

HOW IT'S DONE



BGA/Broker Dealer and Producer/Advisor Alignment

Most BGAs and Broker Dealers can improve their bottom line by adjusting the alignment with their top 25 producers and advisors. Creating a business plan that is aligned with these producers/advisors will create a joint focus and traction that can help both parties move to the next higher level of success. There are four steps in the process: **forming, communicating, aligning and inspecting.**

Forming

The first step is to create or update a written business plan. What do you want to accomplish in the short term and what do you want to accomplish in the next 3- 5 years? After you have a clear vision and mission about what you want to do, the next step is to make an assessment of what is currently working, what is not working, what is missing and what needs to change. This can be accomplished by completing a SWOT Analysis of your situation. An honest, thorough [SWOT Analysis](#) (see Pages 3 and 4) will give you direction and help you create strategies and tactics to improve your business. Have each of your team members complete a SWOT and have a meeting with them to discuss the completed SWOTs. The third step is to create a list of daily activities that must be accomplished in order to achieve your objectives.

The last action steps are to put together a one-page outline of your plan which can be used to recruit and develop your producers/advisors and to create a [Capabilities](#) brochure (see page 5) that highlights what you are able to do to help your producers/advisors improve their businesses.

Use a program such as the [SuccessQuest Mapping Program](#) to create your plan. (You can request an account and build your plan by going to www.successquestplan.com/?howate.)

Communicating

✓ Internal

Once your plan is completed, the next step is to communicate it to your internal team and make sure that they understand exactly what needs to be done, by when and who is responsible for executing the various parts of the plan. Each person on the team should clearly understand their roles and assignments. Have them create a list of their top five tasks that must be accomplished daily – this is called the “[Daily 5](#).” As you work through the plan with your team, make sure that they [see](#) how the plan can help both you and them reach the goals. Work with them to make sure that they take [ownership](#) of the plan. The best way to accomplish this is to accept their best ideas and suggestions and build them into the plan. The plan is a living document. Encourage your team members to bring up issues as they occur and what they think should be done to solve them. Have a weekly team meeting and a short daily “huddle” to stay focused.

✓ External

Identify your top 25 sources of business. In most cases these are the people who are responsible for about 80% of your business. Plan to get together with each of them to discuss your plan and capabilities. Put together an agenda of what you would like to cover with them.

Alignment

At the producer/advisor meeting, share your vision and mission. Discuss with each producer/advisor your capabilities. Have them share their business plan with you. Look for places where you can work together more effectively. Uncover areas where they want to improve their offerings, processes, marketing effectiveness and client service.

If the producer/advisor does not have a formal, written business plan, you can decide if you want to invest the time helping them complete one. Use the same process that you used with your team to create a mutually beneficial business plan.

Once you have a clear idea about the areas in which you can work together, the next step is to create a commitment that outlines what each of you will do to support each other. The objective is to align your plan with theirs to create mutual accountabilities. These commitments should be put in writing using the [Commitment Letter](#). Create a list of activities and a timetable to make things happen.

Inspecting

The last step is to set up a meeting schedule to regularly assess the plan and results. Holding each other accountable is part of the critical path in the road to success.

As you hold these conversations with your producers/advisors, you will validate what you already know: most producers/advisors know what they need to do; they just have trouble with the execution. This is where you can be the most helpful. Help them create processes and accountabilities. Your value proposition could be: ***"I will help you keep the promises you made to yourself, your family and your clients. I will coach you to get the things done that you haven't done. I believe in you, I will be invested in you and I will expect you to do your very best."***

Commitment Letter

Managing balanced relationships is one of the keys to success. The more revenue producing activities you can engage in, the more profitable you will be. One cannot argue about the merits of marketing and offering free help and support upfront to demonstrate your capabilities and to build trust. "Give us a try" is still a good tactic. But, in the long-run, you cannot perform without a balance between your effort and your compensation.

What would it be like if you had relationships where the producer/advisor wanted to work with you more than you wanted to work with them? Having that type of edge is uncommon. The most you can hope for is win-win. But you have to set up win-win, you need to create accountability. The best relationships are called, "EverGreen"; these are the people who give you business even when your products or services are slightly off the mark. When both products or services appear to be equal, you win all the ties.

The commitment letter is the best way to engage a producer/advisor. In the movie, The Untouchables, Jim Malone (Sean Connery) asked the question several times: ***"What are you prepared to do?"*** The question for you is: what are you prepared to do for your best producer/advisor and what will you expect from them in return?

Take a look at the [Commitment Letter](#) on Page 9 and then create your commitment and expectations. Do you really need to leave everything to chance? Instead of being a firefighter and putting out fires, why not start some of your own?

The SWOT Analysis

SWOT analysis is a framework for analyzing strengths, weaknesses, opportunities and threats. Strengths and Weaknesses are **internal** factors – they are about you and your company. Opportunities and Threats are **external** factors, items that you cannot control, but you must be aware of them so that you can build a realistic business plan.

A SWOT analysis is simply reviewing each of your **S**trengths, **W**eaknesses, **O**pportunities, and **T**hreats.

Strengths

1. What are your advantages?
2. What do you do well? What's working?
3. What do other people see as your strengths?

Consider this from your own point of view and from the point of view of the people you deal with. Don't be modest - be realistic. If you are having any difficulty with this, try writing down a list of your characteristics. Some of these will hopefully be strengths!

Weaknesses

1. What could you improve?
2. What do you do badly? What's not working?
3. What should you avoid?

Consider this from an internal and external basis - do other people seem to perceive weaknesses that you do not see? Are your competitors doing any better than you? It is best to be realistic now, and face any unpleasant truths as soon as possible.

Opportunities:

1. Where are the good opportunities?
2. What are the interesting trends you are aware of?

Useful opportunities can come from such things as:

- Changes in technology, products and markets on a broad and narrow scale.
 - Changes in government policy related to your field.
 - Changes in social patterns, population profiles, lifestyle changes.
 - Local events.
-

Threats:

1. What obstacles do you face?
 2. What is your competition doing?
 3. Are the required specifications for your job, products or services changing? Is changing technology threatening your position?
-

SWOT Analysis

Strengths What has been working for you? How well are you and your company known in your territory? How do you measure up competitively? How have you added value here? How do you make a difference? What are your and your Company's advantages?

1.

2.

3.

4.

5.

Weaknesses What could be improved? What obstacles do you have to overcome? What and who should be avoided? What are 5 things that you could work on that would make a difference?

1.

2.

3.

4.

5.

Opportunities What are the good opportunities facing you? What are the interesting trends you are aware of? Useful opportunities can come from such things as: changes in technology and markets on both a broad and narrow scale; changes in government policy related to your field; changes in social patterns, population profiles, lifestyle changes, local events, etc.

1.

2.

3.

4.

5.

Threats What obstacles do you face? What is your competition doing? Are the required specifications for your job, products or services changing? Is changing technology threatening your position?

1.

2.

3.

4.

5.

Capabilities and Resources

Differentiating your business is critical. Most products today can be delivered from a number of sources. Something other than price should differentiate you from your competitors. What is it that you offer that would attract successful producers/advisors? Delivering the right services at the right time in the way the producer/advisor wants it is the key. Producers/advisors are not only learning how to segment their clients, they are learning how to segment their resources. They are continually looking for people who can help them improve their business and add real value to their practice.

What are your producers/advisors thinking when they see you walking through their doorway? Are you just another vendor, or a walking brochure? Or when they see you do they say: "am I glad you're here!"

The 80/20 rule (the Pareto Principle) also applies to resources. Think about all the wholesalers and firms who have called on your producer/advisors over the years. Some were very good, some were average and some were of no help. Helping the producer/advisor to identify and segment his/her resources to select those people who can really help them and avoid those who have nothing to offer is a way for you to differentiate yourself. If you can help the producer/advisor with the selection criteria, you will most definitely meet the criteria and be a valuable resource to you audience. Remember, it is always difficult to beat the person who made the rules.

When meeting with your producers/advisors, teach them how to segment their resources. As you explain your capabilities to your producers/advisors, you are positioning yourself and teaching them how to select the right resources for their practice. Your goal should be to help them find resources who are great self managers and who deliver on their promises. Here is a list of some of the resources that you could make available to your producers/advisors. Study the list and adjust it to match up with what you can offer.

- Product material
- Market research and analysis
- Prepackaged client seminars
- Prospecting ideas
- Sales ideas
- Point of sale material
- Financial support
- Advanced sales support
- Training
- Marketing material
- Mailers
- Speakers
- Lead generation programs
- Continuing education programs
- Joint work
- Case design and other resources
- Technology Support

There is no way a producer/advisor could afford all the things that you provide. In most cases, you can make these resources available at little or no cost as long as there is a commitment to do business with you. These resources can only be provided to producers/advisors (qualified, committed, coachable - QCCs) who can reciprocate by providing you with sustainable flows of business. **Great relationships have to be mutually beneficial.**

Complete the questionnaire on the next two pages and use it to tell your story about how you can help people take their business to the next higher level. Have each of your team members complete the form as well and then use the information to create your capabilities brochure.

Wholesaler Bio and Talking Points

Part 1 - Personal Information

Name:			
Firm		Address	
Telephone		Cell:	FAX:
Email:			
Length of Service with current firm:	Past Companies Represented:		
Length of service to the financial services sector:			
Professional Designations or advanced degrees:			

Part 2 - Product and Service Information

Product or Service lines:			
Internal Sales Desk:	Name:	Phone:	Email:
		FAX:	
If a BGA, list carriers represented:			
What is your Value Proposition? (Three Sentences or Less)	What is the main reason advisors should meet with you?		
What differentiates you from other providers or vendors?			

Part 3 - Support Services

Where does your product or service fit into our business and our client' portfolios?

What point of sale assistance do you provide?

What case design support do you provide?

What software tools do you provide?

What marketing assistance do you provide? Do you assist advisors with client events, mailers, client seminars, etc.?"

What value-added programs, materials or speakers do you provide or sponsor?

Explain how you support your aforementioned core competencies in client meetings?

What CE programs do you provide or sponsor?

Commitment Letter

**COMMITMENT LETTER
BETWEEN (FIRM)
AND
(PRODUCER)**

In order to assist ___ (producer) ___ and help him/her improve his/her business, ___ (FIRM) ___ agrees to provide the following services to ___ (producer) ___:

(LIST SERVICE CAPABILITIES)

In return, _____ (producer) _____ agrees to commit to the following:

_____ Percent of current business given to ___ (FIRM) ___.

And the opportunity to work with 100% of the future business that ___ (FIRM) ___ quotes and assists in generating.

(Producer)

(FIRM)

(Date)

(Date)