

Does a special academic degree or professional designation make your insurance agent smarter?

Electricians, cosmetologists and real estate agents all need to complete months of training and exams before becoming certified in their career fields. Surprisingly, insurance agents can become certified to sell policies after just 40 hours of training.

As a result, some insurance professionals may not have a firm grasp of the products they're selling or the contracts signed by their customers. If you want to find an agent who has a clear understanding of the insurance industry, you may want to consider working with one who has a special professional accreditation or a special academic degree.

There's no question that if you're thinking of entering the insurance industry, a specialized degree or certificate can enhance your career prospects. But if you're a consumer trying to find an insurance agent, why should you be impressed by letters like CPCU (Chartered Property Casualty Underwriter) after an agent's name or by the agent having a college degree in an insurance specialty?

While many agents who lack specialized training may be able to serve your needs, accreditations and degrees can give consumers peace of mind. However, one consumer advocate says accreditations and degrees aren't all that you should consider when picking an insurance agent or broker.

Credentials aren't everything

Amy Bach, executive director of United Policyholders, a nonprofit group for insurance consumers, says experience and heart are more important than what letters an insurance professional has after his or her name.

"Are they just in it to get a commission and move on," Bach says, "or do they want to get coverage for consumers at the right price?"

When choosing an agent or broker, seek recommendations from friends and relatives, and meet with the agent in person, Bach says. Weighing the agent's qualifications against your real-world impressions of the agent will help you make the right decision.

Bach points out that while educational qualifications may be useful in assessing a broker who deals with various insurance agencies and companies, agents who work for a single agency — such as one under the State Farm or Allstate umbrella — generally are bound by a strict set of guidelines. “There’s not much room for creativity, so there’s a lot less to worry about,” Bach says.

Designations, degrees show dedication

Some insurance professionals maintain that you’ll have less to worry about if your insurance agent or broker has a specialized degree or accreditation.

“Insurance can be very complex,” says Brooks Zeigler, a graduate of the University of Georgia’s insurance program who is an insurance agent with Morris & Templeton in Savannah, Ga. “The level of expertise of an agent is crucial in assisting consumers ... to adequately protect the financial stability of their businesses and families through proper policies and coverage limits.”

Special designations and degrees demonstrate that agents are dedicated to their field and their customers, insurance professionals say.

“Agents who have the CPCU designation have taken on an ethics requirement, which shows that they’re committed to doing the right thing for their customers,” says Anita Bourke, executive vice president of The Institutes, the organization that awards the CPCU designation. “Consumers know that they have agents who are knowledgeable about coverage and can turn that knowledge into making good decisions for their customers.”

Many insurance agents and other insurance professionals choose to seek specialized accreditations. These certifications are offered by insurance education groups such as the American Institute for CPCU (known as The Institutes) and the Insurance Educational Association.

CPCU is common designation

More than 65,000 insurance professionals have obtained The Institutes’ most popular designation, CPCU, which requires eight courses, work experience and an ethics test. The program typically takes two and a half to three years to complete while simultaneously working as an insurance professional, Bourke says. For many, it’s worth the time involved.

“A high percentage of people who have completed the CPCU said they had increased job opportunities and income as a result of completing the designation,” Bourke says.

Dozens of other designation programs in a variety of specializations also are available to insurance professionals. Jeremy Miller, a commercial insurance broker at Harden and Associates in Jacksonville, Fla., has obtained several designations, including one from the Registered Professional Liability Underwriter Program (RPLU).

“The RPLU program has a section that focuses on medical malpractice,” Miller says. “I work with a lot of physician practices, and having the knowledge that the RPLU provided was really beneficial. It strengthened my ability to serve my clientele.”

A higher degree of learning

A number of business schools offer undergraduate and graduate degrees in insurance and risk management. Rob Hoyt, who heads the insurance, legal studies and real estate department at the University of Georgia’s Terry College of Business, says that although insurance students do learn from books and lectures, the primary focus is on real-world applications.

“Companies like students that understand principles and concepts, but also want people with a perspective on how to put knowledge to work,” Hoyt says.

Alumni of insurance-focused degree programs enjoy a variety of career options, from insurance agent to claims handler to corporate risk manager.

“Coming out of school knowing the basics really helps when interviewing for a job,” says Terri Ketzner, a graduate of Indiana State University’s insurance and risk management program who now works as a commercial underwriting associate for Arlington/Roe in Indianapolis.

“Studying insurance and risk management in college allowed me to understand the basic knowledge of the industry and provided me an opportunity to start working on my insurance designations before my peers. My employer was aware that I knew the basics, which allowed me to jump into the industry faster without spending much time on training related to the fundamentals of insurance. I was able to hit the ground running.”

If you want to assess your insurance agent’s credentials or are looking at entering an insurance degree program yourself, these schools offer the top programs in the country, according to U.S. News and World Report’s annual rankings:

University of Pennsylvania.

University of Georgia.

Georgia State University.

University of Wisconsin at Madison.

University of Illinois at Urbana-Champaign.

Polytechnic Institute of New York University.

Temple University.

University of Texas at Austin.

Florida State University.



University of South Carolina.