

# **INCOME PROTECTION**

The Conversation

John F. Nichols, MSM, CLU

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# Acknowledgments

To Norbert F. Winter, Jr.

*Do you want to be the person strolling down the 18th fairway with  
your putter or the one carrying the bag!*

# Dedication

To my colleagues at Disability Resource Group, Inc. who work daily in educating financial advisors and their clients on the importance of income, business, and asset protection. The world is calling us.

Disability Resource Group (DRG) takes pride in protecting an individual's greatest asset—the ability to earn a living. DRG's proactive consultative approach to customer service includes working closely with financial services representatives to ensure that the best carriers and products are presented for the benefit of the consumer. In this way, they protect both the assets of the insured and those who are responsible for their coverage.

A special thanks to Melinda Davis for her patience, understanding and continuous nudging as we brought this project to fruition. Melinda is a positive difference maker in my life.

Finally, I learned long ago that serving another is the ultimate gift. Thank you, Alison McClaren, for the gift of your service. I am deeply touched and grateful for you.

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## Author's Story

**W**ish you could have been there. It was just before 7:00 a.m. on Sunday October 11, 2009. It was a chilly 34 degrees Fahrenheit as the sun started to rise. 45,000 people signed up for the Chicago Marathon, but only 35,000 actually showed up. Over the loudspeaker, we heard “30 seconds!” It was then that we started pulling off our runner warm ups and tossing them to the side of the road. Three... two... one... bang! The starter's gun sounded and we started moving forward on our journey.



The first two miles were a blur as I was wrapped up in the excitement. My adrenaline was pumping. The huge crowds were cheering. Over the loud speakers, Bono from the band U2 was singing “It’s a beautiful day, don’t let it get away.”

As I turned my focus to the other runners around me, I saw Becki, who was the pace leader for the 5 hour 30 minutes group. I met her the night before at the runners’ pasta party. It was there that I told everyone that due to my knee injury I would not be running, but I would be there to support them. So when Becki saw me, she was quite surprised and said, “I

thought you were not running?” I said, “Well, I changed my mind.” My CAUSE was too important; my DESIRE was burning, the OPPORTUNITY was present, right here, right now; my COMMITMENT was hanging heavy over my head and heart. I had PERSISTED through the grueling 18 weeks of training before my knee injury. I wanted my personal VICTORY. You see, I was running for Danielle. Raising \$26,000 for our common cause. \$1,000 for every mile I complete.

“Becki, can I join your group?” “Absolutely, John. Let’s kick butt!” For the next 12 miles I ran with Becki’s group, first heading north for five miles towards Wrigley Field, then turning back south towards downtown, then out west as we made our way towards the United Center.

As we were approaching mile 14, my right knee buckled, then gave out. I stumbled to the ground. Slowly, I got up. Looking around, I could see Becki and the pace group pulling away. Then, looking towards the side of the road, there were the excuses—school buses with large signs painted in pink neon—DROP OUT RUNNERS.



In my mind, I said, “No, no, not me, I’ve come too far.”

For the next five miles, I shuffled a half mile, then speed walked the other half, shuffled a half, speed walked half.

At mile 19, my right knee and leg said “no more, please no more. I can’t take the pain anymore.”



Those “drop out” school buses showed up again. Almost as if they were begging me to give up. You know the excuses. You can’t finish, your leg hurts. You could always say you will try again next year. Everyone will understand.

I screamed, “I have to finish. I made a commitment. I have to make it official.”

In order to do so, I had to finish within 6 hours, 30 minutes. I had 7 miles, 385 yards to go. I quickly calculated that my pace would have to average 15 minutes a mile.



So I pushed on—speed walking as fast as I could, dragging the right leg along—mile 20, 21, 22... The winner of the 2009 Chicago Marathon finished in 2 hours, 5 minutes and 41 seconds. The average marathoner finished in 4 hours, 10 minutes.

Me. Out of the 35,000 runners I was the 32,306th runner to cross the finish line with a time of 6 hours, 9 minutes and 59 seconds. Officially finishing, fulfilling my commitment and celebrating my victory! And I have the medal to prove it!!



**You have to agree, that's not bad, for a recovering C-5, C-6 incomplete quadriplegic.**

## Career Beginnings

Let's go back in time to the year 1992. I was a struggling insurance advisor, my eighth year in the business, my second company located in a new city, Chicago, Illinois.

It was during this time that an insurance professional from Minnesota was referred to me to discuss an opportunity she had with one of her association clients. We formed a partnership in which I would secure an HIV/disability product for her client, which was the U.S. accrediting body for all the medical schools, and she would manage the relationship. We went to market in 1993, and by July we had signed up 38 of the 60 medical schools in the United States. We became one of the country's or world's largest providers of HIV/disability programs for medical students.

And so, no doubt as a young man, aged 32, I was on top of the world. I made more money than I ever could have imagined. Life was absolutely beautiful and I started living like a king. I purchased a sweet bachelor pad, a hot looking and fast Porsche 911, and the clothes to match. I was living the life—from the outside in.

It was the last weekend of July 1993, and my buddies and I were off to our annual party weekend at Dave's lake cabin in northern Wisconsin. After playing a round of golf on Friday morning, we headed back to the cabin to hang out on the lake. My buddy, Dan, headed into the cabin to grab the cooler of beer and soft drinks. Rich and Shelia launched the speed boat and prepared it for the waterskiing runs. I made my way down to the dock. As I was walking across, I picked up a life preserver and a pair of skis. I slipped on the jacket and zipped it up. Sitting on the edge of the dock, my legs dangled into the cool and calm water. I grabbed a ski and pulled it onto my left foot; then I pulled on the ski for my right foot. The calm waters allowed for a dock start. Rich maneuvered the boat out in front of me, slowly inching forward towards the open waters. Shelia threw me the ski rope and the handle splashed down in front of me. They waited for my signal. I grabbed the rope handle that lay in the water and as my

arm came up, I gave Rich the thumbs up signal and yelled “Hit it!” Rich slammed on the accelerator and the boat screamed ahead. As the boat started out, I looked down and noticed some slack in the line. But it was too late. I couldn’t drop the handle fast enough.

The ski rope tangled and the force of the slack tightening popped me into the air, causing me to take an acrobatic dive into the water. My body came crashing down, head first, slicing through the four feet of water, hitting the bottom of the lake. Bam! Stunned but conscious of my surroundings, time suddenly slowed to a crawl. As I floated to the surface, I knew I was in trouble. My thoughts were to get my head above water and call out for help. Instead, my chin rested against my chest while my arms floated about involuntarily. I was looking around for help but could do nothing. It was surreal. I recall seeing bubbles and gasping for air but it was so quiet and peaceful.

My mind began racing. Beautiful images started blinking through my mind. Click click, click click, images of my past life, my childhood, parents, my brothers and sisters, my friends and me playing baseball... click click, click click. My final breaths were coming fast. It felt like I was floating away. So peaceful, so loving. My world was dark and still; yet it felt like my spirit was moving through this corridor....way at the end was a light with shadows of people ...I couldn’t make them out...it seemed as if I was moving towards them and they were reaching out to me.

I never made it ...

**Dying is so peaceful and loving, be not afraid.**

**Becoming disabled is a living nightmare, be afraid.**

## Rescue or Divine Intervention?

Every story has a hero. Dan Gardner was mine—he gave me a second chance—the opportunity to live again. Dan and I had been friends for about five years. At the time of the “funny fall,” he was walking with the cooler down the hill towards the beach. He could hear the music from the Depeche Mode CD playing over the outdoor speakers. He saw me splash into the lake and kind of chuckled to himself. He laughed even more when he saw this body flopping around in the lake. However, by the time he got down to the beachfront, Dan’s mindset got real serious, real fast. It was taking too long for me to reach above the surface. He saw this body floating away.

Dan stripped down to his shorts and swam 50 yards to my body. He gave me a push and I bobbed like a buoy. I was already unconscious. With his left hand Dan clutched my life preserver and turned my head towards him. He saw blood gushing down my face from a head wound. Then looking into my eyes, he only saw the whites of my eyes as they had rolled back into my head. Life was coming to an end.

Dan held onto me and started swimming back to shore. He reached the dock to catch his breath and yelled at me. “John, wake up, wake up.” No response. Dan started swimming again and dragged me along. At the shoreline, he laid my limp body down.

Just a month earlier, as fate would have it, Dan had learned how to perform CPR. Dan started squeezing and pushing on my chest and stomach. Water started to come up through my mouth and nose. As I regained consciousness, Dan was yelling at me, “John, John, what can you feel? What can you feel?” Still in a state of shock, I mumbled something about a pain in my upper right shoulder. Neither of us realized the extent of my injuries. Rich parked the boat at the dock and Shelia ran up to the cabin to call for an ambulance. Twenty minutes later, which seemed like an eternity to everyone, the paramedics arrived.

When the ambulance arrived, the paramedics jumped out and grabbed their equipment and the stretcher. After assessing the situation,

they put a head and neck brace on me and gave me a shot of steroids. They called over a few of the guys and asked for their help to pull a body board through the sand so as to not move my body. Once the board was in place, they secured my body, neck, and head with straps from one side of the body board to the other. Then on a count of three, they lifted me up and onto a stretcher and pushed me into the ambulance. The ambulance raced off to the nearest hospital with a few of my friends following behind in their cars. Dan stayed behind at the cabin. Without anyone around to see him, Dan went behind the beach shed and wept uncontrollably. The music played on. It was the Depeche Mode song that played on and still haunts Dan to this day.

*“You had something to hide  
Should have hidden it, shouldn’t you  
Now you’re not satisfied  
With what you’re being put through  
It’s just time to pay the price  
For not listening to advice  
And deciding in your youth  
On the policy of truth.”*

—*Policy of Truth*, by Depeche Mode

They transported me to a small hospital in town which was only able to stabilize me due to staff limitations. Morphine became my best friend. After about three hours, they loaded me into another ambulance and drove me to a larger hospital near Wausau, Wisconsin. Wausau Medical Center had a neurosurgeon on staff, Dr. Moran. He performed the operation to affix my new headgear—a halo—to hold my neck in place and prevent any further damage to the spinal cord.

The next morning when I woke up, an older gentleman was sitting at my bedside. He looked at me and said, “Son, my name is Dr. Moran. I am the neurosurgeon on staff at this hospital. I have good news and bad news. The good news is that you will live; you are in critical but stable condition. The bad news is that your injury will create a different and difficult life ahead for you. You have suffered a broken neck. We have diag-

nosed you as an incomplete C5-C6 quadriplegic. Your vertebrae were fractured and broken. There is also a dislodging of the discs between the vertebrae. These two conditions caused tearing, punctures and a large contusion to the spinal cord. John, my thoughts and prayers are with you.”

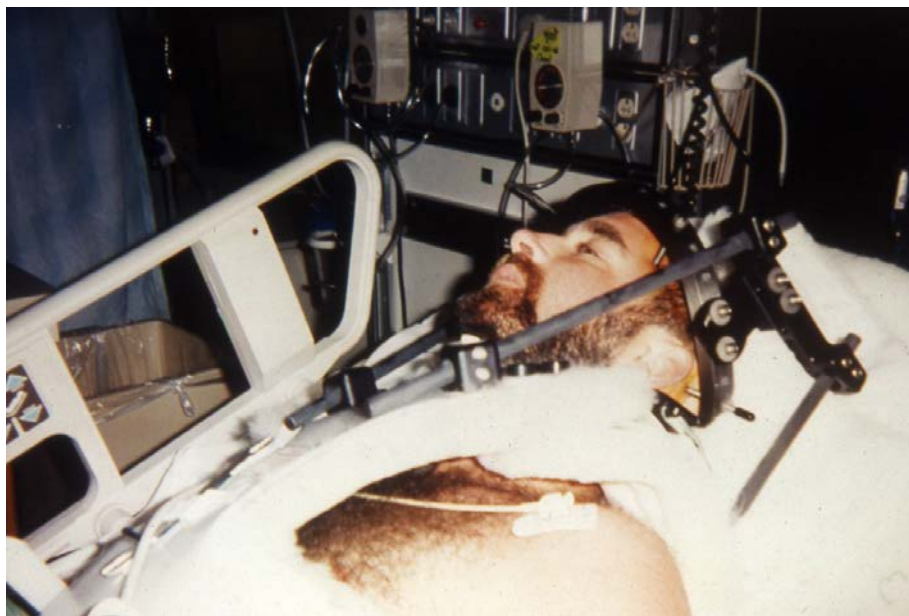
Dr. Moran retired the next day and I never saw him again. As you may know, the spinal cord carries the nerves (messages) to the body’s muscles as well as to our internal organs, such as your bowel, bladder, and lungs. With my injury, I had no controlled movements from my neck all the way down to my toes, and no control of my bowel and bladder movements. You see, I did not die, I became disabled. In an instant, I became a quadriplegic.

## My New Reality

Later that day, they transported me by ambulance to the Central Wisconsin Airport and loaded me onto an air ambulance, flying me to Milwaukee, Wisconsin. Froedtert Memorial Hospital became my new home, where I laid in bed affixed in my halo headgear to hold my broken neck in place. Within three days, three hospitals, and almost 100 people had touched my body. It was Sunday morning and I was wide awake lying in my bed, all alone. The halo was bulky and made it difficult to get comfortable, forcing me to exist by lying on my back with no side-to-side movement. Living my life at warped speed three days earlier had come to a dead halt in a matter of seconds—except for my mind. There I was lying in bed staring up at the ceiling, age 32, living the life. Yeah, right. Now what? My mind was racing. My body was not. What happens in your mind when you have a catastrophic event? Your brain puts up walls of resistance; you freeze out everything and everyone in order to avoid facing reality. You think, is this a dream?



As a Type A personality, an independent, self-employed, hard-working, full-of-energy athletic person,—not having control was extraordinarily difficult to deal with mentally. In my mind, the independent mental tapes were playing. “There is no way I want someone else to assist me with my personal and private life, let alone control my future destiny or even tell me what I could or couldn’t do. I made it this far in life overcoming all the naysayers, why would I listen to them now?”



It was a Monday morning and my mind was ready for work. My parents arrived and they helped me reschedule my appointments two weeks out. It was also Monday morning rounds for the medical staff and there, standing at my doorway, was the hospital's resident psychiatrist. She looked at us, working away, briefcase out, making our calls and rescheduling appointments. I asked her, “May I help you?” She replied, “I’m here to do my evaluation.” I responded back, “Do you have an appointment?” With a puzzled look, she said, “No, but I’m here...” and I quickly replied, “No appointment, no visit.” Well, that was the last I saw of her.

Behind the scenes, my doctors and parents were working on the best course of action. Surgery was needed to repair and remove the broken vertebrae and disc. However, the damaged disc was creating a dilemma.



Remove it or tie it down. To remove the disc, the surgeon would need to perform surgery from the front and back of the neck. If he tied the disc down using a piece of hip bone, surgery would only be required from the back of the neck. However, the disc would partially impede the airway and possibly obstruct swallowing. Dr. Namme, the primary neurosurgeon, recommended removing the disc. My parents wanted a second opinion. So did I. Fortunately, Dr. Namme checked his ego at the door as he wanted all parties involved to agree upon the plan of action before moving forward. After the second opinion came in, there was discussion and then the decision was made to go with plan B. They would tie the disc down with some hip bone, thereby requiring only one cut—surgery through the back of the neck.

Before they could move forward with the surgery, the swelling around the injured area would have to diminish. It was during this time that we learned about an experimental drug for spinal cord injuries that was being tested at the hospital where I was being treated. This drug repairs the nerves and stimulates recovery of the nerves that fire the muscles in our bodies. We completed the forms to see if I would qualify for the study. Based on the extent of the injury and my prognosis, I was a candidate and qualified for the study. I would be administered the drug and/or a placebo every day for the next 30 days. At some point in the future they would “un-blind” the test and the results would be revealed.

As you can imagine, life lines—life preservers—hope of any kind take front and center stage for the patient and his loved ones. My accident did not just affect me. My parents, spouse, nieces and nephews, friends and peers were all touched by this event. It was like a game of dominoes where one move impacts the rest.

My sole focus however, was on getting back to work. I had an appointment with the Illinois medical schools in two weeks. This was a big time opportunity to sell my HIV/disability program to 5,000 medical students. There was no way I was going to miss this meeting. Dr. Namme and the medical staff had other ideas. They were trying to break me down mentally in preparation for my life in a wheelchair. My mental brick walls

rejected their tactics and medical care. So Dr. Namme tried another strategy. One by one, he sent in my parents, my peers, a priest, and even my friends as they all tried to encourage, persuade, and motivate me to begin to accept this new way of life. I was having nothing to do with it. My walls were solid brick and no one was getting in. I just could not and would not accept the fact that I wasn't going to walk again, let alone accept assistance to perform these activities of daily living. I was hanging onto my last threads of dignity. My focus was on my work and the upcoming appointment. It was a million dollar premium! Who wouldn't be thinking about making that sale?

Well, Dr. Namme was getting a bit frustrated with my attitude and unwillingness to focus on my medical care. He stopped by the hospital room and we had a heart to heart chat. He said, "John, what's it going to take to have you start accepting our medical advice and care?" "Well, Dr. Namme, I have this upcoming appointment that I can't miss. It's too important. I'm in the running for this huge sale. This is a career making deal! I have to be at this meeting." "I see," said the doctor. "How about you and I make a deal? I'll let you go on the appointment if you can show me some improvement." I said, "Okay." Dr. Namme looked into my eyes and sternly said, "However, John, if there is no improvement, you must start accepting our medical care and begin to learn the activities of daily living." "Dr. Namme, I'm all in. What do you want me to do?"

Dr. Namme called in my rehabilitation team, Jim and Mary. They transferred me into a wheelchair and rolled me down to the rehabilitation room. My parents, the nurses and other patients were there. This was my big day and I was going to show them all. Jim and Mary rolled me over to the parallel bars. They each grabbed a side of me and pulled me up to the bars. They placed my hands onto the bars and inched away from me. There I was standing at the bars with everybody watching in anticipation of my movements. It felt like a lifetime but it was probably less than a minute or so. My arms started to shake, then my legs. My body started to falter and and tears began streaming down my face. My brain was screaming for the legs to move—but nothing happened. I slumped back down into

the wheelchair. My mind, heart and body were broken and facing an uncertain future.



Once the swelling went down, I was scheduled for surgery to repair and remove the broken vertebrae as well as tie down the disc. There is no surgery to fix the damage to the spinal cord. After the procedure, back in my hospital room, Dr. Namme provided a summary. “John, the procedure went well. However, your injury is serious. The spinal cord is damaged. There is a tear and a couple of punctures from the bone fragments. I can make no predictions, I can only hope the best for you. You are now in the hands of the rehabilitation team. Lastly, I have the claim forms for your

private disability insurance plans as well as the form to apply for Social Security disability benefits.”

The rehabilitation team trains you first on the Activities of Daily Living (ADLs) and then they evaluate your level of ability and determine the next course of action. Additionally, there would be a series of meetings with the social workers who help the patients and families with state services and home modifications. My mom was particularly interested in these meetings as she was thinking my new home was back in Minnesota living with her and my Dad. My worst nightmare was coming true—being dependent and living with my parents. I would be humbled each and every day for the rest of my life. Disabilities are 24 hours, 7 days a week. No days off and no holidays.

Jim and Mary met with me to discuss the rehabilitation plan. Jim would work with me on bigger movements while Mary would focus on the internal issues and smaller functions. The first physical step in recovery was to learn the ADLs. The basic ADLs consist of these self-care tasks:

- Personal hygiene
- Dressing and undressing
- Eating
- Transferring from bed to chair, and back (as opposed to being bedridden)
- Voluntarily/involuntary controlling of urinary and fecal discharge

Exciting activities—hardly!

Years later, my father mentioned that he witnessed two miracles. The first one, was that I should have died from the drowning episode. And the second was the moment when my left toes started wiggling. The unfolding of the second miracle started happening about a week or so after the surgery. An opportunity presented itself and I wasn't going to miss it. My mind shifted from one of self-pity to one of hope. From uncertainty of

my future to one of how much can I get back and let's get to work on it right now!

My mind was still moving faster than my body. Jim would show up for our 8:00 a.m. rehabilitation session and find me snoring away. I was so fatigued physically and mentally.

For every week in bed with no movement, the body loses approximately 20% of muscle as well as muscle memory. After four weeks, I had lost between 60-70% of my muscle and muscle memory.

Jim rolled me down to the rehabilitation room right up to those parallel bars and said, "Let's get to work!" Jim lifted me up to the bars and held me as steady as he could. I kept telling myself, "I can do it, I can do it." It wasn't long, just like the last time. My body started to shake; my arms were beginning to fatigue and then a flinch of movement from the left leg—not much—just a few inches. It caught both of us off guard and we chuckled—a sigh of relief and joy. Jim helped me back into the wheelchair. We looked at each other and said "baby steps!"



Every day became about daily victories no matter how small. It took about a week before I could inch my way the length of the parallel bars. The right side of my body was always a week or two behind the progress of my left side. Once I accomplished one length of the parallel bars, we moved on to a full lap. By no means was it pretty and Jim was always close by to catch me. From the parallel bars to the grandma walker to double canes—I was relearning how to walk again - unassisted.

There are so many functions that we take for granted and I was going to relearn or adapt. As Jim and I worked on my bigger body movements, Mary, my occupational therapist, worked with me on the smaller, more delicate functions. These included dressing, buttoning buttons, shaving and even combing my hair (well in my case, shaving my beautiful bald head).

My release date from Froedert Memorial Hospital was coming up, and there were a few big issues to resolve. First, did I have the ability to take care of myself—was I independent or dependent? Secondly, where was I going? Back to my sweet bachelor pad in Chicago or back to Minnesota to live with my parents?

Take a guess. You have got to be kidding, there is no way I'm going back to live with my parents. Hey, I love them, however, that's not my home. We were raised to be independent. Needless to say, my parents didn't put up much of a fight. In retrospect, I'm not so sure they wanted any of their kids moving back home, let alone one that would require daily care.

The final test to prove my independent ability was to prepare a meal. Of course I took an easy one although it is one of my favorites—peanut butter (chunky) and jelly sandwiches with a side of fruit topped off with chocolate milk. It was harder than I thought and it certainly took longer now. The right hand deficits were going to be a challenge and I'd have to learn to adapt...or go at it left handed.











Release day arrived and I headed back to Chicago with my mom. Little did I realize how much help I needed to live my life. Everything took longer to accomplish. So, my mother let me focus on three things every day—rehabilitation, eating and sleeping. My body had been through a catastrophic event, major surgery and partial rehabilitation. The amount of rest I was getting at the hospital wasn't enough. My mind and body were just exhausted all the time. The first night home I was in bed sleeping by 8:00 p.m. and my Mom woke me up the next day at noon. My sleeps were long and deep. Sixteen to eighteen hours were pretty common for the first few months. On many occasions, I was reliving the drowning episode. Waking up, I would find myself clutching the ground to stop the bed from spinning. Many times the sheets were soaked from my body perspiration. The nightmare had followed me home. Miles to go . . .

The Rehabilitation Institute of Chicago (RIC) has been recognized as the “#1 Rehabilitation Hospital in America,” and I had been transferred there for my outpatient treatment. My mom and I made our way downtown and checked in with admissions. I turned in my medical card and admission paperwork. The woman behind the desk said to take a seat and she'd call me. My name was called and my mom and I went in for our appointment. The staff counselor had my file and reviewed my options for treatment. “Your medical carrier has approved outpatient treatment for you. The sessions are once a week for 50 minutes. You have a 50% co-pay with a maximum benefit of \$10,000.”

As a recovering C-5, C-6 incomplete quadriplegic—one visit a week for 50 minutes wasn't going to get it done. It wasn't going to matter if I was at the #1 rehabilitation center or not.

We decided to accept the RIC treatments while we researched other alternatives. So on Monday of the following week, my Mom and I went to RIC for my first session. The therapist was a little surprised to not see me in a wheelchair. Later, I found out she was really wondering why I was there. They are used to working with spinal cord injury patients that are wheelchair bound. When I arrived for my second session the following week, they assigned me to another occupational therapist. Upon arriving for my third session, I learned there would be a new therapist. She introduced herself. “Hi John, my name is Kathy Rom, R.O.M. for Range of Mo-

tion.” Right there, I knew she was the right one. She would understand my desire to get as much back as I could and she would work me hard. And she did.

Our research into other rehabilitation alternatives resulted in two possibilities. Hiring our own team and asking for additional sessions at RIC which we would pay for outside of my medical plan. Then it came to me. The disability policies that I owned had a rehabilitation provision within their contract language. Both my group LTD and individual disability plans were paying me total disability benefits. I had to believe they would be interested in helping me recover and get back to work and off claim. I called both of the claims examiners and they wanted to set up an appointment to discuss and evaluate.

The group insurance carrier’s claims examiner visited the next week. I met him at my office and we spent a couple of hours discussing my medical issues, rehabilitation, daily schedule, job duties and physician care. Two weeks later, I received a “Dear John” letter from the insurance carrier.

The group carrier showed no interest in providing rehabilitation benefits. They believed that in a short period of time, I would be able to go back to work and perform the substantial and material duties of my job. While their “Dear John” letter offered compassion for my accident, essentially, it was a letter terminating my benefits. After reviewing my file, their staff doctor believed I could perform the substantial and material duties of my job and that I was choosing to spend my time at rehabilitation. Even with a team of attorneys representing me—fighting them was a losing proposition. Group longterm disability plans are catastrophic coverage—period. Anything else is gravy. Don’t get me wrong, Group LTD has its place. However, make sure you and your clients understand the contract language and who is in control at the time of claim.

The individual carrier claims examiner came out to evaluate me as well. We discussed my progress, daily routine, physician appointments and rehabilitation plans. A week later, I received a letter from the insurance carrier approving the rehabilitation plan. The plan included hiring of

a physical therapist to come to my home five days a week for two hours. In addition, the plan provided for a stationary bike, StairMaster and assorted weights and tools to work on my body movements. For over a year, my therapist and I worked hard on strengthening my body and building endurance. Step by step. Celebrating my daily victories!

I was fortunate to have supplemented my group LTD coverage with individual disability plans. Over the course of six years, I received benefits from the following provisions within my individual disability contracts; presumptive benefits, total disability benefits, partial disability benefits, recovery benefits and rehabilitation benefits. All of the benefits were important; but the rehabilitation benefits gave me the best chance to receive medical care directly affecting my recovery that would impact my life for years to come. In short, the disability benefits provided freedom of choice and control over my medical care and recovery.

The physical rehabilitation may have been the easy part.

Early on, the mental challenges crushed me. I no longer was John Nichols, a vibrant, full-of-energy, athletic, confident, super salesperson. Now, I was John Nichols, unable to play sports, sleeping 14, 16 to 18 hours a day, unable to work full time, struggling just to survive the day. Who would hire me? What was my future? Who would date me? Would I ever have a family? These were just a few questions and insecurities I had about me and my future.

Yes, seeing a psychiatrist helped, although I didn't enjoy it. She guided me through the process of understanding myself and my struggle. There was a mental tug of war going on within me. I wanted to be the John Nichols prior to the accident, not this broken down John Nichols post-accident.

Having to relive my drowning episode and face a new reality was extremely difficult. People have a hard time understanding my situation. They cannot SEE my disability. There is no wheelchair. Yet, my body can become fatigued every day. The right side of my body is not normal. I am not normal. But who is....

If I was to ever move forward in a positive, productive and purposeful manner, I would have to come to accept who I am, not who I was. From there I would be able to journey forward and grow in my personal, professional and public life.

As a 32-year-old successful professional—at least in my own mind—I was born and raised to be a salesperson, and perhaps my attitude was a bit arrogant, and perhaps I had an inflated ego. People I spoke with while on my road to recovery said, “You know, you were definitely Type-A, you were always on edge, and you had an incredible appetite and energy for life; yet I think before the accident you were missing out on the most important parts of life. You were so focused on success that you were missing out on all the relationships that added value and richness to your life. It seemed you were living life from the outside—in!

Like the insurance business, there are many challenges we face that test our attitude, faith, desire and commitment to succeed. With a combination of medical care, my mental attitude, hard work, my physical and occupational therapists—and the miracle of God—I’ve progressed to a level that fewer than one percent of the people in my condition usually reach. After six years of formal and informal rehabilitation, I had regained about 70% of my physical ability, which included walking. I still have paralysis and nerve issues in my right hand, my hips to the knees and my right foot. With that said, after 17 years, I am humbled and grateful for the second chance to live, the second chance to make a difference while living the life that is truly life—inside out!

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## **Saving My Life: Dan Gardner's Perspective**

*Looking back and thinking about everything again, I don't know if it was Divine intervention, but maybe a little Divine guidance. I never had life-guard training or knew what to look for regarding a broken neck let alone a drowning episode. I did know that if I didn't do something you were going to die and there was no one else there to help me. Something took over in a series of steps that if you had asked me five minutes before what I would do if faced with that situation, I couldn't have answered. I often think about it even after pulling your head above water and getting you to breathe, how fortunate we were that I carefully put your face down just far enough out of the water so that your head was on land. I remember actually sliding my hands out through the sand, so that I didn't jostle your body. Still coming to grips with the idea that you couldn't feel your legs and not wanting to tell you that I was squeezing your leg and you couldn't feel it, I remember focusing on stopping your head from bleeding.*

*From the time that Rich and Sheila came back and others came out of the cabin to the ambulance coming is kind of a blur. Other than there was one male and one female—and they were awesome in that they had us help them slide the back board underneath you and stabilized your neck. Then on a count of 1-2-3 lift up the board and carry you up to the ambulance.*

*Aside from getting a tearful hug from your mom and a firm handshake and thank you from your Dad, the second-best moment was the doctor in Minocqua coming out to the waiting room and asking who pulled you out of the water.—When everyone pointed to me, he said, “I want you to know that you did everything exactly right.”—Divine guidance designed to impact both of our lives.*

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And so maybe my near-death experience woke me up to what the real reality of life is; how precious our time is on earth. Circumstances can change in an instant—lives change in an instant. My experience certainly makes me realize how precious of a product we offer and how necessary it

is to protect one's dreams, goals, and financial future. Maybe it was preparing me for something that was yet to come...

May you live the life that is truly life from the inside out!

# **Positioning Concepts**



# Concept One: What's in a name?

## Disability Insurance or Income Protection?

**The purpose of this strategy is to show you how to turn the word “disability,” which portrays a negative picture, into a positive mental picture, resulting in more favorable outcomes.**

What's in a name? Everything! When it comes to the word “disability,” people often think, “It'll never happen to me.” I am living proof that it can happen in an instant—and it can happen in the prime of life and when you least expect it. As all of us involved in the disability income (DI) insurance industry know, there is a real disconnect between educating the consumer about our product—and actually selling it. Just the name alone—disability insurance—creates a mental block in the minds of so many people. Sure, they think disability insurance is a great concept, but why purchase something you're never going to use? Isn't that a waste of money? After all, life-altering accidents only happen to other people, right?

Well, no. Every day, people become sick or hurt and are unable to go to work to earn a paycheck. The key to getting your clients on board is to emphasize that disability insurance is not ultimately about a disability; it is about *protection*. Protecting one's future income, the lifestyle we enjoy, and ultimately protecting our dreams and goals in the event of a disabling accident or sickness.

Income protection plans, asset protection plans, retirement protection plans, and business protection plans—this is what disability insurance is all about. It's about the benefits a client can rely on when an accident or illness creates an absence from their work and their paycheck.

The most successful approach in having the conversation is to focus the dialogue on what is really at issue: the financial security of your clients. In fact, when it comes to putting together a comprehensive financial plan, income protection must be the first key component. Without an income, why do you need a financial plan?

Financial security is a significant risk and a high priority for many people. Without income protection, the impact of a disabling accident or sickness can be absolutely devastating to one's financial security. The vast majority of Americans do not have enough savings to pay their expenses during even a short-term emergency. Many could not tap into their retirement funds because they are very limited. Even for those who have retirement savings, is there enough? Do they want to jeopardize their golden years?

By using language that creates positive mental images, you will create better connections with your client, leading to a more positive relationship and more sales. Using the word "disability" conjures up a catastrophic picture, while using the term "income protection" creates a positive or neutral picture in the mind of the client. As an industry, let's change the way we speak about our product. By doing so, we can make it so much easier to have a conversation with people about how they can protect their income, preserve their lifestyle and safeguard their dreams and goals from the unexpected. We can show that this kind of coverage helps people pay their bills, pay for their rehabilitation, keep their businesses running, safeguard their assets, and preserve their lifestyle, dreams and goals. It's not about *disability* at all; instead, it's about giving people the *ability* to have choices and to be in control of their financial lives. Think and speak about Income Protection!

# Concept Two: Process vs. Product

**The purpose of this strategy is to teach the difference between selling products and selling with a process.**

By selling with a process, you add value, and in doing so, you differentiate yourself from others and deepen the advisor-client relationship. The value you provide positions you as a trusted, knowledgeable consultant in the minds of your clients, not a salesperson. People buy process, not products. Process is professional, impressive, admired, and respected. Process keeps you on track and it keeps your client on track. Ultimately, process builds trust, and people more readily work with advisors they trust.

What do I mean by process? Let me explain. A process is a series of steps that serve as a guide in working with your client more effectively. Each step may have sub-steps to be completed before moving on to the next step in the process. Your process can be named to add a little cachet and even trademarked for protection. There are outcomes for you and the client, which, in the end, lead to a more positive, productive, and purposeful relationship.

Some of the outcomes by using a process are:

1. You will build relationships with clients with whom you want to work.
2. You will earn long-lasting trust.
3. You will clearly distinguish yourself from the product salesperson.
4. You will gain a great deal of confidence from your clients by working within a process that is bigger than yourself.
5. You will not be prejudging the client or situation; rather you'll be going through the process and letting the opportunities rise to the surface.

6. You will have a positive working partnership with the client rather than a pulling, pushing and tension filled environment that often occurs with product salespeople.

Psychological outcomes for your client:

1. The client will sense a feeling of professionalism as opposed to a sales agenda.
2. Deepening of trust at a faster pace.
3. Clearly established methodology, outcomes and a sense of purpose.
4. An environment of value, not “product.”
5. A sense of completion and fulfillment.

At our firm we use the following process. Perhaps adopting something similar can be beneficial to you as well. Here are the steps we use:

**Step One: The “Right Fit” Appointment**

**Step Two: The Discovery Meetings**

**Step Three: Strategy Session**

**Step Four: Implementation/Action Meeting**

**Step Five: Review & Update Meeting**

## **Step One: The “Right Fit” Appointment**

A “Right Fit” appointment is a 20-minute phone or face-to-face meeting in order to determine if there is a “Right Fit” to work together between you (the advisor) and the prospect.

The objective of the appointment is to obtain enough information about each other to determine if working together is a “right fit” and will result in a relationship that is positive, productive, and purposeful with measur-

able outcomes. In coming to that conclusion, ask yourself, “Do we have the right common values and desire to form a working relationship to build their bigger future?”

## Four Components of the “Right Fit” Conversation

The conversation to determine if the client is the “Right Fit” has four components that you’ll want to include:

1. **A purposed-based statement.** *“The purpose of this appointment is to determine if there is a common basis of values for us to do business together.” By the end of this (‘Right Fit’) meeting, let’s decide whether there is a commitment from both of us to move forward and if so, then what are the next steps. How does that sound to you?”*
2. **Share your process.** Provide an overview of the process or methodology that your firm uses in working with clients. No deep diving into details, high level only. For example, you might say something like this: “At Advisor Adam & Associates, we take our clients through a five-step process to empower their lives—personally, professionally, and publicly that positively impacts them financially while enhancing their lifestyle and their most important relationships.”
3. **Ask the prospect to share their future vision (1 year).**  
Ask your prospect: *“If we were meeting here one year from today, and you were to look back over the past year, what has to have happened during that period, both personally and professionally, for you to feel happy about your progress?”*

(This principle, called the “R-Factor,” was coined by Dan Sullivan, author, founder, and president of The Strategic Coach Inc. A highly regarded coach for entrepreneurs, Sullivan is author of more than 30 publications, including *“The Great Crossover,” “The 21st Century Agent,” “Creative Destruction,”* and *“How the Best Get Better.”*)

By asking specific questions to determine if there is a common basis of values, you will learn if there is a desire to work together, and if the

prospect fits your client profile. Other questions you may want to ask are: *Share a little about yourself. Where were you born and raised? What is your greatest success story?*

- 4. Mutual Agreement.** Do both parties agree to take the next step together, or not? In our firm, if the client desires to move forward we will review action items, time frame, and schedule a meeting for the next step, which we refer to as the “Discovery Meeting.”

The importance of determining the commitment prior to the end of the “Right Fit” conversation may seem obvious. However, many advisors fail to ask and both parties are not on the same page. Here’s a failsafe, proven way to insure both parties are on the same page and if there are next steps, they are planned. Make sure you start the conversation by saying, *“The purpose of this conversation is to determine if there is a common basis of values for us to do business together. By the end of this (‘Right Fit’) meeting, let’s decide: is there a commitment from both of us to move forward, and if so, then what are the next steps. How does that sound to you?”*

The action items may include an engagement agreement, a retainer/fee and/or scheduling of next appointment.

Before we go any further, let’s take a moment to think about your ideal client profile. What are the characteristics and attributes that make up your ideal client? What type of person do you like to work with?

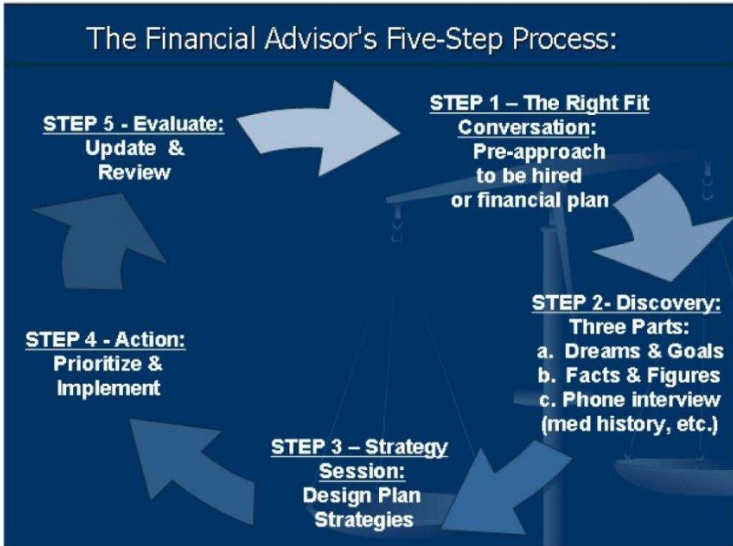
What type of client works best with and for you, your firm, and your model? Can you name your top three client characteristics?

- 1.
- 2.
- 3.

Think about what questions you need to ask the prospect to determine if they fit your ideal client profile. Can you list five questions?

- 1.
- 2.
- 3.
- 4.
- 5.

## Sample Pictorial of an Advisor Process



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# Concept Three: The Client Profile

## Part One: The Dreams and Goals Conversation

**The purpose of this concept is to show you how to build a comprehensive client profile by having a comprehensive Discovery Meeting with a “dreams and goals conversation” and a “facts and figures” interview covering the client’s personal, professional, and public lives.**

*Everybody* has a story, and it’s our job as financial advisors to learn and hear the stories of our prospects and clients. Thought leader John Maxwell once said, “The depth of communication equals the depth of relationship.” Rookies sell products. Professionals build lasting professional relationships by identifying needs and solving problems to better their client’s life. By asking questions, listening attentively, and demonstrating empathy, you will open the prospect’s mind and heart to share their story.

The client profile is created from the inception of the first contact with the prospect. However, the bulk of the client profile will be created during Step 2, The Discovery Meeting.

### Step 2: The Discovery Meeting

The Discovery Meeting is two separate and distinct conversations. The first part is a “dreams and goals” conversation; the second part is a “facts and figures” interview. Each will contribute to the overall client profile. The first part is the dreams and goals of the client for their personal, professional and public lives. This list will expand and contract as your relationship with the client grows deeper over time. Some goals and dreams will be removed or accomplished while others will be added to the list. You may find it of value to keep a running list that is dated, broken into personal, professional and public categories, as well as the person attributed to each dream/goal such as the client’s spouse, child(ren) and/or business

relationships. In future conversations, there will be times when you will want your client to look back and see their progress as well as what they have accomplished. For example, you may want to ask them to look back over the past three years and review their progress. This exercise has the power to reinforce the value of your relationship and the quality of work you provide beyond being a trusted financial advisor.

The second part of the profile is the client's facts and figures in which there are at least five components; occupational, financial, medical history, lifestyle and hobbies, and insurance coverage that is currently in place. We will discuss the "facts and figures" conversation in building the client profile in Part 2.

The key to the first part of the Discovery conversation is asking the questions to engage the client in a detailed conversation about their future dreams and goals—building their bigger future. There are not many people I have met who do not want a bigger future. However, those who do not want a bigger future will not become clients. The best of the best financial advisors empower their clients and prospects with the ability to protect and create financial independence. The conversation begins with the discussion about their dreams and goals for their personal, professional and public lives, and then how they can protect that bigger future. Some of my best results have come from going through the six-steps of the dreams and goals conversation, asking the following questions and engaging the client in a detailed conversation about their answers.

### **The conversation begins with the following four questions:**

1. The R-Factor question helps you begin to learn the dreams and goals of the client: The time period of three years is ideal: "If we were sitting here three years from now, looking back over those three years, what has to have happened for you (client name) to feel happy about your progress professionally and personally?" Another way to ask is: "In looking forward to your bigger future, what are your dreams and

goals for your personal and business life that will bring fulfillment and happiness?”

(Dan Sullivan’s R-Factor Question)

2. “What are the dangers, hurdles or obstacles that you need to overcome? What stands in the way of achieving your dreams and goals?”
3. “What are the opportunities that you need to capitalize on? What opportunities can you identify that can help you achieve your dreams and goals?”
4. “What are the skills, strengths, gifts, talents, and capabilities that you possess and how do they contribute to your success?”

The next two parts help you lead your prospects towards the next step in the process while at the same time continue helping them see the value in their dreams and goals—their bigger future.

5. **Thinking questions** (these tend to lead towards strategy):

The point is not to position a product, but to start the client thinking in terms of strategy to protect, preserve, accumulate, live out, and pass on their bigger future and life values. Ask “thinking questions,” such as, *“How would your life be different if you became sick and unable to focus your time, energy and talents on achieving your dreams and goals?”*

Other questions I have used at this point are: *“Mr. Client, would you like to protect your future dreams and goals?”* or *“Are you thinking about passing on your bigger future?”* In the end—which will come out in the strategy session—it all starts with Income Protection.

6. **Action Steps:** The last part of the dreams and goals conversation is to review the action steps for the client and yourself and set up a second appointment to implement the next action step. Remember, accountability creates action leading to a successful experience.
  - i. Share with the client that you will have this session summarized and sent to them for their review and future discussions.
  - ii. Review with the client the next step, the facts and figures telephone interview. Go over the facts and figures interview pro-

cess, the purpose of the call, the appointment setting, length of call, information to have on hand for the call and Advisor follow-up after the call. Leave behind the client piece that speaks to the Facts and Figures telephone process.

- iii. Thank the client for a great session. You may ask them as you are preparing to leave, what was the best part of today's session for them? Their answer will make you proud to be in the insurance business—helping people protect and create their financial independence.

## **Part Two: The Facts and Figures**

**The purpose of Part 2, the facts and figures of the client profile, is to illustrate the relationship power and positive outcomes by creating an in-depth client profile.**

Who likes delivering bad news after the client has made the purchasing decision? This is one of the reasons why we build a comprehensive client profile of dreams and goals and then the facts and figures, as it enables us to obtain a confidential pre-sale underwriting offer in preparation for the Strategy Session.

As we discussed earlier, the facts and figures interview is Part 2 of the Discovery meeting that happens after the dreams and goals conversation. As previously mentioned, there are at least five components: occupational, financial, medical history, lifestyle and hobbies, and insurance coverage currently in place. The occupational component asks questions surrounding the client's current occupation and specifically their day-to-day duties. If this position is new to them within the last five years, you will want to know about their previous position, industry, and duties.

The financial history questionnaire focuses on current income, assets and liabilities. You can keep this high-level or get as detailed as needed to the point of obtaining financial documents, such as tax returns and business statements. The goal is to have an accurate and complete picture of a cli-

ent's finances in order to obtain viable financial underwriting offers and to build better strategies to meet his/her dreams and goals.

The client's medical history component is vital and covers their entire life with a focus on the last 10 years. These are the same questions that insurance carriers ask at the time of application or physical exam. The difference is in the timing. Doing this as part of the discovery process puts you and the client in a better position than waiting until the application/implementation process. The questionnaire covers physician and hospital visits, medications, as well as current and past medical conditions.

The lifestyle and hobbies section covers client activities, such as scuba diving and piloting to consumption of alcohol and tobacco usage.

Finally, the profile includes a section about the client's current in-force insurance coverage, including personal, business, and family. You can adjust this client profile questionnaire to meet your requirements—adding, deleting, or editing all or some of the components. The point is to obtain a complete and comprehensive client profile and make it part of your client process at the time of the Discovery meeting.

**Some of the benefits of having a comprehensive client profile are:**

- It creates an in-depth profile for your use and for the client's use.
- It allows you to have a better strategy session and build better solutions with the client.
- The process positions you as a professional who is interested in them, rather than a salesperson who is simply trying to sell a product.
- It reduces time wasting activities while increasing productivity and revenue.
- It introduces a team approach to working with the client.

- It allows you, the advisor, to stay focused on the relationship as well as the dreams and goals of the client.
- If insurance is a solution, you have the ability to have the carriers bid for the client's business on a no name, confidential basis.
- The profile enriches the compliance file.
- The client profile process makes the client feel empowered, giving them more control with more choices.
- The client profile will help the advisor manage client expectations if insurance underwriting is appropriate.

At our firm, we use a formalized process through a software program, which you can find at [www.iprevu.com](http://www.iprevu.com). By having a formalized process, we are able to share the profile data with the client as well as provide to insurance carriers on a no-name confidential basis to obtain pre-sale underwriting offers. Furthermore, we collect the data once and use the profile many times during our engagement with the client. Most important, as the advisor, we remain focused on the client's dreams and goals—values oriented and client centered.

# **Case Studies**

## **Case Study One:**

### **Advisor Adam & Associates Five-Step Process**

Advisor Adam and Associates is a firm that utilizes a five-step process for a dentist's target market. If you specialize in a niche market, perhaps it could be helpful to show your client that you have a process similar to theirs.

#### **Step 1: Right Fit Call / Meeting—Exploratory**

- a. *At Advisor Adam & Associates, we walk our clients through a five-step process to empower their lives—personally, professionally, and publicly. The end results will positively impact them financially while enhancing their lifestyle and their most important relationships.*
- b. *Values based purpose—The purpose of this appointment is to determine if there is a common basis of values for us to do business together.*
- c. *By the end of this Right fit call / meeting we will:*
  1. *Determine commitment to move forward or part ways and;*
  2. *If moving forward, discuss the next steps. (agreement, retainer/fee, next meeting date)*
- d. *Ask the prospect to share their future vision (1 year). So, to begin...“If we were meeting here one year from today — and you were to look back over that year—what has to have happened during that period of time, both personally and professionally, for you to feel happy about your progress?” (Dan Sullivan’s R-Factor Question modified)*
- e. *Mutual Agreement to take the next step—or not. If client desires to move forward, we will then review action items,*



time frame and schedule a meeting for the next step, which is the Discovery meeting.

## **Step 2: Discovery—X-Ray Meeting**

The objective of this step is to “discover” the dreams and goals, and facts and figures of your client. There are two parts to the discovery process: first, a dreams and goals conversation, and second, a facts and figures interview.

**Advisor script:** *“The second step of our five-step process is called Discovery or in your language, the X-Ray. The first part, the dreams and goals conversation, you [the client] and I will meet and accomplish together. The second part, the facts and figures interview, will be done over the phone with the purpose of gathering the facts and figures regarding your employment, basic financial data, medical history, lifestyle activities, and any insurance policies that you currently have in place.”*

The facts and figures interview can be done by the advisor, the advisor’s client relationship manager or other capable person. The key is to position the concept **and** the person handling the interview. You want the client comfortable and forthright with the person in order to obtain the highest quality of information.

At Advisor Adam & Associates, we can have a one-on-one or couple dreams/goals session. This session may go for one to three hours to allow for building/deepening of the relationship. As this is an inside out approach, the right space, time, and environment is needed to let the client/couple build their bigger future in their personal, professional, and public lives.

The second part is a discussion of the client’s financial life and how money operates within your life—either empowering or hindering you and your family from your bigger future.

**Advisor script:** *“Our goal with these two parts is not to solve anything, rather to open our minds to our bigger future—your dreams and goals and how to live an empowered life financially. Ok? Great, let’s begin.”*

## **Part 1: Dreams and Goals Conversation**

*“What are you excited about right now?”*

R-Factor (special question 3-year time frame):

*“If we were sitting here three years from now, looking back over those years, what has to have happened for you (client name) to feel happy about your progress professionally and personally?”*

*“What are the dangers, hurdles or obstacles that you need to overcome?”*

*“What are the opportunities that you need to capitalize on?”*

*“What are the strengths, gifts, talents, capabilities that you possess?”*

## **Part 2: This is the second part of the Discovery Meeting— The Facts and Figures Interview**

*“Susie, our VP of client relationships, will call you to schedule this phone call. She will also provide you with a pre-call checklist and then guide you through the interview. May I have Susie call you to schedule a convenient time for you?”*

The purpose of this part is to gather all the relevant facts and figures related to the client’s occupation, financial background, medical history, lifestyle and hobbies, and insurance coverage currently in place. Additional questions you may want to ask about are trusts, wills and power of attorney documents. Each financial advisor can customize this area. The demo provided on the website [www.iprevu.com](http://www.iprevu.com) will provide you with an overview of the facts and figures process and questions.

### **STEP 3: Strategy-Recommendations—Procedures Meeting**

In this meeting, you've carefully reviewed all of the information from your client, have a full understanding of his hopes, dreams, and goals as well as a firm grasp on his financial information. This meeting is also where you distinguish yourself as a trusted resource and noted expert, not a salesperson. You emphasize to the client that your recommendations are based on a complete understanding of his financial history; however, the first goal must be to protect his future goals and his income.

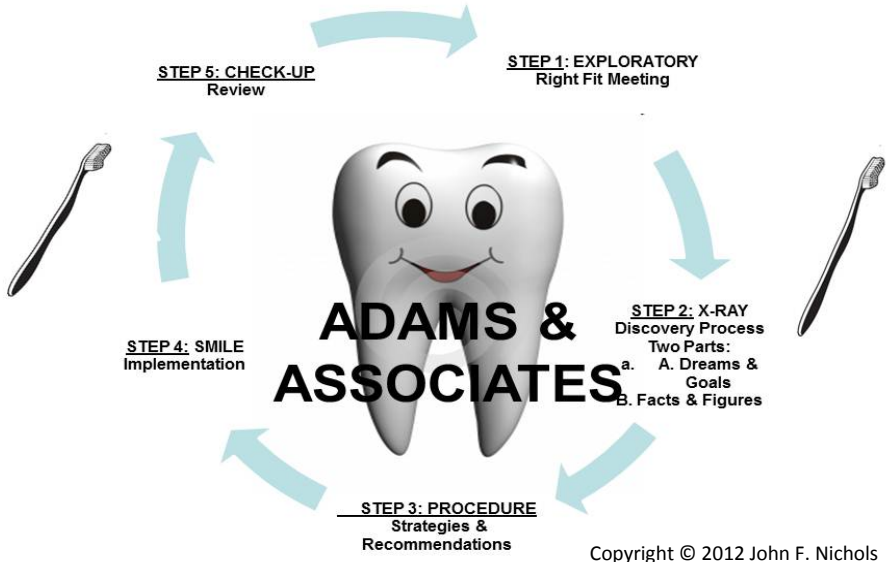
### **STEP 4: Implementation—Smile!**

After the strategy/recommendations and procedures meeting, you are ready to implement the recommendations to protect your client.

### **STEP 5: Review—Six-Month Check-Up**

After six months, you may want to sit down with your client in a face-to-face meeting to ensure that there are no major life changes that could affect the planning that you have already implemented. It is also a good time to reinforce that the solutions put into place specifically address his needs and concerns. When it comes to advising clients, each client is unique. They also must recognize that you do not use a "one-size-fits-all" approach. If your client has that impression, you haven't differentiated yourself.

# Adam & Associates Five Step Process:



## **Case Study Two: The Conversation Using the Positioning Framework**

Adam, a financial advisor, was sitting in Dr. Tom's office for the initial appointment. Dr. Tom was one of two partners of a dental office and was a referral from one of Adam's current clients.

After greeting Dr. Tom, Adam stated his purpose for the meeting. *"Dr. Tom, I am here to see if there is a common basis of values for us to work together, and second, I want to see if there is a desire on your part to work with me and my firm."* (I am silently wondering if Dr. Tom fits our client profile.)

Dr. Tom nodded and said, *"Adam, I'm not real clear on what the services that you and your firm offer to clients."*

*"Well, Dr. Tom, in a nutshell, we at Advisor Adam & Associates, take our clients through a five-step process to empower their lives—personally, professionally, and publicly, that positively impacts them financially while enhancing their lifestyle and their most important relationships. Before I go into further detail, may I ask you a question?"*

Dr. Tom responded, *"Sure."*

*"Dr. Tom, if we were sitting here a year from today, looking back over that year, share with me what would have to have happened in*

*your life, both personally and professionally for you to feel happy with your progress.”*

The doctor pondered this question for a few minutes and then started laying out his thoughts, dreams and goals for the short term. He didn't go into great detail, however, he provided a great overview for the next year.

*“Our office will exceed our goal of \$1 million in revenue with 50 new clients. We will be under budget by managing our cash flow tightly. I will have met my goal of finishing the training and technology build-out of our version 2.0 for laser whitening and begun the beta testing.*

*On the personal side, my wife and I will be celebrating our tenth anniversary with a trip to Europe for 10 days. Our two kids will be busy with school and sport activities. Kathleen will be graduating from grade school so we will have decided on the best high school for her while she continues to play club volleyball. For me, I am training for this fall's Minnesota Marathon which will be fun.”*

*“Dr. Tom, thank you for sharing. It all sounds great—I'm sure there is much to be grateful for as your life progresses. Congratulations on your marriage and living out your dreams and goals.”*

*“As promised, here is some more detail regarding our firm's services. We work with clients like you and your family to help them secure, protect, and achieve their dreams and goals within their personal, professional, and public lives. We accomplish this together by following a five-step process—the first is a meeting like this to determine if there is a common basis of values for us to work together—if there is a 'right fit' and we both want to move forward, the second step is a discovery meeting, in which we will spend a fair amount of time discussing the dreams and goals of you, your family, and*

*your business followed by a secondary meeting to gather the facts and figures. From there we will have a strategy session, implement any action steps, and have review and update meetings quarterly.”*

*“How does this sound to you?”*

Dr. Tom decided to move forward with Adam and they along with his wife, Maureen, scheduled a time to go through Step 2—the Discovery Meetings.

Advisor Adam meets with Dr. Tom and his wife at 8:00 a.m. in the conference room, on a Wednesday morning. There is a tray of coffee, juices and breakfast goodies. Adam begins by reviewing the firm’s process and shares a bit about himself and other key people in the firm. Adam asks if there are any questions—especially from Maureen—before beginning Step Two of the process: Discovery.

The six parts to the dreams and goals conversation are:

1. The R-Factor question looking at one-year goals:  
The time period of one-year is ideal: *“If we were sitting here a year from now, looking back over that year, what would have to have happened for you (client name) to feel happy about your progress professionally and personally?”*
2. “What are the dangers, hurdles or obstacles that you need to overcome?”
3. “What are the opportunities that you need to capitalize on?”
4. “What are the strengths, gifts, talents, capabilities that you possess?”
5. Ask questions that lead towards a strategy: The point is not to position a product solution; rather, to prompt the client thinking in terms of

strategies to protect, preserve, accumulate, live out, and pass on their bigger futures. Would you like to protect your future dreams & goals?

6. Action Steps: “Let’s identify and/or review the action steps from our meeting today.” (Set up an appointment to implement the next action step. Remember, accountability creates action leading to a successful experience.)

In the short term, Dr. Tom wants to continue to work on his health; run a marathon; do yoga three times per week; and prepare and eat better meals as a family. Celebrating their 10-year wedding anniversary is also an important milestone for him. His business goals focus on training and technology advancements, as well as achieving revenue and budget goals that will provide the desired additional income.

Long-term goals include hiring a personal trainer, planning travel destinations, buying a second home, preparing for their kids’ college education, and increasing his income through the business. His life goals include charity gift giving, writing a book, coaching young dental entrepreneurs, and living a healthy lifestyle through diet and exercise.

After writing out and confirming their objectives, Adam, Dr. Tom, and Maureen can start discussing the strategies needed to accomplish their dreams and goals. The strategy sessions may focus on a number of areas, such as estate planning, income planning, college education, and retirement planning. However, this case study conversation only addresses one aspect of the overall plan: Income Protection.

Dr. Tom, Maureen, and Adam are in the conference room restating, editing and writing out Dr. Tom’s and Maureen’s dreams and goals. They had



a number of goals that can be categorized as short-term, long-term, and life-long dreams and goals.

*“Dr. Tom and Maureen, in the event that Tom becomes sick or hurt and unable to work, what is the protection strategy or what is the security strategy to protect your dreams and goals?”*

### **Typical responses:**

- *“Adam, I never gave it much thought. I just assumed we could sell the business in the worst case scenario. I thought the best case scenario was to recover from the accident and go back to work.”*
- *“Adam, you ask a great question. My practice has long-term coverage for everyone. This should take care of me, right?”*

*“The strategy our firm recommends is income protection, or paycheck protection, in the event Tom has an accident or illness preventing him from working. As you may know, selling the business is never guaranteed let alone at what price. Additionally, the length of time to sell may be an issue.*

*Even if Tom’s practice has long-term disability coverage, there is a good chance the amount of coverage is not enough and he is under-insured. Additionally, the quality of the contract language may need to be addressed.”*

By implementing an income protection and/or a paycheck protection strategy, Tom’s personal and business goals and dreams will be protected.

## Case Study Three: Five Star Chef Process

This is another case study for an agency that utilizes a five-step process for a target market of chefs in their geographic area. As you can see, the structure does not change, only the naming of the [steps](#).

### [SFR 5-STAR Process](#): (Structure)

#### STEP 1: Right fit call/meeting—[INGREDIENTS](#)

- A. R Factor question with a one-year time frame and other questions to determine a “right fit”.
- B. Share the overview of SFR 5 step process—“At SFR, we take our clients through a five-step process to empower their lives—personally, professionally, and publicly— that positively impacts them financially, enhancing their lifestyle and relationships.”

#### STEP 2: Discovery—[CREATE](#)

The objective of this step is to “discover” your client’s dreams & goals and facts & figures.

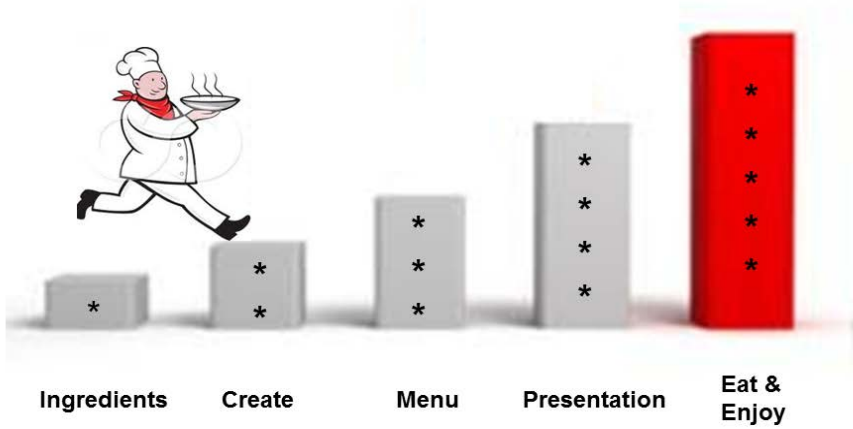
#### STEP 3: Strategy-solution-recommendations—[MENU](#)

#### STEP 4: Implementation—[PRESENTATION](#)

#### STEP 5: Review—[Let’s EAT and ENJOY!!](#)

The following pictorial is of the process which SFR provides clients. They hear, see and feel the process—by engaging senses other than hearing—you will create a better opportunity for them to buy into you, your firm, your process and your recommendations.

# \*\*\*\*\*FIVE-STAR CHEF PROCESS\*\*\*\*\*



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# **Sales Cycle Story Board**

## Step 1: Right Fit Call / Meeting—Exploratory

### THE RIGHT FIT MEETING



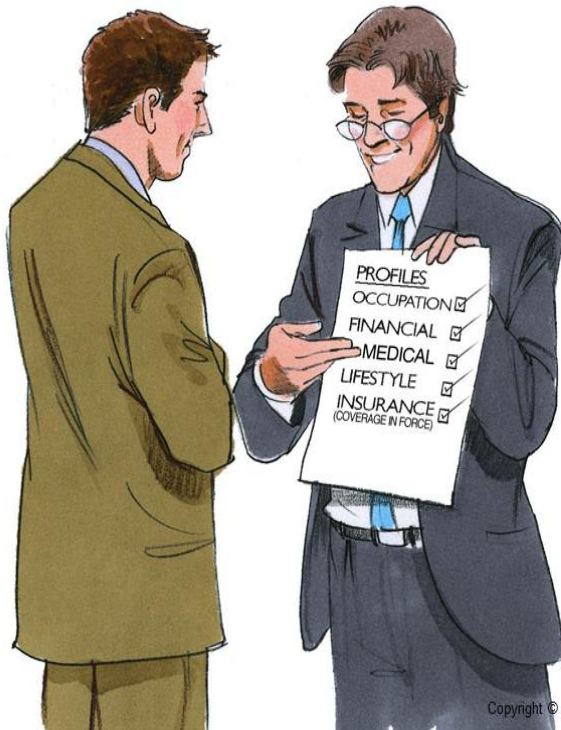
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**DISCOVERY (Part 1): Dreams and Goals Conversation**



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## DISCOVERY (Part 2) Facts and Figures



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WHAT IF....



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## BUSINESS AND ASSET PROTECTION



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# Closing Comments

LIMRA did a study to determine the reasons why advisors are not having the income protection conversation. The number one reason—my client never asked me.

It is my hope that by sharing my story and concepts you will feel inspired and empowered to initiate the conversation with your prospects and clients.

The time has never been better to have the conversation. The federal government has softened our beaches. More people are talking about health insurance and their healthcare as the government begins to roll out healthcare reform. As we move forward into this century of personal responsibility, people want to have more freedom of choice and control over their medical care. America was built on this very principle. The American people are waiting for you to have The Conversation – to protect their hopes and dreams.

## Appendix

### Policy Of Truth

“You had something to hide  
Should have hidden it, shouldn't you  
Now you're not satisfied  
With what you're being put through

It's just time to pay the price  
For not listening to advice  
And deciding in your youth  
On the policy of truth

Things could be so different now  
It used to be so civilized  
You will always wonder how  
It could have been if you'd only lied

It's too late to change events  
It's time to face the consequence  
For delivering the proof  
In the policy of truth

Never again  
Is what you swore  
The time before  
Never again  
Is what you swore  
The time before

Now you're standing there tongue tied  
You'd better learn your lesson well  
Hide what you have to hide  
And tell what you have to tell  
You'll see your problems multiplied  
If you continually decide  
To faithfully pursue  
The policy of truth

Never again  
Is what you swore  
The time before”

—*Policy of Truth*, by Depeche Mode

# Biography

John F. Nichols, MSM, CLU, is a nationally recognized disability benefits consultant, the creator of disability products and administration systems and an expert witness in disability proceedings. Nichols serves as President of Disability Resource Group, Inc., a national insurance agency that he founded in 1999.

A Minnesota native born in 1961, he earned a BA in Business in 1984 from the University of St. Thomas. He entered the industry in 1984 as a career agent with Minnesota Life and went on to Mass Mutual as a career agent and Brokerage Director from 1987 to 1999.

John joined the National Association of Insurance & Financial Advisors (NAIFA) in 1985. At the NAIFA local level, he went through the chairs of the Chicago West Branch Association, serving as President in 1990-1991. Nichols went through the chairs of NAIFA Chicago Region Board to the presidency in 2005-2006.

As a past director for NAIFA Illinois for three years, his responsibilities were Programs, LILI, Finance committee chair and liaison to two Illinois local associations. In 2007, NAIFA Chicago Region recognized John with their Leadership in Life Award.

Finding a special passion in NAIFA's Leadership in Life Institute (LILI), John graduated from the program in 2003 and went on to be a LILI moderator for three years. He is in the top 25 of Lifetime contributors for IFAPAC and remains a Capitol level contributor.

John served as a National Board Trustee from 2007 – 2011. In this capacity, he served as the liaison to LILI, Corporate Partners, AHIA, Membership, Committee for Future Conventions, and chaired the AHIA Task Force.

John was elected in 2011 as NAIFA National Secretary and will ascend to the presidency for the year 2013-2014.

John is a frequent speaker at an array of national meetings, including MDRT as a 2012 Main Platform speaker, a session speaker in 2004,

2010, NAIFA National, and over 500 NAIFA programs and other industry sessions.

In 2010, John was LIFE's Industry Spokesperson for Disability Insurance Awareness Month. John is actively involved in the following industry organizations: Million Dollar Round Table, MDRT Foundation, GAMA International, Society of Financial Service Professionals, The International DI Society and The American College.

John received his Masters of Science Management with an emphasis on Leadership in 2011 from The American College. Additionally, he is a member of the Presidents Circle for gift contributions.

As a life and qualifying MDRT member, John has two Court of the Table and five Top of the Table qualifications. He is platinum knight level contributor to the MDRT Foundation as well as a major donor to the Legacy of Life program.

John spends time in Chicago, IL, Lyons, CO and Bonita Springs, FL and loves to travel, play golf and train for marathons.

### **Contact Information**

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