

# Broker tries 'never to say no'

Simkiss employees strive to keep customers happy

By LEE VELKER

**S**tick to the basics, but do them well. That philosophy helped make The Simkiss Companies the 20th most productive broker in terms of revenues per employee, says John Simkiss, president and founder of the St. Davids, Pa.-based brokerage.

"I don't believe it is anything startling that we do, we just do it well," Mr. Simkiss said.

The company relies on traditional brokerage tactics to generate revenues, he said. The most important of those is to keep customer satisfaction high.

Knowing the client is one of the reasons the employees are so productive at Simkiss, according to Mr. Simkiss.

"Most of our employees have been around for years, they know the business and they know our clientele intimately, and they know the insurance companies they deal with well," he said.

By developing good client/broker relationships, employees know their clients' needs in advance and are prepared to handle them. Much of the company's business comes from manufacturers, construction companies and Fortune 500 companies.

Simkiss, a one-office company, concentrates on clients that are based in the Pennsylvania, Maryland and Delaware area. But its coverage is not geographically limited.

For example, Fortune 500 executives who are clients of Simkiss frequently travel to European auctions to bid on expensive pieces of impres-

sionist art. The company is able to get fine arts coverage that protects the artwork for any damage caused "from the moment the gavel strikes," Mr. Simkiss said, adding that his company arranges this type of coverage with its insurers often.

But staying aware of client needs is only a starting point. The brokerage also has to be able to cover them.

"We try never to say no. If it is a sophisticated risk, we are good at that; if it's normal vanilla insurance, we are good at that, too," he said.

The strategy appears to be working well. With 61 employees and gross premiums of approximately \$65 million in 1994, the broker generated gross revenues of \$9 million, up 8.57% from \$8.3 million produced by the same number of employees in 1993.

The company did not rank in the top 20 most productive agencies for 1993, but held the No. 20 ranking in 1992.

Conducting broad-based business requires the right kind of people, Mr. Simkiss said.

The employees are productive for "a hundred different reasons. It is a cumulative effect, but the two most important are quality people and training and experience," he said.

Quality people means people who know the business and have skills to get to know clients.

With several producers well into their careers, Simkiss is expanding its staff with an eye to the future.

Since 1987, Simkiss has conducted a college intern-

ship program. Six local finance majors took part this year from St. Joseph's University, Villanova University, University of Pennsylvania and LaSalle University. The program is viewed as a tool to "provide a new base" for the company, Mr. Simkiss said.

Even with the right people, providing the proper training and experience is essential to getting employees to generate an average of \$147,721 in revenues, as they did in 1994. This is an 8.5% increase from \$136,066 in 1993.

As other brokers, Simkiss offers incentives for employees to obtain professional insurance designations like Chartered Property & Casualty Underwriter, Chartered Life Underwriter and Certified Safety Professional to broaden their knowledge and better serve clients. In addition to paying the testing and study material costs, the company provides financial bonuses for achieving professional designations.

The firm also sponsors in-house training programs geared toward the coverages its clients desire and technological instruction to help with efficiency.

And the company tries to keep current with its computer equipment and software to improve efficiency as well.

The company also manages its producers diligently, according to Mr. Simkiss. Management is involved in coaching, feedback and rewards for production and in helping keep employees focused on service and customer satisfaction.

When Mr. Simkiss founded

the company 30 years ago, it did not have such a broad base of business. After finishing his MBA at the University of Pennsylvania's Wharton School of Business, he started the brokerage with an emphasis on surety bonds for construction companies. While surety bonds, which have diversified to manufacturing, service and other areas besides construction, still account for about 15%-20% of the business, the brokerage does not specialize in one area of business.



A great deal of the broker's business includes property/casualty coverages, personal lines, loss control and employee benefits, as well as the surety bond business, Mr. Simkiss said.

A big source of pride for the brokerage has been consistency over the years, he said.

"The revenue gains this year are nothing drastic. Each year we make percentage improvements and this is something that makes us proud," he said.

Mr. Simkiss said he is confident that business will continue to be strong in Baltimore, Washington, Delaware, and New York, where Simkiss will continue to focus in the future.

Mr. Simkiss anticipates continuing growth.

"We are optimistic and well positioned, even if the market stays soft," he said.