



# **HOW TO CREATE A BOARD OF ADVISORS**

## **PURPOSE...**

To bring together a group of leading business peoples in diverse fields to exchange ideas and critique your strategy for becoming a leading insurance professional in the Los Angeles community.

## **WHERE TO START...**

The first step is for you to identify approximately 8-10 individuals with an interest in you and the growth of your business.

Once these individuals are identified, a letter introducing the format for the Board of Advisors can be sent requesting their participation. (Refer to Exhibit Letter "A"). As indicated in sample letter "A," make sure to state the date, time and location of your kick-off meeting. Remember that your advisors are your guests and all expenses should be paid by you.

Plan to follow up by phone within a week from the date of your letter.

## **KICK-OFF TIME...**

In preparing for your kick-off meeting, you should have an agenda that can be distributed. Exhibit "B" is a sample of a complete agenda with attachments.

## **OFF AND RUNNING...**

During your kick-off meeting, you should have been able to obtain commitments from those individuals willing to participate as advisors. It is now your responsibility to provide each member with a monthly update letter (Refer to Exhibits C&D) and meet with them quarterly, one-on-one to review your progress, get feedback on ideas and brainstorm for referrals.

## **EXHIBIT "A"**

February 15, 1994

XXX  
XXX  
XXX  
XXX

Dear XXX,

I hope this note finds you in good spirits. The purpose of this letter is to let you know of my continued commitment to the growth of my insurance and securities practice with Northwestern Mutual Life. My goal is to be a lifelong resource to you and my clientele. I would like your help in this adventure.

Essential to the growth of my business are clearly stated goals and a precise plan of action to maintain day to day accountability. XXX, I see you as someone who has achieved remarkable success. I would like to draw upon your experience, wisdom, and good sense.

I am bringing together a Board of Advisors, six leading businessmen in diverse fields to exchange ideas and critique my strategy for becoming a leading insurance professional in the Los Angeles community.

Your participation would include an annual working dinner meeting of the Board of Advisors. At this meeting, I will outline the workings of an insurance and securities practice and introduce my goals and plans for achieving them in the coming year. In addition, you and I would meet three more times on a quarterly basis to review progress, refine strategy and explore new ideas for growth.

Our kick-off meeting is scheduled for Wednesday, April 6th, 6:30 p.m. at the Hamlet Gardens restaurant in Westwood. Attached please find a list of the other gentlemen invited. I think you'll find them a stimulating group and the gathering rewarding in and of itself.

Expect my call early next week to see if you will be able to join me as an even more meaningful partner in my growth. Thank you for your consideration.

With warm regards,

Curtis R. Estes

## **EXHIBIT "B"**

**Board of Advisors – (Date)**

**For**

**Curtis R. Estes,  
Financial Representative  
Northwestern Mutual Financial Network**

### **AGENDA**

- I. Introductions.
- II. Welcome and Thank you.
- III. Purpose and Goal for the Board of Advisors.
- IV. Introduction to the Business: Our Opportunity.
- V. Outline of Goals for 1994 and Vision for the Future.
- VI. Your Input and Commitment.
- VII. Adjourn.



# **ADVISORS' PURPOSE AND GOAL**

## **INTRODUCTION TO THE BUSINESS: OUR OPPORTUNITY**

- I. I help people I like buy insurance and save money.
- II. Long-term commitment to the building of relationships.
- III. Products: life insurance, disability insurance, annuities and mutual funds.
- IV. The products make two inch holes: protection in the events of living too long, dying too soon, or becoming disabled.
- V. The company I represent stands tall in the marketplace and the service I provide is special.
- VI. Los Angeles is an untapped marketplace.
- VII. Referrals and value consonance are critical.

## OUTLINE OF GOALS

I. 1994 – Activity: 780 appointments kept 960 qualified referrals

Results: 100 lives  
\$140,000 premium

- A. Hire second time assistant – July.
- B. Career School – end of April.
- C. The Four Tops – throughout the year.
- D. MDRT
- E. Top 10 among third-year Agents nationally.
- F. Rookie of the Year.

II. Vision for the Future.

- A. Top Twenty by the Year 2000.
- B. CLU, ChFC.
- C. \$100 Million of Insurance in Force.
- D. Family, Church, Alma Mater.

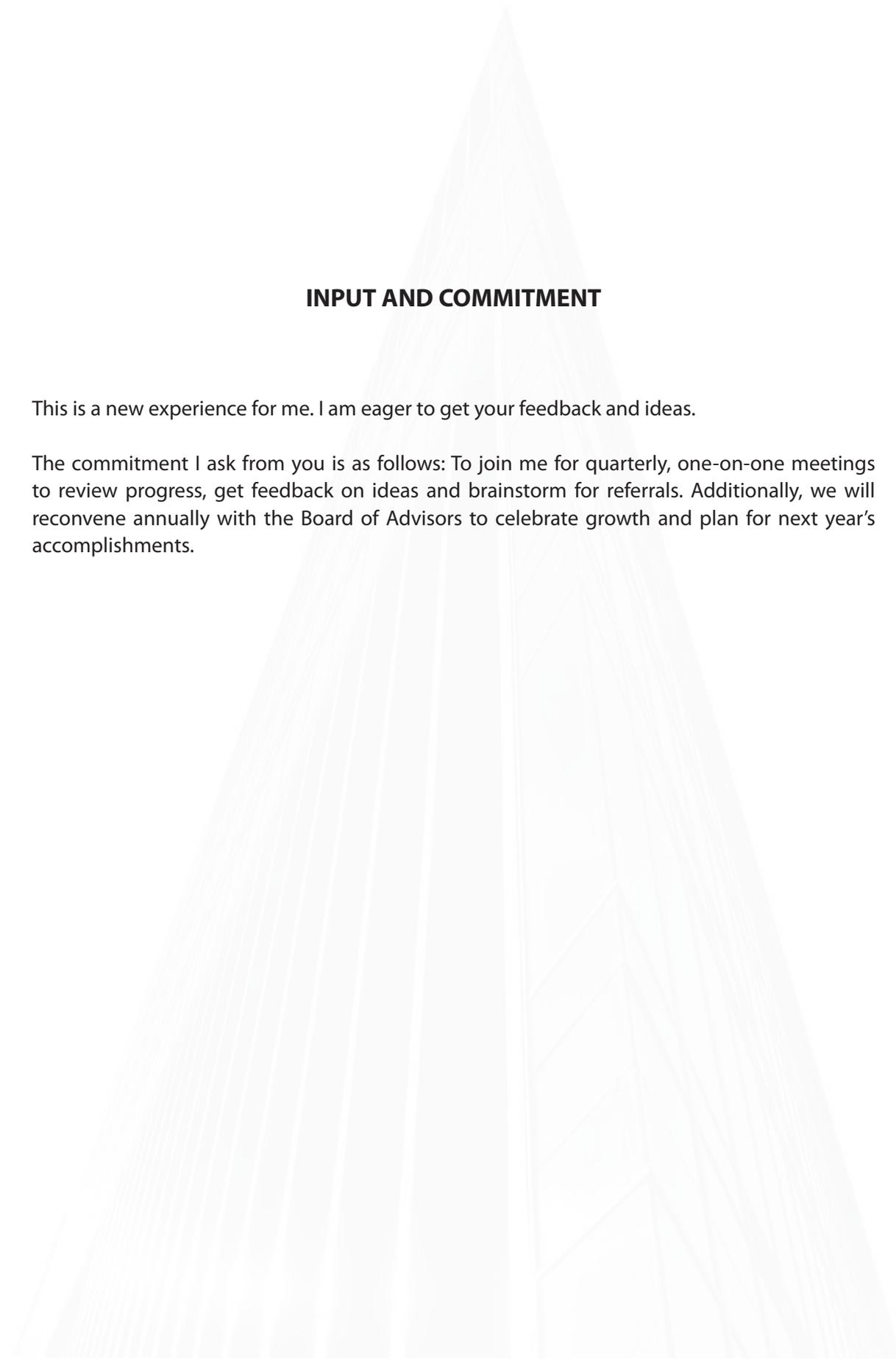
# THE BOARD OF ADVISORS

(List names and addresses of members)

**Name**

**Address**

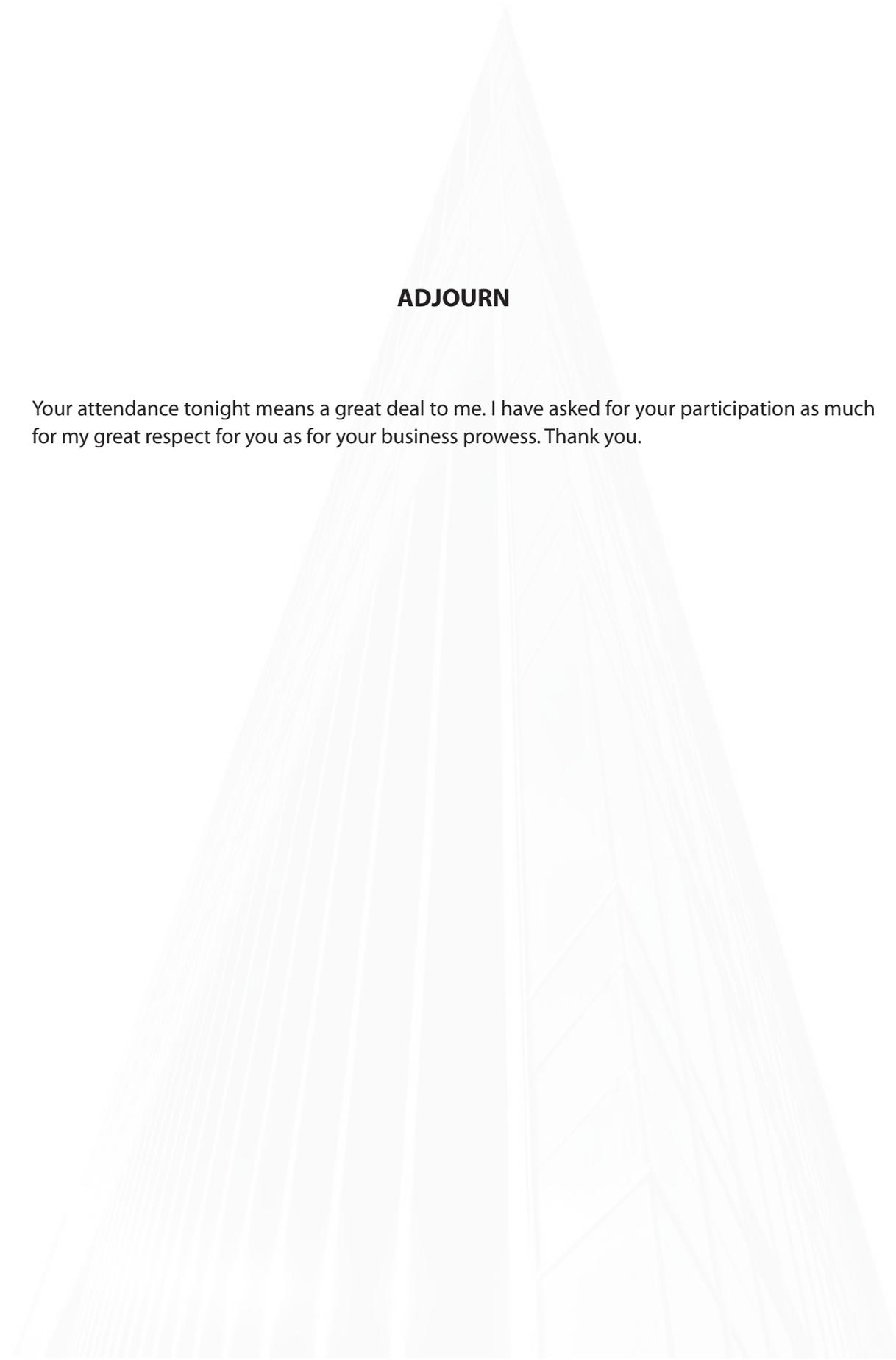
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## **INPUT AND COMMITMENT**

This is a new experience for me. I am eager to get your feedback and ideas.

The commitment I ask from you is as follows: To join me for quarterly, one-on-one meetings to review progress, get feedback on ideas and brainstorm for referrals. Additionally, we will reconvene annually with the Board of Advisors to celebrate growth and plan for next year's accomplishments.



## **ADJOURN**

Your attendance tonight means a great deal to me. I have asked for your participation as much for my great respect for you as for your business prowess. Thank you.

## EXHIBIT "C"

September 21, 1994

XXX  
XXX  
XXX  
XXX

Dear XXX,

I hope this note finds you in good spirits. Your partnership with me, to become advocates for advanced planning and experts in my business may result in grander dividends than we thought. I will be presenting the Board of Advisors' concept to my 130 peers in Los Angeles at this week's Mini-Annual Meeting. Robert Kerrigan, the General Agent, has embraced our client-Agent union as a model for building insurance and securities practices.

Beginning this month, Bob will allocate staff time to help Agents bring together Boards of Advisors of their own. Bob and I have discussed hosting, when this project takes off, a Black Tie Gala every couple of years recognizing the contributions of the Los Angeles Agency's, as may as 600 advisors from 100 Agents' Boards of Advisors. What do you think about that? This social would bring together many of our communities' most influential citizens. I think it could be pretty neat if done appropriately.

Back to the basics, your impact on my business is significant and growing. In one day last month, XXX bought me breakfast for my birthday and decided to start investing some of those big bonus checks as she increases the Junior Chamber's membership by 40% in her first year as Director of membership. XXX called me with two referrals, one lifelong friend back in Kansas and another gentleman he met sitting next to him on an airplane, not to mention the physician for the U.S. World Cup Soccer Team from a month before. XXX is going through his 1,000 person Rolodex referring me to twenty-five business owners and professionals at a time.

Your referrals are even more important now with my assistant, Stacey on board, as you'll see in my Client Builder Update, we are calling over 1,000 referrals each month.

I was able to help XXX a bit by referring him to several of my clients active in producing in the entertainment industry as he considers a career change. The only advisor I didn't speak to was XXX, but even he left a voice mail saying he's found some great golf clubs for me in Northern California where he's been entrenched in a significant patent law case.

I thank you for each of your ongoing commitments to helping me build a practice serving thousands of our friends and business associates. At the Annual Meeting in July, I learned we were 13th in the nation among third-year Agents. Stacey's full-time efforts will be critical in our goal to double our production of \$107,000 new premium in the last 12 months, to \$200,000

through May 31, 1995. This should place us among the top five nationally, not too bad for a Kansas farm kid.

In the last three weeks, however, I've been feeling the pressure of the volatile cash flow and high fixed expenses of investing in my business. Hiring Stacey full-time, more office space and a new computer system will enable us to far more efficiently serve more and more clients. You can see highlighted on the Client Builder Update the significant increases in activity since we made these investments. The one thing we can count on in this business is that consistent activity leads to predictable results. For each 10 referrals, we will meet with five, establish a long-term relationship with three and help one buy life or disability insurance or mutual funds immediately. Hence the importance of referrals. But getting paid on our efforts lags the activity by about 60 days. This is the stem of the off and on frustration.

At Northwestern we measure our activity in terms of efficiency points. These are tracked in column II and are based on the number of referrals (Qualified Suspects), completed fact-finding questionnaires (S-56), people who express a need for our products (Cases Open), and people who we ask to buy our products (Cases Closed). With Stacey's diligent efforts, our daily goal is nine efficiency points, six referrals, two fact-finders and three closes resulting in one new client. We should be at this level of activity consistently by December. In even Stacey's first two months, you can see efficiency points in column II going from 51 to 98 to 120. This is exciting but I am eager to get paid for our efforts. Stacey is too, as only 50% of her compensation is salary; 25% is based on activity and 25% on results. \* Our goal is to get Stacey's compensation on track for \$40,000 annually by the end of 1995. Time is not our enemy; I know these goals will be reached in good time. But it certainly tests our metal and builds character.

One area where I'm not very developed is my ability to ask for help and support when I'm dwelling on the negatives. I will endeavor to give you a call in the future, instead of wallowing in the misery of the moment. One of the consultants Bob brought in from Washington brought the importance of this to my attention. While it is necessary to be clear on our situations, dwelling on solely the negatives is self-defeating. I hope over time I may be a listening ear and helping hand to you as well.

I am looking forward to our third-quarter meeting in early November.

Sincerely,

Curtis

*\*Every Financial Representative needs to get legal advice or verify that such an arrangement is legal under their state and federal laws.*

November 14, 1994

XXX  
XXX  
XXX  
XXX

Dear Board of Advisors,

I hope this note finds you in good spirits! The plan tickets for my Christmas trip back to Kansas have arrived. I am getting into the holiday spirit myself.

There are three issues I'd like to share with you in this note. First, October was a great month as the Client Builder suggests. Stacey's contributions are becoming apparent in terms of both activity and production. Our goal is to consistently keep 72 appointments each month, get 100 referrals and submit \$16,000 of premium. We will hit these goals November and December so it will be key to maintain that momentum in January.

Secondly, in closing out 1994 I need your help. I am confident that we will reach our goal of \$120,000 of premium paid for this year, but we're at \$85,128 year-to-date and I am not sure where the remaining \$35,000 will come from. Certainly there is business in the pipeline but I never know how much will get paid for how soon. As Stacey requests in her note, let's identify two people that you know that ought to be good prospects for me. Two new clients from each of the six Boards of Advisors should produce an additional \$15,000 to \$20,000 of premium. This would put us over the top.

Additionally, reaching the \$120,000 premium goal would qualify me for the Million Dollar Round Table which is the industry standard for top performance, less than 3% of all insurance professionals qualify each year. This also secures my invitation to our Agency's Black Tie Recognition Dinner to which our parents are invited this year. As you may recall, my parents were divorced seven years ago and haven't spoken to each other since. I have told them about this event and each has agreed to join me for this special occasion in my life. I want this to happen.

Finally, I want to thank you for taking a special interest in me and becoming advocates for the work I do. Since joining the Board of Advisors, XXX, XXX and XXX have become clients. I appreciate their recent personal commitment. As always I promise to give each of you 100% of what I've got. I value our relationship and have bright dreams for our potential in the not so distant future.

With warm regards,

Curtis

November 14, 1994

Dear Board of Advisors,

It has been a pleasure speaking with all of you. I look forward to meeting you in person at April's annual Board of Advisors' dinner.

As Curtis mentioned, October was a great month for us, however, to keep us on track for our year-end goal of \$120,000 of premium I am writing to ask for your help with more referrals... I tend to go through them quickly! Here is a breakdown of where the referrals go: for every ten referrals received, Curtis will meet five, open cases on three, and one will buy. Needless to say we constantly need and appreciate more names. I have enclosed one of those oh so familiar forms and will look forward to seeing them returned.

Curtis speaks highly of each of you and your help to end the year with a bang is greatly appreciated! Thank you in advance!

Sincerely,

Stacey Graves

## REFERRALS

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Comments: \_\_\_\_\_

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\_\_\_\_\_

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Comments: \_\_\_\_\_

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