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CREATIVE STRATEGIES AND BUSINESS ADVICE FOR INSURANCE AND FINANCIAL ADVISORS



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NAIFA's Advisor Today

Editor-in-Chief

Ayo Mseka
amseka@naifa.org
703-770-8204

Circulation Manager

Tara Laptew
tlaptew@naifa.org
703-770-8207

NAIFA

Kevin Mayeux, CAE

CEO
kmayeux@naifa.org
703-770-8101

Michael Gerber

COO & General Counsel
mgerber@naifa.org
703-770-8190

Diane Boyle

SVP, Government Relations
dboyle@naifa.org
703-770-8252

John Boyle

AVP, Professional Development & Education
jboyle@naifa.org
703-770-8267

Judi Carsrud

AVP, Government Relations
703-770-8155
jcarsrud@naifa.org

Jennifer Cassidy

VP, Finance
jcassidy@naifa.org
703-770-8125

Sheila Owens

VP, Communications and Marketing
sowens@naifa.org
703-770-8112

Diane Powers

VP, Professional Development and Education
dpowers@naifa.org
703-770-8226

Brian Steiner

VP, Business Development & Strategic Partnerships
bsteiner@naifa.org
703-770-8220

Gary Sanders

Counsel and VP, Government Relations
gsanders@naifa.org
703-770-8192

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State Farm Insurance Companies
Jill.judd.jy10@statefarm.com

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Veritas Financial LLC/MassMutual Financial Group
bjolly@financialguide.com

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Ameritas
kgillies@wealthsolutionsllc.net

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kmayeux@naifa.org

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dennis@dcuccinelli.com

***Stephen Good**, LUTCF CLTC, CFBS
stephengood@ohionational.com

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todd.grantham@nm.com

Connie Golleher, CLTC, LACP
connie@gollehergroup.com

Bryon A. Holz, CLU, ChFC, LUTCF, LACP
bryon@bryonholz.com

Lawrence Holzberg, LUTCF
Lawrence_holzberg@wagllc.com

Delvin Joyce, CLU, ChFC
delvin.joyce@prudential.com

Beth Jones, CIC
bjones@dystewilliams.com

Ryan Pinney, LACP
rpinney@pinneyinsurance.com

John Wheeler, Jr., CFP, CLU, ChFC, CRPC, LUTCF
obfsinc@aol.com

Brian Wilson
brianwilson@mutualofomaha.com

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Naylor Association Solutions
5950 Northwest First Place
Gainesville, FL 32607 Phone: 800-369-6220 Fax: 352-331-3525
Web: www.naylor.com

Publisher: Heidi Boe
Editor: Rick Goldstein
Project Manager: Amanda Land
Publication Director: Mark Ragland
Sales Representatives: Amy Gray, Chris Vermeulen
Marketing: Natalia Arteaga
Project Coordinator: Niki Roldan

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The Partnership That Pays

By Ayo Mseka

Turn on the TV or surf the web, and the news that often awaits you is not exactly uplifting: The market continues to be volatile, interest rates are on the rise, consumer debt is at an all-time high, and Americans are not saving as much as they should for their retirement.

In addition, many Americans remain woefully under-insured. Though they know they need more life insurance to protect their families and loved ones from life's numerous uncertainties, the product is not exactly flying off the shelves.

As LIMRA's James Kerley notes in his article in this issue, according to *the 2016 LIMRA Life Ownership* study, only 44 percent of Americans owned individual life insurance in 2016.

But before you throw up your hands in despair, remember that behind every challenge is usually an opportunity, and there is no better time than now to provide knowledgeable answers to your clients' nagging questions, assuage their financial concerns, encourage them to never stop chasing their dreams, and work with them to get back on the path to financial security.

NAIFA: your trusted partner

Working side by side with you as you help your clients with this challenging but rewarding task is NAIFA, whose primary responsibilities are to create a business environment that is conducive to you and the clients you serve, enhance your business and professional skills, and promote ethical conduct.


As it has done in years past, NAIFA will be there for you to safeguard the products that help your clients protect their families and loved ones. And NAIFA will be there to drive your future goals and success by giving you the tools and resources you need to better serve your clients.

NAIFA will be there to drive your future goals and success by giving you the tools and resources you need to better serve your clients.

If you have not taken advantage of NAIFA's numerous professional-development opportunities, you may be missing out on a wealth of benefits designed to expand your practice and positively affect your bottom line. Check out the NAIFA website at www.naifa.org today and discover some of the new products and services the association has recently introduced to help move your career forward.

NAIFA also provides you with numerous opportunities for networking, professional growth and idea exchange, such as this year's Performance + Purpose Conference. This issue's feature article showcases key highlights from this important "meeting of the minds."

It was during this conference that members elected their new president, Jill Judd, FSS, LUTCF, with State Farm Insurance Companies. The cover story in this issue offers a rare inside look at the woman who is steering NAIFA as it re-invents itself to better serve you.

For more than a century, NAIFA has played a pivotal role in helping agents and advisors succeed. As we approach a New Year, NAIFA will continue this tradition of excellence and build upon its many successes. Good luck on building your own success and Best of Luck in 2019! 

Ayo Mseka

Moving NAIFA Forward

By Keith Gillies, CFP, MBA, ChFC, CLU

When I first ran for NAIFA Secretary in 2012, I started my candidate's speech by observing that when confronting challenges and change, experts teach us to think *outside* the box. But experience has taught me that sometimes, the answers are *inside* the box. We don't need to fear change. In fact, we must embrace change to properly affect it.

My ideas about change have been shaped by Chip and Dan Heath's book, "Switch," which tells a story that is a metaphor for achieving organizational change. The authors call it The Rider, The Elephant, and The Path. The path is the plan: where we are headed. The riders are us: the leaders. We're rational, we're smart, and we can identify what needs to be done. But the elephant—that is our emotional system, where much of our power, commitment and desire to move forward, comes from.

The rider can decide where he wants to go, but if he can't convince the elephant to move, they go nowhere. That's how it works with people and organizations. We can make plans for our own good, but without emotional buy-in, we go nowhere.

Embracing change at NAIFA

A few years ago, NAIFA was not ready for the serious change we needed to move forward. But it recently embraced change when you voted to revise our governance model.

In 2016, you showed confidence in your national board of trustees by allowing NAIFA to package corporate dues. We now have many corporate programs that are starting to move the needle on membership.

In 2016, you showed confidence in your national board of trustees by allowing NAIFA to package corporate dues. We now have many corporate programs that are starting to move the needle on membership.

Finally, in May of this year, you made the greatest statement to move NAIFA forward by completely re-writing our by-laws and structure of governance. The response by the industry has been overwhelmingly and unanimously positive.

Under the leadership of NAIFA Past President Jules Gaudreau and NAIFA CEO Kevin Mayeux, we made tough decisions aimed at re-asserting NAIFA as the premier organization for insurance and financial advisors.

When Paul Dougherty assumed the position of NAIFA president, our executive committee formed the Quality Member Experience Task Force under the leadership of Tom Michel, our new secretary. Michel headed the Implementation Task Force and he and Dan Reisinger, our Committee on Associations Chair, led us to the *Implementation Playbook* we recently introduced you to.

While all of this was taking place, Jill Judd, our current president, revamped our membership growth playbook. Her leadership has us poised for growth for the first time in decades.

The flurry of activity surrounding NAIFA's efforts to modernize its bylaws has empowered me and NAIFA's Business Development Team to re-engage with several companies. We have also re-energized relationships with various industry organizations and have formed forward-thinking partnerships that will strengthen the industry and create a more unified voice.

Change is difficult, but it must not be feared. We have plowed the path, we have the drivers, and you have given us the support we needed to ride to incredible success.

Thank you, NAIFA members, for all you have given me, and thanks for giving me the privilege to serve you. 

Keith M. Gillies, CFP, MBA, CLU, ChFC, is NAIFA's Immediate Past President. He is the Managing Principal of Wealth Solutions, LLC and The Pension Center, LLC, and co-founder of United Wealth Advisors Group, LLC, where he serves as Chief Executive Officer. He began his career as a financial advisor in 1981 with a commitment to providing advice and strategies to individuals, professionals and business owners to help them achieve their personal, business and charitable goals.



A Re-Imagined LTCI Policy Makes its Debut

By Ayo Mseka

A new long-term care solution announced today by New York Life, NYL My Care, promises to make the purchase of long-term care insurance (LTCI) simpler and more affordable.

The product features design concepts familiar to purchasers of other types of insurance, including a deductible and co-insurance, and offers the benefit of a dividend¹ which can help offset future premiums. NYL My Care clients will also benefit from the peace of mind that comes from working with a mutual life insurance company with the highest available financial strength ratings.

“New York Life is committed to helping people plan for the future, which includes protecting themselves and their loved ones from the financial burden of an extended health care event,” said Aaron Ball, vice president, New York Life Long-Term Care. “NYL My Care’s simpler, first-of-its-kind product design will help more people understand, access and afford the protection they need against the potential cost of long-term care.”

According to the company, NYL My Care covers a wide range of long-term care needs, including home care, community-based care and facility care, and offers four pre-designed plan levels (as shown in Table 1): bronze, silver, gold and platinum. Customers can easily choose the level of coverage that’s right for their personal situation and risk tolerance and can further personalize their plans through riders and customized options. They also have the option to increase their coverage in the future.

Additional NYL My Care benefits include:

- Return of premium up to age 65
- Waiver of premium after deductible is satisfied
- Access to care planners
- Coverage increases up to age 70²
- Coverage for in-home support equipment
- Client loyalty discount³

Table 1: NYL My Care Pre-Designed Plan Levels

	Bronze	Silver	Gold	Platinum
Policy lifetime maximum benefit⁴	\$50,000	\$100,000	\$175,000	\$250,000
Monthly maximum benefit⁴	\$1,500	\$3,000	\$5,000	\$7,000
One-time deductible⁴	\$4,500	\$9,000	\$15,000	\$21,000
Monthly reimbursement rate	80%	80%	80%	80%
Married male monthly premium⁵ (age 55)	\$24.93	\$49.86	\$84.65	\$119.45

NYL My Care adds to New York Life’s existing suite of long-term care and chronic care planning solutions, which includes a linked-benefit life and long-term care policy, a chronic care rider, and NYL Secure Care, an additional stand-alone long-term care insurance policy, which remains available. [at](#)

References

- 1 Dividends are not guaranteed and can vary year to year.
- 2 Adding additional coverage in the future is subject to company offers and underwriting approval.
- 3 A discount of 5% off of the first year premium is available for existing New York Life clients. Discount applies to first year premium only. Discount is available for applicants who own at least one in-force individual life, individual long-term care, individual annuity or mutual fund policy that was obtained through a New York Life agent.
- 4 The policy lifetime maximum, and monthly maximum benefit, and one-time deductible grow with any applicable inflation protection added to the policy.
- 5 Assumes 25% Partner’s Discount applies.

New Life Insurance Business Model

In a departure from the traditional life insurance business model, all John Hancock life insurance policies will now come with Vitality—a behavior change platform that rewards customers for the everyday steps they take to live longer, healthier lives.

Built on the convergence of behavioral economics and consumer technology, John Hancock Vitality policies incentivize healthier choices linked to physical activity, nutrition and mindfulness.

“For centuries, the insurance model has primarily provided financial protection for families after death, without enhancing the very quality it hinges on: life,” said Marianne Harrison, John Hancock president and CEO.

“We fundamentally believe life insurers should care about how long and well their customers live. With this decision, we are proud to become the only U.S. life insurance company to fully embrace behavioral-based wellness and leave the old way of doing business behind.”

Need for change

John Hancock began offering Vitality as part of its overall set of offerings in 2015 in response to a troubling shift in Americans’ health: lifestyle diseases are the leading cause of death.

According to the Oxford Health Alliance, just four choices—physical inactivity, an unhealthy diet, excessive alcohol and smoking—now cause more than 60 percent of deaths and 80 percent of the disease burden globally.¹

To face this challenge, John Hancock turned to Vitality and its pairing of technology, incentives and science to inform and reward customers for making healthier choices every day.

The results are compelling. To date, worldwide Vitality policyholders have been shown to:

- Live 13-21 years longer than the rest of the insured population²
- Generate 30 percent lower hospitalization costs than the rest of the insured population²

While John Hancock Vitality policyholders:

- Take nearly twice as many steps as the average American³
- Have logged more than three million healthy activities including walking, swimming, and biking⁴
- Engage with the program approximately 576 times per year—compared to customers with traditional insurance, who engage with their life insurance company one or two times per year on average⁴

“The remarkable results of our Vitality offering convinced us this is the only path forward for the industry,” said Brooks Tingle, president and CEO of John Hancock Insurance.

“We have smart phones, smart cars and smart homes. It’s time for smart life insurance that meets the changing needs of consumers. We believe offering Vitality on all life insurance policies, at no additional cost, is the right thing to do for our customers, our business and society. We believe this is the future of our industry, and I encourage other insurance companies to follow suit.”

“Poor eating and other unhealthy lifestyles have created an epidemic of preventable, chronic disease, hurting American families and businesses. John Hancock should be applauded for extending its Vitality program to focus on healthier food and lifestyles across its portfolio,” says Dariush Mozaffarian, M.D., DrPH, Dean of the Friedman School of Nutrition Science & Policy, Tufts University. “Recognizing the complexities and confusion over good nutrition, John Hancock is collaborating with the Friedman School to ensure that strong science informs these efforts.”

Supporting healthy living

John Hancock Vitality Life Insurance now offers new and existing* customers two options to support and incentivize healthier choices, wherever they are in their wellness journey:

- **Vitality GO:** Vitality GO will be offered on all life insurance policies, at no additional cost. With this basic “be healthy” version of the program, consumers will have access to expert fitness and nutritional resources and personalized health goals through an easy-to-use app and website. And as they reach key milestones, their healthy activities will be rewarded with discounts at major brand outlets.
- **Vitality PLUS:** For \$2 a month⁵, customers will receive all the benefits of the John Hancock Vitality Program, including savings of up to 15 percent on annual premiums and valuable rewards for the everyday things they do to stay healthy, like exercising, eating well and getting regular checkups. Consumers can earn an Apple Watch for as little as \$25 plus tax or receive a complimentary Fitbit device to make it easy to record their healthy activities.

For more information, visit <https://www.johnhancockinsurance.com/vitality-program.html>.

at

**Vitality GO and PLUS will be rolled out over time, beginning in 2019, for existing John Hancock life insurance policyholders.*

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Taking a Stand is Good for Business

Corporate social responsibility has become a key differentiator that can set your company and its products apart from rivals with similar offerings.

By Catherine Hernandez-Blades

In today's business world, where you stand is almost as important as what you sell. Social responsibility is serious business. It is a powerful declaration of what a company believes in—a moral stake in the ground as well as the standard by which it is judged.

And who is doing the judging? Quite simply, consumers who want to do business with organizations that are committed to doing good. A growing number use their dollars to support products and services that support their personal beliefs and ideals.

For financial advisors and insurers, the question is not if they should adopt a socially responsible stance; it is how and when. After all, in the era of social media, information about your corporate social responsibility (CSR) activities—or lack thereof—is just a click away.

The value of social responsibility

Whether your company is large, small, or in between, there is value in supporting a cause, giving back to a community and doing good. Studies show that CSR has a direct effect on consumer goodwill and purchasing habits, as well as on workforce behavior:

- Eighty-seven percent of consumers will purchase a product because a company advocated for an issue they care about. Conversely, 76 percent will refuse to purchase a company's products or services if they learn it supported an issue contrary to their beliefs.¹
- The 2020 Workplace Report found that 80 percent of 13- to 25-year-olds, which includes students about to enter the U.S. workplace, want to work for a company that cares about how it contributes to society. More than half would not work for an irresponsible corporation.²
- The 2015 Community Involvement Study revealed that 89 percent of companies have found a positive correlation between employee volunteerism and increased engagement at work.³

These findings are backed by research from Reputation Institute, which found the concept of philanthropy tying back to brand identity is consistent among the world's top companies. Its 2018 Corporate Reputation Survey revealed that the companies with the strongest consumer reputations regularly demonstrate delivery of brand promises through corporate citizenship.⁵ The emotional connections consumers develop with these brands drive

supportive behavior, including the willingness to purchase a company's products, recommend the brand, invest in the business or even work for the company.

Big wins from small steps

If you work for a large company, odds are that its size, influence, and resources will make it easier to establish, monitor and publicize any CSR efforts. But smaller companies with more limited resources can also develop worthy CSR programs. The key is establishing a firm foundation and deciding how much to give, either through donations or sweat equity.

Do not get overwhelmed by the many giving options out there. Choose those that align with your values as well as those of your customers. Perhaps that means teaming with a national cause such as the American Red Cross—or in Aflac's case, Habitat for Humanity, Children's Miracle Network Hospitals®, the Aflac Cancer Center and My Special Aflac Duck™, a social robot designed to be a comforting companion to children facing cancer. It could also mean taking advantage of local opportunities: area libraries, homeless shelters, soup kitchens and organizations that collect school supplies, to name a few.

The most important step in implementing a CSR strategy is choosing efforts that hold personal significance, make sense for your business, resonate with clients and are sustainable.


The most important step in implementing a CSR strategy is choosing efforts that hold personal significance, make sense for your business, resonate with clients and are sustainable.

As an example, Aflac is a pioneer in cancer insurance and cares passionately about the treatment and cure of childhood cancer, our primary philanthropic cause. In fact, many of the approximately 75,000 independent sales agents licensed to sell our products donate more than \$500,000 each month from their commission checks and also participate in fundraising activities to help children with cancer. This 23-year effort not only makes business sense, it is also authentic and sustainable.

If you are still on the fence about CSR, consider that:

- 92 percent of consumers have more positive images of companies that support social or environmental issues.¹
- More than half of consumers are willing to drive somewhat farther and pay slightly more to shop at a store viewed as socially responsible.⁴
- Nearly 52 percent of a company's reputation is based on its perception as fair, ethical, having a positive influence on society, and the importance of its products and services.⁵

The bottom line is that CSR is no longer a "nice to do." It has become a key differentiator that can set your company and its products apart from rivals with similar offerings. Whether your organization is large or small, your work in helping address societal challenges by doing good can really pay off—for you and your business.

This article is for informational purposes and is not intended as a solicitation. 

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Catherine Hernandez-Blades is senior vice president, chief brand and communications officer at Aflac. Her responsibilities include Advertising, Brand Strategy, Social Media and Corporate Communications, including Aflac's award-winning corporate social responsibility program.



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Trends in Life Insurance Ownership

As ownership rates decline, you need to connect your passion as an agent with the trends that are driving consumer behavior.

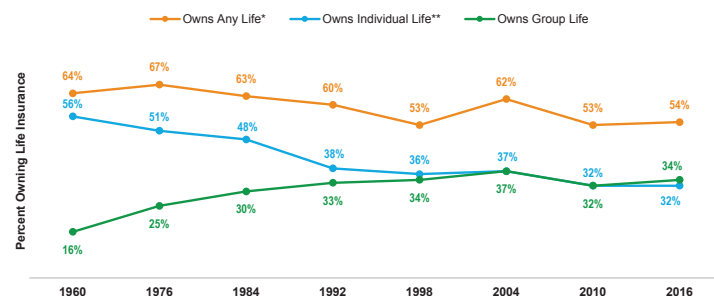
By James W. Kerley, LLIF

LIMRA research shows that 50 million American households need life insurance. As a financial professional, are you helping more people get the coverage they need? Are you putting life insurance first in your practice? Recently, I asked the CEO of a leading life insurance company these same questions. “My passion and deep belief is that people in the U.S. are not insured and my goal is to change that for our company and the industry,” she said. “It is a thrill convincing our associates and advisors to believe in life insurance first. What drives me every day is turning around the policyholder count and supporting advisors who have the same goal.”

With plenty of experienced and long-tenured advisors offering life insurance solutions to their older clients, it is not surprising that over the last few years, total life insurance premium has continued to grow. However, as an industry, do we want our measure of success simply to be premium growth? In the world of customer engagement, many would say that ownership levels and life insurance policyholder counts are measures that are more important.

Ownership rates

So how are we doing? As it turns out, not all that well. Since 1960, the ownership rate has dropped from a high of 83 percent to just 70 percent of American households in 2016. Seventy-two percent of U.S. households owned individual life insurance in 1960, and according to the 2016 LIMRA Life Ownership study, only 44 percent of Americans owned individual life insurance in 2016.



*Includes Individual, Group, and service members' coverage (SGLI/VGLI).
**Does not include life insurance sold face-to-face and through direct means.

Why the large percentage decline in ownership? Competing financial priorities, less fear of dying due to advances in medicine and higher mortality rates, and the increase in the number of dual-income families may account for some of the reasons consumers do not feel as compelled to own life insurance as they once did.

But one of the most important reasons people aren't buying life insurance may be that they haven't been contacted by an agent or advisor to help them. The truth is that in the age of online shopping with mobile and smartphone technology, consumers of all ages still want the advice of a responsible and knowledgeable insurance advisor.

An important reason people aren't buying life insurance may be that they haven't been contacted by an agent.

While the number of consumers wishing to purchase life insurance online has grown, more than four in 10 would rather purchase with the help of an agent or advisor and an additional 13 percent would happily purchase through their workplace.

What consumers need

LIMRA research has consistently shown that consumers often get information overload by researching online and need help understanding the answers to some basic questions about life insurance:

1. What type of life insurance and how much do I need? Forty percent of all consumers do not know the answers to these specific questions. Millennials, in particular, feel this way, with six in 10 looking for the answers to these questions.

2. More than half of consumers believe they have enough life insurance but LIMRA analysis shows they do not. Six in 10 consumers say the loss of income from a primary wage earner would put their family in financial trouble quickly.

3. Consumers believe that the cost of life insurance is unaffordable. LIMRA research consistently illustrates that consumers believe the cost of life insurance as much as five times the actual cost.

While older generations are more likely to have worked with an agent, our research finds that younger generations have not had the same advantage. Yet 73 percent of Millennials say that meeting with an agent or advisor before buying life insurance would be important to them. One out of five Generation X and Millennial consumers say they do not have a financial advisor and are looking for one. That means there are nearly 30 million Gen X and Millennial consumers looking for advisors to help them. We are not getting the job done.

Remember the passion and beliefs you had as a young life insurance advisor? Remember the feeling you had after one of your clients agreed to do the right thing for their family? Connect your life-long passion with today's consumer trends. Consumers want you and need you more than ever. [at](#)

Jim Kerley, LLIF, is chief membership officer for LIMRA and LOMA. He is responsible for member relationship management of U.S. and Canadian members. Kerley has more than 40 years of experience in serving the financial-services industry as manager, leader, consultant and advisor.



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Having it All

Pay close attention to this advisor's steps for success and watch your practice grow!

By Bryan Kuderna, B.Sc., CFP, LUTCF

I stared at my overwhelming Inbox early Monday morning. Amidst the usual client emails sat countless follow-up questions regarding financial strategies and monetary goals stemming from readers of my book. “I really think this title backfired on me,” I thought to myself. Certainly, with a name like *Millennial Millionaire* and a subtitle of *A Guide to Become a Millionaire by 30*, one naturally thinks about money, money, money. However, I want to let you know that success is not about the balance sheet and has never been.

Based on countless interactions with the affluent and the broke, here are my steps to “having it all.”

- **Travel.** If material items depreciate and memories appreciate, then seeing the world is priceless. It might be a Mediterranean cruise or just a new park across state lines. Every good story needs a “where.”
- **Set physical goals.** If an idle mind is the cousin of the devil, a sedentary body is its close friend. I don't think it's a coincidence that the first major jump in my business occurred the year I ran my first marathon, or that my best year yet was the same year I completed an Ironman. Such physical exertions somehow renew the shortened work schedule.
- **Track your excitement.** Every couple of hours, pause and take your pulse. Not your real pulse, but just how you feel. Are you excited, in the zone, or bored or disengaged? This simple exercise can help you refocus on your passions and push aside meaningless tasks. It's guaranteed to make you more efficient, effective, and happier.
- **Faith.** No one is immune to doubt, and every day is sure to bring its share of curveballs. So, use an ultimate guide, such as the Bible, the Torah, or the Qur'an. Having an overarching belief system promotes confidence, stability, and a positive outlook.
- **Read.** This is the simplest way to level the playing field between an Ivy League graduate and someone who barely completed high school. Not only is the public library one of the best educators, it is also a great fictional escape that can spark creativity in the dullest of moments. My wealthiest and cheeriest clients are always telling me about something new they've read.
- **Practice yoga.** Many of the greatest minds give a lot of credit to meditation. Yoga has become the 21st century panacea for the busy-bee who can't sit still and hum.
- **Have some “entrepreneur” time.** Even a business owner can get lost in the tedium of his or her labor. Facebook, Google and several other leading companies have allotted 20 percent of their employees' time to be spent on projects they enjoy.
- **Skip the work/life balance advice.** Amazon founder, Jeff Bezos, endorses “Work/Life Harmony” instead. The suggestion to balance work against life immediately pits these two things against each other, as if work is the villain and personal life is the protagonist. If you want to answer your emails at 9 p.m., go for it. Who is to say hitting the beach for surf at 11 a.m. is wrong, as long as you have met your goals?

- **Don't retire.** If there's one thing financial advisors understand, it's retirement planning and retirement living. Until the Baby Boomers have fully checked out, the public might be surprised to find that this final stage is a bit of a letdown. Maintaining a purpose in life, combined with the feeling of being needed (even by a nagging boss), keeps us moving forward. Feel free to graduate elsewhere, but don't retire.
- **Carry a notepad.** We've all had our fair share of AHA moments, and then most of us forget them. Tap into the full capacity of your thinking power by carrying a notepad or using the reminder feature on your smartphone. This quasi To-Do List will keep you on track and out of the quicksand of emails and other time-killing activities.

Tap into the full capacity of your thinking power by carrying a notepad or using the reminder feature on your smartphone.

- **Get married (to the right guy or gal).** Even though most millennials are still shying away from marriage, loners do not exist. It's mankind's hardwiring to obtain a soulmate. Sadly, over half of marriages are now ending in divorce. So, choose wisely and follow the steps cited above for leading a happy life together. [at](#)

Bryan M. Kuderna, B.Sc., CFP, LUTCF, is an Investment Adviser Representative with the Kuderna Financial Team. He is a perennial MDRT qualifier and author of "MILLENNIAL MILLIONAIRE- A Guide to Become a Millionaire by 30". Contact him at bryan_kuderna@planningalliance.com.



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The End of the American Dream?

One-third (33 percent) of Americans believe the American dream is disappearing.

By Ayo Mseka

Financial security and homeownership are at the heart of the American Dream, according to revelations in the latest “State of the American Family Study” released today by Massachusetts Mutual Life Insurance Company (MassMutual).

The vast majority (82 percent) of Americans describe the American Dream as financial security for both themselves and their families, three-quarters say it is owning a home, and 71 percent believe it is achieving financial independence. Despite agreeing on the definition, one-third (33 percent) of Americans believe the American dream is disappearing.

- More than four in five define the American Dream as financial security for themselves and their family, and more than half think this is unattainable.
- The majority carry debt, including student loan and credit card debt.
- Only one in four have enough emergency savings to cover more than six months of expenses.

Only one in four Americans have enough emergency savings to cover more than six months of expenses.

The research study is based on a survey of more than 3,200 adults nationally representative of age, gender, race, ethnicity and education.

The findings reveal that Americans are divided when it comes to their level of financial confidence and their ability to achieve the American Dream. With an average household income of \$122,626, most are confident about short-term financial decisions, such as paying bills and budgeting (82 percent), and big-ticket purchases (74 percent).

However, they are less confident in their long-term financial decisions and more than half don’t believe (54 percent) they will achieve financial security for themselves and their family.

“Americans believe financial security is at the core of the American Dream, but it is alarming that so many think it is beyond their reach,” said Mike Fanning, head of MassMutual U.S. “It is clear that people are taking steps to help secure their financial future and dreams, and more can be done to help to keep the American Dream alive. Starting earlier appears to be part of the solution as ‘not starting early enough’ was the top financial regret across all consumer groups.”

In the red

The volume of debt in the U.S. is a cause for concern as the majority of Americans carry some type of debt, most commonly in the form of mortgages, credit cards and student loans:

- 64 percent have a mortgage. Average mortgage debt is \$188,795.
- 56 percent have credit card debt. Average credit card debt is \$10,386.
- 26 percent have student loan debt. Average student loan debt is \$39,903.

Not surprisingly, more reported having student loan debt compared to when this survey was last conducted 5 years ago (22 percent in 2018 vs. 11 percent in 2013). Some good news: Although a proportion of those who have a credit card has held pretty steady (53 percent vs. 55 percent), the average amount of credit card debt has nearly been cut in half (\$10,386 in 2018 vs \$20,802 in 2013).

More good news: To help solve their debt problems, 70 percent are taking steps to improve their situation by prioritizing paying down debt. Other financial priorities include, saving as much as possible (66 percent) and developing a detailed financial plan (61 percent).

Despite taking action to prioritize their finances, more than a quarter wish they had better control of their finances.

Not ready for an emergency

The research found that if the worst did happen, many would not be financially prepared for it with at least six months of expenses saved in case of an emergency. Nearly one in ten (8 percent) have no emergency savings, and:

- 18 percent of Americans have less than one month of expenses saved if there was an emergency.
- 26 percent of Americans have one to three months of expenses saved if there was an emergency.
- 21 percent of Americans have three to six months of expenses saved if there was an emergency.

In other recent research* and indicative of Americans' community values, nearly seven in 10 Americans said community involvement is important to their overall well-being and nearly half agreed that being involved in communities improves their finances. In fact, more than half (53 percent) reported that they have supported someone in their community in a time of financial stress, and a quarter have been supported by others in their community during a time of need.

The State of the American Family survey was conducted for MassMutual by Isobar between January 19 and February 7, 2018, via a 20-minute online questionnaire.

The survey comprised 3,235 interviews with American households with children under age 26 for whom they are financially responsible. Interviews were conducted among men and women aged 25-64 with household incomes equal to or greater than \$50,000. Respondents had to contribute at least 40 percent to decisions regarding financial matters in their household to qualify. [at](#)

Reference:

- You Get What You Give: The MassMutual 2018 Financial Wellness and Community Involvement Study *was conducted by PSB online Sept. 7-28, 2017, using a nationally representative sample of 10,000 U.S. adults ages 18 and above. Results are nationally representative of age, gender, race, ethnicity and education.*



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NAIFA Members Share Information at Conference for African American Financial Professionals

The conference offered valuable tips for a profitable practice.

By Ayo Mseka

During the Conference of African American Financial Professionals held in Washington, D.C., several NAIFA members provided a wealth of information attendees could use to build and protect their practices.

From NAIFA member and past Four Under Forty Award recipient, Esylfie Taylor, attendees learned what they need to do when failure in the business is not an option for them. Taylor is the founder and president of Taylor Insurance and Financial Services in Pasadena, California, and serves as a financial advisor to individuals, business owners, and HNW families.

As advisors meet with their prospects and clients, they should not try to sell products; instead, they should highlight and focus on their value proposition. “That is what they will buy,” he said.

Also, since many successful people already have other financial advisors working for them, Taylor shared an approach that will give those looking for business a chance to offer their own services to these highly sought-after clients.

To enhance their chances of working with them, they can use the following sentence: I will never undo the good work you have so far. But I will give you information that you can use to make educated decisions. Let’s get started.

In addition, to be successful, advisors should always have the word “CHANCE” top-of-mind:

C: Courage

H: Hard work

A: Aptitude

N: No excuses

C: Character

E: Expectations

As he addressed the audience, Taylor stressed the fact that the agency workforce in the U.S. is shrinking while the population is growing. This creates a tremendous selling opportunity for advisors who are willing to work hard.

“Remember that life insurance is sold, not bought,” he said. “So, don’t be afraid to quote a big number, prospect up, try to replicate your “A” clients, focus on being a problem solver, and expect people to buy from you.”

In addition, they should never give up on their dreams of providing financial services to the millions of Americans who need them. “If you do, you will never know how close you were to success,” he said.

Income-enhancing tips

And from another NAIFA member Northwestern Mutual’s Timothy Radden, CLU, CLTC, AEP, ChFC, attendees gained some critical insights on how to enhance the financial performance of their practice. Radden is a wealth-management advisor with a nationally-recognized practice and a frequent guest lecturer on wealth-management and financial-wellness topics.

To grow their income, advisors need to do two things: think big, and then add a zero, he said. But, to carry out these seemingly simple tasks, they must do the following and do them consistently:

- Start acting like a business owner.
- Put systems in place and set goals.
- Master the art and science of client-building.
- Look for people with problems and for those with the money to solve those problems.
- Give clients and prospects the best options available.
- Look for a problem, not for a prospect.
- Sell the problem, not the product.

Last but not least, Radden reminded the audience that as they work to grow their income, they should always remember that “the best interest of the client is the only interest to be considered.”

The best interest of the client is the only interest to be considered.

Protecting the industry

From NAIFA Trustee, Delvin Joyce, The Prudential Insurance Company of America, and Diane Boyle, NAIFA’s Senior Vice President of Government Relations, attendees received some timely information on why they should participate in the political process and how building relationships is key to good public policy.

For example, NAIFA-built relationships have produced significant accomplishments in the areas of tax reform, the DOL’s fiduciary rule, and the Senior Safe Act. The two executives then demonstrated various ways in which attendees could get involved in the political process. [at](#)



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Why Life Insurance Makes Your Worksite Portfolio Pop

Some products offer unique and flexible features like generous guarantee issue amounts, portability, and plan options.

By Judy Buczek

Companies that offer life insurance stand out because they provide support for employees' families through the toughest of situations. Fifty-seven percent of life insurance policyholders obtain their policy exclusively through their workplace, meaning benefits consultants can offer companies a unique asset to benefits plans that will increase employee satisfaction and happiness.*

As workplace benefits evolve and employees increasingly gather policies from outside sources, employers can wisely offer life insurance as an asset to supplement an existing life insurance plan. Certain policies, such as voluntary life programs, offer unique and flexible financial features, such as:

- **Generous Guarantee Issue Amounts**—This helps employees take advantage of coverage opportunities, regardless of health history, which, in other cases, might raise their premium.
- **Portability**—This feature is a plus for employees should they change jobs, as it ensures they maintain financial protection. Employers should be aware that an employee-paid plan most likely includes portability to maximize flexibility and increase the product's appeal.
- **Plan Options**—Added features like LifeAssist provide critical income to employees who suffer a severe or catastrophic disability while on an approved waiver of premium.
- **Easy Enrollment**—Education about the product is critical to helping employees understand how to get the best coverage for their family and how it helps overall financial wellness.

Another positive factor is that employees appreciate the “one-stop-shop” approach for finding health benefits, voluntary benefits and wellness programs all in one place. As more and more companies implement financial wellness initiatives, employees are getting more exposed to the benefits of purchasing life insurance through work or through an advisor.

However, for many middle-income families who don't have access to a financial advisor, the workplace may be the only place to obtain life insurance, gaining financial security through their employer. Finally, the enrollment process and the fact that they don't need a medical exam to obtain coverage if they get a policy through work are also a plus.

Offering an array of employee benefits, like life insurance, can have a positive effect on employee productivity and satisfaction. High financial stress impacts working Americans' emotional and physical well-being—Guardian's *Workplace Benefits Study* reveals that financial-related stress can distract people, affect progress at work and take a physical toll that impacts a company's health-related costs.*

Offering employee benefits like life insurance can have a positive effect on employee productivity and satisfaction.

The same study indicates that the leading cause of stress for American workers is their financial situation; yet, one in four working Americans does not have life insurance—a valuable resource that could provide long-term benefits and peace of mind.*

Employers often choose to offer life insurance up to a specific amount, such as double an employee's salary or a maximum of \$100,000. Frequently, this amount does not cover a family's expenses should the policy go into effect, leaving their family in a stressful financial situation.

To increase protection for employees, employers can forgo setting a specific amount of coverage. If this isn't an option, employers can play a role in helping educate employees about financial basics and the various types of products that exist to boost one's financial security. Benefits consultants can reach out to employers about further rounding out their financial package with additional products, such as hospital indemnity insurance or critical illness.

Implementing life insurance into packages

Workers need to be prompted to think about current and upcoming life events and assess their own financial wellness to determine what protection products will provide their families with financial security. However, many employees find the enrollment process confusing and find it hard to access information about their benefits.

To overcome this challenge, benefits consultants should recommend a benefits communication plan that uses a combination of approaches throughout the enrollment process. Decision support tools, emails, in-person presentations, videos and online enrollment are all important education channels that can help employees make the right benefits choices.

Employers can provide their employees with valuable resources to gain a better understanding of the financial benefits of life insurance, as well as how it can impact their overall well-being. In the long run, employers will turn to benefits consultants who provide plans to keep their employees happy and healthy. [at](#)

References

* The Guardian Workplace Benefit Study, 4th Annual, "Mind, Body, and Wallet"

Judy Buczek is Director of Group Products, Life and Disability, at Guardian.



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Bridging the Gap

An understanding of the potential uses for permanent life insurance can help clients see it as a tool to help fill gaps in their portfolio.

By Jason Wellmann

Buying life insurance is a financial choice many make to help prepare for life's unexpected events through death benefit protection for beneficiaries. While having financial support in the event of an early death should be the main driver for purchasing a policy, permanent life insurance offers a number of other, lesser-known features that can be utilized while the policyholder is alive and able to enjoy the benefits.

While the majority of consumers understand that the death benefit protection of permanent life insurance can be used in the unfortunate event of an early death, more than half (51 percent) are unsure or don't believe that cash value from permanent life insurance can be used to help fund college education, potentially supplement retirement income or assist with other financial needs. In addition, two thirds are unsure or don't believe that benefits paid from life insurance are not taxable.

These findings from the Allianz Life 2018 *Life Insurance Needs Survey* point to a gap in understanding life insurance benefits. In fact, a permanent life insurance policy, which provides death benefit protection with the potential to accumulate cash value, can open the doors to a number of different uses. Assuming a policy has accumulated sufficient cash value, a client can take a policy loan or withdrawal* against the cash value that can be used for a variety of financial needs.

This lack of awareness provides an opportunity for financial professionals to educate clients about some of the lesser known potential benefits that a permanent life insurance policy can provide. Here are a few of these benefits.

Helping fund college expenses

With the rising costs of higher education, sometimes savings and financial aid just aren't enough. The policyholder can take a loan or withdrawal against the available cash value in a permanent life insurance policy to help supplement a college funding strategy. Another benefit is that the policy's cash value doesn't currently factor into college financial aid calculations.

Supplementing retirement income

For clients looking for potential resources to supplement their income in retirement, they may be able to tap into their permanent life insurance policy's cash value. While life insurance is not a retirement strategy, it can help provide the opportunity for supplemental financial support in retirement if it is needed and if there is sufficient cash value available in the policy.

While life insurance is not a retirement strategy, it can help provide the opportunity for supplemental financial support in retirement.

Taking policy loans

The available cash value can be accessed through policy loans or withdrawals to help supplement other needs such as paying for healthcare expenses, funding a business, or even in the case of an emergency, by taking a loan against the cash value and using the money potentially income tax free. That must be paid back with interest to make the policy whole and receive full benefits upon the insured's death, as all policy loans are subject to an annual interest charge.

One thing to keep in mind is that the policy loan, plus any interest paid, cannot exceed the total cash value in the policy. If this happens, your client will need to pay additional premium or the policy could lapse. If a client chooses to utilize policy loans, be sure to work with them to carefully manage the policy values to help prevent a policy lapse and adverse tax consequences. Clients considering a loan strategy should also consult with their tax advisor.

While the results from the Allianz Life study point to a knowledge gap about how permanent life insurance can provide the opportunity to supplement a variety of financial needs, the same study found that consumers place high value in financial products that can provide many of these same benefits.

When asked what they find to be the most valuable in financial products, 85 percent of respondents said one that "provides a source of tax-free income in retirement," followed by 78 percent who value one that "provides tax-free money for family/loved ones," and 68 percent who want a product that "provides the ability to use the funds to pay for college." [at](#)

Life insurance requires qualification through health and financial underwriting. Life insurance does not provide a stream of income and should not be relied upon as a guaranteed source of retirement income.

Reference:

* Policy loans and withdrawals will reduce the available cash value and death benefit and may cause the policy to lapse, or affect guarantees against lapse. Withdrawals in excess of premiums paid will be subject to ordinary income tax. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. If a policy is a modified endowment contract (MEC), policy loans and withdrawals will be taxable as ordinary income to the extent there are earnings in the policy. If any of these features are exercised prior to age 59½ on a MEC, a 10 percent federal additional tax may be imposed. Tax laws are subject to change and you should consult a tax professional.

Jason Wellmann is senior vice president of life insurance sales at Allianz Life Insurance Company of North America.



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Help Clients Now with their Medicare Questions

By engaging them now, you can stay ahead of the curve and make conversations during the enrollment period easier.

By Todd Villeneuve

The changes taking place in Medicare coverage this year are unlike anything our industry has seen before. The elimination of Medicare Cost plans starting in 2019 has caused anxiety for agents concerned about helping clients make the necessary transitions.

One of the concerns I hear most often involves educating clients adequately while staying within CMS' scope guidelines. Getting clients the information they need takes time in the best of circumstances, and with an estimated 612,054 individuals nationally in need of a new plan this year, the demand for information will be higher than ever. For agents with a significant base of Medicare clients and just weeks to help them understand their options, the idea of scheduling the necessary conversations can seem daunting at best, impossible at worst.

There are certainly challenges ahead, but the situation is far from dire. Agents who lay the groundwork now for future conversations can lighten their load while also strengthening their general knowledge about clients. If you play your cards right, it can open the door to other important conversations. Here are a few steps you can take to not only survive, but thrive in this new Medicare marketplace:

1. **Start early.** Send a letter now to your insured clients. Ask a few simple questions to update information you have on file about their current medications. If you have an existing list of their medications, include it to make the task easier for them. Be sure to ask about dosages and how long they have been taking each particular drug.
2. **Ask about personal preferences.** For example, Mitch Anderson of Prime Time Health Advisors asks questions like, "Would you rather pay a lower premium and have a higher co-pay at the provider, or pay higher premiums and have smaller co-pays at the provider?" Other questions that come to mind are, "Do you like your network and provider?" or "Do you consider yourself to be at moderate or high risk of cancer, heart attack or stroke because of family history?" Don't go overboard, but this is your opportunity to get to know your client. Make the most of it.
3. **Use this information to pre-qualify clients for alternative Medicare coverage options.** For example, clients who have a new dosage of certain medications and would prefer lower co-pays or have higher risk for health issues, may then qualify for an invitation to a Medicare Supplement event. Likewise, clients who have seen a reduction

(or no change) in their medications or medical status, or those who are comfortable with lower premiums and higher co-pays, may qualify for a Medicare Advantage/Prescription Drug Plan event.

4. **Identify and create enrollment events.** Find the best options available for each of these products in the zip codes or counties you service for both Medicare Advantage Plans and Medicare Supplements. From this, create a list of available seminars from different carriers and coordinate carrier collateral and resources to help you mass-enroll clients while staying comfortably within CMS rules.

This kind of outreach has benefits beyond addressing the impending fall changes. Gathering information about your clients is always a good idea. Communicating consistently can also build their level of confidence in your work, strengthen your relationship, and lead to lower turnover. In addition, being familiar with the medication and dosages your clients use, can help you provide the best possible plan options for them.

Communicating with clients consistently can build their level of confidence in your work, strengthen your relationship, and lead to lower turnover.

This is also an outstanding opportunity to make clients aware of those options. Because there is so much uncertainty about the changes coming to their coverage this fall, this is likely one piece of mail you can rely on your clients to open. Inform them about other ways you can help them. Include a survey or information about upcoming seminars. Highlight other aspects of your practice. You have your client's attention, so make the most of it.

Because of the challenges this particular Medicare transition will present, there will be no shortage of work to do between now and fall. But by engaging with clients now, you can stay ahead of the curve and make conversations during the enrollment period significantly easier. Even better, you can open the door to other important conversations and reap the benefit of opportunities far into the future. [at](#)

Todd Villeneuve is president of IFC National Marketing, Inc., an independent insurance marketing organization that offers contracting, underwriting tools, sales training and marketing resources to help independent insurance agents and financial advisors maximize business growth.

In Step with NAIFA's President

As NAIFA seeks to re-invent itself to better serve its members, the association is counting on its new president, Jill Judd, to provide the leadership skills it needs to secure a positive outcome.



By Ayo Mseka

NAIFA's new president Jill Judd, LUTCF, FSS, has all of the attributes the association needs to guide it to a bright and promising future. She is a visionary who is innovative and resourceful, with boundless energy and a collaborative style of leadership. A quick look at Judd's life will shed some light on the events and circumstances that have prepared her for NAIFA's highest office.

Judd was born in Redwood City, California, and grew up with three brothers. Perhaps as a sign of things to come, she had a knack for selling—anything from Girl Scout cookies to magazine subscriptions and anything else in demand by family and friends. "Selling was not a fear," she said.

But as a young adult, she did not harbor any thoughts of pursuing a sales career. In fact, she studied art history and studio art in college. Upon graduation, she was considering options for a new direction when she was invited to help in her husband's insurance agency. It took her only a few days to realize that she thrived in that environment and she decided to pursue it as a career.

She jumped at the chance of becoming an agent for State Farm, and as she proudly told us when we visited her this summer at her home in Capitola, California, “after 17 years in the business, I have never looked back.”



Jill and her husband, Hal

Doing what she loves

Today, Judd is the owner of a highly successful State Farm agency that serves the community surrounding the Monterey Bay and throughout California. Her practice focuses on multiline and life insurance products, financial services and banking, with expertise in the small-business owner market.

It is easy to understand Judd’s decision to work with small-business owners. She comes from a family of entrepreneurs. Her maternal great-grandparents built the first auto park in California, her paternal grandparents from Mexico sold insurance and ran a trucking company, her parents and siblings are laborers and white-collar business owners. “I love the business-owner market,” she said. “It’s so American—people building lives based on dreams and hard work.”

There are other aspects of the business that Judd finds intriguing, as well. For instance, she likes the fact that while most of what agents and advisors do is built on structure, systems, rules and regulations, because they deal with people during some of the most stressful times of their lives, what they do is also ever-changing and full of surprises. “I’ve worked in the art world and have found that some of my most creative and inspired colleagues are working in the insurance and financial-services profession,” she said.

“I’ve worked in the art world and have found that some of my most creative and inspired colleagues are working in financial services.”

—Jill Judd, LUTCF, FSS

And she values the industry’s products—they do what they are supposed to do—protect people from financial devastation and make dreams a reality, she said. In addition, she loves spending time with her clients, many of whom have become lifelong friends.

Judd even welcomes something many advisors dread—cold calling. Even when she had to cold call as a new advisor, she enjoyed the challenge of the search for new opportunities. She simply saw it as a treasure hunt to find people who might need her products and services.

Over the years, her prospecting methods have changed and have become more creative. For example, she regularly hosts art shows for local artists, and invites her clients, neighbors and members of the community to meet and socialize with these artists.

Our visit to Capitola coincided with one of these events and it was interesting to see Judd doing what she does best—greeting guests with a smile and a hug and doing everything possible to make them feel at ease.



Jill in front of the U.S. Supreme Court with other NAIFA members.

Sunny-side up!

Judd's love for her profession and for the clients she serves may account for her hefty dose of optimism—a trait that is shared by many successful agents and leaders.

When asked how she manages to stay upbeat, her response was quick and to the point: "I was wired that way, I think. There is a lot of good out there, life is worth living, and I love living it."

Judd firmly believes that life is worth living perhaps because she has learned over the years that nothing—good or bad—lasts forever. "Some days, it may seem like the wheels are falling off, clients are difficult to handle, technology is getting in the way of progress or a staff person quits unexpectedly," she pointed out. "Whatever the struggle, it's real, but knowing that it will change helps to keep things in perspective."

Dealing with a loss

Judd had to rely heavily on her tendency to keep things in perspective when tragedy struck her family, seemingly out of nowhere. On September 8, 2001, a week before the doors to her agency opened for business, her 18-year-old daughter was killed in a car accident.

Not knowing what to do at the time, she plowed ahead, unsure of the next turn of events. "It was by working in the insurance world, serving others, and being presented with opportunities to expand my own capacity that I was able to survive the worst time of my life," she said. "Any obstacle after that is a minor speed bump on life's journey."

From trials to triumphs

With time and with the help of family, friends and colleagues, Judd not only survived this loss; she also thrived. She navigated this horrific event by seeking new ways to learn and grow. Eleanor Roosevelt's advice on the need to do something every day that scares you provided her with the impetus she needed to expand her abilities and enhance her professionalism.

"There is a lot of good out there, life is worth living, and I love living it."

—Jill Judd, LUTCF, FSS

One of the methods used by Judd to learn and grow was to enroll in NAIFA's Life in Leadership Institute. "LILI helps you find your blind spots," she said. "It lets you take a good hard look at yourself and puts you around other NAIFA members who are not afraid to dig deeply. I was fortunate enough to be asked to be a moderator with Larry Lambert, one of my mentors, and it was an experience I will never forget."

Judd also learned to lean heavily on her family, her running partners, and her NAIFA colleagues. "I am surrounded by talented minds and caring hearts who challenge me to bring out the best in all aspects of my life," she said.

High on this list of "caring hearts and talented minds" are members of her family. First, there is her husband, Hal, a long-time NAIFA member and State Farm agent. They met several years ago at a Halloween party. He asked her to talk with him, she agreed, and they talked all night. "The minute we met," she said, "I knew we were going in the same direction." More than 25 years into the marriage, Hal remains her pillar of support, without whom she could not have gone as far as she has.

Someone else who is close to her heart is her son Jordan, who is proud of his mother's accomplishments in spite of the challenges she has had to overcome. "Growing up, my mother taught us to work hard, stay positive and always be grateful for what you have," he said. "These qualities, together with her great work ethic and genuine concern for others, have helped her get to where she is today."

Jill Judd at a Glance

- Under her leadership, NAIFA-Santa Cruz earned the Jack E. Bobo Award.
- Moderated her first of four California LILI classes and graduated in 2006.
- As President of NAIFA-California from 2012-2013, spoke on legislation, membership, diversity and leadership development.
- Chair of NAIFA's National Membership Committee from 2016-2018.



In addition, Judd has benefited greatly by working closely with several industry mentors. “They are an invaluable source of collective reasoning and wise counsel,” she said, “and I am grateful every day for the time they have given me over the years.”

The gift of NAIFA

And then there is NAIFA, which she joined as soon as she entered the financial-services industry in 2001. “I wanted to be a professional; so, I attended a NAIFA meeting,” she said. “The content was valuable, I felt welcomed, and a long-time member invited me to go back. So, I went back. I feel blessed to have found NAIFA.”

NAIFA members themselves are the compelling reasons agents and advisors should join the association, she added. “We keep new advisors in the business, we inspire mid-career advisors to reach for higher levels of success, and we support those who have been at this for a lifetime.”

“NAIFA members keep new advisors in the business, we inspire mid-career advisors to reach for higher levels of success, and we support those who have been at this for a lifetime.”—Jill Judd, LUTCF, FSS

Judd is grateful for the pivotal role NAIFA has played in her life. “NAIFA has been there for me every step of the way,” she said. “From the start, I got engaged at all levels. As a result, I have built a successful practice, continue to grow as an advisor and as a person, and I know I have not yet reached my limits.”

Living her best life

Judd may not have reached her limits yet, but she is pretty close to the top. She has a loving and supportive family, NAIFA friends she can call upon at any time, and a thriving financial practice. After spending nearly two decades in the industry, she is still excited to begin a new case, still appreciative of the opportunity to make a positive influence in the lives of her clients.

Like many successful leaders, she also knows the value of having a healthy work/life balance. So, she takes time off from her busy schedule to read, practice yoga and train for triathlons. When time permits, she and Hal travel to their cabin in Lake Tahoe to “breathe that incredibly crisp mountain air” and visit other places where they can savor a good meal and listen to great music.

Believing that it is in our best interest to make the world a better place, Judd is also active in many community organizations, including the Santa Cruz Triathlon Association and The Cabrillo Community College Band and Symphonic Winds. She has also spent nine years with Team In Training, raising money and awareness for the Leukemia and Lymphoma Society.

To make sure she continues to excel in life and at work, Judd tries to adhere to the following principles:

- Strive for excellence in all worthy endeavors.
- Persist without exception.
- Do what is important, but not urgent.
- Retool and re-balance every day.
- Seek opportunities to celebrate the success of others.
- Look to the future to guide the present.

Her agenda for NAIFA

As NAIFA’s president, Judd is no doubt relying heavily on these tenets to help her lead the association through this period of transformative change. Working with the Office of the President, she plans to focus on two critical areas:

1. *Growth*—in the areas of membership, advocacy, member engagement, political involvement, and leadership development.

2. *Sustainability*—as it relates to having a solid treasury, successful implementation of NAIFA 20/20, and focus on the association’s young advisors who will carry on the torch for the industry.

These goals may daunt other leaders, but not Judd, perhaps because of the valuable lessons and skill-sets she has learned on her way to the top, and perhaps also because of her unwavering belief that NAIFA’s best days are still ahead.

“I am committed to our inspired future,” she said. “Although I sit in the “hot seat” so to speak, it will take all of us to become the NAIFA we were born to be. We are at the apex of a transformation—transformation in the way we run the business of NAIFA, in how we serve our members, and in how we are viewed as leaders in our industry. This is truly a defining moment for all of us, and I want to thank NAIFA members for giving me this opportunity to serve them.” [at](#)

feature

NAIFA's P+P: A Wealth of Ideas for a Lifetime of Success

This year's newly revamped Performance + Purpose Conference was the perfect opportunity to learn from top producers, network with industry giants, and recognize the best in the business.



NAIFA President Jill Judd speaks during the Performance + Purpose Conference in San Antonio.

By Ayo Mseka

For four action-packed days this September, the picturesque city of San Antonio was the place to be for hundreds of NAIFA members who were attending the 2018 NAIFA Performance + Purpose Conference. With its inspiring general sessions, cutting-edge educational workshops, and innovative programs for state-of-the art networking, the conference was a powerful resource for attendees looking for the connections and strategies they need to take their practices to a higher level of success.

With programming geared toward young advisors, seasoned veterans, and everyone in between, there was special emphasis on providing attendees with the ability to customize sessions for maximum learning.

Also new this year was Braindate, an online networking “matchmaking” system that took networking to new heights and re-invented what a professional-development conference can be.

In addition, thanks to new partnerships NAIFA has forged with the SFSP and GAMA International, attendees were able to take advantage of an advanced markets educational track, which gave them valuable insights on how to best position themselves for management positions.

NAIFA President-Elect Jill Judd, LUTCF, FSS, opened the conference’s first General Session by welcoming all attendees and highlighting some of the new partnerships the association has forged with other industry organizations to better serve its members. She also mentioned some of the conference’s new features, including Braindate and special workshops. “All of these show what NAIFA is doing to help you enhance your career and become a more successful financial professional,” she said.

Joining Judd on the podium was Keith Gillies, CFP, CLU, ChFC, with Ameritas. Gillies told the audience that in May, NAIFA members made the greatest statement to move NAIFA forward by re-writing the association’s by-laws and structure of governance. Industry response has been overwhelmingly positive to this move. “Thanks for showing us the confidence by making the correct decisions to move us forward,” he said.

“In May, NAIFA members made the greatest statement to move NAIFA forward by re-writing the association’s by-laws and structure of governance.”—Keith Gillies, CFP, CLU, ChFC



NAIFA President Jill Judd, LUTCF, FSS, and other officials come together on stage during the P+P Conference in San Antonio.

Change is difficult, Gillies added, but it must not be feared. “We have plowed the path, we have the drivers, and you have given us the support we needed to ride to incredible success.”

During this General Session, attendees also received some critical insights from some of the leaders in the industry. During the Women’s Leadership Panel Discussion moderated by Judd, attendees learned some powerful lessons from two industry visionaries—JoAnn Martin, CEO of Ameritas, and Colleen Bell, Senior Vice President, Chief Fiduciary Service Officer, of Cambridge Investment Research Inc.

Authenticity and honesty are critical components for success in this business, Martin told the audience. Success also requires that you surround yourself with

people you aspire to be and never be afraid to say “yes.” You will gain resilience, which is the No. 1 factor in being a good leader, she added.

Next on the stage was motivational speaker, Leigh Anne Tuohy, whose inspirational journey is proof that when we give a bit of ourselves to others, we can make the world a better place and perhaps, even save a life.

During her presentation, Tuohy shared her personal “Blind Side” observations—from seeing teenager Michael Oher for the first time to how the experience changed her life and that of her family.

Tuohy focused on the importance of recognizing the full potential of everyone, the value of those society has deemed valueless, and the need to give whatever we can, whenever we can.

Tuohy’s personal journey was documented in Michael Lewis’ best-selling story, *The Blind Side: Evolution of a Game*, which follows Oher from his impoverished beginnings to how the Tuohy family adopted him, to his achieving success in football.

Also, on that Friday, attendees had an opportunity to attend an invitation-only diversity symposium on how to find success in the women’s market. Led by Kim Fisher of New York Life and Cammie Scott, Chair of NAIFA’s Diversity Task Force, the symposium offered valuable information on the Women’s Market, methods for attracting and retaining women advisors, and the most effective strategies for selling to different women groups.

Awards and accolades

The General Session on Saturday was a crowd-pleaser—an opportunity for NAIFA to recognize members for their outstanding dedication and service to their clients, their communities, and the financial-services industry.

Among the awards presented during the conference:

- *Reallife Stories Award*. This award was awarded to Jim Silbernagel and Joe Kovacic.
- *The John Newton Russell Memorial Award*. Reginald N. Rabjohns, CLU, ChFC, a 47-year insurance professional, NAIFA member and former MDRT president, was recognized with this award, the highest honor accorded by the insurance industry.
- *The Defender of Financial Freedom Award*. Gov. Dirk Kempthorne, former president and CEO of the American Council of Life Insurers, received this inaugural award.
- *The C. Carney Smith Award*. Cherri Coombs Ohmer received this prestigious award in association management.
- *The YAT Leader of the Year Award*. John D. Richardson, RICP, LACP, of NAIFA-Tennessee, received the 2018 Young Advisors Team Leader of the Year Award.
- *NAIFA's Diversity Task Force Award*. Brian Haney, CLTC, CFS, CFBS, LACP, with The Haney Company, received the 2018 Diversity Champion Award.
- *The Four Under Forty Award*. The four recipients of Advisor Today's Four Under Forty award were also recognized during the conference. They are Carmelo Barbaro, Benjamin Yin, MBA, Kathleen Owings, LACP, and Charles Olson II, LUTCF.

NAIFA's advocacy victories

Another crowd-pleaser was the NAIFA Legislative Panel Discussion, where attendees learned about the latest legislative and regulatory updates affecting their industry and the many victories the association has scored in its efforts to secure a more favorable business environment for advisors and their clients. Panel Members were: Diane Boyle, Senior Vice President of NAIFA's Government Relations Department, Judi Carsrud, Assistant Vice President, NAIFA's Government Relations, Gary Sanders, Counsel and Vice President, NAIFA's Government Relations Department, and Michael Gerber, NAIFA's General Counsel and COO.

Among the NAIFA victories shared by the Panel:

- The DOL Fiduciary Rule was vacated, thanks to the efforts of NAIFA and several local associations in Northern Texas.
- *The SEC Best Interest Standard*. NAIFA submitted a comprehensive comment letter on this proposal, proposed title restrictions, and suggested similar changes.
- *The Senior Safe Act*. NAIFA worked with Congress to ensure that reporting is not mandatory and to protect advisors who are acting in good faith from potential liability.
- *The Tax Reform Act*. This was a win for NAIFA members because it did not mandate "rothification" of retirement plans and made no changes to the taxation of products that members sell.



Outgoing NAIFA President Keith Gilles speaks to the general session of the P+P Conference.

Educational sessions

Not to be overlooked were the conference's educational sessions, which were highly informative, with value for every attendee.

In one of these sessions, attendees learned some time-tested tips from long-time NAIFA leaders D. Scott Brennan and Peter Browne, both past recipients of the prestigious John Newton Russell Memorial Award.

Brennan advised attendees to build strong relationships with their colleagues, their clients and fellow NAIFA members if they want to achieve some level of success. NAIFA, he said, provides great resources for building those relationships.

He then shared three relationships that are necessary for career success:

1. *Your relationship with yourself*: Developing leadership qualities, being honest, and following

through to meet your obligations are important. “I don’t want to be the king of good intentions. I want actions,” he said. “There is no space between what I say and what I do.”

2. *Your relationship with your spouse:* “Who you marry is the biggest factor in your career success,” Brennan said.
3. *Your relationship with your career:* “I look for good clients, people I can have good relationships with,” he said. “I don’t try to be all things to all people.”

Browne told attendees that we are all “given the gift of people,” but we must work to grow relationships with those people. “The greatness of our industry begins and ends with relationships,” he said.

Family is the first kind of relationship you need to succeed. Our families provide not only the support we need to succeed, but the motivation as well.

“Client relationships are the very heart and soul of what we do,” Browne said. Advisors who build strong relationships with their clients early in their careers have the power to touch thousands of people’s lives.

Browne encouraged NAIFA members to build and nurture great industry relationships by becoming mentors. Being a mentor allows experienced advisors to give back to the industry that has given you so much, build bridges for shared success, and grow success for the industry, our practices, and our clients.



NAIFA CEO Kevin Mayeux, CAE, addresses the audience.

Responding to the peaks and valleys

In another educational session, attendees received some words of inspiration from two NAIFA members who overcame huge obstacles before enjoying a high level of professional success—Barjes Angulo, LUTCF, RICP, Wealth Adviser with Angulo Strategies, and Tyler Hirth, Wealth Adviser with Running Wealth Management and Strategic Wealth Group. Both men are past recipients of Advisor Today’s Four Under Forty Award.

At the age of 23, Angulo started in the financial-services industry by working for AXA. He was not generating much business, despite working hard and doing what he was told to do to succeed. In his third year, he was essentially forced out of the business.

Then a friend introduced him to someone at New York Life, which was looking for agents and advisors. Once he got to New York Life, something “magical” happened, he said. “That was the right fit for me,” he said. He quickly found financial success, earning a six-figure income, and qualifying for MDRT. “This was a far cry from having to ask for money to get to work,” he said.

Angulo shared some of the reasons for his success, including:

- Being persistent. People are not always ready to buy when you approach them, he said; so, it is all about staying in the game.
- Having a burning desire to help clients and make a difference in their lives.
- Deciding to start each work-day early.

- Hiring staff as soon as he possibly could.

The second presenter, Tyler Hirth, also did not experience early success in the business. He did not do well at MetLife. In fact, his dad told him to quit the business because he was three months behind in the payment of his student loans.

But Hirth did not quit because he knew that his lifelong dream was to work as an agent. He happened to attend a local NAIFA meeting where he met NAIFA member Corey Anderson, who told him not to quit and not to accept a job he had secured selling fertilizers. Hirth listened to Anderson, turned down the offer, continued to do what he does best, and today, he, too, has a thriving financial practice.

Hirth’s success factors include:

- Attend NAIFA meetings and build relationships with other members you meet there. “You will learn from the best in the business if you do,” he said. “If it weren’t for that NAIFA meeting, I would not be here today,” he added.

“If it weren’t for that NAIFA meeting, I would not be here today.”

—Tyler Hirth, NAIFA Member

- Attend NAIFA's Congressional Conference. "You can use your attendance at this meeting to let clients know that you met with key lawmakers. This helps build credibility with them," he said.
- Know your numbers. Know how many calls you have to make to get to the number of prospects you have to see each day.
- Track your activities to understand how you are spending your time.
- Join an accountability group—and make good use of it.



Members of the audience of the P+P Conference.

Message from NAIFA's CEO

A message that resonated well with attendees was the one delivered by NAIFA CEO, Kevin Mayeux, CAE. When he joined NAIFA as CEO, things were not looking good for the association, but no one he talked to was about to let the association go down in flames. They just needed a plan that would get the association to where it needed to be. Working together, NAIFA created NAIFA 20/20, which laid out a new business model for the association and positioned it for prosperity and growth. NAIFA is accomplishing the goals laid out in that plan, he said.

In May, the National Council adopted the bylaws changes needed to modernize the association's operations—a significant step forward. "We're creating value every day," he

said. "As Vince Lombardi once said, 'Winning is a habit.' The steps we took two years ago to turn NAIFA around are beginning to pay off. The momentum is building!"

NAIFA's steps aimed at turning things around remind him of another great turnaround story, Mayeux said. When GM entered Chapter 11 bankruptcy in 2009, one of the brands it kept was Buick, largely because of the car's popularity in China. The company then invested hundreds of millions of dollars in Buick, which created product improvements and earned it several industry-leading rankings.

But the company also had to change outdated beliefs about the car and focused on "brand momentum" because even with its product improvements, Buick's momentum was still only neutral. The new Buick vehicles were wowing customers, but its image was stuck in the past. Not until it introduced its highly successful ad campaign did the momentum change. This drove Buick's momentum into positive territory, he added.

The lesson we can learn from this story? Successful turnarounds require all the strategic elements—positioning, products, service *and* communication—working together to achieve a "brand breakthrough," he said.

"Like Buick," he added, "we are re-engineering NAIFA for a brand breakthrough! We're restructuring so that we can bring advisors the best in professional development, training and sales resources, and the most effective lobbying and advocacy."

"We are restructuring NAIFA so that we can bring advisors the best in professional development, training and sales resources, and the most effective lobbying and advocacy."—Kevin Mayeux, CAE, NAIFA CEO

Getting down to business

On Sunday, NAIFA's National Council took care of a very important task—the business of electing the association's new officers and trustees.

NAIFA's president is now Jill M. Judd, LUTCF, FSS, of State Farm Insurance Companies in Capitola, Calif.

In her first speech as NAIFA President, Judd thanked the attendees for staying through to the end of the conference and thanked all those who worked hard to make the event a resounding success.

She told the audience that NAIFA is at the apex of transformation—a transformation in how it runs its business, how it serves members and how it is viewed as a leader in the industry.

"This is our defining moment," she said. "You have chosen the future. You have given NAIFA the ability to change as needed to respond to industry and member needs."

**"You have chosen the future. You have given NAIFA the ability to change as needed to respond to industry and member needs."
—Jill Judd, LUTCF, FSS, NAIFA President**



Keynote speaker Lee Ann Tuohy speaks to the general session of the P+P Conference.

But even as NAIFA is being brought into the future, it is still maintaining its traditional values, which supported Judd as a new agent 17 years ago—an organization with generous colleagues, amazing mentors, and a solid mission.

When Judd's daughter was killed just days before her insurance office opened, her family had to decide if continuing on their path was an option because everything about their world was going to look and feel different. "Change was thrust upon us," she said.

But they stayed the course, with NAIFA at their side. "You provided a focal point for professional growth, personal fulfillment, and a service-above-self mentality, all of which helped me work through the depths of grief and build a successful practice," she said.

"This may help you see why I'm so deeply

committed to this organization," she added. "I'm grateful to the people of NAIFA who bring this organization to life."

As the association seeks to re-invent itself, Judd added, it needs all members to:

- Remain open to new ideas.
- Be committed to excellence at every level.
- Keep communication front and center.
- Proudly demonstrate NAIFA's second-to-none value.

"I am so honored to be your President," she said. "I give you my full dedication to our mission and will not waiver on what we need to do to keep up the momentum. I look forward to serving you as we move NAIFA into the future."

Joining Judd on NAIFA's Executive Committee are: President-Elect Cammie K. Scott, MSIE, ChFC, CLTC, LUTCF, REBC, RHU, SHRM-SCP, SPHR, of CK Harp & Associates in Springdale, Ark.; Treasurer Brock Jolly, CFP, CLU, ChFC, CLTC, CASL, CFBS, of Veritas Financial LLC/MassMutual Financial Group in McLean, Va.; and Secretary Thomas O. Michel, LACP, of Michel Financial Group in Los Angeles.

After serving his one-year term as president, Keith M. Gillies, CFP, CLU, ChFC, of Ameritas in La Place, La., becomes immediate past president, and will remain a member of NAIFA's Executive Committee.

New trustees, selected to serve two-year terms, are: Dennis P. Cuccinelli, LACP, of the National Life Group in Fairfield, N.J.; Beth D. Jones, CIC, of the Dyste Williams Agency in Minneapolis, Minn; and Brian L. Wilson of Mutual of Omaha in Lexington, Ky.

Newly appointed to serve a one-year term is Stephen Good, LUTCF, CLTC, CFBS, of Ohio National in Parkland, Fla. Elected to serve two-year terms after having previously been appointed to the board are Lawrence Holzberg, LUTCF, LACP, of Wealth Advisory Group in New York, and Delvin L. Joyce, CLU, ChFC, with the Prudential Insurance Company of America in Charlotte, N.C.

Remaining on the board as trustees are: Connie Golleher, CLTC, LACP, of the Golleher Group in Dickerson, Md.; Todd G. Grantham, CFP, CLU, ChFC, MSFS, of Northwestern Mutual Financial Network in Durham, N.C.; Bryon A. Holz, CLU, ChFC, LUTCF, LACP, of Bryon Holz & Associates in Brandon, Fla.; Ryan J. Pinney, LACP, of Pinney Insurance Center in Roseville, Calif.; and John W. Wheeler, Jr., CFP, CLU, ChFC, CRPC, of Water Tower Financial Partners, LLC in Chicago.

See you at 2019 P+P!

Be sure to join us again next year for NAIFA's 2019 Performance + Purpose Conference, which takes place next September in Orlando, Florida. For more information about the 2019 Performance + Purpose Conference, visit www.naifa.org. **at**

NAIFA's Cap 50 Fund Helps States Take Advocacy to the Next Level

It is all about helping state associations improve the strength and effectiveness of their advocacy efforts.

By Gary Sanders

Every year, NAIFA state associations actively engage on a broad range of legislative and regulatory issues, and with good reason: each year thousands of bills are introduced that could impact NAIFA members and their clients.

Fortunately, the NAIFA federation is uniquely positioned to be an effective advocate on behalf of our industry—our members are successful advisors who know their local legislators, are knowledgeable about politics and the issues, and are dedicated to protecting their clients and industry.

The Cap50 Fund

While our states are already influential players in state capitols, NAIFA is constantly looking for ways to help them take their advocacy efforts to the next level. Towards this goal, in early 2017, NAIFA launched the NAIFA Capital 50 Fund program. The 'Cap 50 Fund' is an initiative started by NAIFA with participating industry partners—The Northwestern Mutual Life Insurance Company, the New York Life Insurance Company and the Guardian Life Insurance Company. This fund provides financial resources to help our state associations improve their ability to positively influence legislative and regulatory issues.

The goal of the Cap 50 Fund is to build on our states' existing success and encourage state associations to "ramp up" their advocacy efforts. We want very good state advocacy programs to become great, and have great programs become examples for other states to follow.

The Cap 50 program has been a major success so far. Since its inception, 15 grants totaling \$60,500 have been awarded to state associations, and several additional state grant applications are currently pending.

As mentioned above, the Cap 50 program is all about helping state associations improve the strength and effectiveness of their advocacy efforts. A key way to do this is by having our states increase the number of members who are active in advocacy.

Getting more members involved

How do we get more members involved? We do so by impressing upon them the importance of advocacy and by introducing them to advocacy activities, which will lead to more of these members becoming interested in, and actively engaged in the state's advocacy activities.

A proven way to increase member involvement is to increase attendance at the state association's Day on the Hill event. This is where members gather at the state capitol for panel discussions and briefings on hot issues, "how to" educational sessions on being an effective advocate, and often a reception at which legislators, their staffs and association members can mingle in a social setting. The culmination of the event is often coordinated meetings between legislators and their constituent association members in the legislators' offices, where our members discuss with lawmakers issues of importance to them and their clients.


A proven way to increase member involvement is to increase attendance at the state association's Day on the Hill event.

One way to measure the success of a Day on the Hill is by taking a look at the number of members who attend. Increase the number of members who attend, and you increase the impact and success of the event.

One effective way in which states have used Cap 50 funds to increase attendance at their Day on the Hill is by offering stipends to first-time attendees who travel a significant distance to attend. Providing an incentive in the form of reimbursing part of a member's expenses is a proven way to boost Day on the Hill attendance.

Another way Cap 50 funds have been successfully used to increase member engagement in advocacy is by a state association holding local legislative meetings at various locations across the state. Local legislators are invited to meet with members, the association lobbyist and state officers in a morning/afternoon legislative program. As with the Day on the Hill event, exposing more members to advocacy activities leads to more members engaging in advocacy activities.

Fifteen states being awarded grants in the program's first year-plus of existence is clearly a success; but this also means that 35 states haven't taken advantage of the fund's resources to help boost their advocacy programs.

The Cap 50 program still has significant funds available to help state associations ramp up their advocacy game. State associations are encouraged to download, complete and submit a Cap 50 application form through the NAIFA website at www.naifa.org. 

Gary Sanders is Counsel and Vice President, Government Relations, NAIFA. Contact him at gsanders@naifa.org.

AWARDS

Call for Excellence

The John Newton Russell Legacy

Outstanding Character, Dedication to the Profession, Meritorious Service

Do you know anyone who possesses these outstanding qualities? If you do, now is the time to submit his or her name for the John Newton Russell Memorial Award. This is the industry's highest honor.

In 1945, John Henry Russell provided the original endowment to establish this prestigious award to honor his father, John Newton Russell. A staunch proponent of informed, ethical marketing practices, Russell was agency manager for Pacific Mutual. He served as president of NALU (now NAIFA) during World War I and was one of the incorporators of The American College of Life Underwriters. His high standards are perpetuated in this award, which seeks to recognize someone with outstanding personal qualities, unstinting loyalty to the business and exemplary leadership.

Eligibility requirements

The award program is open to anyone you believe is highly qualified, and exhibits the character, leadership qualities, contributions to the profession and American families exemplified by John Newton Russell. Any member of a NAIFA local association is eligible to

nominate a worthy candidate. Nominees must be insurance and/or financial-services professionals. Standards for consideration are extraordinarily high. The characteristics of past recipients have included unwavering loyalty and a high level of professional accomplishment and community service.

How to apply

When you send in your nomination, provide the award selection committee with sufficient information about your nominee and explain the basis for putting forward the person you chose. Nominations will be accepted through **March 5, 2019**. Your nomination contains the only information the selection committee will have as a basis for their decision, so please be thorough in your description.

The 2019 recipient will be announced in early May and will be honored at the NAIFA Performance + Purpose Conference in **Orlando, Florida**, in September 2019.

Follow the instructions of the application form on the next page and submit it by the deadline indicated. Membership in your local association is required for participation in the award program.

Recommendation for the

2019 JOHN NEWTON RUSSELL MEMORIAL AWARD

Recommendation

In my opinion, the following living person has rendered service to the institution of life insurance which, viewed in retrospect, is so outstanding and beyond the call of duty as to merit consideration for the John Newton Russell Memorial Award.

Name _____

Volunteer position _____

Address _____

Phone number and email _____

Supporting Data

On a separate sheet of paper, in 500 to 800 words, give a biographical sketch of your candidate, listing the individual's industry and civic accomplishments and honors received. Please indicate the specific accomplishments that, in your opinion, demonstrate that your nominee deserves the award.

Nominator _____

Volunteer position _____

Address _____

Phone number and email _____

Mail this form to:

John Newton Russell Award Committee

c/o Executive Office

National Association of Insurance and Financial Advisors

2901 Telestar Court

Falls Church, VA 22042-1205

Supporting data must accompany the nomination. Deadline: **March 5, 2019.**



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Getting Close to the Invisible Rich

Start by joining professional associations and cultural organizations and making the most of what they offer.

By Bryce Sanders

Is everyone calling the same prospects you are calling? Sometimes, it seems that way. There must be a way to rub shoulders with people who fit your ideal client profile. What is it? Here are a few ideas to get you started.

Let's get professional

Serious professionals belong to professional societies. You are a good example. You belong to NAIFA, which is why you are reading this article. As a NAIFA member, you get to meet and know lots of successful advisors who can show you how to get to your ideal prospects and how to convert them into clients. Network with your fellow NAIFA members and increase your number of high-quality prospects.

Now it's time to think outside the box. If you are building a niche within a certain profession, why not join their professional society or association? Start by doing some Internet research to find the local chapter of that organization. Dig more deeply and learn if they offer associate memberships to people who are not directly employed in the profession but are providing a product or service that is used by its members. The membership list will likely show names of bankers, as well as of accountants, lawyers and other insurance professionals who are listed as associate members. Join that association as soon as you can.

Once you become a member, make sure you attend their meetings and get to know as many people as possible. Become a volunteer, ideally in an area like membership where you serve as a gateway or on the finance committee, where you are associated with money. But do not try to run things. Let them get comfortable with you first. Remember that people do business with people they like.

Join civic and cultural organizations

When we attempt to seek out the invisible rich, we often imagine they drive to their homes in gated communities and laugh it up with each other at the country club. We think they live in a world that has very high barriers to entry.

But if a local person builds a successful law practice or a thriving car dealership, he or she usually gets lots of business from their immediate community. They don't lock themselves away. In fact, many are involved in their Chambers of Commerce, but keep in mind that trying to meet the wealthy there is like networking on steroids because everyone appears to be looking for everyone else's business.

Local cultural organizations, like museums, historical societies and zoos, are big draws for local people who are successful. After they have done well for themselves, they want to give back to their community. So, they attend cultural events and support local museums. Best of all, they want to see how their money is spent, so they attend openings and other inaugural events.

Local cultural organizations, such as museums, historical societies, and zoos, are big draws for local people who are successful.

You can run with the big dogs simply by joining and attending these events. Many of your competitors don't do so because they think you need to be an expert. But that is not true. That car dealer, accountant or attorney isn't an art historian. He is just a successful person who wants to give back and rub shoulders with like-minded individuals.

So, join these organizations and try to attend an event each month. Make it your goal to meet six new people each time you attend and greet the people you met last month. Gradually, they will get comfortable with you and vice versa. Again, people do business with people they like and sooner or later, everyone needs help with something.

Here's where you've got to do a balancing act. Don't push business, but make sure everyone knows who you are, what you do and why you are good at what you do. The easiest way to get the ball rolling is to take an interest in who they are, where they work and what they do. Do this and they will likely take the same interest in you. [at](#)

Bryce Sanders is president of Perceptive Business Solutions Inc. He provides HNW client acquisition training for the financial services industry. His book, "Captivating the Wealthy Investor" can be found on Amazon.



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Four Steps to Successful Prospecting

Branding is an important first step in acquiring the high-quality prospects you are looking for.

By Glen Kramer

Prospecting may be the biggest challenge for new and seasoned insurance and financial sales professionals. There are different techniques that can be used to achieve moderate amounts of success; however, if you want to exceed normal standards, you should consider following the four steps outlined in this article. Over the course of my career, I have found them to be very helpful—especially in the first few months with a new firm.

Brand yourself

According to Info Entrepreneurs (2018), your brand should have a high correlation with your customers' needs. For example, if your firm is located near a young retirement community that needs 401(k) rollover help, a portion of your brand may be: "I am a 401(k) rollover specialist." Prospects who need to process a 401(k) rollover immediately know you can help them with their specific needs.

This type of messaging is more succinct than merely stating you are a financial planner. You will benefit by keeping this branding message short, consistent, and easy to understand. This way, your prospects and clients will easily be able to reuse your branding dialect to forward you additional referrals. Assuming you do a good job, you may become the local 401(k) rollover specialist.

Target your market

If we continue with the 401(k) rollover specialist example, we need to be able to find the most likely 401(k) rollover prospects. To do this, you should target your market. For example, according to Reagor (2017), Arizona has well over 25,000 retirees moving to the state each year.

Assuming your practice is located in Arizona, have someone on your team research which ZIP codes and neighborhoods are receiving the majority of these new residents. Farm lists, which can be obtained from a local real estate professional, can provide the exact addresses, values, and possibly even phone numbers of the residents of each home purchased in the last three months. Get involved in a welcoming organization, which would allow you to offer your services to these new residents.

This is just one quick example of targeting your market, but it is important to know which market you are trying to reach so that you can tailor your branding message to meet the needs of that market.

You should know which market you are trying to reach so you can tailor your branding message to meet the needs of that market.


Leverage your clients' social activities

Once you have branded yourself, targeted your market, and started building your book of business, get to know your clients' social habits. For example, retirement communities have an endless number of clubs, social events, and activities.

Ask a few of your favorite clients to provide you with a list of upcoming events in the community. Explain to them that you could sponsor the activity in exchange for a few minutes to make a brief presentation. This type of marketing will save you the effort of having to send out invitations and hoping people will show up for an event that you had to plan and pay for. Take advantage of events where qualified prospects will be, without you or your team having to put forth much cost or effort.

Choose a credible education provider to increase your knowledge base

Once you start socializing with clients and prospects at various activities, it is important to prove your credibility to them. For example, if a prospect were to ask you a basic Medicare question, and you immediately acknowledge the fact that you are uncomfortable with the subject, it may be difficult for you to earn their business.

This is why it is so important to choose a credible education provider to help maintain your current licenses with quality continuing education. Doing so will give you the edge at various types of social functions. The education provider may also provide guidance on an appropriate designation you could earn, which correlates with your branding efforts. According to McClin (2018), the level of knowledge that is directly related to your branding message will significantly help build your practice. 

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Glen Kramer, MSF, GCPM, CFP, PMP, CRPC, is an Insurance Licensing Product Manager at Kaplan Professional. He can be reached at glen.kramer@kaplan.com.

Using PMA to Achieve MVP Status

Frank Della Penna's positive mental attitude empowered him to become a most valuable player in the financial-services industry.

By Valerie Frank-Solorzano

It was a true pleasure and an honor to spend some time over lunch with a retired but still current NAIFA member—Frank Della Penna. The lessons Frank shared about success in the business will inspire you to take your practice to a higher level of success.

Frank is persistent and resilient, with a great mental attitude that enabled him to sail through tough times while “staying the course.” He attributes his success in the business to several factors, including having a positive attitude, his NAIFA membership, exceptional mentors, and his beautiful and supportive family.

Straight out of college with an undergraduate degree in finance and insurance from Penn State University, Frank joined New York Life and NAIFA (then known as NALU) at the same time. He was just 21 years of age when he was introduced to Timothy P. Crow, the Managing Partner of the Philadelphia General Office.

Timothy invited him to his home that Saturday morning because he did not want to waste any time in having a conversation with young Frank about a career at New York Life. It was over a scotch and during a great conversation with Timothy that Frank knew that he had chosen the right career and Timothy was the mentor he wanted to learn from.



Frank's recipe for success

Frank started at New York Life under the Management Trainee Program. He learned from experienced agents who accompanied him on client appointments. He never felt insecure or unsure and quickly discovered that he could count on this mentorship union if he ever felt a lack of confidence at the start of his career. To this day, he considers this guidance from Timothy a key factor in building his professional acumen and product knowledge.

Through this mentorship, Frank was also inspired to adopt an attitude of “If they can do it, I can do it, too.” Following this mantra, he closed over 100 life applications in his first year alone. In his second year, he was on his own and well on his way to becoming a partner.

Frank was also a star athlete, both in high school and in college. He was a Most Valuable Player (MVP) in both baseball and football due to his competitive nature and his positive mental attitude (PMA).

Frank's skills and PMA empowered him to strive for success and played a pivotal role in his achieving 10 cases each month and becoming a Council Agent.

The first four agents that Frank recruited into the business and what qualified him for his Partner contract were his high school friends. As he continued to build his team, he used the lessons he had learned in the field to encourage new recruits, he paired team members up with more experienced agents, and held contests to encourage friendly competition.

Agents who flourished in their first five years were the agents who learned to adopt a PMA. In short order, Frank became an assistant Managing Partner and eventually opened his own General Office in Silver Spring, Maryland. In 10 short years, he grew that practice of eight to over 100 agents.

Agents who flourished in their first five years were those who learned to adopt a PMA.

Frank met his loving wife, Nancy, at Penn State. He shyly smiled as he recounted that he graduated one weekend and married her the next weekend. Frank and Nancy have four children—two boys and two girls—and are blessed with nine grandchildren. One of his sons, Scott, followed in his footsteps and is currently the Managing Partner at a New York Life General office in Northern Virginia.

All of us know that this is not an easy business. In the beginning, you most likely gain clients by working with your friends and family. But this is not always easy. By working hard and maintaining a positive mental attitude, you will stay the course and achieve career success. **at**

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Getting the Most from Your NAIFA Membership

A quick look at the connections, resources and protection NAIFA provides will remind you of the many benefits you get as a member.

By Juli McNeely, LUTCF, CFP, CLU

Navigating and getting the most out of any association can sometimes be difficult. In my opinion, affiliation with a professional association is critical to your ongoing success and I credit my NAIFA membership for my survival in this industry.

Here's how I've made my NAIFA membership pay off.

Connections. Perhaps the most notable takeaway for me has been the relationships and connections I have made with other NAIFA members. This does take effort on your part. You can't sit in your office and expect that NAIFA connections will come to you. Getting involved locally, within the state and nationally will pay off for you. Volunteering in leadership or simply attending any of the local, regional, state or national meetings gets this member benefit rolling. Over my 21 years, the network I have built within the industry is astounding to me. I have relationships from every part of the country and a decent handful even outside the U.S.

I have relationships that cover all lines of business and areas of expertise. I have my very own team of experts should a situation arise with a client that I need some assistance navigating. If a client of mine moves to a new area, it is quite likely that I can quickly find another NAIFA member to assist if I can't continue to serve them.

The friendships and ideas I have picked up from my NAIFA connections more than justify the expense of my membership every year.

I've even joked that I could be stranded at any airport in the country and would have a friend to pick me up and fill my idle airport time with great conversation! The friendships and ideas I have picked up from these connections more than justify the expense of my membership every single year—it is truly priceless!

Resources. Aside from the member-to-member connections, NAIFA has countless resources that we can utilize as members. I never thought of going to the NAIFA website to get resources related to my practice, but once I did, I was amazed by how much valuable information was available. Our industry is changing so rapidly and I look to NAIFA to keep me aware of all that is shifting around me. I find great comfort in knowing I have my very own watchdog at my doorstep, so I can focus on my clients as much as possible.

Protection. Speaking of having my very own personal “watchdog,” the benefit of knowing that NAIFA is watching my back in Washington, D.C., and in every state capitol is another benefit I would never let go.

If you think we aren't vulnerable as a profession every day, you are very mistaken. I know that a portion of my dues goes to make sure I'm not regulated or legislated out of business and I'm willing to contribute to the pool to make sure I can still operate my business and serve my clients.

It is unfortunate that every licensed financial services professional isn't a member; they should be! I often dream of all that we could accomplish as an industry if everyone paid their portion to protect the career we are all so passionate about.

One of my favorite lines is “fasten your seatbelt”. I believe that our “watchdog” will need to work overtime in the coming years to allow us to continue to serve our clients as we do today.

If you aren't a NAIFA member, why not make it a New Year's resolution to become one today? You won't be disappointed. If you are a NAIFA member and are wondering what's in it for you, I can assure you that if you step forward and get involved, you will find that NAIFA has value and benefits beyond your expectations.

And a great big thanks to those of you who have carried the load in leadership and grassroots defense. I'm proud to stand with you! [at](#)

A 21-year veteran of the financial services industry, Juli McNeely, LUTCF, CFP, CLU, is president of McNeely Financial Services in Wisconsin. She is a past president of NAIFA, having served as the first female president. She is author of “No Necktie Needed: A Woman's Guide to Success in Financial Services” and founder of Juli McNeely Consulting LLC. She is also an active member of MDRT and is affiliated with Woodbury Financial Services. You can reach her at juli@mcneelyfinancial.com.

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