

The 20 Essentials of Building a Successful Sales Career

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What is a good workday? If you ask 50 agents this question, you'll get 50 different responses. If you ask someone from our organization what's a good workday, they hopefully will respond "five belly to bellies". A belly-to-belly means in our organization, seeing five people a day, either to ask them for referrals or to have a sales appointment. To us, that's the key to having the foundation of a good workday.

When I joined Guardian in 1980, I didn't have enough places to go to build my agency. So I used to go visit a friend of mine who was a furrier. I used to stop down, buy a cup of coffee for us both, and sit in front of his desk and just talk. I'd say, "Neil, I had an appointment down the block and thought I'd stop by and say hello." Since I didn't have a big circle of business owners to see, I used to visit my friend maybe every other week, every three weeks and finally one day he said to me, "Don't you work?" But within a short period of time, I ended up selling his company all their business insurance. I also sold half the employees in the firm and last year we hired his son as one of our agents. His son gets a kick out of my telling that story.

The reason why we discuss this five belly to bellies is in 1970 LIMRA did a study. They took the results of all the people who passed the AIB that year and failed in their first year. The analysis was: if these people sold everybody they saw in their first year, every one of those people would have still failed out of the business. So, what's the message? S.T.P. See the people; and if you see five a day you're guaranteed a successful career.

We will talk about goal setting, nothing you haven't heard before. We all need a road map. I like to see written goals for an annual goal, broken down monthly, weekly. Many of us need to break it down daily and hourly, so not much needs to be said there.

Have a marketing plan. This is probably the single most misunderstood concept for sales people because everybody wants to sell. But we want to help our people market. Let me give you an example. If I were to say to somebody, "could you bring me your marketing plan for next week or next year" a new agent or even an

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experienced agent might say to me, "I'm going to call on two accountants, I'm going to call ten business owners, I'm going to call my existing clientele, I'll going to call my friends". That's not a marketing plan, that's a work plan. And you need a work plan, but let me give you an example of a marketing plan. I had an agent who was with me for many years. He decided to take a hiatus from the business and help out in his father's business for a couple of years. His father put replacement windows in houses. After a couple of years he decided to come back. We gave him his block of business back and he said to me, "you know Nat, I like going to work every day with blue jeans on and a sweatshirt. It's the greatest. If I come back to work, do I have to wear a suit and tie every day? Is it possible I can go to work two days a week in jeans and a sweatshirt?" I said, "Why don't you come in and let's talk about industries where you go out and see prospects in dungarees and sweatshirts." So he came in and we developed a marketing plan around seeing people in private sanitation and the carting business because those people get nervous when people show up in suits and ties versus seeing everybody in work clothes. So the first year Ronnie, came back two days a week and cold canvassed carting companies, and private sanitation companies. He was able to produce in the first two years back with us over \$100,000 a year each year in first year commissions, just in the carting companies, wearing dungarees and a sweatshirt. That's a marketing plan. So a marketing plan is figuring out who you want to sell and what you want your business to look like five years from today. Then start prospecting in those markets and construct an action plan, a work plan to match those markets.

Let's go to the next one, I call it "Start Early". Most people don't realize what this means in their life in general. My workday normally starts around 6:30 every morning. I get a jump on my competitors, somewhere around 2-2 ½ hours a day if they start their day at 9:00. Well 2 ½ hours a day is 12 ½ work hours a week which translates into two full extra days a week or 104 extra days a year or 3 extra months of living and I say living. It doesn't have to be work, it can be fun, it can be a charity,

it can be religious, anything that you want to do. People who get up early, start their day early live more life than other people. Paul told you some of my activities in NAIFA, I have a very big charitable schedule. I also play 100 rounds of golf a year, for the last five years. People who meet me on the golf course think I'm retired. People that know me from business think I'm a workaholic but by having that extra three months a year to live, I get to do more things than most people. The second thing is every single week I see prospects and potential agents before 8am and in many cases before 7am. Do you know if you have a prospect and you say to them "before you go to work, why don't we meet for breakfast? Let's meet around 6:30-7:00." After they go through shock, most of them will say, "I'll meet you." Do you know, in my mind, that's a pre-close? Anyone that comes to visit me at 7:00 in the morning to talk about insurance, and they have no interest, has to be nuts. Getting your day started by 6:30-7 seeing people to talk about making new clients or increasing their coverage, gives you an edge. You'll be dancing on your toes by the time 9:00 comes around while other people are just showing up to work. So from May to October, I can see two or three people before 9-9:30. Then I can go play golf with an agent of mine and a client and an accountant. Now we have a workday where we're having fun, building relationships and doing business. So starting early is a terrific way to build your practice.

Prospecting Through Advisors. I think this is one area where most new agents and people who want to jump-start their careers missed the boat. We try to get all of our new associates to see two advisors every week, either an accountant or attorneys every single week. We have a script that explains how to gather names of the accountants and attorneys. Another script explains how to make the appointments. If agents see two accountants and attorneys a week, learns about their practice and gets a chance to tell them about what we do for a living, my feeling is, even the most miserable person can find five people to like him at the end of the year. If you have five accountants or attorneys and each gives you just one referral, at the end of five years you'll have 25 advisors

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giving you 20 to 25 referrals in a year. You're guaranteed six figures in first year commission just in referrals from those advisors. So to me, this is essential to people changing their careers. Your expectations have to be for the first year, you're not going to do business. You're just going to make friends and build relationships.

Sunday Evening or Sunday Afternoon Preparation. I like to sit down and watch golf or football or whatever people do on a Sunday afternoon to relax. I'm a big believer that every agent should be putting together three lists for the coming week. People in sales management and general agents should be putting together four lists. First, there should be a list of the prospects you know you have to call on whether it's face to face or over the phone. Second, you make a list of clients you should be touching every week. Third, make a list of accountants and attorneys you should be calling weekly to try and make appointments, say hello and continue to build on those relationships. So, those three lists need to be done every week. Make sure you contact those people. People in management have one more list and that should be, potential recruits and people who are in the process of a career change.

The next one is also very simple but very important. Building Trust. Most agents want to sell because we're salespeople. But it's essential to build trust before we sell. Let me tell you about a Yale University study. Yale did a study several years ago on givers, their planned-giving program. They wanted to see how many visits they had to make to a giver, someone who graduated from the school, loves the school, supported the school and is currently giving money every single year to Yale. They went to these people and tried to upgrade them to make larger donations. They found out they had to visit their contributors on average 7 times before they got a commitment for an increased gift. Remember, these are people who graduated from the school, love the school, are already donating to the school and they had to make 7 trips on average to get that person to increase their donation. We have agents who want to sell on one interview, two interviews, three interviews. Yale has to make 7 trips. So on the personal market in our organization we teach two to

three call selling on basic family sales. On business sales, we teach three to five call selling. But the average sale could take anywhere from 3 months to 7 years to close. The key is if you're seeing 5 people a day, seeing your two accountants and attorneys every week, business will roll in over time. But the longer you take to make a sale, the longer you take to make a good quality sale, which means building the trust and building a solid relationship, the larger sale you make, the better sale you make and more referrals will come from it.

Use of Agendas: I find that most agents don't use agendas. I always use agendas and there are two kinds of agendas I think are important. One is, you ever go on a call and you come back from an appointment whether you made a sale or not and someone says, "Did you get any referrals" and you reply "Oh! The appointment lasted so long we were not able to get around to asking for referrals." or "Did you ask for money with the app?" and you say "I didn't have time; the sales presentation took so long." Or, they ask, "Did you get a chance to discuss disability or life or cross sell the other products?" and you say, "We didn't have a chance." Now, if you take the agenda in advance and give a copy of the agenda to your prospect and say, "This is what we're going to cover today," you can't miss anything because it's right out in front. If you miss something, you'll be able to say, "As you see we didn't complete our agenda for today. Let's make another appointment so we can continue and I can pick up my referrals. We'll discuss cross selling or do a financial plan or whatever the areas are that are important to you." That's one kind of agenda. Then there's another kind of agenda, which to me is a saving grace on cases that require three, four, five, six, seven interviews. You ever go on a call and it just doesn't seem to be moving forward? The prospect likes you, they have the ability to pay, and they have the need. But we just can't figure out the blocking objection. They're nice but it just doesn't move forward. So when I go back to people like that, when I know we should be selling but we're not, I say, "Let me fax or e-mail you an agenda of what I want to cover. See if it covers all the topics you need. Feel free to edit it and add whatever you want." My

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agenda would look something like: Review needs, ability to pay, and all the different things I'm having problems overcoming. But the last item on my agenda always says Take Applications. Always take applications. Now, when you send that agenda out to a client, normally the client comes back and says, "we'll give you all the issues you have to overcome." They'll give you the objections in advance and they'll make it easy for you to close a sale because they're telling you what areas you have to satisfy to make their meeting worthwhile. So, try that. When you have someone you've been to once or twice, three times or more, they like you they're willing to pay, they have a need but you can't close them right away. Send them an agenda of what you want to cover, ask what they would prefer on the agenda and I think you'll be very, very surprised.

Mentoring. Find a mentor; be a mentor. People think that's the new buzzword, Mentoring. But really, what is a mentor in an agency setting? A mentor is an agent that wants to help other people, has some specific skills, is positive toward the management and the direction the agency is going, wants to contribute, and gives the agency first crack at all their business. With that kind of individual, an agency manager can take their younger agents and say go with John, go with Steven; he's a perfect role model to help you in your business. That's one kind of mentoring where you say, "Who can I help in the organization?" Then there's the other kind. Most successful people think they can do it all and don't need mentoring. But I'll tell you, if you look at your target market and say, you're in personal sales for the most part with family incomes of \$70,000 to \$100,000 all the way up to \$300,000 or maybe even \$400,000 whatever your window is, that's your natural market. And if you see people that get referrals under \$70,000, you should to be looking for younger people in the organization that can go on those calls on a split basis with you and feed them out to other people because those kinds of calls are probably not worth your time except for rare exceptions. On the other side of the coin, if all of a sudden you get some referrals for people making \$800,000 or a million dollars or more. We all think we can handle those cases. But I will tell you, you're most likely better off

partnering with someone who is more familiar, more experienced and more confident making sales in those markets. In sales there are two kinds of knowledge: esoteric and sales knowledge. Esoteric knowledge in the sales situation has very little value. If an agent hasn't made sales with people earning over \$500,000, they don't have the sales knowledge or the sales expertise. You have to be smart enough to reach out to other people. The same thing goes on a business case. Let's say your target market is \$2 million to \$100 million of annual sales or a million to 50 million, whatever those numbers are. If the numbers are under you should send a young associate. If the numbers are over you should take someone more qualified, someone that has actually made sales in that market. You'll make more money and be happier. I believe every agent and every sales manager should have a mentor up and a mentor down and your career will be more fulfilling.

The next is Random Referral Gathering as I call it. Random Referral Gathering is how I was taught to get referrals when I came in the business. Who do you know? Sell anybody because you have to make sales. When you first start in the business it's who do you know that got married? Who do you know that went into business? Who do you know whose parents are wealthy? Who do you know? Those are random referrals and in the beginning, you have to do that. But as your career starts blossoming and you start doing more business you must start figuring out what we want our practice to look like in the next five years or five years from today we are not going to be happy with the business we built and we're going to think that this business is not as good as it really is. But we did it to ourselves.

We do something I call Specific Referral Gathering. There's two ways you have specific referral gathering. One is as I mentioned earlier, you define your market. \$70,000 of income to \$300,000, 2 million of annual sales on the business side to 100 million. Define your market and you will only see those specific referrals you can get that fall into that market. When you ask for referrals you ask for people who fall into that marketplace. That's one way. The other way is asking the direct names of people you

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want to see. A little further on I'm going to explain how to ask for people you want to sell.

The Plant Tour. I learned this 25-30 years ago when I was new in the business. Somebody said to me "when you go on a business call, there are two things you have to do. Ask the business owner for the nickel tour; let him walk you through his business. Then as you're walking ask, how they got started in the business with the premise that the longer they talk about themselves, the more they'll like you. For my first 15 years in the business I was doing this plant tour, walking and listening to the story and then sitting down and going into a presentation. And I didn't realize how many referrals I was passing up. Example, when you ask for the plant tour what you have to start looking at is the facility, the equipment, the ceilings, wallpaper, all the machinery and equipment that they purchased. Because really what we want to know are the small businesses they deal with that they can refer us to. Now, let me give you a good example. Let's say you walk in to someone's business and they just moved into new quarters and let's call that a converted factory. They have a nice new drop ceiling or brand new carpeting or brand new flooring and as you're walking through you say "what a nice ceiling or what nice carpeting. Is the guy that put this stuff down good? Did you like him as a contractor?" Most likely they're going to say yes, nice guy. Wonderful! What was his name? John. Ok, terrific. Keep going through where'd you buy this equipment from? If they bought their phone equipment from AT&T next, maybe he bought it from a local phone vendor right? Now, after you've walked through the place and you sit down and you go through your presentation now you start feeding back the specific referrals. Let me give you an example: Anyone ever say to you "why do you want the referral? Are you going to try to sell them insurance?" I'm sure you've all heard that objection. Here's how you overcome that. I'm sitting down with the prospect, we went through the plant tour, we went through the initial sales presentation I'm getting ready to leave and I say by the way John, the guy who put in your ceiling, you liked him? Oh, great guy. If I wanted to put a ceiling in my office or my home, would you recom-

mend him to me? We'll assume he says absolutely. The next question is, "Can I have his name or number?" And they'll say why? Do you want to put a ceiling in? And I'll say no, I want to give him a call because it's the kind of business that I know I can help. I'm not sure I want to give it to you. You know, you're just going to try to sell him insurance. The rebuttal would be how much do you think the guy earned for putting up ceilings in two or three or four offices? \$1,000? 2, 3, 4, 5,000? Let the prospect give you the number and you know they're going to low ball the profit because they don't want to think that they were taken so they give you a small number a thousand, 2 or 3,000 dollars. Let's assume you were discussing a pension plan with the prospect for a 6 year \$100,000 deduction. I look the prospect, my client in the eye and say "let me understand this. If I need someone to put up a ceiling you'll send the guy over you'll say I can call him. The guy's going to make \$2,000 dollars, break into a sweat, break his back and you're going to be happy. But you don't want to recommend me to him and maybe he can take out a pension and we can save \$40 or \$50 thousand a year in tax savings. He won't have to break a sweat, he won't have to work hard and he'll have that \$50 thousand in tax savings each and every year for the rest of his life. How can you compare what I do for the guy to the work he can do for me?" And in every case the client says Ah, now I understand why I'm getting referrals. Once your client understands what we actually can do for the prospect, it is so much easier to get referrals. And by doing it this way you're asking for the people you want to see and your practice will reflect the people you go and see.

Be a Good Referrer. If you give before you get, you will get so much more. Our goal is to help our client's prospects and our centers of influence, accountants and attorneys build their business. If we help them build their business, they will always reciprocate in kind. So what we always tell our clients is, let me learn all about your business because we probably have clients among the 35,000 policyholders in our organization. Notice what I said, our organization. An agent may have a hundred, 200 or 300 or 600. But we tell them, use the organization. We have

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35,000 policyholders. So that if you let me understand your business we may have clients that can sell to you and save you money or buy from you and help you grow your business. And when you start matching up clients to do business they will love you, referrals will come and future business will come.

Key Accounts. If you look at your top 20 to 50 accounts, profile them, make-believe you're working for the FBI or looking for a serial killer. Profile them. What's their age? How did you get them? What's their business? What's their income? Where did you get their name from? Once you profile these 20 to 50 accounts, you will see a pattern. Make up a profile and then go hunting and you will find more people that match your best client list.

Benchmark Ratios. This has helped us make some of our largest sales. I understand that most agents talk in terms of premium with to their clients. How much is the insurance \$10,000, \$50,000, \$60,000, a hundred dollars a month, A thousand dollars a month? We don't like to sell that way. When we deal with business owners, we want to deal in Benchmark Ratios. Example, you're talking to a business owner and it doesn't matter what kind of insurance you're talking about. If somewhere in your conversation you say to the business owner "could you tell me what would happen to your business if your gross sales went down by 2%? Would you have to layoff any employees? Would you have to change how you do business? Would you have to change your style of living?" Most business owners for 2 or 3% or 5% reduction in sales would say, "I'm not happy but nothing in life would change." Well here's what they told me, what is 2% of 5 million? \$100,000. So I know that if I can show them a value composition I have a budget for \$100,000 dollars if the 2% number didn't scare them. If the 3% number didn't scare them, I have a budget of \$150,000. Doesn't that sound so much better than saying to somebody "Gee, the insurance might be \$100,000 a year?" 2% of gross sales is easier to swallow.

Secondary Positions. This is probably an area that we've gotten a lot of big business and you never know when it comes. This is what makes the business fun. You go to meet somebody, they like you but they say, my brother, my

brother in-law, my father, my cousin is my agent I can't do business with you. Or, I have an agent for 25 years he was my father's and my grandfather's agent. Whatever they tell you, here's our answer. Wonderful! I'm glad you're happy. Most people aren't. So you're one of the few fortunate businessmen that have found an advisor that you like. But let me just tell you some statistics that are facts of life. 50% of all the marriages in New York State end up in divorce and business relationships do not do as well. Then we ask them a question. We say, Ever buy anything from a friend and were embarrassed to ask all the tough questions you'd ask a stranger? We all know that question and the answer to that. And I say to these people, don't embarrass yourself by asking your best friend if you think of something. Call me. Call our organization. We'll sit on the bench. We'll answer all your questions; we'll do anything you want for free. It's our pleasure. Don't worry. And here's what happens. Lot of times, most of the time, they're getting good advice and we say to them if you got good advice, stay with the person because we know something's going to happen ultimately and we're going to get that client or they're going to be so grateful that we were always there to help them they will ultimately say to us, you know what? I haven't given you any business but here's a good referral. So, you'll be surprised how many times we get business just by saying to people, put me on the bench, we don't have to do business let me be there for you and it's a great way to get business.

Have Fun And Make It Tax-Deductible. This is an area that most people think you have to spend a fortune an absolute fortune to entertain people. Not true. You can go to ball games buying 2 or 4 tickets, shows, movies, whatever you like. A little further on, we're going to talk about joining organizations and I'll show you how you can build some great relationships and improve your personal life and get more business.

Joining Organizations. Anyone here ever hear a spouse say, "My husband or my wife is always working. We don't get enough time to spend together, the insurance business is all consuming day and night. I don't get to see them." Let me tell you one of the ways you can resolve that issue

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and continue to make money. First thing you do is figure out what your spouse really likes. Is it museums? Is it botanical gardens? Is it art shows? Then go out and join that organization. Example, let's say your spouse likes going to museums. The Metropolitan Museum of Art in New York on 5th Avenue overlooking Central Park for \$50 a year, you can be a member. \$50! And you know what happens? You get invited to all kinds of private events that you have to pay for but all you have to do is bring a couple or two along with you of people that you like, that you want to build relationships for to do other business, accountants, attorneys, business owners. Right? Or get involved with the organizations, get on the membership committee, get on the exhibit committee. What happens is you're building your business around the special interests of your spouse and you have the best of both worlds. It's an absolutely fantastic way and I'll tell you what's interesting if you're using the Metropolitan Museum in New York City, because it's a world class organization I think for \$300 a year you're even allowed to use the trustee's dining room which is on the second floor, it overlooks Central Park and it's spectacular. So, if you met someone there just for lunch or for coffee, they think you're a gazillion dollar contributor and I think you pay 3 or 5 hundred dollars a year. If you look into the cultural activities in your city, you'll be surprised how inexpensive it can be to look like a real big deal and if you pick the interests of your spouse so much the better. You'll be killing two birds with one stone.

Joint Business Organizations. This is a bug-a-boo of mine. I was never a good social prospector when I came in the business. It was all called canvassing and that's something I never wanted to do again once I started building my organization. But I still did not have the kind of personality where I can go to a party and come out with 5 or 6 or 7 names of people to see. So I had to find another way to prospect. I could talk to someone that owned a business and say, "By the way, you know I'm very active in my industry association. Is there an association for your industry?" And the answer is always yes. The questions go like this: Are you active? Is it worthwhile? Do they

allow allied members? Do you know who the executive director is? Maybe I can call you in a week or so, just to get the name of your organization and someone to speak to there because I might be able to help their organization. People feel non-threatened you're not trying to sell them anything. You're being referred to their organization you may become a member. If the organization allows allied members for a couple of hundred bucks, they send you the roster of several hundred businesses in your marketing area. Now what you do is specifically called gathering. Go back to your friend you know, the person that gave you the information and say "look, I have some ideas that I think can help business owners in your industry. Can we go through this book and maybe you can tell me some of the people you know who are nice people that I can just call and say I might be able to help you? All of a sudden you can pick up 30-40-50 referrals in the same industry. I think everyone should have four industries, the members of 4 organizations. The reason is every year some businesses have problems some businesses are always thriving. If you're in four businesses, four industries, you should always have at least one industry thriving so that your business is should always be recession and inflation proof. The other side of that coin is I also like brick and mortar. I'm not interested in intellectual people for the moment or a computer user who says as long as I'm near a phone I can make a living. I want people who have brick and mortar, buildings, factories, they have wealth but maybe not too much cash that's distributing, manufacturing, suppliers, all that kind of businesses and it's an unbelievable market out there for that.

Networking Groups. We try to get everyone of our new associates either in a BNI which is Business Networking International or La Tip. These are groups that put together 10-15 people from different industries and they only meet twice a month to give referrals to each other. And what's great about it is not so much the referrals you get but it forces you to bring referrals for other people in the room and it gets you in the habit of giving before you get. We have found that our guys are all after the first year, doing 30, 40, 50 thousand dollars of commission from

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their networking groups. It's an absolutely fantastic low cost way; most of the dues are about \$250 a year to be in a network group. Most recently we started partnering up with commercial real estate brokers, people that primarily move businesses and what they want to do is have a whole team so when they move a business they say use our company. Why? We'll give you a property casualty guy

to talk to, a life insurance guy to talk to; we'll give you a phone guy, a copier guy. And all of a sudden what do you have: another networking group with people that you can sell and who can give you referrals to small business owners and make your life much easier.

I hope you found some of these ideas worthwhile in building and sustaining your practice.