Think Bigger and Sell More … More Easily

Howard Wight

You have the power to make a difference in people’s lives. Life is about helping others. It is not about you.

People dream dreams. You can help them think bigger and dream bigger dreams. During their lifetimes, you help them convert their dreams to reality. When they die, you help them keep their dreams alive. Without enough life insurance, their dreams will probably die when they die.

Are You Laying Stone Or Building a Cathedral?

Years ago, a man visited a construction site. He saw two workers and asked each what he was doing. One replied that he was laying stone. The other responded that he was helping build a cathedral for people to worship God. One man had a job. The other had a mission. You have a choice, you can make what you do a job, a career, or a mission.

I suggest you write down the three A’s of ideas, which are adopt, adapt, and act. I also recommend that you write down the three R’s of learning, expertise, mastery, and success. They are repetition, reinforcement, and reminders.

Let’s stop for a moment and think about the following question. What is your number one priority right now? When I ask that question, I get all sorts of responses: God, family, retirement, make more sales, travel. The answer I am specifically looking for is, “I want to get some ideas from this seminar that I can use.” When I said “right now,” I actually meant right now.

Most people are not really doing what they are doing. Their minds tend to wander. Have you ever read a page in a book and not known what you had just read? Years ago, someone told me I had the attention span of a gnat. I had a very limited attention span.

The Unstoppable Mindset

The unstoppable mindset is based on four critical elements—conviction, competence,
commitment, and confidence. Conviction is the single most important factor in selling. In terms of selling more life insurance, it is essential to have total and absolute conviction about the following:

• No one has a lease on life or on good health.
• If you don’t die before age 65, you will die after age 65.
• According to every actuarial study, the probability of your dying is 100 percent.
• When you die, there will be a need for cash.
• The best way to provide the cash is life insurance because the event that creates the problem is also the event that creates the solution to the problem.
• The premium is not the problem. The premium is the solution to the problem. The premium is peanuts.

*Competence.* You don’t have to have all the answers. You are surrounded by a network of specialists that have all the answers—if not in your office, then in your home office.

*Commitment.* Failing is not failure unless you fail to try again.

*Confidence.* You have the power to make a difference in your clients’ lives—one life at a time, one day at a time. Nowhere is it written that you must be perfect in order to help others.

**What Is the Number One Secret to Making Bigger Sales Faster?**

Sell yourself first. As I said earlier, conviction is the single most important factor in selling. Buy more yourself. How many of you own a million dollars of life insurance on your own life? How many of you own at least a million dollars of cash value life insurance on your own life? Simply stated, if agents buy more, they will sell more.

• Find better, wealthier prospects. I will provide you with specifics as to how to get better prospects.
• Do joint work. Bring in specialists to work with your clients. Become a specialist so that others will introduce you to their clients.
• Pinpoint more problems.
• Project the future. There will generally be a need for more insurance in the future than there is
now.

• Sell more term insurance. Make it easy for the clients to buy more insurance. Make them aware that term insurance is a temporary measure. Why is term insurance so cheap? How much does a company have to charge for a product that is designed to not work?

• Hire a marketing assistant to set up appointments for you. The more time you spend seeing people, the less time you have for calling people to keep the prospecting pipeline full.

• Think bigger. Recommend more. Propose more and you will close more.

There are three ways to increase revenues:

• More clients
• More sales to each client
• Bigger sales to each client

Here’s the bottom line on how to make bigger sales faster. Make more calls to more people who have more money and ask them to buy more.

**Who Do You Know?**

These ideas are intended to help you get more and better referrals.

• Dog owners. When your doorbell rings, does your dog go running to the door? Is it ever for him? Does he take it personally? Does he take the rejection personally? Of course not. Your dog is just enjoying himself—seeing old friends and making new friends.

• Use two magic words as much as possible. The magic words are the first and last names of your client who has given you a referral. “Bob Sample suggested that I give you a call,” or “Your name came up in conversation with Bob Sample.”

• Make a list of the names of people whose names come up during the fact-finding interview (friends, relatives, advisors). Review the list with your client, possibly using a sort of reverse approach. Who are the people on this list whom you would prefer that I not contact? Who would you contact first?

• If you had died a week ago, who would your spouse turn to for advice?

Winston Marsh, a noted Australian business consultant says, “It’s more important to be a good
marketer of what you do than a good doer of what you do.” Is he saying that marketing is more important than competence? It serves as food for thought. You be the judge. There are lots of competent people who have no one to see.

Do joint work with other agents. Perhaps it would make good sense for some advisors who are specialists in a particular niche to market their expertise to other advisors.

Hire a marketing assistant to make appointments for you with prospects. Years ago a friend of mine hired a marketing assistant at $25 per hour for only three hours per week, or $75. His monthly investment was $300. His total investment the first year was $3,600. She set up appointments that resulted in over $100,000 in income. That sounds like a pretty good investment to me. What do you think?

One agent saw my “Who Do You Know” page in one of my monthly newsletters years ago. He copied the page and gave it to a client to whom he had just sold a substantial amount of life insurance. He asked the client to take the form home as a sort of homework assignment and to write down the names of people brought to mind by the questions. He provided his client with a self-addressed stamped envelope. About a week later, the agent got the form back with the names of 15 referrals. That was a new record for the agent. A few months later, I ran into the agent at a seminar I was doing in Minneapolis, and he told me this story. It turns out that the agent really did not like the form all that much. It was too overwhelming, so he changed the form. He simplified it. For several years I went around the country telling this story, and to a degree, making fun of the agent who changed an idea that worked. Then one day I awoke realizing that he did just what he should have done. The three A’s of Ideas that I brought to your attention earlier are adopt, adapt, and act. The agent did just what he should have done.

What do you say to get more referrals? Who do you know that I should get to know among your friends and associates? Who do you know who owns his or her own business? Who has a business where their children are involved? Who are the members of your dream team?

Not everyone is comfortable asking for referrals. My friend, Marv Feldman, Past President of the
Million Dollar Round Table, does not feel comfortable asking for referrals. If you don’t feel comfortable doing something, you probably are not going to do it very frequently. Marv buys lists of businesses and hires telemarketers to arrange appointments.

Cold calls are God’s punishment for failing to get enough good referrals. You might consider hiring a coach to help you work on getting referrals and other aspects of selling and advising. If you think you could be doing better, a coach might help. Call me. Perhaps I can help.

Top producers ruthlessly eliminate poor prospects. Life is too short to work with people who don’t care or who don’t cooperate.

Why not establish a Top 50 (or Top 100) Club consisting of your best clients? Take one or two to breakfast, lunch, or dinner each week. One friend has an annual meeting for his Top 50 clients at his country club. He brings in speakers to discuss current topics of interest. His top clients each have over $20 million of life insurance.

**Let’s Put the Problem and the Premium in Perspective**

“The premium is not the problem. The premium is the solution to the problem.” This is a quote from Ben Feldman. It is the foundation for much of my thinking. If they don’t buy the concept, the details are irrelevant.

How many pages are there in a typical life insurance illustration these days? The typical response from an audience is 10 or 20 pages. What do we know about the numbers on these pages? They’re wrong. The ultimate numbers could be better or worse, but these numbers on these pages are wrong. How many more pages of wrong numbers would you like to see?

People who are analytical especially like to look at numbers—even when the numbers are wrong. I, myself, am a recovering analytical. I formed a group several years ago called Analyticals Anonymous. The short form name is ANALANON. We have a 144-step recovery program.
Let’s put the problem and the premium in perspective. For our example, let’s say the situation is a $10 million estate. The problem is the estate tax and related costs. This amount, for our purposes, is $4 million. The premium is 1 percent of the $10 million. Why not let 1 percent of your estate, each year, help protect the other 99 percent? I call this the 1 percent solution. Sometimes it’s 1 percent. Sometimes it’s 2 percent, or whatever. It’s a tiny number compared to $10 million. And $100,000 sounds like a lot of money. One percent sounds like peanuts. The premium is peanuts.

If you have a business doing $10 million in sales, why not use 1 percent each year to purchase key management insurance and buy and sell funding insurance in order to protect the other 99 percent of your sales? If you’re making $100,000 annually, why not use 2 percent, or $2,000, to purchase $5,000 per month of disability income insurance? Why not let 2 percent of your income protect the other 98 percent?

The 1 Percent Solution

Draw a large circle and then draw a dot in the center of the circle. Now draw a straight line down to the bottom edge of the circle. Using the line you just drew, draw a pie slice equal to about 1 percent of the circle. Now you have the circle version of the 1 percent solution.

Write the letters “OPM” in the upper half of the circle. They stand for “other people’s money.” If you die in the first year, the benefit is 1 percent your own money and 99 percent OPM. After 20 years, it’s 20 percent your own money and 80 percent OPM. After 50 years, it’s 50 percent your own money and 50 percent OPM. Except that the death benefit may have increased, so you will have paid in less than 50 percent.

If it makes sense to pay someone 1 percent per year to manage your money, wouldn’t it make sense to pay someone 1 percent per year to create the money to be managed? Wouldn’t it make sense to pay someone 1 percent per year to protect the money being managed from estate taxes?

One day consists of 1,440 minutes (24 hours x 60 minutes). One percent of 1,440 minutes is 14.4 minutes—rounded off to 15 minutes. Divide and conquer. Take each day 1 percent at a time.
You may not be able to focus on something for two hours, but surely you can focus for 15 minutes, and then another 15 minutes. If you want to accumulate $1 million, invest 1 percent per year, that’s $10,000, for 30 years at 7 percent. The problem is that you can’t be assured of getting a 7 percent rate of return. If you want to accumulate $1 million in 20 years, you would have to invest 2 percent per year ($20,000) at 8 percent, which, of course could not be guaranteed.

**Pay Yourself First (The Fork in the Road)**

Yogi Berra said, “When you come to the fork in the road, take it.” When it comes to your income, you come to a fork in the road where you have to decide whether you save it or spend it. Most people spend virtually everything and have very little left to save, invest, or accumulate.

The fork in the road is a lifetime decision point that can change your lifetime and that of your family members. Make a decision to save 10 to 20 percent of your gross income. Pay yourself first.

Your income makes everything else possible. What happens if your income stops? Put a big X through your income, and now discuss the potential problem.

**Multigenerational Money Management (Multigenerational Wealth Management)**

The concept becomes slightly more complicated. It starts to look like a perpetual motion machine. It’s really pretty simple once we break it down into parts. Your family’s most valuable asset is your potential earning power (PEP). If you’re now 35 and making $100,000 annually, and your income never increases over the next 30 years to age 65, your potential earning power is $3 million. If your income over that same period averages $200,000, your potential earning power is $6 million.

The amount of money you and your family will ultimately have will be determined by how much you save and how you invest your money. At the decision point, you have to decide how much money goes to offense and how much goes to defense. If a football team is going to win the Super Bowl, it needs both a great offense and a great defense. Defense sometimes wins championships.
Protecting Your Diversified Investment Portfolio

It makes sense to have part of your portfolio in long-term cash—life insurance. Move just 1 percent per year from bonds or cash to long-term cash. Life insurance is a common sense cash cushion. It is long-term cash.

What Does Financial Freedom Mean to You?

What do you do? Most people are playing the game of life without a game plan. I help my clients develop and implement a financial game plan—what I call a Master Action Plan or MAP.

What does financial security or financial success mean to you? Any of these questions could be used to start a conversation that can help you understand your client’s financial philosophy.

Insurance and Financial Planning ($)

Before getting into this, let’s stop for a moment and think about what I call the Surrender Process. You want to make your client feel like the most important and special person in the world. Ask questions. Listen to their answers. Try to understand them. This process will work wonders with not only clients, but also friends and family.

Let me give you a quick overview of the work I do. Insurance and financial planning boils down to these four areas—retirement planning, estate planning, business continuation or succession planning, and selective compensation planning. Most successful people are so busy being successful that they do not have time to become experts in these areas themselves.

Those individuals who have done planning have typically done piecemeal planning—getting different advice from different people at different times. Piecemeal planning normally results in the totally unnecessary loss of hundreds of thousands of dollars and, in some cases, the loss of millions of dollars.

What most people need is someone who has a backup network of experts capable of pulling together all of the pieces of the puzzle. The best way I know for both of us to determine whether
or not you can benefit from my services is for me to ask you some questions.

At this point, you start asking questions. This is what is known as “assuming consent.” You move ahead unless the client stops you. If the client does not want to proceed, suggest that getting a second opinion almost always makes sense. The worst thing that can happen is that you confirm you have covered all the bases. On the other hand, I have never met anyone who has covered all the bases.

**Life Issues**

Mathematician Blaise Pascal said, “People are usually more convinced by reasons they discovered themselves than by those found out by others.” How do you get people to discover reasons themselves? Ask them questions. These questions are not found in a typical fact-finding form.

- What do you want to accomplish with your life? Why are you here? What is your purpose?
- What is your overall financial and investment strategy or game plan?
- What do you want to accomplish with your money?
- What is your family financial philosophy?
- What’s important about money to you?
- What are your goals?
- What is your exit strategy from your business?
- How do you want to be remembered by your children, your grandchildren, your favorite charities, your community, and society?
- Where do you want your money to go?
- If you knew with virtual certainty that you were going to die within the next six months, what changes would you make in your life and in your planning?

Here are a couple of additional questions that you might find useful.

- What do you know about life insurance?
- Do you want your life insurance to be in force when you die?

**The First Law of Insurance**

Insure first that which you can least afford to lose—your income, your health, and your life.
Most people insure the eggs but forget about the goose. If you could insure one but not both, which would you insure, the golden eggs or the goose?

**How Do You Value a Human Life?**

Should you insure the potential loss or the potential need? A chart was developed by the United States Government in connection with the September 11, 2001, World Trade Center tragedy. The chart was used to help determine the amount of money to be paid to the family of a victim. For example, if the victim was 35, married with two children, and earning $200,000, his or her family would receive $3.5 million. The chart is no longer available on the government website, but the purpose here is to help you think bigger.

**How Much Are Your Tomorrows Worth?**

Again, let’s ask the big question. Should you insure the potential loss or the potential need? The questions posed here generally result in the answer, “As much as I can get” or “As much as they could get.”

- If you knew you were going to die tomorrow, how much insurance would you buy today?
- If insurance were free, how much would you want today?
- If you had been killed in a car accident last week, and someone else had been responsible for your death, how much would your family sue the responsible party for?
- If you had been killed in a car accident last week, and you were responsible for the accident, how much would you want your family to receive?
- If you had died last week from cancer, how much money would you want your family to receive?
- What is your potential earning power (PEP)?
  (Average annual income $_______ x ____ years to retirement)
- How much insurance is there on your life?

**How Much Money Will Your Family Need When You Die?**

You can approach this question from a needs approach rather than from a loss approach. The loss approach will normally result in a bigger sale, which is a good thing as long as you believe life insurance is a good thing.
How Long Will $1 Million Last?
This applies to retirement planning as well as to estate planning for your family. You start with $1 million and take out $100,000 per year adjusted for 3 percent inflation. The remaining capital is invested at 5 percent. You run out of money in 11 years. You have to see it to believe it.

In this example we only take out $50,000 per year adjusted for 3 percent inflation. You run out of money in 25 years. I used to invest the remaining capital at 8 percent rather than 5 percent. One day I asked the audience where you could invest capital and consistently get 8 percent net-after-taxes year in and year out over a long period of time without taking substantial risk. An audience member responded, “In your dreams.”

Summary Comparison of Options for Robert Sample (ABC Comparison)
Question: How do you make something good look even better? Answer: Compare it to something worse. Comparisons create context. Without context, you are looking at something in a vacuum. Comparisons facilitate decisions.

Let’s take a look at some options for $1 million of life insurance at age 35.
• Option A is term insurance. The premium is $1,000 per year for 30 years, and then you have to get reexamined and medically qualify for a new policy on which the annual premium is $10,000. Let’s look at the bottom line. At age 85 you will have paid $230,000 for nothing. How does that sound? There will be no cash value and no estate value.
• Option B is a combination of term and cash value insurance. The annual premium is $5,000. At age 85 you will have paid $20,000 more than Option A and, based on current assumptions which are not guaranteed, you will have over $500,000 in cash value and $1 million in estate value or insurance. Which option do you prefer so far, Option A or Option B?
• Now let’s take a look at Option C. You pay $10,000 per year up to age 65, and then you start taking out $20,000 per year when you retire. How does that sound? Let’s look at the bottom line again. With Option C, at age 85, you will have received back $100,000 more than you put in and still have over $400,000 in cash and over $1 million in death benefit. What do you think?

Let’s take a look at year 31, age 66. Under Option A, you will write a check for $10,000. Under
Option C, you will receive a check for $20,000. But let’s assume the results are not as good as shown here. Let’s assume you only get a check for $10,000. Would you rather write a check for $10,000 or receive a check for $10,000. The choice is yours. Which option do you prefer?

Life insurance is the ultimate love letter to your family. The best investment is the one that provides the most money for you and your family when you need it most. The best policy is the one in force when you die.

Why is term insurance so cheap in the early years? How much does the insurance company have to charge for a policy that is designed to not work? I am recommending what I would do if I were in your shoes.

**Life Insurance Overview**

The three areas where life insurance can be helpful are personal, business, and insurance options. You can use these to help pinpoint problems and opportunities and to put price tags on them now and in the future. There will normally be a greater need for life insurance in the future.

**Personal**

- Family income
- Paying liabilities
- Education fund
- Emergency cash cushion
- Transition fund
- Retirement income
- Estate tax funding
- Estate equalization
- Special bequests
- Charitable bequests

**Business**

- Business continuation
- Buy and sell funding
Key management loss
Working capital
Paying off loans
Maintaining credit lines
Salary continuation
Selective compensation
Advisors fund

Insurance Options
Do nothing
Term insurance
Cash value insurance
Combination

Key Business Issues
This is a checklist that can be used to pinpoint problems and opportunities.

- Exit strategy
- Succession planning
- Retirement planning
- Family income continuation
- Disability salary continuation
- Death tax funding
- Buy and sell funding
- Key management loss impact
- Selective compensation planning

What Happens When a Business Owner Dies?
Let’s say you and I own this business 50-50. I die and now you’re in business with my wife, or rather my widow, and
- her children
- their attorney
• her new husband
• his children
• their attorney

This is what we call the “different thresholds of pain” scenario.

There are four basic problems when a business owner dies.

**Income continuation:** How will the deceased owner’s family be able to draw funds from the business in order to replace his salary? Can the business afford to make payments to the decedent’s family without his being there to contribute to the ongoing profitability of the business?

**Buy and sell funding:** Should the deceased owner’s family continue to own an interest in a business in which they are not involved? Would the surviving owner(s) want to be in business with the decedent’s family and its advisors?

**Key management loss:** What will be the impact of the owner’s death on the survivors’ personal and business plans and on the business’s sales, profits, growth, working capital, credit lines, and retirement plans?

**Death tax funding:** How will the deceased owner’s family pay the death taxes without being forced to liquidate valuable growth and income-producing assets? How will the decedent’s estate be divided fairly among his children?

**Where Do You Want Your Money to Go?**

Most people do not have wills and trusts. The wills and trusts that some people have are generally out of date. You can help your clients just by getting them to an attorney who specializes in estate and business planning.

Life insurance is money. It is cash. If someone recommends against life insurance, are they going to provide the same amount of money to your heirs? Will they pay off your loans? Will they pay the estate taxes to the IRS estate tax collector?

Start a discussion about where the parents want their money to go. How much of your estate would you like to earmark for the IRS? Do you think the IRS is going to build a building with
your name on it? Would you prefer that your estate go to your children, your grandchildren, and your favorite charities—or to 300 million strangers?

As a business person, if you knew you faced an inevitable loss that you could discount by up to 80 percent or more, wouldn’t it make sense to explore that option?

**Ten Keys to a Better Life Starting Right Now**

- Focus
- Attitude
- Action
- Communication
- Choices
- Commitment
- Priorities
- Purpose
- Passion
- People

The key to life is to know your priorities and to act on them. Develop a daily Master Action Plan (MAP) listing your top ten things to do today. Ask yourself frequently, “What is my number one priority right now?”

Life is about helping others. It is not about you. Nowhere is it written that you must be perfect in order to help others.

Successful people are driven to consistently do what others can do but don’t. No one becomes successful without the help of others. Listen. Learn. Lead.

Change your choices and you will change your life. Failing isn’t failure unless you fail to try again. Every problem is an opportunity.
Simplify your life. Eliminate the unnecessary and the unimportant. Focus on first things first.
One thing at a time. One step at a time. One day at a time.

The ultimate measure of success is happiness.