AGENCY EXECUTIVE LEADERSHIP & ORGANIC GROWTH STRATEGY

Unlocking the Hidden Growth Engine

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In the insurance agency world today, leadership attention and capital allocation are overwhelmingly focused on two traditional moves: buying growth through M&A—paying inflated EBITDA multiples for agencies or books of business—or hiring new talent without a proven system for predictable growth.

While both strategies have their place, this approach leaves a massive blind spot. By fixating on high M&A multiples and hiring without a clear path to predictable growth, agency leadership overlooks its single most reliable revenue generator: proven, veteran producers who genuinely want to scale and are willing to do the work.

At ELEVATION180, we see this dilemma every day. Agency principals want organic growth, but they hesitate to invest in outside development because traditional sales coaches and canned sales processes have failed them. The reality is simple: **the game isn't about upfront costs—it's about back-end results.**

When you target the right producers—the driven 20% who actively want to grow—and give them the right advisory skill set, technology, and offensive support, you don't just grow top-line revenue. You create the ultimate recruiting and retention tool in the industry.

01

The Capital Allocation Trap: M&A Multiples vs. Organic Compounding

The financial math driving most agency decisions today is fundamentally flawed.

- **THE M&A BUBBLE** Immediate top-line revenue, but at peak EBITDA multiples—carrying massive debt, severe integration risk, and the risk of not maximizing earn-out opportunities.
- **THE HOPE-BASED HIRING TRAP** Upfront payroll without a structured framework leaves leadership relying on hope rather than a repeatable, measurable process—especially with new or unvalidated producers.
- **THE VETERAN ADVANTAGE** 25%+ growth on an established $500K–$1M+ commission book yields immediate, high-margin EBITDA expansion with virtually zero capital downside risk.

CAPITAL ALLOCATION DECISION MATRIX

STRATEGY	UPFRONT CAPITAL & RISK	LONG-TERM RETURN & ENTERPRISE VALUE
Agency & Book M&A	**VERY HIGH CAPITAL** Peak EBITDA multiples; heavy debt service & integration risk	**MODERATE ROI** Linear revenue addition; margin compression from debt
High-Risk Producer Hiring	**HIGH CAPITAL** Front-loaded payroll & overhead; no predictable path to growth	**UNPREDICTABLE ROI** High producer attrition; stalled book development
Veteran Producer Upskilling	**LOW CAPITAL** Targeted capacity expansion; zero debt	**UNCAPPED ROI** Highest-margin EBITDA growth; permanent operational asset

02

Breaking the "Failed Sales Coaching" Paradigm

Why are agency principals skeptical about investing in producer development? Because most sales training is built on outdated, transactional scripts that teach producers how to "pitch insurance" instead of how to solve enterprise business problems.

Modern mid-market commercial clients don't want a transactional salesperson—they want a trusted Business Ally and Risk Management Expert.

PROVEN 15-YEAR BENCHMARK

+26%	3 yrs
AVG. YOY BOOK GROWTH, SUSTAINED 5 YEARS	TO DOUBLE A BOOK VS. 9–18 YEARS

When producer development is anchored to real metrics, pipeline visibility, and accountable benchmarks, it ceases to be an expense line and becomes an agency's most profitable asset.

03

Applying the Double 80/20 Rule: Focus & Talent

The 80/20 Rule applies to insurance agencies in two critical ways that leadership often overlooks.

FOCUS · THE 80/20 OPERATIONAL IMBALANCE

Most agencies spend 80% of their time and resources on defense—servicing friction, administrative firefighting, and account management—while giving only 20% of their attention to offense: producers and growth support. High-performance agencies flip that ratio. They invest 80% of their energy into supporting offense so producers can focus purely on revenue-generating advisory work for both new and renewal business.

TALENT · THE 20% PRODUCER REALITY

Not every producer wants to grow, and you shouldn't waste capital trying to force those content to coast on renewals. In almost every agency, 20% of the producers possess 80% of the growth potential—the veterans who are hungry, coachable, and willing to put in the work to get to the next level. By concentrating your resources, training, and technology on this dedicated 20%, you maximize your return on investment while driving the vast majority of your agency's organic growth.

WHERE LEADERSHIP ENERGY GOES

TRADITIONAL AGENCY MODEL

80% **DEFENSE** | 20%

80% defensive drag. Servicing friction, administrative firefighting, account management.

20% producer focus. Resources spread thin across everyone, regardless of appetite or drive.

THE ELEVATION180 APPROACH

80% **OFFENSE** | 20%

80% offensive focus. Concentrated support for the 20% of producers willing to scale.

20% optimized operations. Streamlined servicing leveraging tech, AI, and specialized pods.

04

Producer Upskilling as the Ultimate Retention & Recruiting Tool

The talent war in the insurance industry isn't won with split percentages or signing bonuses. Top-tier producers rarely leave an agency over a slightly better split—they leave when they feel their personal and professional growth has flatlined.

RETENTION

Investing in your veterans proves that leadership is dedicated to helping them move up-market and win larger, more complex accounts. It shows you care about expanding their capabilities, not just harvesting their existing book.

RECRUITING

In a marketplace where every agency promises the exact same thing, your strongest recruiting advantage becomes your growth infrastructure.

EXECUTIVE PLAYBOOK — YOUR RECRUITING PROMISE

"We don't just acquire books or leave producers on an island—we identify the producers who want to grow and back them with the systems, coaching, and offensive support needed to double their book in 3 years instead of the industry-standard 9 to 18."

CONCLUSION

Maximize the Asset: Turn Acquired Scale into Compounding Growth

Acquisitions deliver scale, but purchasing a book of business does not solve an agency's long-term organic growth equation. The agencies that will dominate the next decade aren't the ones taking on massive debt to buy revenue at peak multiples. They are the ones balancing smart acquisition with a relentless focus on organic growth—betting on the 20% of producers willing to do the work.

By moving away from transactional sales tactics and equipping your proven producers with business advisory capabilities, technology, and offensive support, you build a resilient, compounding growth engine that competitor splits can't steal.

ABOUT THE AUTHOR



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Recognized as one of the "25 Most Innovative Agents in America"

Jerry Lujan is a seasoned entrepreneur and the founder of ELEVATION180, a transformative coaching and mentoring organization that empowers individuals and businesses to achieve lifelong sustainable results. With over 30 years as an agency owner, sales manager, and producer, he was the first in his agency to reach a $1M book of business—but it took him 17 years and 80+ hours a week. Determined to find a better way, he quadrupled his business over the next 4 years—working half the amount of time. For the past 15 years, he has coached producers to achieve similar results—an average of 26% year-over-year book growth. This isn't theory to him—he's lived it.