



# A DAY IN THE LIFE OF AN AR AND AN AR BROKER

## How to Source Candidates for Both Roles

It can be somewhat perplexing to recruit for the roles of 'AR' and 'AR broker'. After all, what are they? What do the initials AR stand for? Why is so little known in the workplace about these types of position?

Things become a little easier to comprehend when you realise that both of these roles are found in the insurance world, although not everywhere within the sector and perhaps not in as many organisations in the near future as there are at present, due to FCA regulation and a tightening of rules on compliance.

AR stands for Appointed Representative which is, to put it simply, a person who starts up their own insurance business, but who does that in association with a 'principal'. In return for giving the principal a share of the monies earned, the AR receives a package of support, which helps them to run their business. They have the benefits of being self-employed, without being totally alone and stranded in a 'sink or swim' situation. They always have someone at hand to help and support and someone to turn to for advice.

Gauntlet Group is one of the relatively few AR principals and is a commercial insurance broker and risk management specialist with a dual need from recruitment agencies. On the one hand, it welcomes introductions to experienced insurance account managers from the commercial insurance sector, who are at a crossroads in their career and want the new challenge of starting up their own business, often because of dissatisfaction and the daily frustration of not being able to maximise their earnings potential. They may work in organisations that have been taken over by larger insurance brokers, or be in others that

could soon be taken over, with all the stress and worry that such an eventuality brings. Becoming an AR could be a dream for some, but a lifeline for others. For some it may mean career progression; for others, career resurrection.

Typically, if they are to succeed as an AR, candidates need to be self-sufficient in terms of generating their own sales and business ideas. Those who handle a lot of clients, but have never had to go out and recruit any, can find it tough. Successful ARs usually have a strong book of contacts, who could become their clients, have a get-up-and-go attitude, are confident at approaching people on the phone and at networking events and dedicated individuals who know the commercial insurance world inside out. It could also work for some candidates working in personal lines insurance, but it depends on the adaptability of the individual.

Their Gauntlet package of support includes excellent IT systems, marketing and PR assistance and access to a team of administrators. Most importantly, it also provides assistance with compliance and regulatory matters - something that is the backbone of Gauntlet's AR package. This has stood Gauntlet in good stead as a principal, at a time when the FCA is cracking down on other principals, who have not incorporated compliance into their procedures from the top of the organisation to the bottom.

With all this support at their disposal, the AR just needs to be a confident and competent individual who is prepared to work hard to build up their business and achieve their dream. Nobody will claim it is easy and the hours certainly need to be put in, just as in any self-employed role. They can have strong links to

insurers and are perfectly welcome to handle their own broking of business if they wish. Otherwise, they can rely on an AR broker to do that for them. The choice is theirs. Whatever they prefer, it's not a deal breaker.

## AR Brokers

This brings us nicely on to the role of AR broker at Gauntlet, which the man who has been in the role for six years, and who helped shape it as the first AR broker says is: "70% about being a commercial insurance broker and 30% about being a counsellor."

AR broking team members at Gauntlet all have pivotal roles. On the one hand, an AR broker has to look after the ARs who are under his or her charge; on the other, they must be capable of receiving insurance risks from their ARs and taking them to market, identifying which of the many brokers that Gauntlet deals with to approach and then presenting a risk to them, in the format that they wish to receive it, in order to get a quote.

This really is a multi-disciplined role. The AR broker is responsible for ensuring that everything their AR does is compliant, which means checking all the files, ensuring that all data is entered on to the file, having proof of conversations that have taken place and advice proffered and auditing each and every case, to ensure that nothing is missing or amiss.

As part of this, the AR broker has a tutoring role, teaching their assigned ARs how to work with Gauntlet's IT systems, how to complete the templates that are there to assist them and how to work with Gauntlet so as to delegate non-core activities and have time to grow the new business.

However, the AR broker must also have the knowledge of commercial insurance that will enable them to get the best package for the AR's client and this can often mean having several years' commercial insurance broking experience under their belt. Having the confidence to deal with both parties within the transaction at once, requires skill, professionalism and some astute thinking, at times.

Attention to detail and a meticulous approach to the role are also essential, as these are the facets on which compliance depends. In this regard, the AR must cascade these values and approaches around them, to the administrative and accounts team that they work alongside and to the AR, out in 'the field'.

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Patience is another good virtue to possess, as the role is a challenging one and it pays to stay calm, even when faced with a whole heap of emails to deal with first thing in the morning. This is a commonplace 'first duty', as many ARs use their evening to fire off details of the clients they met or phoned that day and the risks that they wish their AR broker to take to the market for them. Should the AR wish to go on holiday, the AR broker is even more responsible for this element of the job, literally running the AR's business for them, whilst they are away. This is a huge bonus for Gauntlet's ARs and a luxury hard to find in the world of self-employment.

Increasingly, however, the AR brokers are finding that their job involves coaching and mentoring their

ARs, explaining to them what their peers have done in similar situations, suggesting how they might find leads and new clients, encouraging them to have the confidence to pick up the phone and approach prospects and trying to lift them when business might not be going quite as well as anticipated. This may involve Skype sessions with ARs, inviting them in for face-to-face meetings, or developing training modules and Powerpoint presentations for them. Nurturing and feeling responsible for the ARs goes with the job title.

Ultimately, however, what the AR broker can't do is run an AR's business for them, but if the recruitment consultant gets it right first time when recruiting both AR and AR broker, they shouldn't need to.