.

Learn more about building your own business and how we can help you succeed at www.urlinsgroup.com/build or give Christy Wilbert a call at 717-216-8071.

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