

This is the story of the sales organization Charles E. Becker built, making Franklin Life one of the leading firms in its industry within little more than a decade.

## Background

Born in West Bend, Iowa in 1897, Becker cut his college education short to serve as a soldier in World War I, but the war ended sixty days after Becker entered military service.

His next step was to become a reporter for the Wichita Beacon, a job he never found satisfying. Becker became restless, and so he deliberately began to analyze various possible career alternatives until he concluded that life insurance sales was the right career for him.

With his decision made, the 24-year-old Charles E. Becker visited the president of a small insurance company in his hometown and announced his intention to pursue a sales career. Becker was hired on the spot, received a three-hour explanation of one of the company's policies and was sent out to show what he could do.

Becker's first day on the job proved that his intuition had been correct. He was, indeed, a born salesman. As he described that day, "That morning I made my first canvass and sale to a well-to-do farmer, 35 years of age. Of course he told me, when I introduced myself, that he was not interested in any more life insurance. But when I told him that I had nothing to sell him which would cost him anything, he unconsciously bent an ear to what I had to say. Thirty minutes later he was a client.

With his check in my pocket, I immediately went to the home of one of his brothers. By bedtime I had made 12 interviews and had 12 sales with premiums amounting to approximately \$3,000. And on that same day, I found the opportunity to meet for the first time the future Mrs. Becker. It was a great day in my life."

In his first ten months as a salesman, Becker sold more than a million dollars worth of life insurance. In the following eight years he maintained this high level of sales productivity, consistently exceeding the million-dollar figure.

Becker's sales success would have satisfied most mortals. But Charles E. Becker once more began to feel restless. He felt a desire to design and package his own product and to sell it through his own sales organization.

## Founding a Company

In 1929 Becker turned the desire into reality when he founded the Great American Life Company in San Antonio, Texas. The company grew and prospered under Becker's leadership and within ten years Great American Life had over \$40 million of insurance in force.

In 1939, Becker had also concluded: "If I could acquire some existing insurance company with a long record of financial stability but a relatively poor record of growth, I could apply the 'Becker Sales Approach.' Such a company could be turned around and its growth could be dramatically accelerated."

Becker chose the Franklin Life Insurance Company of Springfield, Illinois. This 56-year-old company had slightly under \$178 million of insurance in force when Becker acquired control of it at the end of 1939.

Becker's strategy for Franklin Life had three basic elements. The first was specialization. As he put it, "I wanted the company to specialize in the sale of policies containing a savings feature." This decision was firmly rooted in Becker's earlier experience as a salesman and in the success enjoyed by Great American with this type of policy.

Called the President's Plan, this basic, new Franklin policy enabled the sales organization to develop an extremely high degree of proficiency. One associate, Ed Cassada, once explained this by comparing the Franklin Sales organization to the then-world champion Green Bay Packers. In his words, "The Green Bay Packers are the best football team in the world. They run a basic offense. Their bread and butter play is a

power sweep. They run it again ♦ and again ♦ and again. Everyone knows they are going to run it ♦ but it works. So they keep doing the same thing over and over and over. Since Charles E. Becker first conceived the President's Plan, there has been nothing to challenge it in the insurance industry. The President's Plan is our "bread and butter" play. It is basic, it is sound, it is good ♦ and ♦ it works."

The second part of Becker's strategy was to build a corps of highly motivated company agents and to focus the attention of the entire organization on the task of supporting the agents. As explained by Becker, "The agent I wanted was someone of above-average intelligence, able to establish rapport with other people, and capable of getting enthused by the challenge of making a sale. In early years, I recruited in part from the ranks of public school athletic coaches and administrators."

Becker worked long and hard to demonstrate his conviction that, in his words, "The most important man in our company was, and always will be, the agency associate in the field."

The third part of the Becker strategy was to push the sales organization to the limits of its capabilities through a variety of motivational techniques. Constant communication was one technique. He established personal ties with the associates and used those ties to motivate.

As his long-time associate, Francis O'Brien, once wrote, "He endeared himself to the field men so that each thought of him as a close personal friend. He wrote a veritable flood of letters' and no item of exceptional performance escaped his eye. He was always prompt with a pat on the back, a sincere compliment, a word of praise."

Goal-setting was another feature of Becker's motivational approach. In the early days, the goal that Becker stressed was one billion dollars of insurance in force. He used to tell his associates, "The most important thing is that we reach that billion. Then we can relax ♦"

In 1951 the billion-dollar goal was reached and Becker came up with a new goal: to target for a specific, improved ranking in total ordinary standing among all the companies in America. Between the end of 1951 and the end of 1954, Franklin climbed from a rank of 28th to 18th ♦ exactly where Becker had aimed.

At this point, the market position goal setting technique appeared to have exhausted its potential and Becker shifted to the technique of setting goals in terms of sales increases, and asset increases. Becker recognized that most agents need periodic encouragement, and so he sprinkled the Franklin year with a variety of sales promotions.

The maximum capacity day was one of those promotions. The object was to set a single day sales record for the company. In agencies throughout the country the 18-hour day started at 6:00 a.m. By the late evening hours agency and other top officials awaited with President Becker for phone reports on the day. Becker and his delighted, but weary, cohorts stayed at the phone until dawn. The maximum capacity day in 1957 logged \$27 million in sales for one single day.

Rewards were a final part of Becker's approach to motivation. Becker stressed monetary rewards. He even took the bold step of running ads in life insurance trade journals inviting agents of other companies to join Franklin.

Specialization, communication, goal-setting, sales promotions, and rewards ♦ these were the key elements that help to explain Becker's success. But these were merely elements of strategy. To make them work took Becker's energy, enthusiasm, and dedication. As Francis O'Brien once put it, "Charles Becker multiplied himself. He was everywhere, doing everything. He held frequent meetings with field men, set goals and outlined clearly what he expected from his associates."

## Final Thoughts

As Becker's close associate and later president of the company, George Hatmaker, once said, "Rarely has American history witnessed the intensity of concentration on the single purpose such as Mr. Becker has demonstrated in building Franklin to a great, nationally-known life insurance company. He has spurned many

offers of directorships in other companies and the opportunity to participate in other business ventures, to concentrate his entire energy to one task◆ the continued progress and growth of Franklin Life. The company is as much part of his life as his family. He lives Franklin during every waking hour."

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