



Selecting an Insurance Broker/Agent

Many smaller nonprofits depend on their local insurance agent to assist them with selecting insurance coverage and carriers. Selecting the appropriate coverage and finding the best methods to finance an organization's risks can be complicated. Organizations should select an agent that has the knowledge and experience necessary to properly assist them with their insurance needs. Your organization should review who you've selected as your representative before considering insurance proposals. The following ideas will help your organization select an insurance agent that will best suit the unique needs of your organization.

Knowledge

Nonprofits depend on their agent to explain the insurance industry, current trends and available products. An agent therefore must have the knowledge of both insurance and nonprofits in order to ably assist organizations. A knowledgeable agent is crucial to effectively obtaining insurance for your organization.

Experience

Not all organizations are the same. An agent should have expertise working with organizations similar to yours and possess a thorough understanding of your operation. Your agent should also be familiar with the type of insurance products available to your organization and have access to those insurance companies that will underwrite your operations.

Professionalism

Your agent will be representing your organization when working with insurance companies and associated service providers. The agent you select should have a reputation for good business practice, professionalism and come well recommended. Your agent should be aware of your organizational values and be able to perform in a manner that is consistent with them. One of the best sources for finding an agent is your colleagues and peers.

Service

Agents often provide services to their clients above and beyond the initial selection of insurance coverage and carrier. Organizations should inquire about what additional services an agent can provide; such as claims handling, staff support, regular communication, ongoing participation in risk managing work and other services. Effective agents often provide an annual report on their activities to organizations that outlines the benefits of their service.

Final Selection

An organization may find that because of their size, type of operation and/or location that not all qualifications previously outlined in this document are available to them. Selecting a local agent that is well recommended, interested in serving your organization and willing to work effectively on your behalf are also important qualities. Your organization can also ask for recommendations from trusted colleagues, ask for references from agents, check these references and meet with prospective agents along with your organization's volunteers as part of the selection process. Consider this process to be as important as selecting any professional; a medical specialist, a lawyer or an architect. Consider that your agent will be your partner for at least several years. Your agent can work on obtaining coverage proposals and insurance pricing after you've thoughtfully selected them as your organization's partner.

Your organization may find the following resources to be helpful:

[Increase your Insurance Buying IQ from the Nonprofit Risk Management Center Coverage, Claims & Consequences: An Insurance Handbook for Nonprofits](#)

More risk management resources can be found at the [Safe-Wise Consulting Online Resource Library](#)