

A STUDY OF THE MEMBERSHIP OF THE  
SPECIAL AGENTS ASSOCIATION OF  
THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

NATIONAL OPINION RESEARCH CENTER  
University of Chicago

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ERRATA SLIP

Re: A STUDY OF THE MEMBERSHIP OF THE SPECIAL AGENTS ASSOCIATION OF THE  
NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

Text - Page 5, First Paragraph, Second Sentence under "EFFECT OF NEW  
CONTRACT ON, AND ATTITUDES TOWARD, EXTRAS AGREEMENTS" should read as  
follows:

Of the latter group, consisting of 278 agents, 253 had had the agree-  
ment prior to the new contract, while the remaining 25 negotiated the  
agreement for the first time after the adoption of the new contract.

NATIONAL OPINION RESEARCH CENTER  
University of Chicago

To: The Executive Committee  
The Special Agents Association of The Northwestern  
Mutual Life Insurance Company

From: National Opinion Research Center

INTRODUCTION

In accordance with your request, we have carried out a study of the attitudes of the membership of the Special Agents Association of The Northwestern Mutual Life Insurance Company toward certain matters and conditions, the results of which are incorporated in this report.

We were furnished with the names and addresses of 878 Special Agents by the Association, which, we were informed, comprised all Special Agents who were at the time regular members of the Association. We first mailed questionnaires (Appendix A) to the membership on September 4, 1953, together with a covering letter (Appendix B) explaining the purpose of the study and requesting completion of the questionnaire. Replies, which, at our request were anonymous, were mailed directly to us and the anonymity of individual answers was assured. On September 21, 1953, we sent, by special delivery, a second questionnaire, together with covering letter (Appendix C) to those Special Agents from whom we had not received a reply to the first mailing. Through October 7, 1953, we had received completed questionnaires from 710 Special Agents. Questionnaires received subsequent to that date, comprising 18 at date of this report, are not included in the tabulations presented herewith.

The 710 completed questionnaires consisted of replies from the following:

<u>Years of Service</u>	<u>Number</u>	<u>Northwestern Production- Year Ended May 31, 1953</u>	<u>Number</u>	<u>Age</u>	<u>Number</u>
Less than					
3 years . .	78	Under \$150,000 . . . . .	147	30 or under	66
3 to 9 years	226	\$150,000 to \$250,000	197	31-40	154
10 to 15 years	61	\$250,000 to \$500,000	222	41-50	162
Over 15 years	343	Over \$500,000 . . . . .	140	51-64	261
Question not answered	2	Question not answered	4	65 or over	63
				Ques. not answered	4
Total . .	710	Total . . . . .	710	Total .	710

For purposes of this report, we have grouped the questions asked of the membership into categories dealing with the following matters:

1. Attitudes Toward the Company, Company Services, and Operations
2. Attitudes Toward General Agents and General Agency System
3. Attitudes Toward the New Special Agents Contract of August 1, 1952
4. Effect of New Contract on, and Attitudes Toward, Extras Agreements
5. Attitudes Toward Representation Afforded by Home Office Agency Department, General Agents and Special Agents Association.

Tabulations presented herewith are grouped by the above categories as are our comments pertaining to each group.

ATTITUDES TOWARD THE COMPANY, COMPANY SERVICES, AND OPERATIONS

Sixty-two per cent of the replies expressed satisfaction as to compensation and 54% as to benefits and services, while 37% expressed dissatisfaction as to the former, and 41% expressed dissatisfaction as to the latter (Tables 1 and 2).

As was noted almost throughout the entire questionnaire, expressions of dissatisfaction tended to increase as length of service, age and production increased. An exception to this tendency appeared in the group 65 years of age or older, which tended to be more satisfied than the average toward all matters excepting the retirement plan, commented upon in following sections.

Expressions of dissatisfaction as to compensation reached peaks in the groups with over 15 years of service (46%) and ages 51-64 (49%). Expressions of dissatisfaction as to benefits and services other than compensation reached peaks in the groups with over 15 years of service (45%), ages 41-50 (47%) and production of \$250,000 to \$500,000 (44%).

About one out of every four agents was very much satisfied with compensation, and the same proportion held true as to benefits and services other than compensation. One out of ten was very much dissatisfied with compensation, and one out of six was very much dissatisfied with benefits and services other than compensation.

It should be pointed out that throughout the questionnaire, the group with less than three years of service tended to exhibit a somewhat higher degree of satisfaction than any other group. This group also tended to have the largest percentage answering "No opinion" or not answering questions. A number of agents in this group commented that they were unable to express opinions on many matters because they were not familiar enough with the considerations involved.

More than half the agents listed low net cost as one of the chief advantages of representing Northwestern Mutual (Table 3). An additional 8% who mentioned low net cost qualified their statement by commenting that it was no longer as great an advantage as it had formerly been, or that while it had been an advantage in the past, they no longer considered it so. Other advantages frequently mentioned were the prestige or reputation of the Company (29%) and the quality or high standards of the Company (25%). Ten per cent either did not answer the question, or wrote "None."

As to disadvantages, 9% listed low commissions or low compensation, and an additional 13% listed the lack of services provided by the Company, causing a high cost of doing business (Table 4). Thirteen per cent stated that restrictions as to the type of insurance handled was a disadvantage, without listing any specific types that they would like to be able to sell; another 13% stated that lack of substandard coverage was a disadvantage. Thirty-six per cent either did not answer the question or answered "None."

With the exception of pension underwriting, at least eight out of ten agents who used the services provided by the Company as listed in Table 5 were satisfied with those services. Approximately half the agents used pension underwriting services, and of those 37% were dissatisfied with the service.

A majority of the agents felt that they would find advantageous the expansion of coverage to include the following new types of policies and policy features (Table 6):

**Substandard**

- Annual premium annuities, or annual premium annuities for uninsurables only
- Aviation exclusion rider
- Payor clause on juvenile policies

Slightly less than half the agents stated that they would find the addition of double indemnity and junior estate builder plan advantageous to them. Of those expressing an opinion, a majority felt that they would find the addition of the junior estate builder plan advantageous. A small proportion of those answering this question qualified their answer by making it contingent upon the effect of the addition on policy cost.

About one out of every four agents expressed dissatisfaction as to the Company's retirement plan (Table 7). In the group ages 51-64 expressions of dissatisfaction rose to about one out of three. One out of every five agents 65 years of age or older stated that they were very much dissatisfied with the plan and an additional 11% stated that they were somewhat dissatisfied.

ATTITUDES TOWARD GENERAL AGENTS AND THE GENERAL AGENCY SYSTEM

Half of the agents felt that Northwestern's general agency system was preferable to a managerial or semi-managerial system, while a little less than one-fourth preferred the managerial type (Table 8). The balance either felt that the two would be about the same or expressed no opinion. These ratios showed no significant variation among groups, with the exception of those with less than three years of service and those under 30 years of age. In each of these latter groups only 4% expressed a preference for the managerial type. Table 9 presents the reasons given for the expressed preference.

Fifty-seven per cent of the agents were at least somewhat satisfied with their General Agent as to his help in procurement of new business and 67% were satisfied as to his help in servicing of old business (Tables 10 and 11). Again, these proportions did not vary significantly, with the exception of the newest agents and the youngest agents, both of which groups exhibited a somewhat higher degree of satisfaction.

Table 12 presents the correlation between the agents' attitudes toward their General Agent and their preference for the general agency system or the managerial type system. It indicates that those agents who expressed a preference for the general agency system were significantly more inclined to be satisfied with their General Agents' aid to them than were those preferring a managerial type system.

ATTITUDES TOWARD THE NEW SPECIAL AGENTS' CONTRACT OF AUGUST 1, 1952

Fifty-three per cent of agents who returned questionnaires were either somewhat or very much satisfied with the changes in the new contract, as opposed to 40% who were somewhat or very much dissatisfied (Table 13). The trend previously commented on toward dissatisfaction as years of service, production and age increased may be noted in Table 13. Again, the exception to this trend is found

in the group 65 years of age or older.

Table 14 shows the cumulative effect of length of service and production upon satisfaction with the new contract. This table indicates that the greatest degree of dissatisfaction exists in the 211 agents who have ten or more years of service and had Northwestern production of \$250,000 or more during the year ended May 31, 1953. More than one out of every four in this group was very much dissatisfied with the changes in the new contract, and 56% were at least somewhat dissatisfied with the changes. Table 14 also presents a comparison of degree of satisfaction with the new contract changes as between those agents 64 years of age or younger with over 15 years of service and those 65 or older with the same length of service showing somewhat greater dissatisfaction in the former group.

Four out of every ten agents listed additional commissions or additional first year commissions as one of the advantages to them in the new contract (Table 15). One out of eight commented favorably on the restoration of the 9th renewal, and one out of ten mentioned vesting provisions or persistency fees as an advantage. Nine per cent said there were no advantages and an additional 12% did not list any advantages although they did list disadvantages in response to the same question.

As to disadvantages in the new contract, 17% mentioned less commissions on short term or older age or retirement income or limited pay policies, while an additional 8% said less commissions without specifying type of policy (Table 16). About one in six listed complaints as to vesting provisions. Eleven per cent stated that one of the disadvantages to them was the reduction or elimination of their extras agreements or uncertainty as to its continuation, while an additional 7% whose extras agreements had been extended listed as a disadvantage the loss of Company guarantee of these agreements or the loss of pension plan credit for the extras.

Thirty-five per cent felt that there were groups of agents particularly benefited by the changes in the new contract (Table 17), as compared with 49% who felt that there were groups particularly adversely affected (Table 19), commented upon in following paragraphs. Younger and newer agents were most often adjudged to be the groups particularly benefited. Older agents and those with longer service particularly thought the contract benefited the younger agents (Table 18). Nineteen per cent of those who felt that there were groups particularly benefited listed agents with longer service as the benefited group. This conclusion was drawn proportionately most often by the groups with the least service.

Older agents, both as to length of service and age, were most often adjudged to be the group adversely affected by the changes in the new contract (Table 20). Of the 28% who mentioned agents writing high premium insurance as a group adversely affected, many indicated that this group consisted primarily of older agents. The same held true for the 28% listing agents with extra commission agreements.

Over twice as many agents felt that the Special Agents group as a whole was not satisfied with the new contract changes as felt that the group as a whole was satisfied (Table 21). This may be compared with Table 13 wherein 53% of the agents stated that they themselves were at least somewhat satisfied. One out of every three agents did not express an opinion as to overall satisfaction with the contract.

Six out of every ten agents either expressed no opinion or felt that the changes in the new contract would have no effect as to its ability to attract new agents to the Company (Table 22). Of those that did feel that the new contract would have an effect in this regard, three times as many felt that the new contract would be more likely to attract new agents as felt that the old contract was more attractive to potential new agents.

Table 23 presents a breakdown as to the types of contract selected by the various length of service, production and age groups. The groups with Contract Forms 1583 and 1584 exhibited approximately the same degree of satisfaction toward persistency fees and vesting provisions offered by the Company, with approximately two-thirds of each group being at least somewhat satisfied and one-third expressing dissatisfaction (Table 24). However, of those with Contract Form 1585, one-third were at least somewhat satisfied, one-third were dissatisfied, and one-third did not answer the question, apparently because the persistency provision did not apply to them. Four out of every ten in this group who answered the question expressed extreme dissatisfaction (very much dissatisfied).

#### EFFECT OF NEW CONTRACT ON, AND ATTITUDES TOWARD, EXTRAS AGREEMENTS

While 55% of the agents had an agreement as to extra compensation with their General Agents prior to the adoption of the new contract, 39% had such an agreement at the time they answered the questionnaire (Tables 25 and 26). Of the latter group, consisting of 368 agents, 343 had had the agreement prior to the new contract, while the remaining 25 negotiated the agreement for the first time after the adoption of the new contract. Tables 25 and 26 show that, although extras agreements exist predominantly in the longer service groups, a number of the newer agents also have such agreements.

Of those agents who had an extras agreement prior to the adoption of the new contract, only 4% felt that the present Company policy is best, while 74% felt that the Company's policy regarding the extras agreements should be the same as it was prior to the new contract (Table 27). Opinion among those agents who had no extras agreements was fairly evenly split as to this question, with one in four feeling the old Company policy was best and one in five feeling that the present Company policy is best. Eight per cent felt that the Company should guarantee payment of extras but should not extend Retirement Plan credit to them. Nine per cent in this group proposed other plans or felt that none of the statements in Table 27 adequately described their opinion, and 38% did not express an opinion.

Of the 132 agents who had extras agreements prior to but not subsequent to the new contract, 45% felt that their General Agent was using the contract changes as an excuse for the termination of the agreement (Table 28). Fourteen per cent thought that their General Agent was willing to extend the agreement but would not do so because he felt that the contract changes meant that the Company disapproved of such agreements.

ATTITUDES TOWARD REPRESENTATION AFFORDED BY HOME OFFICE AGENCY DEPARTMENT,  
GENERAL AGENTS, AND THE SPECIAL AGENTS ASSOCIATION

Opinion as to the sort of job the Home Office Agency Department and General Agents do in representing Special Agents was evenly split, with about half of the agents who expressed opinions feeling that those sources did excellent or good jobs and the other half feeling that those sources did only fair or poor jobs. About one in four expressed no opinion as to each source.

Eight out of ten agents felt that the Special Agents Association did at least a good job of representing them, and half the agents felt that the Association did an excellent job in that respect. Eight per cent felt that the Association did only a fair job and 2%, a poor job. One in ten expressed no opinion on this question. There were no particularly significant variations among groups as to this series of questions.

About 30% of the agents felt that the Home Office always, nearly always, or usually gives adequate weight to the agents' views and requests when presented by each of the three sources (Home Office Agency Department, General Agents and Special Agents Association) (Tables 32, 33, and 34). The largest category of answers in each source to this series of questions was the "Sometimes does, sometimes doesn't" category, with at least one out of four selecting this answer as best expressing their opinion as to the weight given each source. A conclusion that may be drawn from Tables 29 through 34 is that while the agents are more confident that the Association does a good job of representing them than either the Home Office Agency Department or the General Agents, all three representatives are thought to be about equally effective (or ineffective) in getting the Home Office to give adequate weight to Special Agents' views and requests.

Table 35 presents the suggestions as to the courses of action the Association should take to establish a better relationship between Special Agents and Company management. It should be stressed that this tabulation includes only suggestions received from the 50% of the agents who felt that the Company did not usually give adequate weight to agents' views and requests as presented by the Association.

GENERAL

Verbatim comments elaborating on opinions expressed or concerning matters not taken up in the questionnaire will be forwarded under separate cover. We feel that the vast majority of such comments show thoughtful consideration of issues and problems concerning the agency force.

We should like to take this opportunity to express our appreciation for the many courtesies extended to our representatives during the course of this study.

Group 1 Tabulations

Questions Dealing With

Attitudes Toward

the Company,

Company Services,

and

Operations

Table 1, Question h.

	All Agents		Years of Service				Production-Year Ended -- May 31, 1953				Age			
	Less than 3 Years	3-9 Years	10-15 Years	Over 15 Years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	\$500,000-\$1,000,000	Over \$1,000,000	30 or under	31-40	41-50	51-64	65 or over
Very much satisfied	28%	41%	32%	20%	24%	37%	27%	25%	23%	38%	34%	28%	18%	43%
Somewhat satisfied	34	41	36	44	28	35	35	31	34	42	37	35	31	24
Somewhat dissatisfied	27	8	26	28	32	17	26	34	28	14	22	26	35	19
Very much dissatisfied	10	5	6	8	14	7	10	10	14	3	6	10	14	11
No answer	1	5	-	-	2	4	2	*	1	3	1	1	2	3
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 2, Question h.

Q. In general how satisfied are you with Northwestern Mutual as to--agent's benefits and services other than compensation?

Very much satisfied	27%	41%	31%	25%	22%	36%	26%	27%	22%	47%	31%	22%	20%	40%
Somewhat satisfied	27	28	27	31	27	25	27	26	32	23	30	29	28	16
Somewhat dissatisfied	24	14	25	23	27	18	24	29	24	15	21	30	27	19
Very much dissatisfied	17	12	15	16	18	16	17	15	18	12	16	17	17	19
No answer	5	5	2	5	6	5	6	3	4	3	2	2	8	6
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
n =	(710)	(78)	(226)	(61)	(343)	(147)	(197)	(222)	(140)	(66)	(154)	(162)	(261)	(63)

\* Wherever an asterisk is used in these tables, it means less than one-half of one per cent.

Table 3, Question 5.

Q. What do you consider to be the chief advantages to the agent in representing Northwestern Mutual?

<u>Advantage</u>	<u>Per cent mentioning specified advantage</u>
Low net cost . . . . .	52%
Prestige or reputation of Company . . . . .	29
Capability or efficiency or standard or quality of fairness, efficiency in service of Company, or specific company departments, "best Company," etc. . . . .	25
No brokerage rule . . . . .	10
Quality of agency force . . . . .	8
Option provisions, general comments on policy quality, competitive position of policy . . . . .	37
Specialization--preferred risks--no substandard . . . . .	8
National advertising . . . . .	1
Formerly low net cost, although becoming fallacy . . . . .	8
Prestige of Company acquired in the past . . . . .	2
Miscellaneous (freedom of activity, repeat business, agent's contract, etc.) where no other codeable answer . . . . .	1
No answers or none . . . . .	<u>10</u>
Total . . . . .	191 <sup>a</sup>
	n = (10)

<sup>a</sup>Percentages add to more than 100 because some agents mentioned more than one advantage.

Table 4, Question 6.

Q. What do you consider to be the chief disadvantages, if any, to the agent in representing Northwestern Mutual?

<u>Disadvantage</u>	<u>Per cent mentioning specified disadvantage</u>
Low commissions, compensation . . . . .	9%
Lack of services, have to pay for everything, high cost of doing business . . . . .	13
General restrictions on type of insurance handled without mention of specific type . . . . .	13
No substandard . . . . .	13
Requirement for physical exam, or lack of non-medical underwriting . . . . .	4
No policies for ages 0-4 . . . . .	3
General Agency system (poor general agents, etc.) . . . . .	3
Poor Company attitude, lack of public relations understanding by Company, poor relations between Company and agents, complacent management attitude, poor departments, etc. . . . .	6
No disability income . . . . .	1
No double indemnity . . . . .	7
No aviation hazards . . . . .	3
Miscellaneous (training program, contract complaints other than commission, such as complexity, having to choose,) new agent does not get additional compensation provision during first years, pension plan, rigidity of physical exam, strict underwriting policies, occupation eliminations) . . . . .	10
No answer or none . . . . .	<u>36</u>
Total . . . . .	121 <sup>a</sup>
	n = (710)

<sup>a</sup> Percentages add to more than 100 because some agents mentioned more than one disadvantage.

Table 5, Question 7.

Q. To what degree are you satisfied with the service you receive from the Home Office regarding the following?

Service	Per cent all agents indicating usage of such service	The degree of satisfaction expressed by those using the service				Total	n =
		Very much satisfied	Somewhat satisfied	Somewhat dissatisfied	Very much dissatisfied		
Underwriting new business	96%	63%	25%	10%	2%	100%	(679)
Competitive problems	86	51	28	14	7	100	(613)
Sales aids	92	52	30	11	7	100	(652)
Settlement option practice	97	72	21	6	1	100	(684)
Advanced underwriting problems	86	68	23	7	2	100	(607)
Pension underwriting	48	42	21	20	17	100	(343)
Death and disability claims	90	89	8	3	*	100	(641)

Table 6, Question 10a.

Q. Would it be advantageous to you if Northwestern Mutual should go into the following?

	Per cent agents with 15 or more years of service answering "Very advantageous"	Per cent agents with over \$250,000 production answering "Very advantageous"	Per cent of all agents answering:						Total	n =
			Very advantageous	What you would like to see Northwestern go into?	Not particularly advantageous	Not at all advantageous	or no opinion	No answer		
Double indemnity	24%	21%	20%	23%	24%	26%	7%	100%	(710)	
Disability income	15	14	14	18	24	35	9	100	(710)	
Substandard	37	37	32	21	11	31	5	100	(710)	
Non-medical	28	24	23	18	17	36	6	100	(710)	
Group	20	17	15	14	15	42	14	100	(710)	
Health and accident	9	9	9	8	16	55	12	100	(710)	
Annual premium annuities	31	29	28	33	15	10	14	100	(710)	
Annual premium annuities for uninsurables only	24	23	23	30	13	12	22	100	(710)	
Aviation exclusion rider	36	35	30	22	13	25	10	100	(710)	
Junior estate builder plan	24	22	22	24	14	17	23	100	(710)	
Payor clause on juvenile policies	40	31	33	28	14	14	11	100	(710)	

Note: In response to the question "Are there any other fields that you would particularly like to see Northwestern go into?", 5% of all agents mentioned O-4 years, 5% mentioned other phases of pension plans, and 1% mentioned combination mortgage and insurance plan. Other fields were mentioned by less than 1%.



Group 2 Tabulations

Questions Dealing With

Attitudes Toward

General Agents

and

General Agency System

Table 8, Question 8a.

Q. From your viewpoint do you feel that Northwestern Mutual's pure General Agency system of operation is or is not more satisfactory than the managerial or semi-managerial type used by many other companies?

	All Agents	Years of Service				Production-Year Ended -- May 31, 1953				Age					
		Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	Over \$500,000	30 or under	31-40	41-50	51-64	65 or over	
Pure General Agency System is more satisfactory . . . .	50%	64%	52%	46%	46%	49%	50%	54%	73%	55%	46%	43%	51%		
Managerial or semi-managerial type would be more satisfactory . . . .	21	4	17	33	17	20	23	23	4	16	26	26	19		
About the same . . . .	4	-	6	3	4	4	5	5	2	5	4	5	3		
No opinion or no answer . . . . .	25	32	25	18	33	27	22	18	21	24	24	26	27		
Total n =	100% (710)	100% (78)	100% (226)	100% (61)	100% (343)	100% (147)	100% (197)	100% (222)	100% (140)	100% (66)	100% (154)	100% (162)	100% (261)	100% (63)	

Table 9, Question 8b.

Q. From your viewpoint, do you feel that Northwestern Mutual's pure General Agency system of operation is or is not more satisfactory than the managerial or Semi-Managerial type used by many other companies?  
 (50% preferred the pure General Agency system, 21% preferred the Managerial or Semi-Managerial type, 29% expressed no preference.)

Reasons given by those preferring pure General Agency System	Per cent giving specified reasons	Reasons given by those preferring Managerial or Semi-Managerial type	Per cent giving specified reasons
General Agent has more incentive than Manager, has more drive, is in business for himself, therefore more incentive for Special Agent . . . . .	18%	Have to compete with General Agent or General Agent's employees, conflicting interests . . . . .	19%
Agent feels more independent under General Agent system, can plan own time . . . . .	18	The General Agents themselves are at fault, uncooperative, not efficient (based on experiences) . . . .	5
Satisfied with treatment under General Agent system, has been proven better . . . . .	17	General Agents too powerful, independent, selfish, Home Office does not control . . . . .	24
Greater flexibility in General Agent system . . . . .	9	Too much favoritism, graft, discrimination, feudal system . . . . .	6
More efficiency, cooperation, more leadership, better relations between General Agents and Special Agents, what benefits General Agents benefits Special Agents, 20		Uniformity of operation under Managerial system means economy, better supervision . . . . .	17
Miscellaneous (lower cost to policy holder, Agent's position is better, economy, higher morale, etc.) . . . .	9	General Agents inclined to work hard, then coast . .	12
No reason given . . . . .	18	Miscellaneous (lack of continuity with Special Agent, General Agent does not have enough time to work with Special Agent, poor training, managerial system provides occasional personnel change, General Agents do not have experience of selling in field, costs General Agent too much to get underway, goes in debt, Home Office does not move General Agent who fails to produce, etc.) . . . . .	21
Total . . . . .	109% <sup>a</sup>	No reason given . . . . .	7
	n = (354)	Total . . . . .	111% <sup>a</sup>

<sup>a</sup> Percentages add to more than 100 because some Agents gave more than one reason.

n = (150)

Table 10, Question 9a.

Q. Disregarding personal relationships, to what degree are you satisfied with your General Agent as to his help to you in--procurement of new business?

	Years of Service				Production-Year Ended May 31, 1953				Age				
	Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	\$500,000 Over	30 or under	31-40	41-50	51-64	65 or over
All Agents	36%	49%	35%	26%	41%	30%	35%	41%	30%	34%	36%	32%	43%
Very much satisfied	21	26	22	25	20	22	23	19	27	24	18	20	19
Somewhat satisfied	17	14	20	15	13	22	16	14	9	17	22	18	11
Somewhat dissatisfied	21	9	20	26	22	21	22	18	15	21	20	24	16
Very much dissatisfied	5	2	3	8	4	5	4	8	-	4	4	6	11
No answer													
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 11, Question 9a.  
 Q. Disregarding personal relationships, to what degree are you satisfied with your General Agent as to his help to you in--servicing of old business?

Very much satisfied	44%	54%	45%	37%	42%	46%	40%	44%	45%	65%	41%	45%	37%	46%
Somewhat satisfied	23	22	24	26	22	21	26	22	21	21	29	19	24	16
Somewhat dissatisfied	14	14	18	16	11	12	16	13	8	8	15	20	13	8
Very much dissatisfied	12	1	10	11	16	14	14	13	3	3	12	9	17	14
No answer	7	9	3	10	9	7	4	8	3	3	3	7	9	16
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
n =	(710)	(78)	(226)	(61)	(343)	(147)	(197)	(222)	(140)	(66)	(154)	(162)	(261)	(63)

Table 12, Question 9a.

Degree of Satisfaction with General Agent's Help, Averaged Over the Two Types of Services (Procuring New Business and Servicing Old Business), in Relation to Agent's Preference for General Agency System or Managerial-Type Systems.

	Agents who indicated preference for General Agency system in answer to Question 8a.	Agents who indicated preference for Managerial-type systems in answer to Question 8a.
Very much satisfied . . . . .	53% <sup>a</sup>	16% <sup>a</sup>
Somewhat satisfied . . . . .	23	19
Somewhat dissatisfied . . . . .	12	23
Very much dissatisfied . . . . .	7	38
No answer . . . . .	<u>5</u>	<u>4</u>
Total . . . . .	100%	100%
	n =	(150)

<sup>a</sup> The percentage given represents the average degree of satisfaction with the General Agent's help in procuring new business and in servicing old business, obtained by adding together the percentages in each satisfaction group for the two types of service and dividing the result by two.

**Group 3 Tabulations**

**Questions Dealing With  
Attitudes Toward  
the New Special Agents' Contract  
of August 1, 1952**

Table 13, Question 11

Q. To what degree are you satisfied with the changes incorporated in the new Special Agents' contract of August 1, 1952?

	All Agents	Years of Service				Production-Year Ended May 31, 1953				Age				
		Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	Over \$500,000	30 or under	31-40	41-50	51-64	65 or over
Very much satisfied	20%	22%	25%	25%	17%	29%	18%	17%	20%	24%	30%	17%	13%	32%
Somewhat satisfied	33	52	34	29	28	33	40	34	23	50	36	35	30	20
Somewhat dissatisfied	24	8	25	29	26	19	22	27	26	12	19	30	24	27
Very much dissatisfied	16	5	11	15	22	8	13	18	27	6	12	13	25	10
No answer	7	13	5	2	7	11	7	4	4	8	3	5	8	11
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 14, Question 11

Q. To what degree are you satisfied with the changes incorporated in the new Special Agents' contract of August 1, 1952?

	Total	Less than 10 Years' Service		10 Years' Service or More		Over 15 Years' Service			
		Production less than \$250,000	Production \$250,000 or more	Production less than \$250,000	Production \$250,000 or more	Age		Age	
	n =					64 or under	65 or over	64 or under	65 or over
Very much satisfied		21%	27%	24%	12%	14%	30%		
Somewhat satisfied		44	34	31	27	31	20		
Somewhat dissatisfied		17	23	24	29	24	30		
Very much dissatisfied		7	13	14	27	24	7		
No answer		11	3	7	5	7	13		
Total	n =	100%	100%	100%	100%	100%	100%		
		(154)	(150)	(189)	(211)	(285)	(56)		

Table 15, Question 12a.

Q. What do you consider to be the advantages and disadvantages to you in the new contract?

Distribution of responses by type of advantage listed

Advantage	All Agents	Per cent Mentioning the Specified Advantage				Age
		Less than 3 years	3-9 years	10-15 years	Over 15 years	
Additional commission, extra 5% in first year . . . . .	40%	27%	47%	41%	34%	30 or under
	4	1	3	5	6	
Additional commissions on younger ages--long term premium policies or low pay policies . . . . .	13	4	7	10	20	41-50
	9	8	10	11	7	51-60
Restoration of 9th renewal vesting provisions or persistency fees . . . . .	9	8	10	11	7	61-70
	2	3	2	3	2	71-80
Miscellaneous (choice of renewal period, choice of contract, generally satisfactory, etc.) . . . . .	9	3	7	10	12	81-90
	2	3	2	3	2	91-100
None . . . . .	9	3	7	10	12	or over
	35 <sup>b</sup>	55	30	34	35	
Total . . . . .	112% <sup>a</sup>	101%	106%	114%	116%	
	n = (710)	(78)	(226)	(61)	(343)	
Additional commission, extra 5% in first year . . . . .	40%	27%	47%	41%	34%	42%
	4	1	3	5	6	50%
Additional commissions on younger ages--long term premium policies or low pay policies . . . . .	13	4	7	10	20	6
	9	8	10	11	7	1
Restoration of 9th renewal vesting provisions or persistency fees . . . . .	9	8	10	11	7	3
	2	3	2	3	2	9
Miscellaneous (choice of renewal period, choice of contract, generally satisfactory, etc.) . . . . .	9	3	7	10	12	3
	2	3	2	3	2	2
None . . . . .	9	3	7	10	12	3
	35 <sup>b</sup>	55	30	34	35	5
Total . . . . .	112% <sup>a</sup>	101%	106%	114%	116%	106%
	n = (710)	(78)	(226)	(61)	(343)	(66)
Additional commission, extra 5% in first year . . . . .	40%	27%	47%	41%	34%	112%
	4	1	3	5	6	123%
Additional commissions on younger ages--long term premium policies or low pay policies . . . . .	13	4	7	10	20	10%
	9	8	10	11	7	102%
Restoration of 9th renewal vesting provisions or persistency fees . . . . .	9	8	10	11	7	10%
	2	3	2	3	2	102%
Miscellaneous (choice of renewal period, choice of contract, generally satisfactory, etc.) . . . . .	9	3	7	10	12	10%
	2	3	2	3	2	102%
None . . . . .	9	3	7	10	12	10%
	35 <sup>b</sup>	55	30	34	35	102%
Total . . . . .	112% <sup>a</sup>	101%	106%	114%	116%	106%
	n = (710)	(78)	(226)	(61)	(343)	(66)

a The total of the percentages in each column exceeds 100 because some agents mentioned more than one advantage.

b The 35 per cent who did not answer the question on advantages is composed of 12 per cent who answered under disadvantages and 23 per cent who gave no answer under either advantages or disadvantages.

Table 16, Question 12a.

Q. What do you consider to be the advantages and disadvantages to you in the new contract?  
Distribution of responses by type of disadvantages listed

Disadvantage	Per cent mentioning the specified disadvantage															
	All Agents	Years of Service					Production					Age				
		Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000 to \$250,000	\$250,000 to \$500,000	\$500,000 to \$1,000,000	Over \$1,000,000	30 or under	31 to 40	41 to 50	51 to 64	65 or over	
Less commissions (type unspecified), hence less pensions, retirement plan . . . . .	8%	4%	6%	2%	12%	5%	8%	8%	14%	3%	6%	7%	11%	8%		
No 5% on 2nd year--reduction of commissions after first year (agents who do not have extras agreements) . . . . .	3	3	4	2	2	4	2	4	1	6	3	2	2	5		
Less commission on short term, or older age policies, or retirement income, or limited pay policies . . . . .	17	1	11	5	25	7	16	25	18	3	9	21	25	13		
Reduction or elimination of extras agreement or uncertainty as to its continuation . . . . .	11	5	6	11	16	5	12	11	16	3	10	15	12	8		
Complaints as to vesting provisions . . . . .	16	15	34	23	4	8	17	20	19	26	31	20	8	2		
Complaints as to persistency fee stopping at 65 or not retroactive	4	-	2	7	6	2	7	3	4	-	3	3	7	2		
Complaints on 9th renewal not being made retroactive . . . . .	3	5	2	2	2	1	3	2	4	6	1	2	3	-		
Loss of Company guarantee of extras, loss of pension plan credit from extras . . . . .	7	-	4	11	10	1	5	9	14	-	5	12	8	5		
Miscellaneous--generalized answers--contract terms, sliding scale, don't like to have to choose contract, more disadvantages than advantages, etc.)	4	3	4	5	4	3	4	3	5	2	4	2	4	6		
None . . . . .	6	5	8	3	4	7	7	5	4	11	8	7	3	3		
No answer . . . . .	36 <sup>b</sup>	64	32	34	33	60	38	27	23	45	35	31	33	56		
Total . . . . .	115% <sup>a</sup> (710)	105% (78)	113% (226)	105% (61)	118% (343)	103% (147)	119% (197)	117% (222)	122% (140)	105% (66)	115% (154)	122% (162)	116% (261)	108% (63)		

<sup>a</sup> The total of the percentages in each column exceeds 100 because some agents mentioned more than one disadvantage.

<sup>b</sup> The 36% who did not answer the question on disadvantages is composed of 13% who answered under advantages and 23% who gave no answer under either advantages or disadvantages.

Table 17, Question 14a.

Q. Do you think there are any groups of Special Agents (relative to size, location, years of service, etc.) who were particularly benefited by the changes incorporated in the new contract?

	All Agents	Years of Service				Age					
		Less than 3 years	3-9 years	10-15 years	Over 15 years	30 or under	31 to 40	41 to 50	51 to 64	65 or over	
Yes . . . . .	35%	23%	35%	38%	37%	33%	36%	39%	36%	21%	
No . . . . .	20	5	21	15	23	12	19	20	20	26	
No opinion or no answer . . . . .	45	72	44	47	40	55	45	41	44	53	
Total . . . . .	100% (710)	100% (78)	100% (226)	100% (61)	100% (343)	100% (66)	100% (154)	100% (162)	100% (261)	100% (63)	
	n =										

Table 18, Question 14b.

Q. What groups do you have in mind (asked of those answering "Yes" to preceding question)

	Per cent Distribution by Groups									
	4%	6%	10%	-%	2%	5%	9%	2%	2%	8%
Older agents (where reference apparently to age) . . . . .	44	28	32	35	56	45	20	37	61	62
Younger agents, younger agents who write younger people . . . . .	19	33	28	17	10	9	40	24	5	15
Longer service--over 12 years with Company, over 15 years, etc. . . . .	31	44	21	43	34	32	20	38	36	15
New agents--agents with little service--under 5 years	9	-	10	17	8	5	11	10	9	8
Miscellaneous (all, small producers, younger agents with long service, those in large General Agencies, those not getting extras) . . . . .	4	-	5	-	4	5	5	-	5	-
No answer as to groups . . . . .	111% (248)	111% (18)	106% (80)	112% (23)	114% (127)	101% (22)	105% (55)	111% (63)	118% (93)	108% (13)
Total . . . . .	n =									

<sup>a</sup> The total of the percentages in each column exceeds 100, because some agents mentioned more than one group.

Table 19, Question 15a.

Q. Do you think that there are any groups of Special Agents who were particularly adversely affected by the changes incorporated in the new contract?

	All Agents	Years of Service				Age					
		Less than 3 years	3-9 years	10-15 years	Over 15 years	30 or under	31 to 40	41 to 50	51 to 64	65 or over	
Yes . . . . .	49%	27%	49%	51%	56%	35%	43%	57%	57%	32%	
No . . . . .	13	3	15	5	13	12	13	12	10	19	
No opinion or no answer . . . . .	38	70	36	44	31	53	44	31	33	49	
Total . . . . .	100% (710)	100% (78)	100% (226)	100% (61)	100% (343)	100% (66)	100% (154)	100% (162)	100% (261)	100% (63)	
	n =										

Table 20, Question 15b.

Q. What groups do you have in mind? (Asked of those answering "Yes" to preceding question)

Per cent Distribution by Groups

Agents who had extra commission agreements, older men who have lost the extra second year premium . . . . .	28%	14%	25%	26%	32%	15%	29%	35%	27%	20%
Older agents (where reference apparently to age)	24	24	19	10	29	35	21	7	32	30
Younger agents (where reference apparently to age)	3	-	7	-	2	15	3	4	1	-
(Older) agents who write short pay policies, high premium insurance, large policies, 5-10 pay life	28	29	22	29	32	26	26	28	30	35
Those writing pension trust or retirement plan . . . . .	12	10	8	16	14	-	8	23	10	10
Agents with long service, old contracts . . . . .	7	5	4	13	7	4	5	7	7	5
New agents, agents with little service . . . . .	14	24	24	10	7	17	26	18	6	5
Miscellaneous--(big producers, those with outside office, those with small General Agents, etc.) . . . . .	7	-	10	19	4	-	8	9	7	5
No answer as to groups . . . . .	2	-	1	6	1	4	-	2	1	-
Total . . . . .	125% <sup>a</sup> (353)	106% (21)	120% (110)	129% (31)	128% (191)	116% (23)	126% (66)	133% (93)	121% (148)	110% (20)
	n =									

<sup>a</sup> The total of the percentages in each column exceeds 100, because some agents mentioned more than one group.

Q. Do you think that the Special Agents' group as a whole is satisfied with the changes incorporated in the new contract?

	All Agents	Years of Service				Production-Year Ended May 31, 1953				Age				
		Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	Over \$500,000	30 or under	31-40	41-50	51-64	65 or over
Yes . . . . .	21%	18%	29%	10%	17%	12%	24%	23%	22%	27%	30%	20%	15%	14%
No . . . . .	46	24	44	54	51	35	44	50	55	29	41	50	55	32
No opinion or no answer . . .	33	58	27	36	32	53	32	27	23	44	29	30	30	54
Total . . . . .	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 22, Question 16

Q. In general, do you feel that the new contract is or is not more likely to attract new agents to the Northwestern Mutual than the one that preceded it?

	The new contract is more likely to attract new agents . . . . .		The old contract was more likely to attract new agents . . . . .		About the same No opinion or no answer . . . . .		Total n =							
	31%	26%	36%	25%	30%	27%	28%	31%	40%	36%	33%	37%	28%	19%
Yes . . . . .	10	1	10	13	11	6	8	13	10	5	6	11	10	14
No . . . . .	33	29	39	33	30	24	41	35	29	35	41	34	29	30
No opinion or no answer . . .	26	44	15	29	29	43	23	21	21	24	20	18	33	37
Total . . . . .	100% (710)	100% (78)	100% (226)	100% (61)	100% (343)	100% (147)	100% (197)	100% (222)	100% (140)	100% (66)	100% (154)	100% (162)	100% (261)	100% (63)

Q. Under which type of contract are you currently operating?

	All Agents	Years of Service					Production-Year Ended May 31, 1953					30 or under	31 to 40	41 to 50	51 to 64	65 or over
		Less than 3 years	3-9 years	10-15 years	Over 15 years	Under \$150,000	\$150,000 to \$250,000	\$250,000 to \$500,000	\$500,000 to \$500,000	Over \$500,000						
Form 1583, providing persistency fees, and nine renewals fully vested after 15 years of continuous service	47%	17%	34%	51%	62%	34%	48%	46%	61%	27%	41%	59%	55%	19%		
Form 1584, providing eight vested renewals and persistency fees	29	74	51	16	6	28	34	32	17	70	54	30	10	2		
Form 1585, providing nine renewals fully vested without persistency fees	18	-	11	31	25	28	14	16	16	-	1	4	29	66		
Other	1	1	1	-	1	3	-	1	-	-	1	-	1	3		
No answer	5	8	3	2	6	7	4	5	6	3	3	7	5	10		
Total	100% (710)	100% (78)	100% (226)	100% (61)	100% (343)	100% (147)	100% (197)	100% (222)	100% (140)	100% (66)	100% (154)	100% (162)	100% (261)	100% (63)		

Table 24, Question 22  
 Q. To what degree are you satisfied with the persistency fees and vesting provisions offered by the Company?

	Degree of satisfaction					No answer	Total	n
	Very much satisfied	Somewhat satisfied	Somewhat dissatisfied	Very much dissatisfied				
Form 1583, providing persistency fees and nine renewals fully vested after 15 years of continuous service	32%	31%	18%	17%	2%	100	(334)	
Form 1584, providing eight vested renewals and persistency fees	27	38	21	12	2	100	(205)	
Form 1585, providing nine renewals fully vested without persistency fees, available only to agents who did not elect persistency fees in 1947	19	14	9	28	30	100	(128)	
All agents	27	29	17	17	10	100	(710)	

Group 4 Tabulations

Effect of New Contract  
on, and Attitudes Toward,  
Extras Agreements

Table 25, Question 17

Q. Did you have an agreement with your General Agent prior to the adoption of the new contract whereby you received such extras? (Extra commissions expense allowances or the equivalent from their General Agents based on first and/or second year premiums.)

	All Agents		Years of Service			
	Less than 3 years	3-9 years	10-15 years	Over 15 years		
Yes--for first and second year premiums . . . . .	15%	3%	7%	15%	23%	
Yes--for first year premiums only . . . . .	4	4	3	5	5	
Yes--for second year premiums only . . . . .	36	13	27	42	47	
No . . . . .	44	76	63	38	24	
No answer . . . . .	1	4	-	-	1	
Total . . . . .	100%	100%	100%	100%	100%	

Table 26, Question 18a.

Q. Do you now have an agreement with your General Agent whereby you receive such extras?

Yes--for first and second year premiums . . . . .	10%	4%	5%	15%	13%
Yes--for first year premiums only . . . . .	7	10	5	10	7
Yes--for second year premiums only . . . . .	22	9	20	29	26
No . . . . .	59	73	69	44	52
No answer . . . . .	2	4	1	2	2
Total . . . . .	100%	100%	100%	100%	100%
	(710)	(78)	(226)	(61)	(343)
	n =				

Note: Of those agents indicating that they now have an extras agreement, in response to the question "Has any provision been made guaranteeing payment of extras due to you after termination of the General Agent's contract?", 90% answered "No," 5% answered "Yes," and 5% gave no answer.

Table 27, Question 19

Q. Which of the following statements most accurately describes your opinion of what the Company's policy should be regarding the extras assignment?

	All Agents	Agents with prior extras agreement	Agents without prior extras agreement
The Company's policy should be the same as it was prior to the adoption of the new contract: it should recognize extras agreements by guaranteeing payment of terminal extras and extending Retirement Plan credit for extra commissions . . . . .	52%	74%	25%
The Company should recognize an assignment which would guarantee payment of terminal extras but would not extend Retirement Plan credit for extra commissions . . . . .	8	8	8
The present Company policy is best: it should recognize neither agreements nor assignments	11	4	20
Other . . . . .	6	4	9
No opinion or no answer . . . . .	23	10	38
Total . . . . .	100%	100%	100%
n =	(710)	(395)	(315)

Table 28, Question 20

Q. Which of the following statements most accurately describes your opinion of the reason why you have been unable to extend your extras agreement with the same terms?

	All Agents
My General Agent is willing to extend the agreement but feels that the Special Agent's contract changes mean that the Company disapproves of these agreements . . . . .	14%
My General Agent is using the Special Agent's contract changes as an excuse to terminate or alter the agreement . . . . .	45
The Special Agent's contract changes had little or no effect on the extension of the agreement. My General Agent would have taken the same stand regardless of the contract changes . . . . .	6
Other . . . . .	14
No opinion or no answer . . . . .	21
Total . . . . .	100%
n =	(132)

Note: The above tabulation is based on the 132 agents who indicated that they had an extras agreement prior to the adoption of the new contract, but did not have an agreement at the time they completed the questionnaire.

Group 5 Tabulations

Attitudes Toward Representation  
Afforded by Home Office Agency Department,  
General Agents and Special Agents' Association

Table 29, Question 24

Q. As far as you know, what sort of a job would you say the Home Office Agency Department does in representing your point of view in dealing with other Home Office departments?

	Years of Service					Production-Year Ended May 31, 1953					Age				
	Less than 3 years	3-9 years	10-15 years	Over 15 years	15 years	Under \$150,000	\$150,000-\$250,000	\$250,000-\$500,000	\$500,000-\$1,000,000	Over \$1,000,000	30 or under	31-40	41-50	51-64	65 or over
All Agents	13%	16%	18%	14%	16%	16%	13%	14%	17%	18%	17%	12%	12%	14%	16%
Excellent . . .	15%	13%	16%	18%	16%	20	26	23	21	17%	18%	17%	12%	14%	16%
Good . . .	23	24	26	31	19	21	23	22	25	27	30	19	19	24	
Only fair . . .	23	18	27	10	23	21	24	22	25	17	23	23	24	24	
Poor . . .	13	4	10	18	17	8	12	15	19	14	5	16	17	9	
No opinion or no answer . . .	26	41	21	23	27	35	25	26	18	24	25	30	26	27	
Total . . .	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Q. As far as you know, what sort of a job would you say General Agents do when representing Special Agents' points of view in dealing with the Home Office?

Excellent . . .	15%	26%	17%	10%	13%	19%	14%	14%	15%	21%	20%	12%	10%	22%
Good . . .	24	24	32	28	18	23	26	23	25	29	32	26	20	14
Only fair . . .	21	17	18	21	24	17	23	21	24	18	13	20	24	29
Poor . . .	18	5	17	18	21	12	18	19	22	11	16	20	21	14
No opinion or no answer . . .	22	28	16	23	24	29	19	23	14	18	19	22	25	21
Total . . .	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Q. As far as you know, what sort of a job would you say the Special Agents' Association does in representing your point of view in dealing with the Home Office?

Excellent . . .	49%	27%	49%	49%	53%	52%	47%	48%	48%	35%	47%	49%	49%	63%
Good . . .	32	33	33	35	31	24	33	36	33	38	34	33	33	16
Only fair . . .	8	8	9	3	9	5	9	9	11	9	6	9	8	11
Poor . . .	2	4	3	-	1	1	2	2	2	3	3	2	1	-
No opinion or no answer . . .	9	28	6	13	6	18	9	5	6	15	10	7	9	10
Total . . .	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
n =	(710)	(78)	(226)	(61)	(343)	(147)	(197)	(222)	(140)	(66)	(154)	(162)	(261)	(63)



Table 35, Question 29b.

Q. What course of action do you feel the Association should take to establish a better relationship between Special Agents and Company management regarding Agents' views and requests?

	Per cent of those who answered "Sometimes does, sometimes doesn't," "Usually doesn't," or "Seldom or never does," <u>to preceding question</u>
Just as you are now doing, you are heading in the right direction, present "get tough" policy is best, this survey will bring results . . . . .	16%
Go to top Company management with grievances . . . . .	11
Go to board of trustees . . . . .	13
Go to policy holders examining committee . . . . .	8
Get representation on board of trustees, Management	3
Establish grievance committee to review complaints before presentation to higher authorities . . . . .	2
Find out actual feeling of members of Association-- Officers of Association are from big cities and do not represent feeling of smaller agents . . . . .	4
Meet with General Agents' committees to iron out problems--join hands with General Agents . . . . .	1
Really get tough--obtain legal counsel, place business with other companies for a couple of years--employ public relations man, investigate Home Office practices, insist on action, raise Cain . . . . .	10
Company should pay more attention to our needs, Company's attitude wrong, change must come from Company, Company is unreasonable . . . . .	17
Miscellaneous (get membership of all agents for greater solidarity, get membership on various Home Office committees,--advertising and publicity, make Company understand that we are the most important part, etc.)	10
No answer or Don't know . . . . .	<u>20</u>
	115%

n = (356)

APPENDIX A

NATIONAL OPINION RESEARCH CENTER  
University of Chicago

Survey 346  
9-53

1. How many years have you been associated with Northwestern Mutual?

- 1) \_\_\_\_\_ Less than 3 years                      3) \_\_\_\_\_ 10 to 15 years  
2) \_\_\_\_\_ 3 to 9 years                              4) \_\_\_\_\_ Over 15 years

2. What was your Northwestern production for the agents' year ended May 31, 1953?

- 1) \_\_\_\_\_ Under \$150,000                      3) \_\_\_\_\_ \$250,000 to \$500,000  
2) \_\_\_\_\_ \$150,000 to \$250,000              4) \_\_\_\_\_ Over \$500,000

3. What is your age as of your last birthday?

- 1) \_\_\_\_\_ 30 or under                              4) \_\_\_\_\_ 51 - 64  
3) 2) \_\_\_\_\_ 31 - 40                              5) \_\_\_\_\_ 65 or over  
3) \_\_\_\_\_ 41 - 50

4. In general how satisfied are you with Northwestern Mutual as to the following:

	(4) Agents <u>Compensation</u>	(5) Agents Benefits and Services Other <u>than Compensation</u>
1) Very much satisfied	_____	_____
2) Somewhat satisfied	_____	_____
3) Somewhat dissatisfied	_____	_____
4) Very much dissatisfied	_____	_____

5. What do you consider to be the chief advantages to the agent in representing Northwestern Mutual?

6)

6. What do you consider to be the chief disadvantages, if any, to the agent in representing Northwestern Mutual?

7)

7. To what degree are you satisfied with the service you receive from the Home Office regarding the following:

	1)	2)	3)	4)	5)
	Very much satisfied	Somewhat satisfied	Somewhat dis- satisfied	Very much dis- satisfied	Have no occa- sion to use such service
8) Underwriting new business	_____	_____	_____	_____	_____
9) Competitive problems	_____	_____	_____	_____	_____
10) Sales aids	_____	_____	_____	_____	_____
11) Settlement option practice	_____	_____	_____	_____	_____
12) Advanced Underwriting problems	_____	_____	_____	_____	_____
13) Pension Underwriting	_____	_____	_____	_____	_____
14) Death and Disability claims	_____	_____	_____	_____	_____

8a. From your viewpoint, do you feel that Northwestern Mutual's pure General Agency system of operation is or is not more satisfactory than the managerial or semi-managerial type used by many other companies?

- 1) \_\_\_\_\_ Pure General Agency system is more satisfactory
- 2) \_\_\_\_\_ Managerial or semi-managerial type would be more satisfactory
- 15) 3) \_\_\_\_\_ About the same
- 4) \_\_\_\_\_ No opinion

b. Please give reasons influencing your answer.

16)

17)

9a. Disregarding personal relationships, to what degree are you satisfied with your General Agent as to his help to you in:

	18) <u>Procurement of new business</u>	19) <u>Servicing of old business</u>
1) Very much satisfied	_____	_____
2) Somewhat satisfied	_____	_____
3) Somewhat dissatisfied	_____	_____
4) Very much dissatisfied	_____	_____

b. Any comments?

10a. Would it be advantageous to you if Northwestern Mutual should go into the following?

	1) Very advan- tageous	2) :Some- :what :advan- :tageous	3) :Not par- :ticular- :ly advan- :tageous	4) :Not :at all :advan- :tageous	5) : :No :opin- :ion
21) Double indemnity	_____	_____	_____	_____	_____
22) Disability income	_____	_____	_____	_____	_____
23) Substandard	_____	_____	_____	_____	_____
24) Non-medical	_____	_____	_____	_____	_____
25) Group	_____	_____	_____	_____	_____
26) Health and Accident	_____	_____	_____	_____	_____
27) Annual premium annuities	_____	_____	_____	_____	_____
28) Annual premium annuities for uninsurables only	_____	_____	_____	_____	_____
29) Aviation exclusion rider	_____	_____	_____	_____	_____
30) Junior estate builder plan	_____	_____	_____	_____	_____
31) Payor clause on juvenile policies	_____	_____	_____	_____	_____

10b. Are there any other fields that you would particularly like to see Northwestern go into?

32)

11. To what degree are you satisfied with the changes incorporated in the new Special Agents' contract of August 1, 1952?

1) \_\_\_\_\_ Very much satisfied

2) \_\_\_\_\_ Somewhat satisfied

33)

3) \_\_\_\_\_ Somewhat dissatisfied

4) \_\_\_\_\_ Very much dissatisfied

12. What do you consider to be the advantages and disadvantages to you in the new contract?

Advantages:

34)

Disadvantages:

35)

13. Do you think that the Special Agents' group as a whole is satisfied with the changes incorporated in the new contract?

1) \_\_\_\_\_ Yes

36)

2) \_\_\_\_\_ No

3) \_\_\_\_\_ No opinion

14a. Do you think there are any groups of Special Agents (relative to size, location, years of service, etc.) who were particularly benefited by the changes incorporated in the new contract?

1) \_\_\_\_\_ \* Yes

37)

2) \_\_\_\_\_ No

3) \_\_\_\_\_ No opinion

b. \* If your answer is "Yes": What groups do you have in mind?

38)

15a. Do you think that there are any groups of Special Agents who were particularly adversely affected by the changes incorporated in the new contract?

- 1) \_\_\_\_\_ \* Yes
- 39) 2) \_\_\_\_\_ No
- 3) \_\_\_\_\_ No opinion

b. \* If your answer is "Yes": What groups do you have in mind?

40)

16. In general, do you feel that the new contract is or is not more likely to attract new agents to Northwestern Mutual than the one that preceded it?

- 1) \_\_\_\_\_ The new contract is more likely to attract new agents
- 2) \_\_\_\_\_ The old contract was more likely to attract new agents
- 41) 3) \_\_\_\_\_ About the same
- 4) \_\_\_\_\_ No opinion

17. As you know, some Special Agents receive, or have received, extra commissions, expense allowances or the equivalent from their General Agents based on first and/or second year premiums.

Did you have an agreement with your General Agent prior to the adoption of the new contract whereby you received such extras?

- 1) \_\_\_\_\_ Yes - for first and second year premiums
- 2) \_\_\_\_\_ Yes - for first year premiums only
- 42) 3) \_\_\_\_\_ Yes - for second year premiums only
- 4) \_\_\_\_\_ No

18a. Do you now have an agreement with your General Agent whereby you receive such extras?

1) \_\_\_\_\_ \* Yes - for first and second year premiums

2) \_\_\_\_\_ \* Yes - for first year premiums only

3) \_\_\_\_\_ \* Yes - for second year premiums only

4) \_\_\_\_\_ No

b. \* If your answer is "Yes": Has any provision been made guaranteeing payment of extras due to you after termination of the General Agent's contract? (Please read preamble to question 19 before answering.)

1) \_\_\_\_\_ Yes

2) \_\_\_\_\_ No

19. Until the adoption of the new contract, the extras agreements between General and Special Agents were recognized by the Company, in that the Company guaranteed payment of such extras after termination of the General Agents' contract for business written prior to the termination. Also, such extra commissions qualified for credit under the Agents' Retirement Plan.

With the adoption of the new contract the Company no longer recognizes these agreements and hence does not guarantee payment of terminal extras or extend Retirement Plan credit for extra commissions. In addition, the Company will not recognize an assignment which would guarantee payment of terminal extras but would not extend Retirement Plan credit for extra commissions.

Which of the following statements most accurately describes your opinion of what the Company's policy should be regarding the extras assignments?

1) \_\_\_\_\_ The Company's policy should be the same as it was prior to the adoption of the new contract: it should recognize extras agreements by guaranteeing payment of terminal extras and extending Retirement Plan credit for extra commissions.

2) \_\_\_\_\_ The Company should recognize an assignment which would guarantee payment of terminal extras but would not extend Retirement Plan credit for extra commissions.

3) \_\_\_\_\_ The present Company policy is best: it should recognize neither extras agreements nor assignments.

4) \_\_\_\_\_ Other (please state.)

5) \_\_\_\_\_ No opinion.

20. It has been reported by some agents that while they had agreements whereby they received extras prior to the adoption of the new contract, they have been unable to negotiate the extension of those agreements. On the other hand, the Company has given its assurance that the General Agents' margins were not to be affected by the increase in commission to the Special Agents and that nothing would be done to interfere with negotiations between the General Agent and his Special Agents.

ANSWER THIS QUESTION ONLY IF YOU HAD AN EXTRAS AGREEMENT PRIOR TO THE ADOPTION OF THE NEW CONTRACT AND HAVE BEEN UNABLE TO EXTEND THE AGREEMENT WITH THE SAME TERMS:

Which of the following statements most accurately describes your opinion of the reason why you have been unable to extend your extras agreement with the same terms?

- 1) \_\_\_\_\_ My General Agent is willing to extend the agreement but feels that the Special Agents' contract changes mean that the Company disapproves of these agreements.
- 2) \_\_\_\_\_ My General Agent is using the Special Agents' contract changes as an excuse to terminate or alter the agreement.
- 3) \_\_\_\_\_ The Special Agents' contract changes had little or no effect on the extension of the agreement. My General Agent would have taken the same stand regardless of the contract changes.
- 46) 4) \_\_\_\_\_ Other (please state.)
- 5) \_\_\_\_\_ No opinion.

21. Under which type of contract are you currently operating?

- 1) \_\_\_\_\_ Form 1583, providing persistency fees, and nine renewals fully vested after fifteen years of continuous service
- 47) 2) \_\_\_\_\_ Form 1584, providing eight vested renewals and persistency fees
- 3) \_\_\_\_\_ Form 1585, providing nine renewals fully vested without persistency fees, available only to agents who did not elect persistency fees in 1947

22. To what degree are you satisfied with the persistency fees and vesting provisions offered by the Company?

- 1) \_\_\_\_\_ Very much satisfied
- 48) 2) \_\_\_\_\_ Somewhat satisfied
- 3) \_\_\_\_\_ Somewhat dissatisfied
- 4) \_\_\_\_\_ Very much dissatisfied

23. To what degree are you satisfied with the Agents' Retirement Plan of the Company?

- 1) \_\_\_\_\_ Very much satisfied
- 49) 2) \_\_\_\_\_ Somewhat satisfied
- 3) \_\_\_\_\_ Somewhat dissatisfied
- 4) \_\_\_\_\_ Very much dissatisfied

24. As far as you know, what sort of a job would you say the Home Office Agency Department does in representing your point of view in dealing with other Home Office departments?

- 1) \_\_\_\_\_ Excellent
- 2) \_\_\_\_\_ Good
- 50) 3) \_\_\_\_\_ Only fair
- 4) \_\_\_\_\_ Poor
- 5) \_\_\_\_\_ No opinion

25. Do you feel that other Home Office departments usually give adequate weight to agents' views and requests as presented by the Home Office Agency Department?
- 51) 1) \_\_\_\_\_ Always or nearly always do  
2) \_\_\_\_\_ Usually do  
3) \_\_\_\_\_ Sometimes do, sometimes don't (about 50-50)  
4) \_\_\_\_\_ Usually don't  
5) \_\_\_\_\_ Seldom or never do  
6) \_\_\_\_\_ No opinion
26. As far as you know, what sort of a job would you say General Agents do when representing Special Agents' points of view in dealing with the Home Office?
- 52) 1) \_\_\_\_\_ Excellent  
2) \_\_\_\_\_ Good  
3) \_\_\_\_\_ Only fair  
4) \_\_\_\_\_ Poor  
5) \_\_\_\_\_ No opinion
27. Do you feel that the Home Office usually gives adequate weight to Special Agents' views and requests when presented by General Agents?
- 53) 1) \_\_\_\_\_ Always or nearly always does  
2) \_\_\_\_\_ Usually does  
3) \_\_\_\_\_ Sometimes does, sometimes doesn't (about 50-50)  
4) \_\_\_\_\_ Usually doesn't  
5) \_\_\_\_\_ Seldom or never does  
6) \_\_\_\_\_ No opinion
28. As far as you know, what sort of a job would you say the Special Agents' Association does in representing your point of view in dealing with the Home Office?
- 54) 1) \_\_\_\_\_ Excellent  
2) \_\_\_\_\_ Good  
3) \_\_\_\_\_ Only fair  
4) \_\_\_\_\_ Poor  
5) \_\_\_\_\_ No opinion

29a. Do you feel that the Home Office usually gives adequate weight to Agents' views and requests as presented by the Special Agents' Association?

1) \_\_\_\_\_ Always or nearly always does

2) \_\_\_\_\_ Usually does

55) 3) \_\_\_\_\_ \* Sometimes does, sometimes doesn't (about 50-50)

4) \_\_\_\_\_ \* Usually doesn't

5) \_\_\_\_\_ \* Seldom or never does

6) \_\_\_\_\_ No opinion

b. \* If your answer is "Sometimes does, sometimes doesn't," or "Usually doesn't" or "Seldom or never does": What course of action do you feel the Association should take to establish a better relationship between Special Agents and Company management regarding Agents' views and requests?

56)

30. Any comments on matters not covered by this questionnaire?

APPENDIX B

NATIONAL OPINION RESEARCH CENTER

UNIVERSITY OF CHICAGO

5711 SOUTH WOODLAWN AVENUE      TELEPHONES FAIRFAX 4-7354

CHICAGO 37, ILLINOIS

CLYDE W. HART  
DIRECTOR

September 4, 1953

Dear Special Agent:

As you have been informed, the National Opinion Research Center has been engaged by the Special Agents' Association of the Northwestern Mutual Life Insurance Company to aid in determining how the Association's membership feels about certain matters. Your cooperation in answering the enclosed questionnaire frankly and completely will be of great assistance in obtaining the desired information.

The unsigned questionnaires are to be returned directly to the National Opinion Research Center and will remain the property of the Center. They will not be made available either to the Association or the Company. The results of the study will be presented to the Association in tabular form, without identification of specific questionnaires. Any quotations from the questionnaires that may be included in our report to the Association will be anonymous.

All of the questions are designed to be self-explanatory. On the questions for which alternative answers are presented, simply put a check-mark on the line next to the number of the appropriate answer. On the questions set up in tabular form, put the check-mark on the appropriate line.

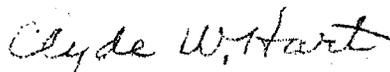
PLEASE

NOTE

When you have completed the questionnaire, mail it to us in the enclosed stamped, addressed envelope. Please fill out and mail the enclosed post-card as well. The card informs us that you have mailed your questionnaire, so that we will not mail you a second one.

Again, I would like to emphasize the value of complete, frank answers. Your promptness will be greatly appreciated.

Sincerely yours,



Clyde W. Hart  
Director

APPENDIX C

NATIONAL OPINION RESEARCH CENTER

UNIVERSITY OF CHICAGO

5711 SOUTH WOODLAWN AVENUE      TELEPHONE: FAIRFAX 4-7354  
CHICAGO 37, ILLINOIS

CLYDE W. HART  
DIRECTOR

September 21, 1953

Dear Special Agent:

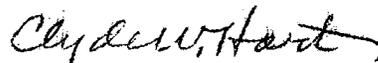
Perhaps the questionnaire that we sent you several weeks ago was mislaid, or put aside, as we have not yet received a postcard informing us that the completed questionnaire has been mailed to us. We have received what we consider to be an excellent response to the original mailing, and we hope and trust that you will complete yours and mail it back to us right away. We want our summary report, when it is prepared, to represent every agent's frank and independent views about all the matters covered in our questionnaire.

We would like to repeat briefly the information included in our letter accompanying the original mailing. This study is being carried out by the National Opinion Research Center at the request of the Special Agents Association of the Northwestern Mutual Life Insurance Company. The results of the study will be presented to the Association in tabular form and will not identify either you or your General Agent in any way. The unsigned questionnaire will remain the property of the Center and will not be made available either to the Association or the Company.

When you have completed the questionnaire, mail it to us in the enclosed stamped, addressed envelope. Please fill out and mail the enclosed postcard as well.

In the interest of time, we will eventually have to "cut off" replies and ignore those received after the cut-off date. We ask, therefore, that you complete and return the material to us at your earliest opportunity.

Sincerely yours,



Clyde W. Hart  
Director

P.S. It may be that your postcard has been forwarded to us and is still in the mail. If so, thank you very much for your consideration.

CWH/mns