

# 3

## LEADING CHANGE

FINSECA  
FOUNDATION  
eBOOKS  
PRACTICAL IDEAS  
FOR TODAY'S  
FIELD LEADERS



Volume Three

# Leading Change: Through the Advisor's Eyes

A Guide for Financial Security Professionals



# Leading Change: Through the Advisor's Eyes

A Guide for Financial Security Professionals

**"Top advisors find success.  
They don't wait for it to find them."**

Howard Sharfman, Senior Managing Director  
NFP Insurance Solutions

Research funded by the Finseca Foundation

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# Foreword

## **John Bucsek, Chair, Finseca Foundation Board of Trustees Bonnie Godsman, President, Finseca Foundation**

Recent events have proven that change is constant, and frankly, can be quite messy. Whether it's a massive shift in technological adoption or finding new ways to build meaningful relationships without in-person connectivity, it is critical that we effectively lead through change at every level within our businesses.

The Foundation itself has undergone transformational change, adopting a new name, mission, and vision for a future that empowers you and the clients you serve to obtain financial security. We are committed to this shared vision and it is with great pride that Bonnie and I get to share findings from the Finseca Foundation's first research project, Leading Change Through the Advisor's Eyes.

This free eBook was made possible through the generous support of Foundation donor contributions and the incredible work delivered upon by the Finseca Foundation eBook and Special Projects Committee.

The Finseca Foundation's primary goal is to provide valuable resources that equip both Finseca members and financial security professionals with the tools and skills needed to better serve clients in an ever-changing market.

At the Finseca Foundation, we achieve that outcome through our strategic initiatives, which include the provision of valuable research that helps financial security professionals better serve the needs of American consumers seeking to achieve financial security. Our overarching focus is to expand financial empowerment, attract the next generation of talent and diversity to our profession, and make a difference in the lives of the people we serve.

We hope you enjoy this third volume in the Leading Change eBook series. When you support the Foundation, you support financial empowerment, security, and equality for all.

Best,

The image shows two handwritten signatures in black ink. The signature on the left is 'John Bucsek' and the signature on the right is 'Bonnie Godsman'. Both are written in a cursive, flowing style.

# About Us

## The Finseca Foundation

The Finseca Foundation is a 501(c)(3) nonprofit organization dedicated to elevating the work of financial security professionals to help drive better outcomes for consumers. The Foundation focuses on three ongoing core initiatives:

1. Conducting and providing research to help financial security professionals better serve the needs of American consumers seeking to achieve financial security.
2. Providing resources for Americans to become more financially empowered consumers of financial products and services.
3. Advancing and championing the next generation of financial security professionals by identifying top talent from diverse communities.

## Our contributors

Leading Change: Through the Advisor's Eyes was made possible through the dedicated support of Foundation contributors. To contribute in support of our work, please visit us at [Finseca.org](https://finseca.org) or contact us at [foundationsupport@finseca.org](mailto:foundationsupport@finseca.org).

## About this eBook

Foundation eBooks are digital white papers that deliver tightly focused research results. The strategies and best practices shared in this third eBook of the *Leading Change* series will help advisors to:

- Increase their readiness for change.
- Expand their capacity to manage change.
- Adopt a mindset to anticipate and appreciate change.

As business owners, advisors wear many hats. In addition to their role as producers, many also lead staff and advisor teams. This eBook focuses on their role as producers who are navigating change. For more information on navigating change from a leadership perspective, refer to the first two eBooks in the series, *Leading Change: Leading Yourself* and *Leading Change: Leading Others*.

## How we collected our data

Our writer conducted in-depth interviews with 15 top-performing advisors to discover their perspectives on change. In addition to personal interviews, the Foundation conducted an online survey of 194 advisors to provide a snapshot of how they manage change. The interviews and survey referenced in this eBook reflect research results as of July 2020.

## Terms used in this eBook

Industry segments often use different terminology to describe their businesses and their people, for example, *advisor* versus *agent* and *agency* versus *firm*. In this eBook, we use the terms *advisor* and *firm*. While you may use different terminology in your business, we encourage you to overlook the labels and focus instead on the ideas and strategies shared by these leaders in the industry.

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# Introduction

63%

Advisors in our survey who identify as early adopters.

// If you don't change, you're like a plane that can't land. You're in a holding pattern, and the tower is telling you to keep circling the runway until they figure out what to do with you. Eventually, you'll either run out of fuel and crash or have to make an emergency landing. //

—David Nantz, Managing Representative  
Transamerica Agency Network

Advisors are facing unprecedented times. Changing technology, government regulations, and consumer expectations are just some of the challenges they manage every day. It may sound overwhelming, but many are not just surviving in these complex times—they are thriving.

In fact, several people in our research have stopped using the word *change* because it implies a unique event, something to be managed before going back to business-as-usual. Instead, they use the word *evolution*—the natural process of growth and development. As Nick Harklau, Agency Manager with Farm Bureau Financial Services, explains, “I’ve been in this business for 12 years, and things have been changing since I started. It’s just life.”

Senior Managing Director with NFP Insurance Solutions, Howard Sharfman, agrees and adds this perspective, “Successful advisors wouldn’t be where they



are without the ability to adapt. They've always had to adapt to survive. It isn't new. It's how they think; they don't believe they will fail."

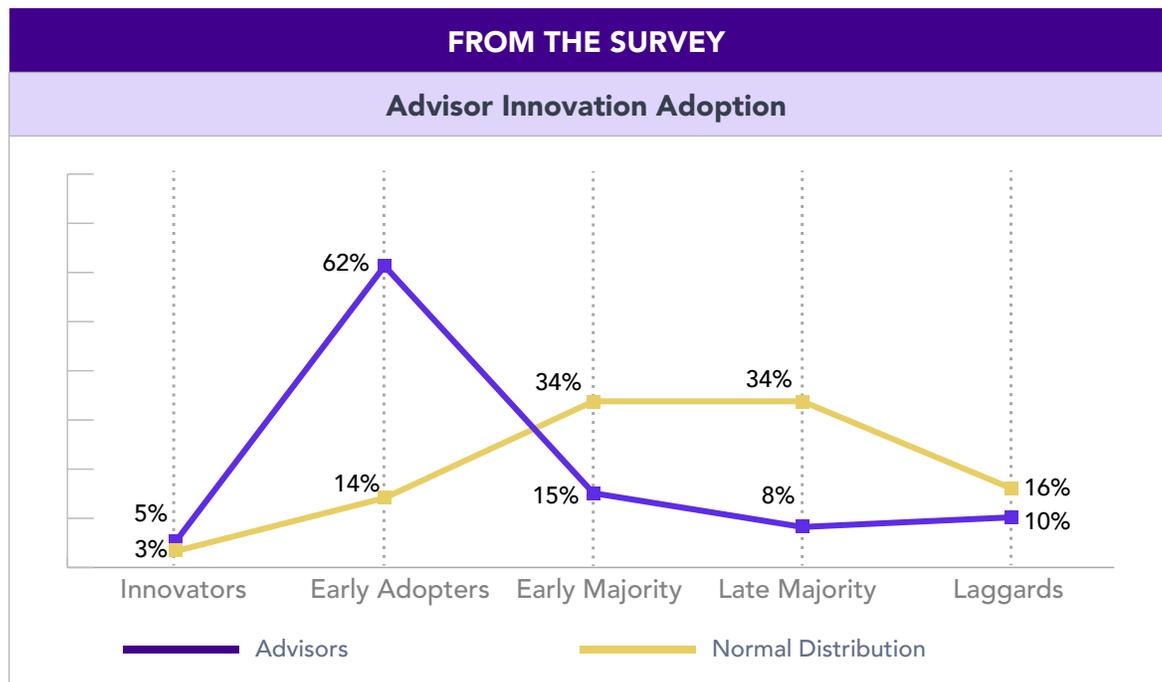
Perhaps that is why an overwhelming majority of the advisors who participated in our research identified themselves as early adopters, people who embrace change before most others do. (See "The Diffusion of Innovations Theory" for a description of the five types of change adopters.) However, even those professionals who indicated they wait until later to adopt new ideas understand the urgency for change, and while they may not enjoy it, they choose to adapt rather than "circle the runway."

Managing Representative with Transamerica Agency Network, Christopher Guarisco, is upfront about his reluctance to change. "I'm not good with change," he says. "I've been with the same company for 33 years. I've lived in the same town for 30 years, and I've been happily married to the same woman for 24 years. I don't change unless I have to!" Still, when faced with the need to move to virtual meetings during the coronavirus pandemic, he did not hesitate. "I knew if I was going to survive, I had to take the initiative to change. I figured out a way to move forward."

"Figured it out" is a phrase we heard often. Whether eager to embrace change or reluctant to adopt it, the advisors in our research find a way to make change work to their advantage. Our research identified three areas where these professionals excel in navigating change:

1. Change Readiness.
2. Change Capacity.
3. Change Mindset.

In this eBook, we share the strategies they use to adapt and thrive in this constantly changing—or, as the top-performing advisors in our research would say, constantly evolving—world.





## The Diffusion of Innovations Theory

First published in 1963, and now in its fifth edition, the “Diffusion of Innovations Theory” explains how new ideas spread over time. According to the theory, there are five levels of adoption:

**Innovators** actively seek out new ideas and are comfortable with a high degree of uncertainty and risk.

**Early adopters** can envision the possibilities presented by new ideas and are willing to adopt them before there is concrete evidence of success. Like innovators, early adopters are also comfortable with high degrees of uncertainty and risk.

**Early-majority adopters** and **late-majority adopters** are the critical mass that ensures adoption. Early-majority adopters look for productivity and practical results before implementing a new idea. Late-majority adopters are similar but also expect help and support before they are willing to commit.

**Laggards** are slow to adopt. They are the most resistant to change and do so only when they believe there is no other choice.

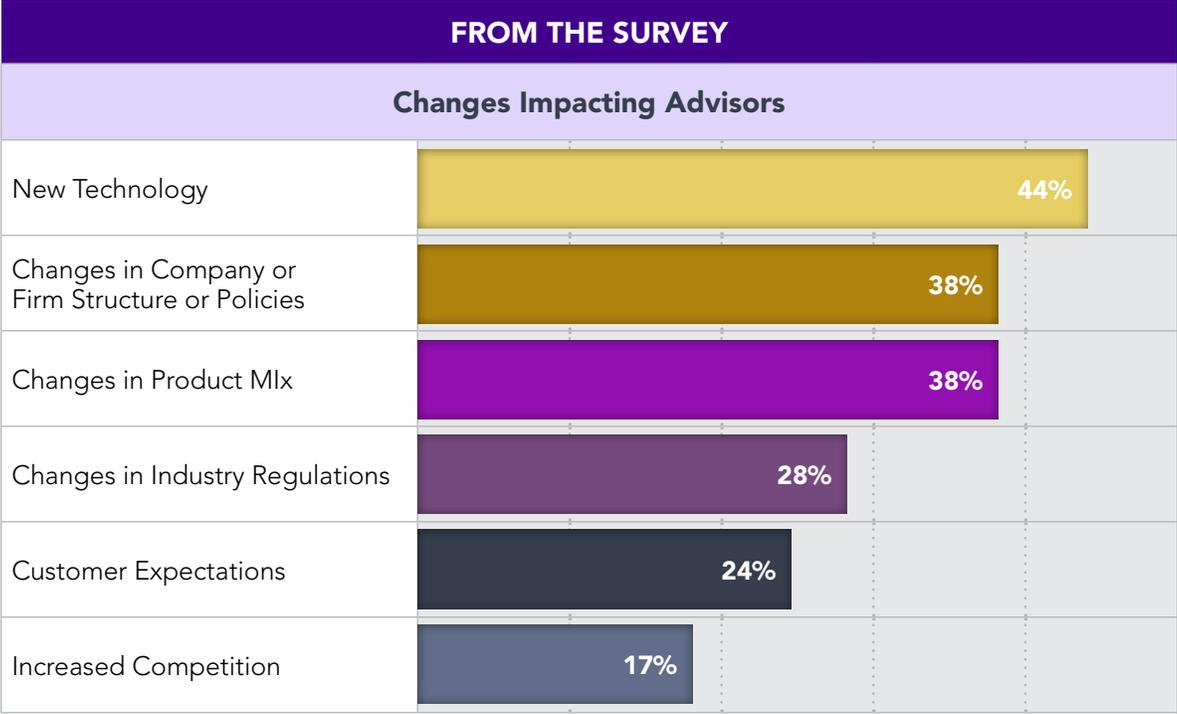
Everitt M. Rogers, *Diffusion of Innovations*, 5th Edition. (New York: Free Press, 2003).

## Leading change during the 2020 coronavirus pandemic

When we began this project in November 2019, the words *COVID-19* and *coronavirus* were unknown to most Americans. By the time we started interviewing people in April, businesses were shutting down, schools were closing, and more than half of employed Americans were working from home.<sup>6</sup>

In a profession driven by relationships, many found moving to a virtual environment with little time to prepare was a significant disruption to their business. And, along with learning new ways of doing business, advisors were dealing with personal challenges—homeschooling their children, living in quarantine, and, in some cases, experiencing the illness or the death of friends or family members. More than one person we interviewed spoke about their passion for helping others during this difficult time. The determination they expressed to support and protect their clients, teams, and business associates, is a testament to their commitment to the profession.

<sup>6</sup> Brenan, M. (2020, April 3). *U.S. Workers Discovering Affinity for Remote Work*. Gallup.com. <https://news.gallup.com/poll/306695/workers-discovering-affinity-remote-work.aspx>





# Change Readiness

# 70%

Advisors in our survey who say uncertainty is the No. 1 reason they resist change.

“ There is an emotional side to change. Fear can paralyze people. You have to be willing to move out of your comfort zone without full knowledge and learn as you go. ”

—Tony L. Cross, Owner  
Strategic Wealth Concepts, LLC

Change readiness is the ability to respond to change in ways that create opportunity, minimize risk, and sustain performance.<sup>6</sup>

These are not the first thoughts that come to mind for many of us when faced with change.

However, increasing your readiness for change is possible. Each change you encounter is an opportunity to hone your ability to navigate change, alter your response to change, and prepare yourself for the next change that comes along.



## Moving from resistance to readiness

It is unusual to find a book on change that does not include a discussion on overcoming resistance. Yet some research shows that our reaction to change has less to do with resistance and more to do with readiness.

In a 2018 study conducted by Harvard Business School and the Boston Consulting Group, researchers found that “employees focused more on the opportunities and benefits that the future holds for them [than on the challenges and obstacles], and they revealed themselves to be much more eager to embrace change and learn new skills than their employers gave them credit for.”<sup>7</sup>

<sup>6</sup> Musselwhite, C. and Plouffe, T. (2010, June 2). “Four Ways to Know Whether You are Ready for Change.” *Harvard Business Review*. <https://hbr.org/2010/06/four-ways-to-know-whether-you>

<sup>7</sup> Fuller, J. B., Wallenstein, J. K., Raman, M., & de Chalendar, A. (2019, May 1). “Your Workforce Is More Adaptable Than You Think.” *Harvard Business Review*. <https://hbr.org/2019/05/your-workforce-is-more-adaptable-than-you-think?>

In her change management book, "Launch, Lead, Live," Dr. Marie Turner says, "None of the employees I have worked with describe themselves as resistant to change. On the contrary, they use words like challenge, opportunity, and necessity to describe change. Of course, they also talk about the uncertainty, discomfort, and fear associated with change—but so do the leaders." Turner says resistance to change is "a symptom of an unresolved issue or problem. It is a lack of readiness."

Is it possible to alter your response to change from resistance to readiness—to view change as an opportunity rather than a disruption? The advisors in our research have proven that it is. These professionals are especially adept in two areas of change readiness:

- Managing the emotional response to change.
- Making sense of change.



## Managing the emotional response to change

**"At the beginning of the pandemic, I basically shut down for two weeks. But it didn't take me long to realize that something had to give."**

**—Nikol Turner, Insurance Representative  
Transamerica Agency Network**

For most of us, change triggers an emotional response. It may be positive or negative, large or small, depending on the change. Either way, how we manage our emotions affects how we manage change. As John Bucsek, CEO of MassMutual Tri State, says, "Change occurs when the fear of staying the same is greater than the fear of change." Before we can move forward, we must reach an emotional state where not changing is more uncomfortable than changing.

Understanding the range of emotions that people typically experience when going through change can help you to recognize and manage your own feelings during times of change. One widely used business model that describes the emotional stages of change is the Change Curve.

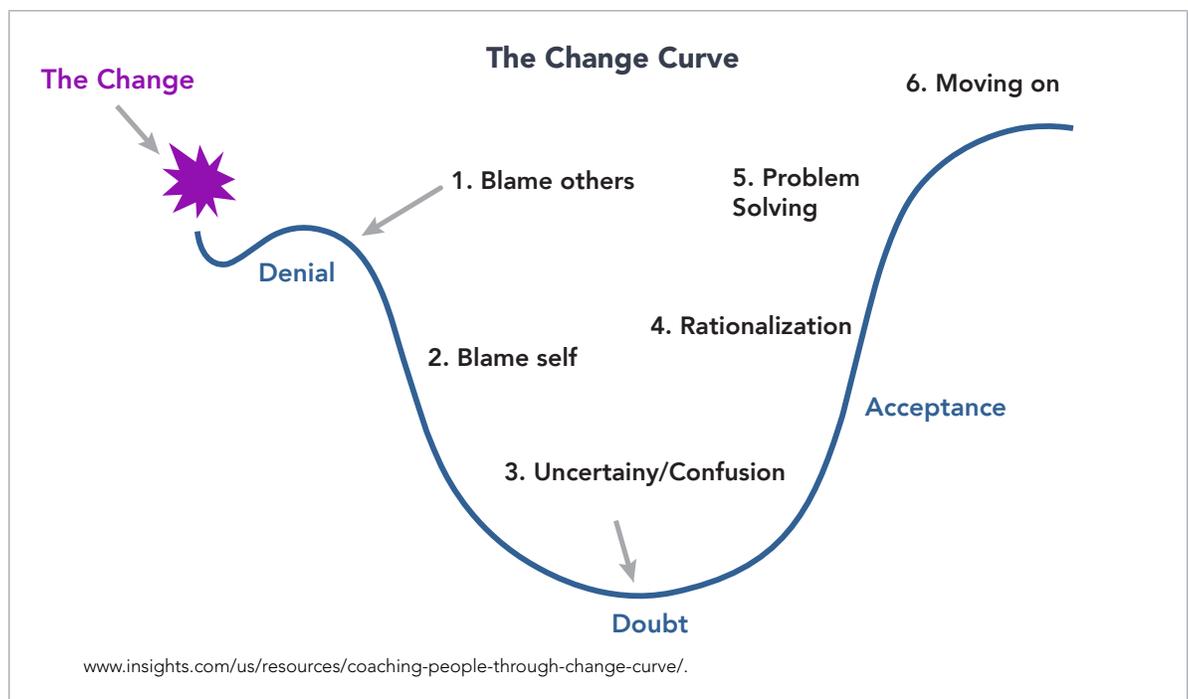
## The Change Curve

An adaptation of the Kübler-Ross model commonly known as the Five Stages of Grief, the Change Curve looks at the emotional side of change from a business perspective.

People often react with shock or denial when a change is new. They may insist that change is not necessary or look for someone to blame. As they begin to realize that change is inevitable, confusion and doubt set in, and they worry they may not be able to adapt.

Eventually, as they move forward, people stop focusing on what they have lost and begin exploring the opportunities a change may bring. When they reach the solutions and problem-solving stage, people have accepted the change and are beginning to integrate it into their work.

Insurance Representative with Transamerica Agency Network, Nikol Turner, shares her experience moving to virtual meetings during the 2020 pandemic. "When I found out I couldn't meet with people face-to-face, I thought, 'This is never going to work.' I fought it at first. I thought it would go away in a few weeks, and everything would be back to normal. But it didn't take me long to realize that something had to give. I knew that I would be out of business if I didn't do something quickly. So, I embraced it, and honestly, I haven't skipped a beat as far as production goes. I learned that the quicker I evolve, the more successful I will be."



Everyone experiences change differently. Some people move through the stages quickly; others may stall partway through. Different changes can also affect you in different ways. It may take months or even years to navigate a significant change, while you may breeze through less momentous changes. And moving through the Change Curve is not a linear process. An incident could occur that moves you from acceptance back to doubt or denial.

Navigating change is not always easy. You cannot eliminate the process; however, understanding that the emotions you are feeling are a natural part of the change process can help you reach the acceptance stage sooner.



## On Grief and Grieving

This seminal book on grieving by Elisabeth Kübler-Ross and David Kessler provides a framework for coping with grief and loss. The model identifies five stages of grief:

1. **Denial** is nature's way of helping us to pace our feelings of grief. It helps us to survive loss.
2. **Anger** gives us temporary structure. Something or someone to be angry at is better than feeling lost.
3. **Bargaining** is like a temporary truce—a way to hold onto the way things were.
4. **Depression** is when we finally understand that we cannot bargain our way out of loss.
5. **Acceptance** is when we accept the reality of the loss and begin adjusting to the new reality.

Adapted from, "Five Stages of Grief," by Elisabeth Kubler Ross & David Kessler. (2013). Grief.Com. <https://grief.com/the-five-stages-of-grief/>

## Making sense of change

**"People jump immediately to thinking they have to recreate the wheel—that what they need to do is drastically different from before, when, in reality, they may only need to make a slight change to their process. Sometimes you just need to assess where you are and take a minute to breathe."**

**—Hope Hernandez, Agency Manager  
Farm Bureau Financial Services**

A major obstacle to change readiness is the uncertainty many people feel when they are faced with change. They may be labeled as resistant when, in fact, they are merely trying to understand how the change will affect them.

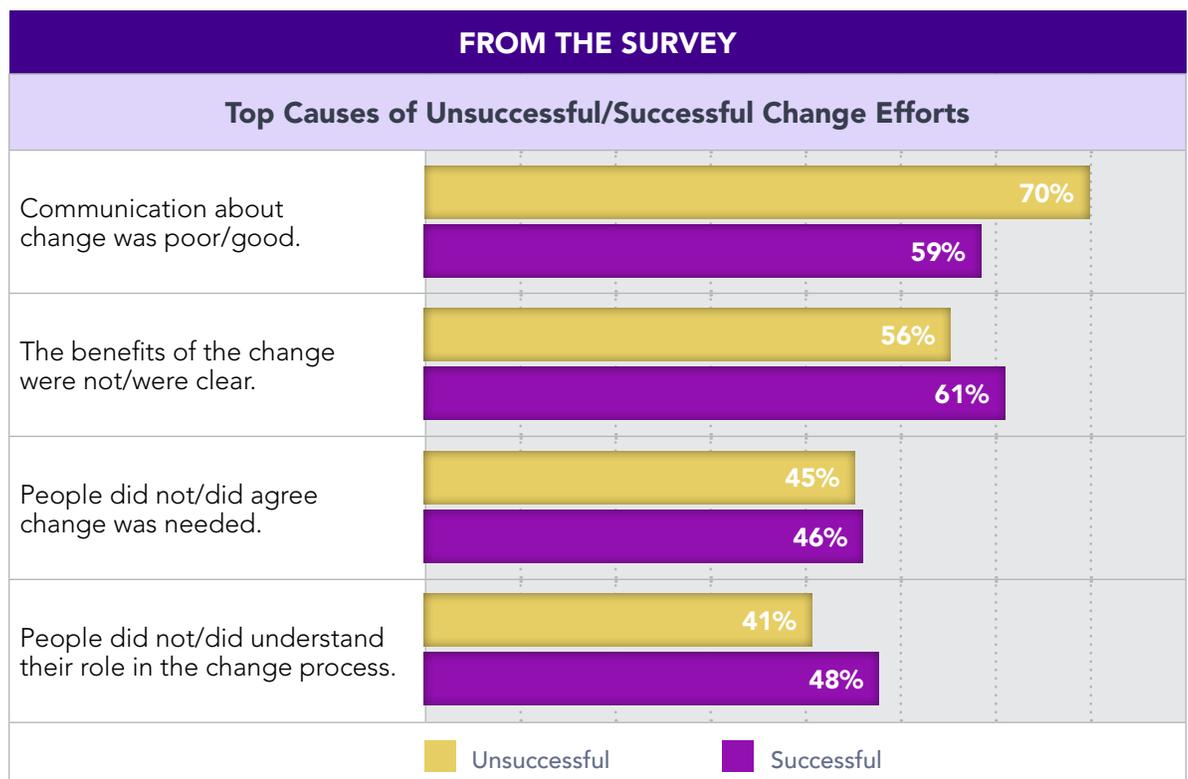
President of Dawson & Associates, Jill Dawson, made communication a top priority when she took over her agency. "I met with each person to discuss their personal and professional goals and their strengths and weaknesses, as well as what they liked and didn't like about their roles."

Dawson worked with her team to completely retool the agency. “Everything we do is team-based,” she explains. “We went through every process together using the Get-Keep-Grow business model.” Together the team defined their processes for getting new customers (sales), growing existing customers (cross-selling), and keeping existing customers (retention).

Dawson helped her team navigate through the change process. “Occasionally, some of the veteran agents would push back on changes we were making. I took the time to talk with them; I listened and asked questions until we reached a place where we were all comfortable.”

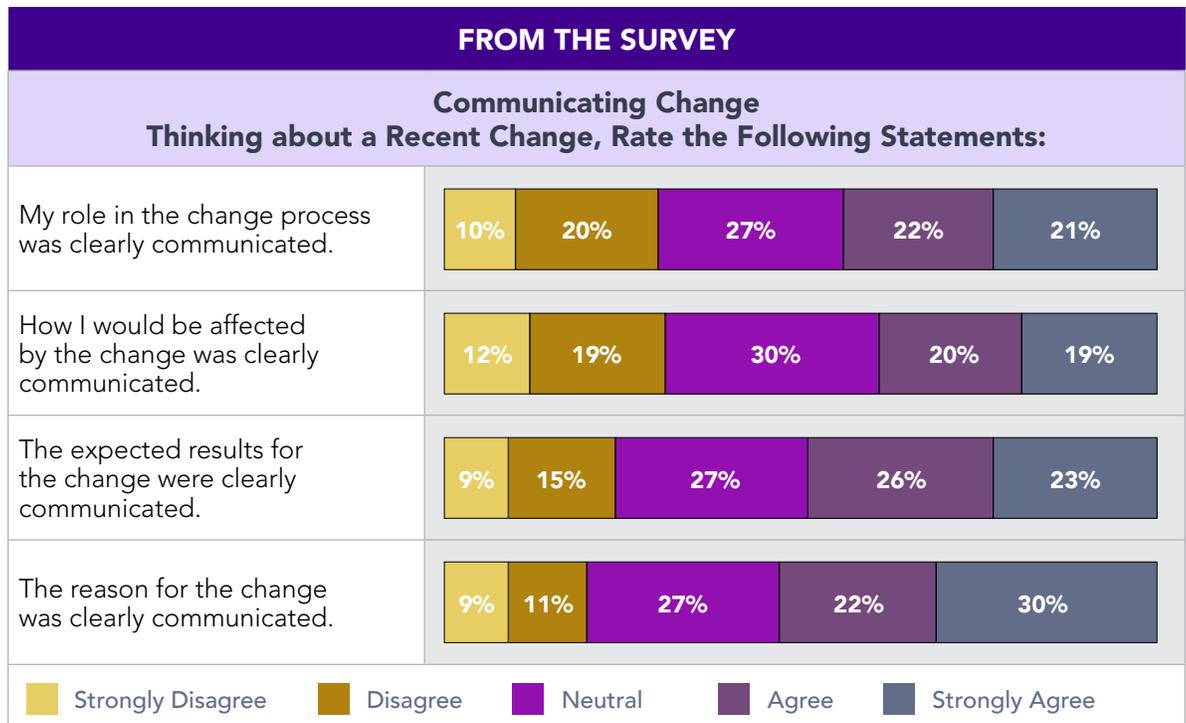
Hope Hernandez, Agency Manager with Farm Bureau Financial Services, also emphasizes the importance of communication. “You can’t over-communicate during a change,” she says. “You have to help people gain a new perspective and let them know they aren’t alone.”

Like Dawson and Hernandez, many advisors in our research stressed that effective communication, transparency, and inclusion in the change process are crucial to success. Not surprisingly, our study revealed that communication is the No. 1 factor that influences change efforts—both the successful and the unsuccessful.

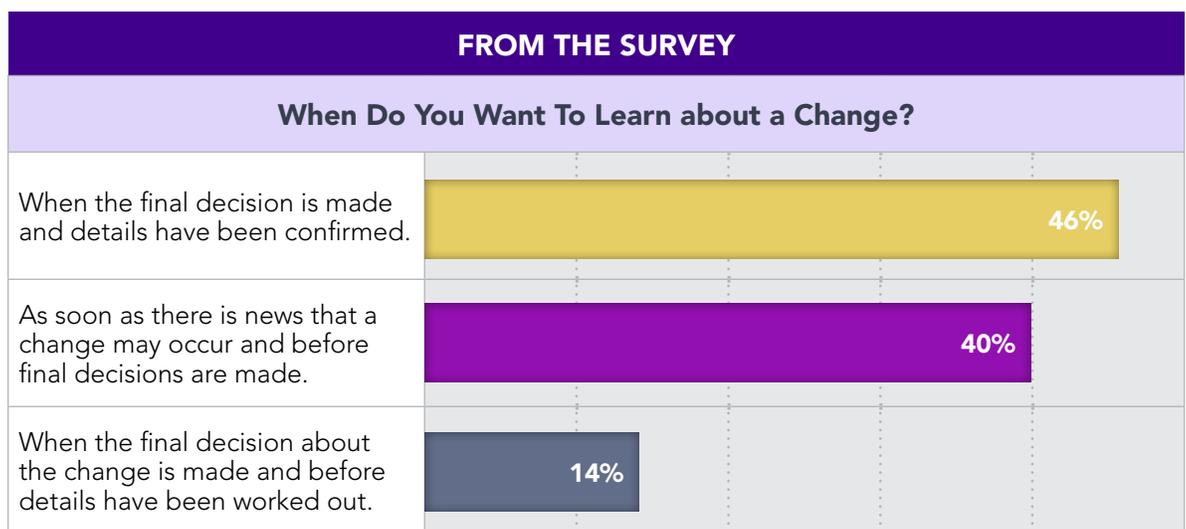


To make sense of change, people want to understand why it is happening, what will change, and what will remain the same. They want to know what is expected of them both during and after the change process.

Responses from advisors were mixed regarding how well changes are being communicated. While most survey respondents agreed or strongly agreed with the *Communicating Change* statements in our survey (see graph), half the respondents strongly disagreed, disagreed, or remained neutral.



Survey respondents were divided almost equally in their opinions of the best time to communicate change. Forty-six percent prefer waiting to hear until the change decision is made and all the details are confirmed, while 40% want to hear as soon as there is news a change may occur.



Whether changes are handed down from government agencies, companies or firm leaders—or are thrust upon them by a force of nature—advisors do not always have control over the changes they must make.

They do, however, have control over their response to change and the actions they take. Advisors in our research were proactive in gathering as much information as possible about the changes they experienced and in designing solutions.

## What you can do

To increase your readiness for change, ask yourself the following questions when faced with change:

**What am I feeling?** Consider how your feelings are influencing the way you are reacting to the change.

**Where am I on the Change Curve?** Identify actions you can take to move to the next step.

**What is causing me to resist the change?** Remember that resistance may be a lack of readiness. Identify what you can do to prepare for this change.

**What information do I need to make sense of the change?** Ask questions to help you better understand the change. The more informed you are about a change, the more confident and prepared you will be to navigate through it.



# 2

## Change Capacity

35%

Advisors in our survey who recommend minimizing the unknown as one of the top three ways to navigate change successfully.

“The misinformed and uneducated tend to face more challenges in life; therefore, education is paramount. The more freedom and opportunity we allow ourselves to learn and grow—to change for the better—the better off we’ll be.”

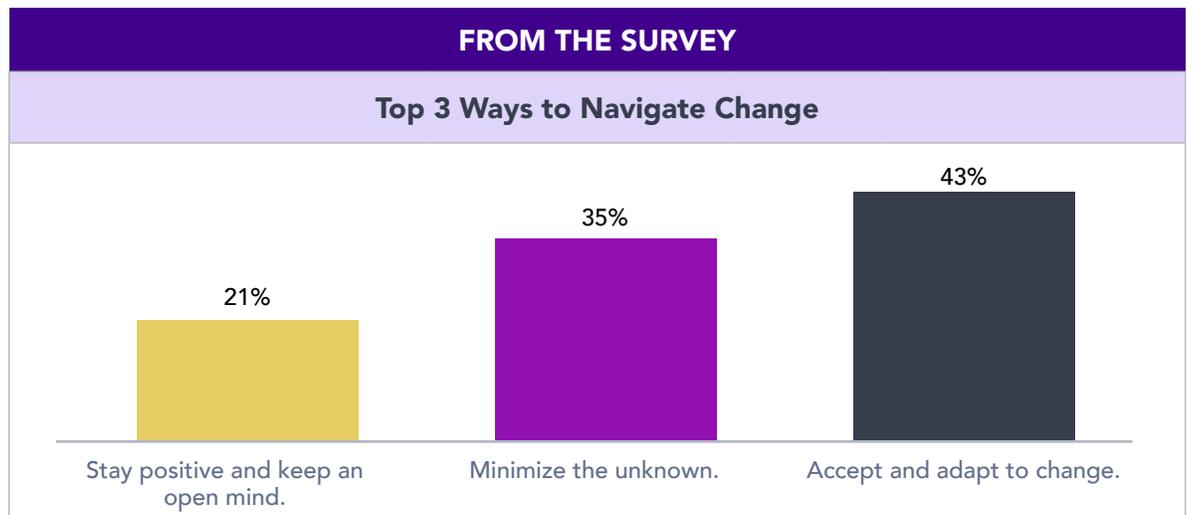
—Ryan D. Blackport, Life Insurance & Annuity Specialist  
AAA Life Insurance Company

Change capacity is the ability to proactively navigate change by setting goals, creating and executing action plans, and leveraging resources.

Financial Planner with Equitable Advisors, Lyle Yablonsky, demonstrated this quality when he made the transition from management to production. “I had a vision of the practice I wanted to build and the clients I wanted to serve. I set a goal to have 100 households with \$100 million in assets under management (AUM) in my first three years. I knew where I wanted to go.”

Top-performing advisors develop a high capacity for change by:

- Developing new skills.
- Seeking support.
- Owning the solution.



## Developing new skills

Advisors with a high change capacity take the time to develop the skills they need to adapt to change. For some, that includes pursuing formal education; others acquire the knowledge they need through self-study.

Managing Representative with Transamerica Agency Network, David Nantz, shares how the time he spent learning a new product changed his perspective and his career. "When the new indexed universal life (IUL) product came out, I was apprehensive. But I studied everything that the company put out," he says, "I learned what made this product different from the old one. Putting in the effort to learn about the new IUL product was the difference between me being a good agent and becoming a consecutive MDRT agent."

Christopher Guarisco used self-study to develop new skills as well. "I got my series six license about two years ago," he says. "I was the only one in my office that got licensed, and I didn't have a mentor to help me through the process. I'm not big on self-study, so it was difficult for me. But I got through it. I've just started to get more active in the last few months. I've been on all the websites learning everything I can. With something this complicated, you need someone you can go to for advice, and I have a couple of people I can talk to now. Before this, I only wrote one contract in the past two years, now I've written two in two months."

### Seeking support

Like Guarisco, many of the advisors we spoke with talked about the support they get from their peers and mentors. These relationships have been instrumental in helping them to navigate change.

Tim Johnson, a Financial Advisor with Virginia Asset Management, speaks about the importance of mentors in his career. "It was a challenge early on. While I had several folks to lean on for advice, and a plethora of firm-wide resources, I didn't have that one consistent person who was my go-to mentor," he says, "It wasn't until my second or third year that I connected with three people who became my mentors. I kept my head down and showed a good work ethic. I got my designations and showed my commitment to the career, and that attracted other advisors in the firm to me."

For mentoring relationships to develop, Johnson believes both mentors and mentees must provide value. "I brought something to the table that they didn't have," he says. "It was a mutually beneficial relationship. Whether it be available time, knowledge around technology or software, or specific knowledge around a certain planning area, it was important that I add value to the team or partnerships that were developing." Now Johnson is ready to pay it forward, "This is one of the hardest industries to succeed in. The training, coaching, and mentoring support that was available to me was essential to my success. Now I'm in a position where I can nurture and coach other advisors who are coming behind me."



### Two activities to overcome challenges

Todd Healy, Founder of C3 Financial Partners, shares these activities to overcome challenges that he learned at a Michael Hyatt & Company workshop:

1. Make a list of three challenges you faced in the past. Next, list three things you did to get through them. Now list three things that will get you through your current challenge.
2. When you look back 6-12 months from now, what will you be most proud of that you did?

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Nick Harklau also believes in the power of mentors and adds this recommendation, “You don’t want too many mentors. When you get input from too many different people, it clouds your decision-making and confidence,” he says. “I have two mentors who support me, and they help me on a day-to-day basis. Surrounding myself with the right people has been a huge part of my success.”

Top-performing advisors use this type of support—whether it is formal training provided by the company, advice from a mentor, or informal conversations between peers—to gain different perspectives, develop new skills, and design solutions for navigating change.

## Owning the solution

**“I am very self-driven. I don’t rely on, nor do I blame anyone for my success or my failure. I’m responsible. If something doesn’t get done, it’s my fault. It’s my name on the door. ”**

—Don Lippencott, Founder and CEO  
Lippencott Financial Group

Advisors with a high capacity for change see themselves as the drivers of their own success. They are proactive in addressing challenges and leveraging opportunities presented by change. Strategies top-performing advisors use to own the solution are described below.

**Leveraging opportunity.** With any change, there is usually some loss. Top-performing advisors acknowledge the loss but move quickly to find what can be gained and then focus on leveraging those new opportunities.

When Lyle Yablonsky received a call from a federal employee looking for someone to present a financial planning seminar, he immediately recognized the broader possibilities the request provided. “As part of the transition [from management to production], I decided to get my Certified Financial Planner (CFP®) professional designation, and it ended up being the solution to my marketing challenge,” he says. “I got a call completely out of the blue. He picked my name from the list on the CFP website because I live near Washington, D.C. Now, I focus on seminars for federal employees.”

**Avoiding negative people.** Jim Rohn, entrepreneur, author, and motivational speaker, is well known for the quote: “You are the average of the five people you spend the most time with.” It can be easy to only focus on the negative side of change. Several participants in our research told us they purposely avoid negative people. “Too many people spend their time complaining or blaming others,” Founder of C3 Financial Partners, Todd Healy, says. “Misery loves company. You need to avoid people who don’t like change and are constantly complaining about change.”



**Taking action.** Advisors with a high change capacity are proactive in finding solutions to their problems. Co-Founder and Principal of Generational Financial, Ben Yin, transitioned his business to virtual three years ago before it was common in the profession. “I have two kids, and I don’t want to be stuck driving every day from appointment to appointment. I want to be home for breakfast and dinner with my family,” Yin says.

He recognized the opportunity to create more work-life balance by changing his business model. “If someone wants to meet in person, of course, I’ll meet with them,” he says. “But we’re about 90% virtual. You have to be proactive, and when you see an opportunity, take action to make it work for you.”

Sometimes taking action means starting where you are most comfortable before jumping in entirely. Several advisors who moved to virtual meetings in 2020 told us they began by checking in on their current clients. As they became more comfortable with virtual meetings, they began reaching out to prospects.

“You just have to be willing to do it,” Hope Hernandez says. “When I first started [holding meetings through Zoom], I was a bit intimidated because I’m more comfortable doing things face-to-face. But after a few meetings, I realized, ‘I’ve got this. I can do this.’ And now I’m entirely comfortable.”

**Remembering why you do what you do.** When faced with challenges, President of A.R. Bruce & Company, Allen Bruce, recommends going back to purpose and passion. “You need to know what you believe in,” he says. “Do you really believe in the products that you’re selling? Do you really believe you provide solutions? That will get you through it.”

## What you can do

To increase your capacity for change, ask yourself the following questions when faced with change:

**What will happen if I do not change?** Knowing the consequences may be the motivation you need to move forward.

**What is the worst that can happen?** Considering the worst-case scenario often reveals the change is not as drastic as you first thought. At the very least, you can start to take steps now to prevent the worst from happening.

**What is the best that can happen?** Looking for positive outcomes and unexpected opportunities and acting on those will help you to feel more in control.



# 3

## Change Mindset

82%

Advisors in our survey who participate in educational events to monitor and anticipate change.

“ Success is harder to achieve for people who have a fixed mindset. With a growth mindset, you focus on effort, learning, growing, and educating yourself to be better. As humans, we’re either dying or growing. I prefer growth! ”

—Ryan D. Blackport, Life Insurance and Annuity Specialist  
AAA Life Insurance Company

In her groundbreaking book, “Mindset: The New Psychology of Success,” Dr. Carol Dweck describes the incident that led to her findings on fixed versus growth mindsets. In an experiment studying how people cope with failure, children were given challenging puzzles to solve.

Confronted with the hard puzzles, one ten-year-old boy pulled up his chair, rubbed his hands together, smacked his lips, and cried out, “I love a challenge!” Another, sweating away on these puzzles, looked up with a pleased expression, and said with authority, “You know, I was hoping this would be informative!”

What’s wrong with them? I wondered. I always thought you coped with failure or you didn’t cope with failure. I never thought anyone loved failure. ... I was determined to ... understand the kind of mindset that could turn a failure into a gift. ... Not only weren’t they discouraged by failure, they didn’t even think they were failing. They thought they were learning.

Dweck’s research revealed that people with a growth mindset believe in their ability to learn and that effort is the pathway to mastery. Because of these beliefs, they are more willing than others to:

- Embrace challenges and persist in the face of setbacks.
- Learn from criticism and feedback.
- Find lessons and inspiration in the success of others.

These same characteristics define people with a change mindset. People with a change mindset anticipate and embrace change. They are willing to try and fail. And, as Dweck says in her book, they are not discouraged by failure; they view failure as a learning experience.

To advisors with a change mindset, change is growth. They view change as a “constant opportunity to evolve the business.”<sup>6</sup>

Advisors in our research demonstrated a change mindset by:

- Taking risks.
- Anticipating and monitoring change.
- Choosing empowering beliefs.

## Taking risks

People with a change mindset do what they can to minimize the unknown by seeking information and monitoring trends. At the same time, they are willing to move forward even when the outcome is uncertain.

When Allen Bruce incorporated his business, he had two young children. “I walked away [from the company] with nothing,” he says. “But I was willing to take the risk. I knew I could succeed by working hard. And I was committed to doing what I thought was best for my clients.”

Many of the advisors we spoke with have taken risks throughout their careers. Some moved from an exclusive model to an independent model. Some moved from production to management, while others moved from management to production. A few came into the career later in life. Others left salaried positions for commission-based careers. For all of them, their belief in their ability to learn and their conviction that effort leads to success was stronger than their fear of the unknown.



## The Three Components of Adaptability

Why do some people see opportunity when others see challenges? How are they able to adapt more quickly than others?

According to Allan Calarco, co-author of “Adaptability: Responding Effectively to Change,” adaptability is “having ready access to a range of behaviors that enable [people] to shift and experiment as things change. [People with adaptability] seek new and innovative ways to solve problems, master new skills, and view disruption as a challenge rather than a threat.”

To improve your response to change, Calarco says you should practice the three components of adaptability: cognitive flexibility, emotional flexibility, and dispositional flexibility.

**Cognitive flexibility** is the ability to use different thinking strategies in your planning, decision-making, and day-to-day work. People with cognitive flexibility have an interest in developing new approaches, readily learn from experience, and recognize when old methods do not work.

**Emotional flexibility** is the ability to vary your approach in dealing with your own emotions and those of others. People with emotional flexibility are comfortable managing the change process (including grieving, complaining, and resistance), while also moving the change forward.

**Dispositional flexibility** is the ability to remain both optimistic and realistic. People with dispositional flexibility operate from a place of optimism grounded in realism and openness. They will acknowledge a bad situation but simultaneously visualize a better future.

Adapted from *Adapting to Change Requires These 3 Types of Flexibility* | CCL. (2020, April 29). Center for Creative Leadership. <https://www.ccl.org/articles/leading-effectively-articles/adaptability-1-idea-3-facts-5-tips>

<sup>6</sup> Musselwhite, C. and Plouffe, T. (2010, June 2). “Four Ways to Know Whether You are Ready for Change.” Harvard Business Review. <https://hbr.org/2010/06/four-ways-to-know-whether-you>

## Anticipating and Monitoring Change

**“You need to stay ahead of the advice that your clients are getting on Google.”**

—Tony L. Cross, Owner  
Strategic Wealth Concepts, LLC

When the decision was made to close the office during the 2020 pandemic, Jill Dawson was ready. “When I put together my business plan, I included a catastrophe plan,” she says. “I didn’t anticipate using it for a pandemic. I was preparing for the possibility of a flood or tornado. But on March 12, when the pandemic was announced, we were ready to go remote that day. We didn’t skip a beat. We were all working remotely on March 13.”

Ben Yin was also able to respond quickly to the pandemic, although, in his case, no adjustment was needed. “I’ve been virtual for the past three years,” he says. “COVID-19 has been the status quo for us. We haven’t missed a beat. We’ve already trained our clients to work virtually with us, and we’ve been prospecting virtually all along. As a businessperson, you have to see a change on the horizon and make it work to your advantage.”

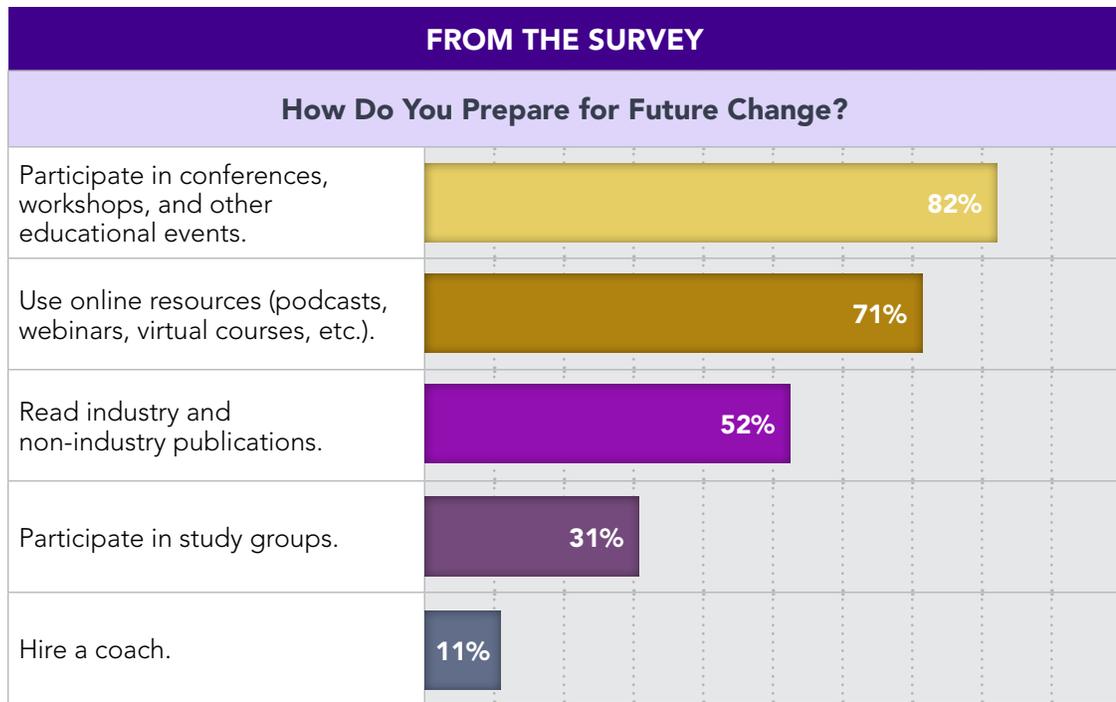
Dawson and Yin both demonstrated an essential component of the change mindset—anticipating and monitoring change. Advisors with a change mindset expect change to occur. They monitor trends both inside and outside the profession to identify potential opportunities and disruptions. By doing this, they are often able to adapt more quickly than others.



### 7 Ways to Monitor and Anticipate Change

1. Take advantage of industry research and trend reports.
2. Regularly follow publications and influencers in your industry.
3. Use different tools and analytics systems to identify the direction trends are heading.
4. Surround yourself with smart people.
5. Build and maintain a close group of advisors.
6. Ask the right questions and listen to your customers.
7. Learn to accept—and even embrace—change.

Hall, J. (2020, February 6). *7 Ways to Identify and Evolve With Industry Trends*. Inc.Com. <https://www.inc.com/john-hall/7-ways-to-identify-and-evolve-with-industry-trends.html>



## Choosing Empowering Beliefs

**“Anything is possible if you really want to conquer it.”**

—Isabel J. Reyes, Independent Producer  
Reyes Financial Life Associates, LLC  
Transamerica Agency Network

In the book, “Out of the Maze,” the sequel to the highly acclaimed book, “Who Moved My Cheese,” the main character, Hem, comes to the following conclusions on his journey through the maze:

- Some beliefs can hold you down; others can lift you up.
- Sometimes “facts” are just how you see things.
- You can choose a new belief.

Our beliefs shape our lives and guide our actions; they influence what we believe is possible. We often think our beliefs are facts and assume they are true. Yet, just as Hem discovered in “Out of the Maze,” sometimes what we believe to be a fact is not a fact at all; it is simply our own view of things.

Your beliefs—both conscious and unconscious—shape your change mindset. Top-performing advisors in our research repeatedly expressed positive, empowering beliefs about their abilities to change, learn, and grow.

Uncovering the limiting beliefs that you have about change and replacing them with empowering beliefs will strengthen your ability to navigate change.

Independent producer, Isabel Reyes of Reyes Financial Life Associates with Transamerica used her empowering beliefs about change to transition from in-person to virtual client meetings. "I love meeting with people," she says. "If I get a call, I'll jump in the car and drive five hours to meet with someone face-to-face. I'm not computer savvy. I knew [moving to virtual meetings] was going to be an adjustment. But I'm willing to try anything because I love helping others."

She persevered and moved quickly to doing business virtually. "I just closed a contract for business partners located in Hawaii and Texas," Reyes, who is based in New Jersey, exclaims, "Nothing can stop me now!"

## What you can do

To strengthen your change mindset, ask yourself the following questions when faced with change:

### **What are my beliefs about change?**

Replace limiting beliefs with empowering beliefs.

**How can I think about this change in a new and different way?** Look for new ways to approach the change.

**What are the realities of the situation?** Be realistic while remaining open and optimistic. What could a better future look like when the change is made?

**Am I looking at this change with a fixed mindset or a growth mindset?** Remember that your ability to learn and the effort you are willing to put in are the pathway to success.



## What Do You Believe About Change?

Limiting beliefs create negative thoughts and emotions. Empowering beliefs create positive thoughts and emotions. Sometimes we are not aware of these underlying beliefs, formed by past experiences we may not even remember. Are your beliefs holding you back or moving you forward?

**Limiting belief:** Change happens to me. I have no control over change.

**Empowering belief:** Change happens. I am in control of the actions I take in response to change.

**Limiting belief:** I am too old (or not smart enough) to learn a new way of doing things.

**Empowering belief:** I have learned many things throughout my life. I can learn this too.

**Limiting belief:** If I try something new and fail, then I am a failure (or others will judge me as a failure).

**Empowering belief:** If something I try doesn't work out; I haven't failed; I've learned.

**Limiting belief:** Change brings disruption and uncertainty.

**Empowering belief:** Change brings opportunity and growth.

# Study Guide

“ Success isn’t determined by how much business we do; success is determined by how many people we help. ”

— Don Lippencott, Founder & CEO  
Lippencott Financial Group

Here are some activities you can do on your own or with your team to navigate change.

## Change readiness

- Discuss the change you are experiencing. Ask team members to share their thoughts and concerns. If some team members are reluctant to share negative thoughts, consider having everyone write their concerns on sticky notes and posting them on the wall. What themes or patterns emerge? What information will help the team overcome their concerns?
- Post the Change Curve on a flipchart and ask individuals to place a sticker on the Curve indicating where they are in the change process. Talk about ways to move forward. If you have a large team, divide them into small discussion groups. Consider keeping the Change Curve posted somewhere visible and asking team members to move their stickers forward (or backward) as they move through the process.
- Discuss expectations during the change process and after the change is implemented. Clarify roles and responsibilities.
- Talk about what will change and what will stay the same. Acknowledge what may be lost. If appropriate, consider honoring “what was” before celebrating “what will be.” Identify new opportunities. Create a shared vision of the future.

## Change capacity

- Identify skills that will help the team manage change as well as skills they will need once the change is implemented. Create action plans for learning new skills.
- Have each team member complete the Michael Hyatt & Company activities on page 9 and discuss their answers with the group.

- Discuss strengths the team possesses that will help them adapt to change. How will you support each other?
- Identify resources (including peer groups, mentors, and coaches) available to support the team as they progress through change. What steps can team members take now to begin adapting to change?

## Change mindset

- Review the “Diffusions of Innovations Theory” on page x. It is often difficult to assess our own behaviors. People are sometimes blind to their own weaknesses and strengths. Ask each team member to identify his or her level of change adoption. Discuss what each level involves—what actions and behaviors have team members demonstrated that support their assessments? Remember that there are no good or bad levels, only different reactions to change. What are the benefits and potential drawbacks of each level?
- Have the team list as many limiting beliefs about change as they can. Then ask them to reframe each of the limiting beliefs into an empowering belief. Which empowering beliefs are most meaningful to the team?
- Review the “Three Components of Adaptability” on page 13. Have team members discuss how they can become stronger in each of the adaptability components.
- Create strategies for monitoring trends inside and outside the financial security profession to anticipate future change.



### The *Leading Change* eBook Series

The *Leading Change* series includes three eBooks to help leaders and advisors navigate change.

Volume One. *Leading Change: Leading Yourself* provides strategies leaders can use to prepare themselves for leading change.

Volume Two. *Leading Change: Leading Others* includes best practices for helping others navigate change.

Volume Three. *Leading Change: Through the Advisor's Eyes* examines leading change from the advisor's perspective.

Visit [Finseca.org](http://Finseca.org) to download these and other eBooks published by the Finseca Foundation.

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