

overweight and older men who are underweight; whereas in previous years there had been no such scientific facts on which to base the operations of the underwriting department. Today they know that the groups of young men who are heavier than the average for their age outlive the group which is lighter, and that exactly the reverse is true of older men.

There have been several studies already made whose results, although tentative, are interesting, in the field of selecting salesmen. For example, in the matter of age, the experience of one company is that men entering the business below twenty-six show distinctly inferior results, as a group, in comparison with men from twenty-six to forty, and of the men between those ages of twenty-six and forty, the best group is that from thirty-one to thirty-five. Men entering the business above the age of forty show results not much better than those below twenty-six. In other words, this is of value to the man picking salesmen because it focuses his mind on the fact that the most likely ages for him to find his salesmen are between those limits. There are few, if any, sales managers who would take those limits as absolute and reject all men below twenty-six or all men above forty, but this method at least focuses his attention upon the subject of age and gives him a guide-post of value. Furthermore, in continuing this particular study, the companies found that in the ages mentioned above, namely, twenty-six to forty, the percentage of men accepted who became outstanding successes was much higher than in the other age groups, namely, those below twenty-six and those over forty. In other words, those age groups produced the best results as regards moderately successful men, and in particular the high grade men were shown to fall within those groups to a far greater extent than was the case in the group above and below those age limits.

Another study which was made showed that increasing years of experience since leaving school and prior to entering the life insurance business gave increased success after becoming life insurance salesmen. This, of course, is linked up with the question of age, because a man who has been ten years out of school is naturally in a higher age group as a rule than a man who has just finished school. However, business experience is obviously of very great importance in the matter of selling.

Another much mooted point on which some indications have been secured is the matter of schooling. Here there has been among various sales managers a

wide difference of opinion as to whether the college men secure better results than the high school or than the grammar school men. In general, it can be said today that the question is unsolved so far as facts are concerned, though in the minds of many men a few particular cases which stand out in their recollections have solved the case for them. There is much yet to be learned about the significance of schooling in regard to predicting success or failure in the selling field. One company has given evidence that college men have done materially better than the others and there are at least a few other companies which have had rather different results. It can be said that this problem has such contradictory evidence that there is no scientifically sound basis on which to form even an opinion. Still another factor which is usually asked on an application blank and which has been studied recently, is the amount of insurance which a man carries on his own life. It is obvious that this would appear to have a logical significance. In other words, if a man does not carry life insurance on his own life, it seems improbable that he will be able to talk with as much force as a man who has himself been persuaded of the value of life insurance to the extent of carrying some himself. This is amply borne out by the few cases which have been studied which show that the men who carried no life insurance at the time of becoming agents do materially poorer work as agents than the men who carry insurance and that with increasing amounts carried by agents at the time of entrance into the business, added success comes to them when they go out and sell policies.

The matter of marital status has long been debated and many sales managers of life insurance companies have believed that the married man is distinctly superior to the unmarried. In the matter of dependents, one statistical study which was made showed that each additional dependent seemed to predict slightly increasing success in the field. An interesting fact in this regard was that when men had more than four dependents the success seemed to drop materially. In other words that men with three dependents did better than men with two, and that men with four dependents did better than men with three, but that men with more than four did materially poorer work. The group on which these studies were made was, however, not sufficiently large to make these conclusions of material importance.

I recall hearing one man, of great experience in personnel matters, say that he always endeavored to hire

salesmen who were dark complexioned, tall, and stockily built. I do not think that he had any scientific foundation for his opinion; in a study which was recently conducted, it appeared that the very short men did not have the success that the men of five feet nine and ten had. This is an interesting fact, if true, for there have been many opinions as to the significance of height and weight. In the study to which I refer, the men of five feet nine and ten were the best, being materially better than those shorter or even than those taller. The shortest men, namely, those below five feet seven, had the poorest record of all.

These studies prove at least one thing: that life insurance companies are beginning to see that there are significant differences among salesmen which are subject to study. In the past, the organization of the sales force of a life insurance company has been on a very decentralized basis. In fact, the life insurance sales force has been about as much decentralized as any sales force. The Home Office has appointed general agents in various sections of the country and has expected these general agents to secure results; but the exact manner in which those results have been secured—whether by few or many salesmen and whether in country or city territory—has largely been left to the judgment of the general agent. The result is that each general agent has had a small sales force of his own, whose selection, training and compensation has been largely a matter which he alone supervised. Gradually, however, tendencies have appeared in which Home Offices have taken increasing cognizance of the methods of operation employed by general agents, and this has resulted in the possibility of studying large groups of salesmen. Very few general agents hire a sufficient number of men to make accurately any such studies as we have outlined above. Nor in most cases does the Home Office employ enough salesmen, even in the entire country, to warrant such a study. Today we hear much about scientific selection and adequate training of life insurance salesmen. It is not my province this afternoon to discuss the advantages of training, nor the advantages of certain methods of selection, but the significant point is that the tendency is all in the direction of making the study as scientific as possible, both in selection and in training.

Coming now to still further developments in the matter of selection, I should like to offer for your consideration several charts based on certain studies which have been recently made. These studies are aiming at the same thing which we have already been dis-

cussing, the extraction of the significant facts in regard to new agents and the study of the group with a view to predicting failures before they enter the business and therefore eliminating them without the expense involved in selecting and training them.

It has been believed that some sort of a scoring system could be devised whereby all the facts secured from the man on his personal history blank or from some other source, could be combined into one total and that possibly some total score could be given, the significance of which could by study be determined. I shall not attempt to go into the details of the working of the formula in securing the score on these various items. I think I can explain the general terms sufficiently accurately so that you can follow the method. We took the personal history record made at the time the man came with us on several hundred cases and applied an arbitrarily selected line to separate the successes from the failures. We then threw our cases into groups according to their ages, for example, taking all those of a certain age group and lumping them together. By means of a statistical formula, it is possible to find a rating to be given on the several items. For example, in the matter of age we were able to determine that our salesmen showed such success or failure according to age at entry that we built up a scoring system from the records we had available. Having done this on ten or a dozen items we were able to make a composite score. This scoring, it should be remembered, has been secured from the record of the men that were available. In other words, we are using a sales record to build a score which we would use on the personal history records that we secure on future men. The results of this investigation can be shown by several charts, the first of which is entitled "Evaluation of Personnel Items." (Chart 1.) At the extreme left of the chart you will see that there were 447 men studied, and that of these 447 men, 56 per cent were successful, according to the dividing line between success and failure which we adopted in the beginning. What we desire, of course, is to find out what the significance is of the age of the men whose records are being studied. In our first group is included the men who were below twenty-four years of age at the time they commenced selling. In this group we have the records of fifty-three men available and of those 49 per cent were successes. In other words, there is a difference from 56 per cent, which was the record of the total group, to 49 per cent which was the record of these men below twenty-four. A smaller