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Speaker(s): William J. Rossi, CFP, ChFC

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Two Keys for Staying at the Top

William J. Rossi, CFP, ChFC

Good morning. Who has heard of Vince Lombardi? Then you know I'm not him. But I would like to share one of his quotes. I think it's very fitting. He said, "The dictionary is the only place where success comes before work." How true that is. Hard work is a key ingredient to being successful.

What I'd like to do is share two strategies that have worked very well for us in our office, to work more productively, more efficiently. Those two strategies are a team-based approach to serving clients and a fee-based process to providing solutions to clients.

I'm going to start with the team. There are two parts to the team, first the professional team and second, the support team. To give you a little historical perspective, in our office, not too long ago, we had six advisors operating six individual businesses but under one roof. What we learned was that some of us produced better results than others in investments versus insurance, for example. We had more passion about one subject or another. So we started to refer business back and forth, to share commissions, to split cases. Eventually, we created a formal team to where we work on every single client together and we share revenue on each case. It's a fixed percentage that we review annually. But, basically, we each have a niche specialization to serve the client on each case.

Now you may be wondering, I don't have multiple advisors in my office so how will this apply to me? I think that whether you're a solo practitioner or have multiple advisors in your office, there is ample opportunity to meet and know and gain trust from fellow professionals in our industry. Top of the Table is a great example, Million Dollar Round Table. There are many venues where you can do that.

Let's take an example whether it's solo practitioner or multiple advisors. In a single workday, there is a finite amount of time to work, yet there is an infinite amount of things to do. You can't do it all. But what you can do is outsource, cross refer, and build a team or network to support you. We've all heard the basic easy math, not my opinion, but fast. Fifty percent of something is better than 100 percent of nothing. But it's hard for us to let go of that commission.

My challenge to you is if you have 50 percent of something instead of 100 percent of nothing. You're taking a smaller piece of the pie, but it's an exponentially larger pie, if you build on your strengths and delegate your weaknesses, focus on what you're passionate about, do what you do best for your clients, and serve them in the best capacity that you can. Some people may be wondering, well I'm not sure what my passion is, or what my unique ability might be, what my specialty is. There are a few resources that I've actually learned at Million Dollar Round Table that have worked very well for us.

The Kolbe Index. Kathy Kolbe spoke a few years ago. You can Google it. There is a book now, "Discover Your Strengths." Following that book, there is a test called Strengths Finder that you can take. Better yet, how about your clients. If you ask your clients for feedback, what you do

well for them and what you don't, I'm sure they'll let you know. What you're doing well for them, do more of it. Spend your time there. The things that they say you're not doing well, refer it out. Let someone else serve them. If you specialize in your niche, I think I heard earlier, niches create riches. If you focus on that, build a network around you and draw from each other's strengths and energy, you're going to better serve your clients, increase your revenue and decrease stress in your practice.

Now I said there were two parts to the team. The other part is the support team, making sure you have staff to support your activities. I can already see some faces out there, revenue may be down a little bit this year and you're thinking: It's not a good time to increase overhead or add additional expenses. My challenge to you is to think about it, not as an expense, but as an investment, an investment in yourself, in your practice. Have the confidence to make that investment in yourself.

There was a study done recently to clearly illustrate this. Across our industry, the average agent-advisor has a little more than a half of a support staff. Yet, the top 20 percent of producers in our industry, the people selling the most, average almost two support people in their office. Clearly, that's a great investment. More support, more revenue.

In our office, we have 11 people on our support team. Again, there are six advisors, so we're almost at the two. But what's different about it is, instead of assistants doing everything like we used to, they each have a specialized niche or role to serve clients as well. So, if you can't make that investment right now in your business or practice, although I urge you to strongly look at your numbers, if you can't do it and you have two or three support people, look at repositioning them. Have them take the Kolbe Strengths Finder and find what their passion is. When they're working in their unique abilities, they'll be more efficient and create more time for you, so you're freed up to work with your clients.

I'd like to share a story with you about how important support staff is. Over the past few years, I've been fortunate to get to know a gentleman in Gainesville, Florida. If you know Gainesville, Florida, it's no thriving metropolis at all. There are maybe 200,000 people in our community. He bought a pizza store, a Domino's, and it was barely breaking even, as far as cash flow. Three years after he took over the Domino's store, it became the number one sales volume store in the world. In the world, in Gainesville, Florida. I had to ask him what did you do to experience such exponential growth? He said, "It's easy. I stay out of the kitchen." Stay out of the kitchen? He said, "Yes. In my business, too many people are cooking pizzas. They're micromanaging. So I have people who make the pizzas. I have people who deliver the pizzas. I have people who take the orders. I spend my time, what makes money for me, being out in the community marketing myself, building my brand."

How applicable is that in our business? How big is our kitchen? Running illustrations, rebalancing portfolios, filling out applications? We have a big kitchen. But, if we can hire cooks so we can stay out of our kitchen, we can focus on what makes us money: enriching the relationships we already have, building new ones. That's how you can increase your production significantly.

The other strategy I'd like to share with you is a fee-base process. There is the fee itself and then the process to support that. So why charge fees? How many people do charge fees for their wisdom or advice they give clients? Fantastic. I think it's critical to charge fees and there are several reasons. That could be an hour-long conversation. I'll give you a few reasons why I think it's so important.

First, to differentiate yourself. In our industry, we're starting to become commoditized. Consumers are buying our products purely on price. If you have a process and can create a unique experience, you'll be able to charge whatever you want according to the value you're providing to the client. So you will avoid the commoditization trap.

When you're selling a product, oftentimes it's viewed as about you or the product. When you're doing a plan it's about them. That subtle change in psychology is key. Additionally, when someone pays a fee, they're committed, not just to you but to the process.

One of the most common objections I've heard of why not to charge a fee is fear of losing the big sale. Has this ever happened to someone? You give away the planning, the advice for free in hopes of that big sale. Weeks go by. Months go by. The client finally responds to you: "Let me think about it. I'll get back to you." Or worse yet: "Let me go ask my CPA or my attorney how they feel about your free plan." You think the CPA or attorney is going to give their advice away for free? It shouldn't work that way. When you're charging a fee, it's going to filter out those who are not serious. When a client or prospect has skin in the game, when they pay that fee, there's a change in psychology. Instead of questioning your ideas, your recommendations, your advice, they embrace them.

And, of course, the fee itself generates more revenue for you immediately. We just talked about how important it is to invest in your business and grow the support staff, so here's a way to do that. The fee itself generates significant revenue. The fee that you charge is not important. If it's \$500, \$5,000 or \$50,000, it's the change is psychology that's critical.

So, we know it's important to charge a fee. How do we do that? Clearly you have to add enough value to your clients to warrant charging the fee. It's key to identify an issue that's common among your client base that's not being addressed right now. A goal that we want to accomplish or an obstacle to a goal that you can help eliminate so they can accomplish their goals. Once you do this, you'll be able to add value and you'll want to create a structure around this. That's the process. And it can be made out to be very complicated, but really it's fairly simple. It can be five or six steps.

The first step: gather information about the client. Learn everything you can about them. Next, do your homework. Crunch the numbers, the analysis. The next step: present your findings, the recommendations, if you will. Then, maybe you need to refine those recommendations to where you can then implement the plan and the tools to make the plan work. Lastly, you want to monitor that plan on an ongoing basis and keep it updated for them. So there's a skeleton.

The next step is key, and this is what a lot of people miss. You want to name each one of these steps. A process or a plan is an abstract thought to a client, but as soon as you have names to

each one of your steps, there is perceived value there. The abstract becomes tangible. You have a brochure they can touch and feel. All of a sudden it becomes real.

An example, our process is called The Wealth Navigator System and it has five steps. The first step is engagement and discovery process. Then, the critical factors analysis. Then, we have the breakthrough game plan. There is perceived value there. Next, the implementation solution. We're not selling life insurance, we're not taking over investment portfolios, we're providing solutions for people. This increases your sales ratio significantly. Lastly, we have the wealth manager, that's the ongoing service matrix to build confidence in the clients. They know on day one what to expect on day 365, so the confidence there is key. When they know that upfront it's that much easier for them to make the commitment upfront and pay the fee.

Next you want to test this. Before you invest too much time or money in you plan, you want to make sure people are going to write checks. Do you ask your coworkers, your friends, colleagues if it's going to work? I would say no. Ask your clients, they're the check writers. If they're willing to write you checks, you know you're on to something. So as you collect some checks and gain some confidence, then it's time to go back to your process and build it even more. Each step you have builds sub-processes along the way. In our breakthrough game plan, we have the secure retirement maximizer. I throw that out because this morning we talked about Monte Carlo simulation. People are craving that kind of information right now. The educational side is key.

The more you deepen your process, the more perceived value there is, the more perception of value, the higher fees you can charge. Now there may be some people out there thinking, "I'm a little apprehensive to test my plan on clients. I want to perfect it first."

Dan Sullivan of the Strategic Coach was asked the difference between his \$100,000 producers and his \$1 million producers. Among other things he said one of the most common threads is a \$1 million producer takes an idea and runs with it and refines it along the way. The \$100,000 producer takes that good idea and tries to perfect it, spending time refining and revising it before they take it to market. I share this with you because these ideas work.

Six years ago, in our office we had some MDRT qualifiers and some like myself who were not. But after employing these strategies, we now have five Top of the Table members in our office. So, there's no need to reinvent the wheel. I'm confident that if you implement these two strategies of creating a team or a network around yourself, to delegate your weaknesses and focus on your strengths, it will increase production. Also, if you start charging fees and have a process behind it to support it, it's going to increase revenue in your practice and reduce complexity in your life and your practice. Thank you very much.

William J. Rossi, CFP, ChFC is a six-year MDRT member with one Court of the Table and three Top of the Table honors, and an MDRT Foundation Bronze Knight. As a partner with Koss Olinger Financial Group, he focuses on a fee-based practice offering both money management and insurance solutions. Rossi is immediate past president of the Gainesville Association of Insurance and Financial Advisors and a past president of the Gainesville Estate Planning Council. In his community, he is on the board of directors for the University of Florida Performing Arts Center, is a member of Rotary, and president of Stop! Children's Cancer.

Koss Olinger Financial Group
2700 NW 43rd St., Suite A
Gainesville, FL 32606
Phone: 352.373.3337
Fax: 352.373.1864
E-mail: wjr@kofinancial.com