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RETENTION

GAMA
FOUNDATION
eBRIEFS
PRACTICAL IDEAS
FOR TODAY'S
FIELD LEADERS



Volume Two

Creating a Culture of Passion and Purpose

A Guide for the Financial Services and Insurance Industry

Creating a Culture of Passion and Purpose

A Guide for the Financial Services and Insurance Industry

“When we develop passion within our advisors and build their skills so they can set aside their fears and act courageously — like asking tough questions and challenging the status quo — that’s when they really affect people’s lives. And that’s when advisors really hit their stride and become part of society’s fabric of protection.”

Greg Smith
Farm Bureau Insurance of Michigan

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About Us

The GAMA Foundation for Education and Research

The GAMA Foundation for Education and Research is a 501(c)(3) nonprofit organization dedicated to conducting and promoting research and education to enhance the profitability and productivity of field leaders in the financial services and insurance industry.

Since its creation in 1990, the GAMA Foundation has funded major studies on key leadership topics, including future trends for firms and advisors, attracting high-quality prospects, recruiting and selecting new advisors, launching new advisors, retaining successful advisors, mentoring and coaching practices, effective local marketing, building successful advisor teams, developing high-performing leadership teams, and launching new frontline (sales) managers.

Our Contributors

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About this eBrief

The GAMA Foundation's eBriefs focus on essential business-building systems in agencies and firms. The strategies and best practices shared in this second eBrief of the three-volume retention series will:

- Guide leaders in creating a culture of passion and purpose in their organizations.
- Provide strategies for reinforcing a culture of passion and purpose in key processes and systems.
- Offer leaders ideas for reinvigorating passion and purpose among veteran advisors.
- Assist leaders in creating messages about the industry's passion and purpose that have meaning to different demographics.

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Top challenges leaders identified in creating and sustaining a culture of passion and purpose: advisor attitudes, constant reinforcement and protecting the culture.

Introduction

“ Passion isn’t something that lives way up in the sky, in abstract dreams and hopes. It lives at ground level, in the specific details of what you’re actually doing every day. ”

—Marcus Buckingham

Nearly a decade ago, two leaders were tapped by their firm to manage an office that, while doing well financially, was not expanding and growing. Although recruiting was continual, retention was virtually nonexistent; most new advisors left the office within one year.

Upon their arrival at the new location, the two leaders immediately sensed a difference from the tight-knit, supportive environment they had enjoyed at their previous office. “The key issue we found was that people weren’t working together. There was no passion or purpose behind the culture — they were just working for the commissions or immediate gratification,” recalls one of the leaders. “The people were all professionals, but no one really spoke to each other. It wasn’t a fertile environment for new advisors to be successful because they weren’t being supported and didn’t feel like their business mattered to anyone else.”

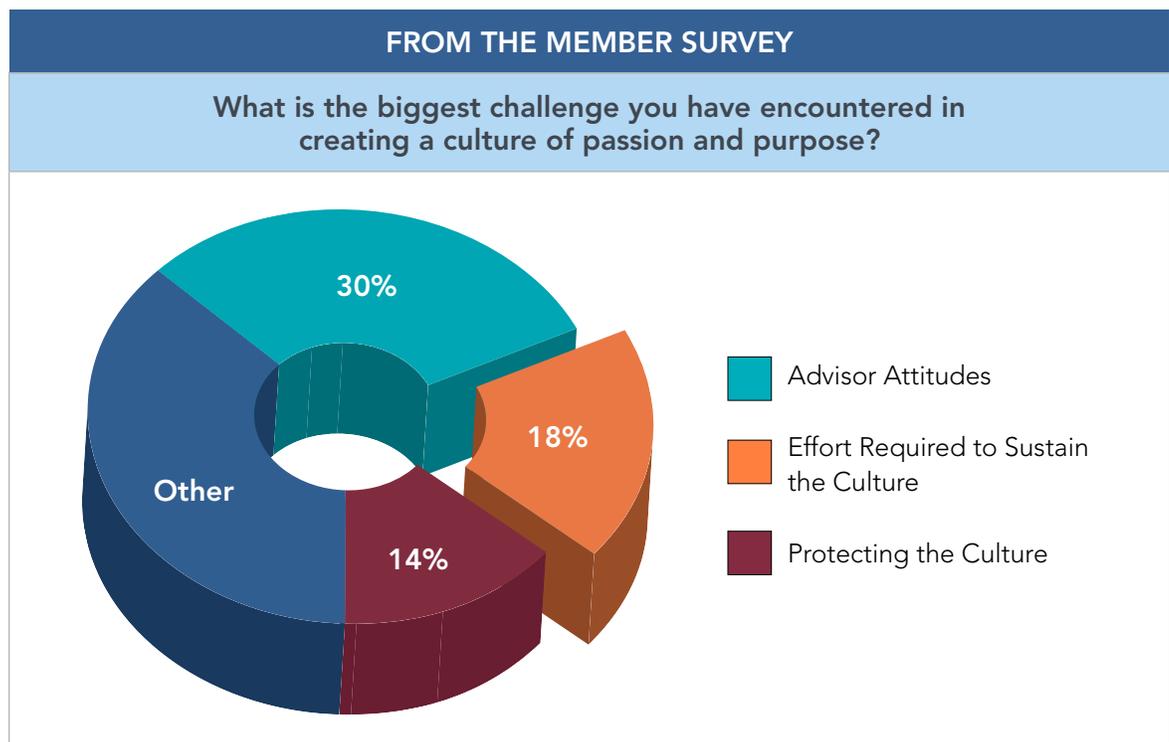
Recognizing that retention would always be an issue if the status quo continued, the newcomers temporarily put recruitment on hold to focus on changing the organization’s atmosphere and culture. “I’d always been in an office with a good culture, so I thought it happened almost automatically. But we really had to put thought and effort into building the culture we wanted,” says one of the firm leaders, adding that they dedicated their first 90 days to doing an in-depth talent assessment and working primarily with the top producers to identify growth opportunities. Next they implemented significant changes, including the introduction of teaming and an emphasis on community service. Some advisors grumbled and left the firm — but all the top performers remained. Since then, says the leader, “We’ve seen exponential growth, and most advisors have seen their business expand to levels they hadn’t imagined.”

“The buzz, the energy, the success create retention. Too many people think they can just ‘fix’ retention. But you really have to fix the culture — and the resulting passion will fix retention.”

Michael Kane
Empire Wealth Strategies

Of course, the story doesn't end there. Culture requires daily care and feeding to remain vibrant, welcoming, respectful and collaborative. Leaders in our study identified sustaining the culture over time — and the constant, consistent effort it requires — among the top three challenges to creating a culture of passion and purpose.

Protecting the culture — including finding and selecting people with passion; aligning advisors' visions, goals, and passions with the firms'; and protecting the culture from negative influences and attitudes — was also among the top three challenges identified by leaders. In fact, according to the survey, advisor attitude is the No. 1 challenge leaders struggle with regularly. Leaders frequently listed negativity, complacency and advisor burnout among their top challenges.



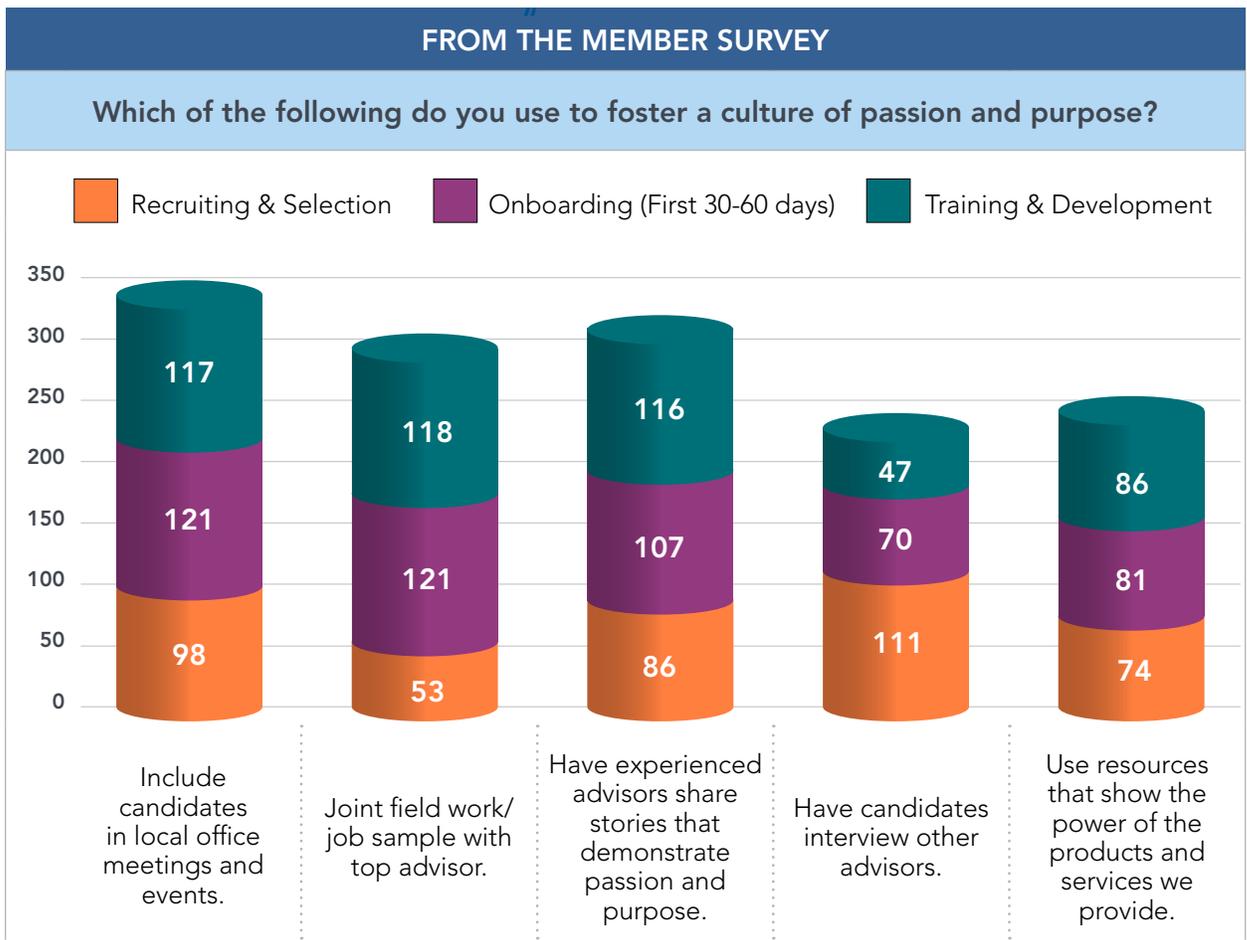
Whether new or experienced, just one advisor can have an adverse ripple effect on the entire firm. "Every challenge we've had has come from one of our people who has a victim mindset," says one senior executive. "A responsible person takes the approach of 'What can I do to contribute to success?' and owns his actions. A victim, on the other hand, makes excuses, starts pointing fingers and can attract others to the same way of thinking, which undermines the overall organization."

A firm's culture is especially susceptible to being undermined during times of significant change. If culture needs to be assessed and maintained daily in the best of times, then it almost needs moment-by-moment monitoring when an organizational shake-up occurs, a merger takes place, new products or systems make their debut, or the compensation model changes. The resulting strain can lead to shorter tempers, less collaboration and possibly departures of advisors — either voluntarily or involuntarily. Managers need to get ahead of change, explaining and answering questions to the extent possible.

“The biggest challenge any organization faces is change. Any time change comes into the picture, you’re rebuilding the culture, often from scratch. And change happens a lot.”

Bellaria Jimenez
MassMutual Tri State

To address these challenges, more than four out of five GAMA International members who responded to our survey begin fostering their culture during the recruiting and selection process, including 84 percent of them who have candidates interview with advisors already steeped in the firm’s culture. Similarly, 84 percent emphasize culture during the onboarding process by having candidates attend local office meetings and participate in joint field work with top advisors. In addition, as part of ongoing training and development, 83 percent of survey respondents call on experienced advisors to share real-life stories that demonstrate the power of passion and purpose within the financial services industry.



In the pages that follow, industry leaders share their insights on how to create and sustain a culture that is powered by passion and purpose. Top-performing leaders in our research all embrace the following guiding principles:

1. Lead with Purpose.
2. Nurture the Passion.
3. Recruit for Passion.
4. Reinforce Passion and Purpose in Others.

How We Collected Our Data

Our researcher conducted in-depth interviews with 10 industry executives, all of whom have a proven record of creating and maintaining a culture of passion and purpose in their organizations. In addition to the personal interviews, the GAMA Foundation for Education and Research conducted an online survey of nearly 150 GAMA International members to provide an industry-wide snapshot of how top-performing leaders increase retention by fostering a culture of passion and purpose.

Terms Used in this Book

In addition to offering different lead products, industry segments often use different terminology to describe their business and their people (for example, “advisor” and “agent,” “agency” and “firm”). In this eBrief, we most often use the terms advisor and firm. While you may use different terminology in your business, we encourage you to overlook the labels and titles and focus instead on the ideas and strategies shared by these leaders in the industry.



Lead with Purpose

64%

Leaders who discuss passion and purpose in the first conversation with a candidate.

“When you are bigger than your purpose you have a career. When your purpose is bigger than you, you have a calling.”

—John C. Maxwell

Let Purpose be Your Guide

Lead: To guide, to go first, the first or foremost place, most important.

The clients that we serve, the lives we protect, the dreams we make come true — those are the reasons we do what we do — that is the most important purpose we serve. Top-performing leaders put purpose first. They use purpose to guide their decisions, actions and behaviors. They use purpose to inspire and connect people and to help others better understand how this profession can change lives. Top-performing leaders lead with purpose.



“One of the things we do that has the biggest impact is share stories. Agents will share situations they came across — for example, a family with no insurance could’ve left their children without a home. Then they’ll share how they solved the need using life insurance to help protect that family’s future. The stories, about actual people, help the newer agents realize, ‘Maybe I am in an industry where I can truly make a difference.’”

Drew Prince
Transamerica Agency Network

Use Purpose to Paint a Picture of What You Can Achieve Together

Not long after moving to a new firm, a firm executive held a quarterly kick-off event that perhaps 15 advisors attended. By the time the next quarter's event rolled around, attendance had more than tripled. In large part, the executive attributes the increase to use of a simple analogy: cementing a firm foundation before attempting to build a skyscraper.

"You have to start with the foundation, getting everybody to work together for one purpose," says the executive, who began sharing a vision for the firm and what it could accomplish if everyone worked together. "In the past, the advisors didn't know any of the goals or how the firm was doing overall. Now I let them know exactly where we stand on our three goals, one of which relates to the health of the organization, and ask for their help. That helps them feel a part of the organization's purpose."

"Everybody in the agency, even our underwriters, has a copy of our agency mission and vision statement and our goals to achieve for the year. If it's out of sight, it's out of mind, so we keep those goals in front of everyone."

Joshua Hyde
Farm Bureau Financial Services

"Culture is really created when people get together, understand what you're trying to build and want to be part of it. Their excitement and energy come only from your being able to paint a very clear picture of what you're trying to achieve — the purpose," observes one firm leader.



Use Purpose to Unite and Empower People

A well-articulated purpose unites people, enabling them to achieve something together that's bigger than any one of them could achieve on their own. It should explain what the firm aims to do and for whom, how it will be accomplished and what success will look like five or even 10 years down the road. Unless a leadership team agrees on and supports such rallying points, a firm's culture is likely to fragment and eventually crumble.

One company literally bolts its corporate philosophy to the office wall, so every time advisors walk in they are reminded of their mission to protect people from the risks of everyday life. Another organization not only posts its vision and core values around its offices but also routinely discusses them during branch and leadership team meetings. To extend ownership of the concept, the organization encourages all managers and advisors to draft their own vision and mission statements as well.

Use Purpose to Strengthen Connections

Individual and team expectations and responsibilities flow from an organization's purpose, providing people with a clear link between what they need to do to successfully pursue the mission and accomplish particular goals. They understand why certain expectations are placed on them. "First, we talk about our purpose and then about the advisors' responsibilities — that we want to sit down with people and have useful and crucial conversations, where we connect the dots, so they know why they're buying insurance and why it's important," explains one sales director. "We weave in that we are not a transactional company. Yes, we want advisors to do a lot of transactions — but we want people to know what they're buying and understand what the risks and protections are in their lives."

Another leader successfully reshaped a firm's culture by emphasizing its vision to give back to the community through volunteer activities. Although not mandatory, volunteer service is encouraged and has been embraced by most of the advisors for its intrinsic value. "Through the volunteer work, we're working together but in a different way, learning to team and collaborate. Doing a good deed together forms a different type of connection among advisors because you're all sharing a different part of yourself," says the leader, noting that the four volunteer opportunities organized by the firm each year typically attract a cross section of participants, representing all levels of industry experience.

"Purpose means having a clearly defined goal, so you know where you're headed. And when agents see the impact we can have by helping people prepare for the unexpected — by making sure they are taken care of should something devastating happen — that's where the passion comes in."

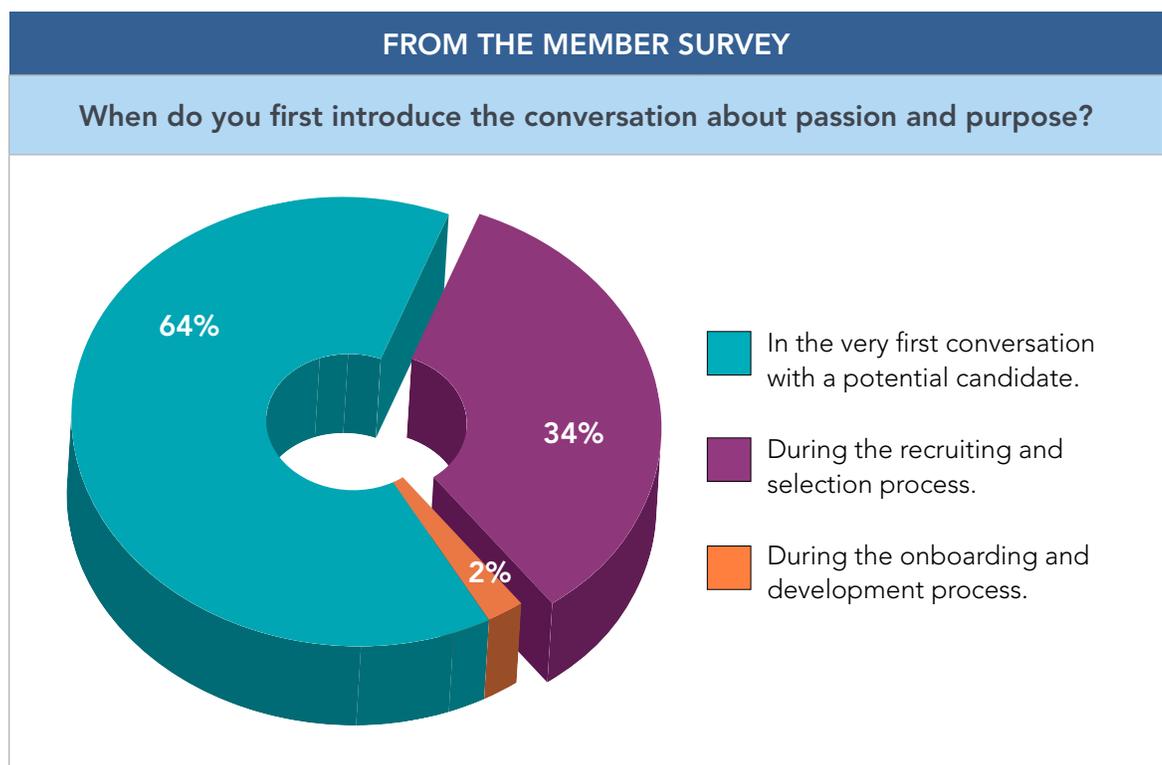
Drew Prince
Transamerica Agency Network

Use Purpose to Guide Behaviors

Equally important as spelling out goals and expectations is clarifying for advisors what is *not* part of a firm's culture of passion and purpose — such as pessimism about reaching established goals or fulfilling the mission. For example, one former advisor became the manager of a firm that had routinely ranked among the state's lowest performers. Perhaps not surprisingly, negativity abounded among the advisors. So early on, the manager shared expectations for the firm and emphasized what behaviors or attitudes wouldn't be acceptable.

"Negativity was not allowed. Pessimism was not allowed. Because those are cancers that we needed to keep away from us. Instead we were going to be positive, optimistic, engaging, motivational and a team with traction power," recalls the manager. "Once the expectation was out there, within a week everyone started doing everything with more energy and excitement. Now everybody is always planning ahead — what's our next mission? Our next vision? Our next award to win as a team?" At last count, the firm had taken top honors in its state for three consecutive years.

The conversation about a firm's purpose and the passion advisors' have for the work that they do is so important that most leaders don't delay it. According to the GAMA survey, 64 percent of respondents discuss passion and purpose in their very first conversation with a potential candidate; another 34 percent make sure to have the conversation during the recruiting and selection process.





Lead with Purpose Checklist

Find opportunities for advisors to share stories that demonstrate the positive impact the profession has on clients' lives.

Share the firm's vision, mission, values and goals widely throughout the organization, incorporating them frequently into communications and discussions.

Encourage each advisor to develop personal vision, mission and goals that complement the firm's.

Talk about the important role advisors serve and introduce the firm's purpose during the first meeting with a candidate or early in the recruiting and selection process.

Questions to Consider

1. How often do you engage in discussions about your firm's mission and values and the true purpose of the profession?
2. If asked today, how many of your advisors would know the firm's mission and goals? Have they developed individual mission statements and goals to guide their own efforts?

2

Nurture the Passion

95%

Leaders who use mentors to help new advisors find their own purpose and passion for the profession.

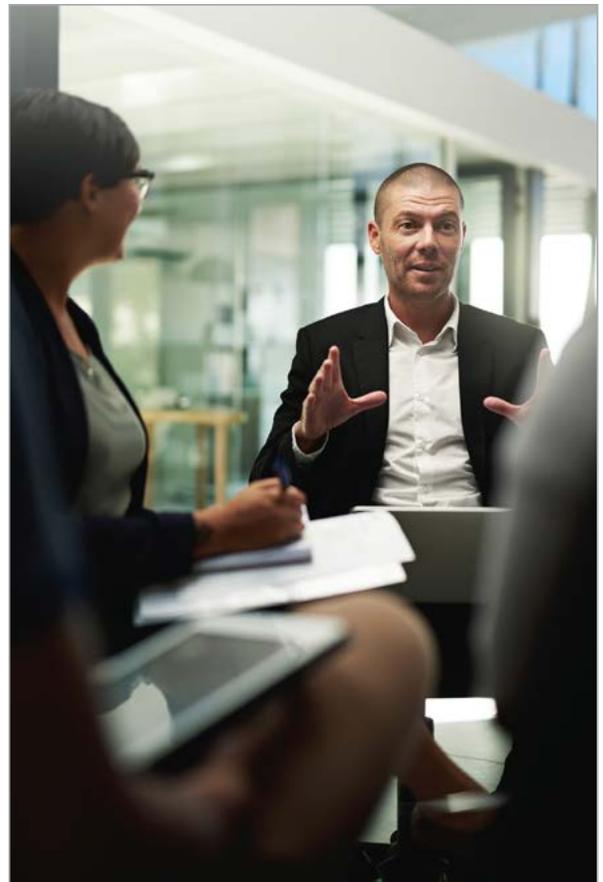
“ If a leader doesn’t convey passion and intensity, then there will be no passion and intensity in the organization. ”

—Colin Powell

Share Your Passion and Purpose

Think for a moment about the advisors you manage: Do they truly understand the impact they have on the lives of others? Are they passionate about the work they do every day?

Culture refers to an organization’s behavioral norms, according to Mike Figliuolo, a leadership development specialist and managing director of thoughtLEADERS, LLC. “Those norms are a function of the sum of people’s daily behaviors. If everyone behaves in a positive manner and treats each other with respect in every interaction, you’ll end up with a respectful culture,” notes Figliuolo, the author of *One Piece of Paper: The Simple Approach to Powerful, Personal Leadership*. “Look at your daily behaviors and ask, ‘Am I creating the culture I want to work in and want others to work in?’ If the answer is yes, keep driving those behaviors. If the answer is no, change the behaviors.”



In other words, a culture of passion and purpose doesn't just happen. The leadership team needs to encourage, support and model the behaviors they want to see in others. They have to show that they too are powered by purpose and passionate about the profession. Demonstrating their own passion including showing how much they care about their advisors and the profession was ranked among the top three activities that had the greatest impact for leaders in creating a culture of passion and purpose.

For one sales director, for example, passion means having the competence to develop a holistic view of the clients' needs, plus the confidence and ability to ask the tough questions about situations that clients are often reluctant to discuss. Another one defines passion as "giving it your all and putting your best foot forward in everything you do." And others say that, while it's difficult to translate passion into words, they definitely know it when they see or feel it.



"When someone walks through the door, they should see and feel a thriving organization, full of energy and excitement. The place should have a buzz going on, even if there's hardly anybody there."

Michael Kane
Empire Wealth Strategies

Help Your Advisors Find Their Passion

For many managers, nurturing passion begins with helping advisors find their own "Why" — the chief reason they are in the financial services profession. To do this, managers often use the Golden Circle diagram popularized by Simon Sinek in his book *Start With Why: How Great Leaders Inspire Everyone to Take Action*. At the outside of three concentric circles appears the "What" — in other words, what the person does as a financial advisor. The middle circle represents the "How" — the ways in which advisors go about their work. And at the heart of the concentric circles is Why, or the bedrock purpose, cause or belief that inspires the advisor to do what he or she does. Sinek contends that the most inspired people and organizations think and act from the inside out — they start with the Why before moving on to the How and What.

From there can flow a Why Statement — one short sentence that summarizes a person's unique contribution and impact. "The impact reflects the difference you want to make in the world; the contribution is the primary action you take toward making the impact," explains Sinek. In his view, How encompasses the values and principles that an organization or person employs to bring their Why to life.

Every Why is unique because every advisor defines personal passion in a different way. "There's a wide range of Whys, especially from new advisors to veteran ones," notes one firm manager. "The Why might be the impact the advisor has on other people's lives, or about the independence and flexibility of running their own business, or it might be something specific like protecting 100 lives and 100 households."

At one company, every advisor receives a desktop frame into which to place a visual Why reminder, such as a family photo or a picture of a house. In one case, the frame housed a photo of a famous baseball closer — because the advisor in question wanted to be the person everyone else in the firm could count on to get something done. Another top leader favors a visual reminder, providing each advisor with a small laminated plaque that reads: “I Change Lives.”

“One of our core values is to be someone of strong conviction, to be passionate about something. We don’t want indifferent or apathetic. More times than not, passion for something translates into passion for financial services.”

Kyle Sims
AXA Advisors, LLC

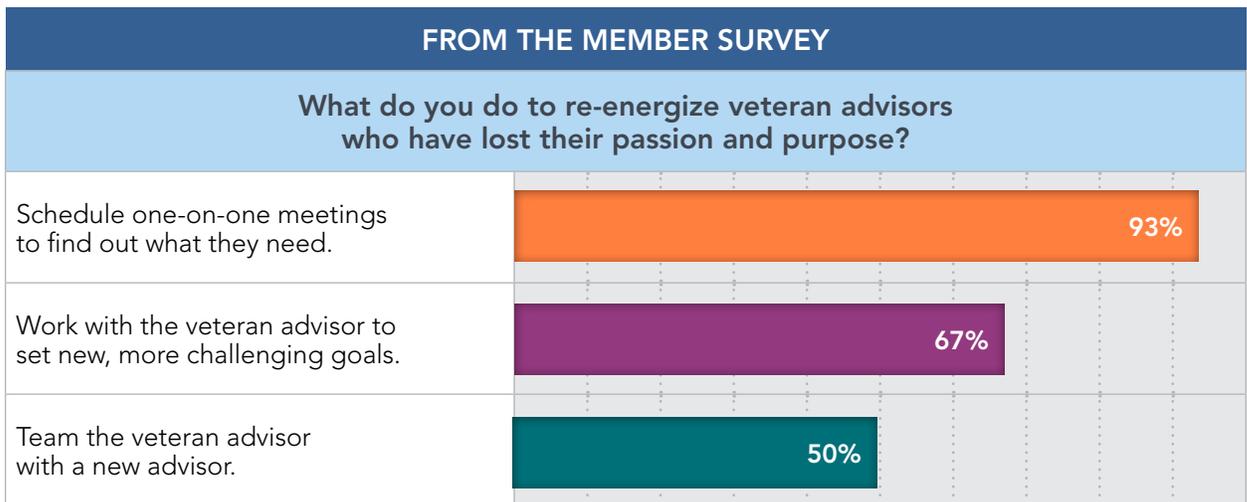
The vast majority (95 percent) of survey respondents provide mentors to help new advisors find their own purpose and passion for the profession, followed by 85 percent who provide relevant books and similar resources for new advisors’ use.



“We’ve established a mentor mentality, where our new advisors spend a lot of time learning from the veteran advisors,” reports one firm leader. “It’s rewarding for both of them because it re-excites the veterans to share their successes, teach others and keep the new rookies engaged.”

In fact, teaming veteran and new advisors is a practice employed by half of the survey respondents as a means of re-energizing those who seem to have lost their passion and purpose. One firm reports the senior advisors who serve as mentors usually experience a 30 percent to 40 percent increase in their business because they are splitting cases; in turn, new advisors are closing bigger cases and receiving more referrals, which increases their retention. “The more it’s working, the more senior advisors we have asking for the opportunity to mentor somebody,” says the firm’s managing partner. “Our culture has gotten better, because we have more people caring about our neighbors and our peers.”

More often, though, leaders report scheduling one-on-one meetings with veteran advisors to find out what's happening (93 percent) or helping the advisor set more challenging goals (67 percent).



Keep the Fire Burning

Additional ways to keep passion for the profession front and center:

- As part of weekly check-in meetings, remind advisors of their individual Why.
- Encourage veteran advisors to reconnect with their top 50 clients and ask, "Why did you do business with me? How have I been of help to you?"
- Send personal texts or emails that relate to an advisor's Why, for example, "Congratulations on helping 10 people plan for their future this week."
- Introduce or expand the use of teaming. One manager reports, "We do a lot of joint work and team selling, so everyone is winning together. Maybe one advisor gets the case, but another advisor validates the recommendation and adds some things. Both are adding value to another person's business, which will be reciprocated in the future."
- Encourage new advisors to create a vision board, on which they depict their personal goals.
- Organize a book study on a motivational or inspirational title.

Use the Power of Stories to Ignite Passion

Many managers speak of the power that stories have to ignite — or re-ignite — passion within an organization. Leaders in the research identified using stories that reinforce the difference advisors make in their clients' lives among the top three most impactful activities for creating a culture of passion and purpose.

In his book *Lead with a Story*, Paul Smith notes that stories are not only simple to tell but also appeal to all types of learners. "Visual learners appreciate the mental pictures storytelling evokes. Auditory learners focus on the words and the storyteller's voice. Kinesthetic learners remember the emotional connections and feelings from the story," he says. Plus, because stories are usually easy to remember, facts presented as part of a story are 20 times more likely to be recalled by listeners.



Watch for Red Flags

When someone loses the passion for the profession, he or she is more likely to leave. Here are a few warning signs that an advisor's passion may be waning:

- › **Few social interactions.** Do advisors greet one another every morning? Invite new hires to lunch? Express interest in what colleagues are doing in their personal lives? If not, they may be trapped in a "what's in it for me?" mindset that can be detrimental to the firm's overall health — maybe not immediately but certainly a few years down the road.
- › **Gradual withdrawal from firm activities.** An occasional absence from a weekly meeting or quarterly kick-off event may progress to skipping most training seminars or appointments with mentors. Self-imposed isolation may simply be a response to pressures in the advisor's personal life, or it might indicate a growing professional dissatisfaction.
- › **Similar coverages for different clients.** Even if an advisor is hitting all the right numbers, a look at the type of business written might indicate he or she is just going through the motions. Because every client's life is different, the products and services selected should differ as well. "If everything looks the same, then the advisor is just peddling policies and not accounting for differentials in people's needs," says a sales director. "Our products are somewhat of a commodity, but our clients aren't — they are living, breathing people."

For each of these circumstances, the suggested action is the same: Address it quickly, through coaching, targeted training, mentoring or even a conversation over lunch, with the goal of redirecting the advisor's thinking back toward a personal Why. If the advisor isn't receptive to any suggestions, it might be time to part ways. As one executive notes, "Sometimes, you have to remove a person who is doing quite well, but not doing well by the clientele or by the company's philosophy."

"Our main passion-defining time is every Friday when, without fail, we have advisors give testimonials," reports one firm executive. The advisors essentially provide a mini case study in how and why they worked with a particular client, how they overcame any objections, and what the outcome was. No names are shared, just the relevant details — and the story could be about a learning experience as much as about a selling success.

"No matter how much you know or have seen, it's good to get re-energized and see the excitement that a veteran or new advisor has when helping people solve problems," continues the executive. "Many times after one of the testimonial meetings, I've had someone I didn't even realize was struggling with a case, or even the career, say that presenter really picked them up and made them feel better. And within the next few weeks, I usually see that person being very motivated and humming along."

Another executive, who has a powerful personal story, doesn't flinch from sharing it, particularly with new advisors. "Until an advisor feels their impact on someone — because a family member dies or somebody goes on disability — they may need to use someone else's story," says the executive. "As an advisor, I knew we were changing people's lives. What really hit home was my first death claim — and it was my spouse. My passion and purpose became full blown, igniting me to get the word out and help more people in the community do the right things for their families."

For every loss over \$100,000, one firm shares the circumstances from the claims description with its advisors, as proof of the difference they can make in people's lives. A senior leader at the firm explains, "Things do happen. Homes burn down, cars are wrecked, people get sued, and family members have health issues. We share our large loss report every week, so advisors can share those stories with clients and speak with passion and emotion and conviction when they say, 'Here's why I'm recommending this in your circumstances.'"



Nurture the Passion Checklist

Know what's important to individual advisors, particularly why they come to work every day.

Use mentoring, team selling and storytelling to motivate new advisors and re-energize veteran advisors.

Remain on alert for red flags that might indicate an advisor's loss of passion for the career.

Questions to Consider

1. What are three ways your firm nurtures advisors' passion for the career? What one new way can your firm try to nurture that passion even more?

2. On a scale of 1 to 10, with 10 representing an outstanding culture of passion and purpose, where do you rank your firm? Where do advisors rank it?

3

Recruit for Passion

77%

Leaders who observe candidates in meetings and other interactions to determine if they are a good fit for the culture.

“One person with passion is better than forty people merely interested.”

—E.M. Forster

Look for Candidates with Passion

Personal energy ... social ease and mobility ... honesty ... leadership experience ... the “It” factor.

Those are some of the desired traits that firm managers look for in potential new advisors, even while acknowledging that you can't truly know people until you work with them. Of course, leaders also look for evidence that candidates can meet the expectations and handle the demands of the advisor profession. But cultural fit can't be ignored, especially when you consider the impact — whether positive or negative — that just one person can have on a work environment.

One leader observes, “Most advisors will tell you they got into this industry because they like helping people. If at some point during the interview process candidates don't tell me they're passionate about helping others, then they'll be more inclined to help themselves. And that just doesn't work.”

“You have to spend more time up front to make sure you're hiring people who are passionate and compassionate and fit your culture,” believes another leader. “When you spend more time hiring the right people, retention is about trying to help those people become successful — not getting them to stay in the career. And those are completely different conversations.”



“The culture begins with the leader. Culture is not something that stands by itself. It needs to be built and developed. The culture determines how you grow your business and who you grow it with.”

Samantha Clark
National Financial Network

Use Different Strategies to Uncover the Passion

For some firms, the right people are often former collegiate athletes, who tend to be ambitious, motivated, team-oriented and comfortable with high expectations of their performance. Some look primarily for people who have held leadership positions in various student or community-based clubs and organizations. Others prefer recruiting career changers, veterans or recent college graduates. Regardless of their backgrounds, however, all candidates need to exhibit some level of passion to get past the first interview.

Uncovering that passion might be as simple as asking, “Why do you want to get into the financial services business?” Some managers ask general questions about the candidate’s current job or outside interests, not so much for the answers themselves but more for how much enthusiasm or excitement accompanies the person’s response. According to 77 percent of leaders responding to the GAMA survey, observing how candidates respond in meetings and interactions is a critical component of determining cultural fit, followed by asking specific questions about culture, passion and purpose (favored by 72 percent of respondents).



Four Fundamental Questions for Candidates

In his GAMA International publication, *Do Well by Doing Good*, Ed Deutschlander recommends that candidates ask themselves four questions to determine if becoming a financial advisor is the right profession for them:

1. Why do you want to become a financial advisor?
2. Are you ready to be a business owner?
3. How will you build a clientele?
4. Do you believe in what financial advisors do?

Regarding question four, Ed goes on to explain, “As an advisor, you are assisting your clients in reaching their life’s goals. You are the protector of their hopes and dreams for the future. As you proceed through each step in the selection process, ask yourself, ‘Is this something I am truly passionate about and truly believe in?’ Knowing the answer to that will make your decision clear.”

Do Well by Doing Good, ©2008 GAMA International.

FROM THE MEMBER SURVEY

During the recruiting and selection process, how do you assess a candidate's fit with a culture of passion and purpose?



Agencies and firms trying to figure out whether a candidate will contribute positively to their culture also employ the following assessment strategies:

Front-desk double check. Ask the firm's receptionist or office manager for feedback on how the candidate interacted with others while waiting for the interview to begin.

Veteran advisor's view. Schedule a short (15-minute) interview with at least one senior advisor for an outsider's perspective on the candidate. "I ask for honest feedback, such as whether the advisor would enjoy being at our quarterly meetings or annual picnic with this person," says a firm manager. "Getting another set of eyes on a candidate from someone who is not in management is really telling, because the veteran advisors don't sugarcoat anything. I've definitely closed the book on people when advisors said it wasn't a good fit."

Teaming up. Set up a meeting with the team members or others the candidate would be working closely with, so the candidate can get a good feel for the firm's overall culture. "I really want the vote of the team," observes one senior executive, "because if you put one bad seed into a team, it could ruin your culture completely."

Interview by committee. Another option is to establish a hiring committee, so all candidates will be assessed by the same people. One firm asks each candidate to prepare a business plan for presentation to the hiring committee, along with a two-minute script that would serve as an introduction to a client. One of the firm's leaders explains, "The committee looks through a different lens than the hiring manager, to see how well-prepared the person is. The way the person prepares the business plan, for example, tells us a lot about the person's passion and reason for coming into the business." Learning the script, adds the leader, gives an indication of the candidate's willingness to being trained.

Spouse and house. Bringing the candidate's spouse or significant other into the office for a candid conversation with firm leaders can reveal the extent of the family support the person would likely receive during his or her first years as an advisor, when hours are long and rejection is rampant. One firm prefers to schedule the spouse meeting at the candidate's home to pick up more nuanced cues on the home turf. "You can tell a lot about people by the way they keep up their homes and the things they have going on around them. You not only get a good sense of who that person is but also the support available," reports a senior executive.

“Yes, we are in sales. But if the person is motivated just by the dollar sign and isn’t committed to serving and doing what’s right, that person would be shown the door. You need someone who wants to make enough money to give their family a great life — but not at the expense of a client.”

Daniel Polk
Modern Woodmen of America



Lessons Learned

No matter how much time and thought you put into recruiting, you won’t make the right choice 100 percent of the time. Even so, to increase your odds of getting a selection right, here are mistakes that three experienced managers acknowledge making when new to the position.

Ignoring intuition. “In my first few years as a manager, I hired someone even though, in my gut, I knew it wasn’t going to work. He just wasn’t the right person for the established team,” says a senior-level executive, noting the advisor in question wasn’t making much money but thought he was doing a fine job. “When I finally let him go — which wasn’t pretty — one team member asked, ‘What took you so long?’”

Wanting success more than the advisor does. One manager, himself a former football player, intentionally recruited well-known candidates who would have a wide sphere of influence. “Well, they did have a lot of influence — but as advisors they were lazy. I worked harder than they did, putting in two or three times their effort,” he says. “If you ever see your efforts aren’t being matched by others’ efforts, then it’s not the right fit.”

Making assumptions. In one manager’s experience, millennials are often reluctant to admit they feel uncomfortable or unprepared to take on a particular task or conversation, putting the onus on the manager to constantly ask how everything is going. The manager learned this the hard way, saying, “I had someone who was very efficient and did well the first four or five months, so I assumed that person — who never told me anything was wrong — was ready to be left alone. Five months later I learned the person didn’t feel the same and had decided to leave, probably because I wasn’t still touching them two or three times a week and continuing to check in.”



Recruit for Passion Checklist

Identify the desired traits that would make a new advisor a good fit for the firm culture.

During the recruiting and selection process, ask several questions designed to reveal the candidate's passion for helping others.

Provide others within the firm the opportunity to interact with or interview potential advisors.

Questions to Consider

1. How does your firm involve existing advisors in helping determine the cultural fit of a potential new hire?
2. Does your firm have a list of characteristics that make a candidate more likely to thrive in a culture of passion and purpose?
3. How do you currently assess whether someone has a passion for the profession? What can you do to improve this process?

4

Reinforce Passion and Purpose in Others

34%

Leaders who identify embedding passion and purpose in all aspects of their culture, systems and processes as the activity having the greatest impact on creating a culture of passion and purpose.

// You have to be burning with an idea, or a problem, or a wrong that you want to right. If you're not passionate enough from the start, you'll never stick it out. //

—Steve Jobs

Continually Reinforce the Greater Purpose of What Advisors Do Each Day

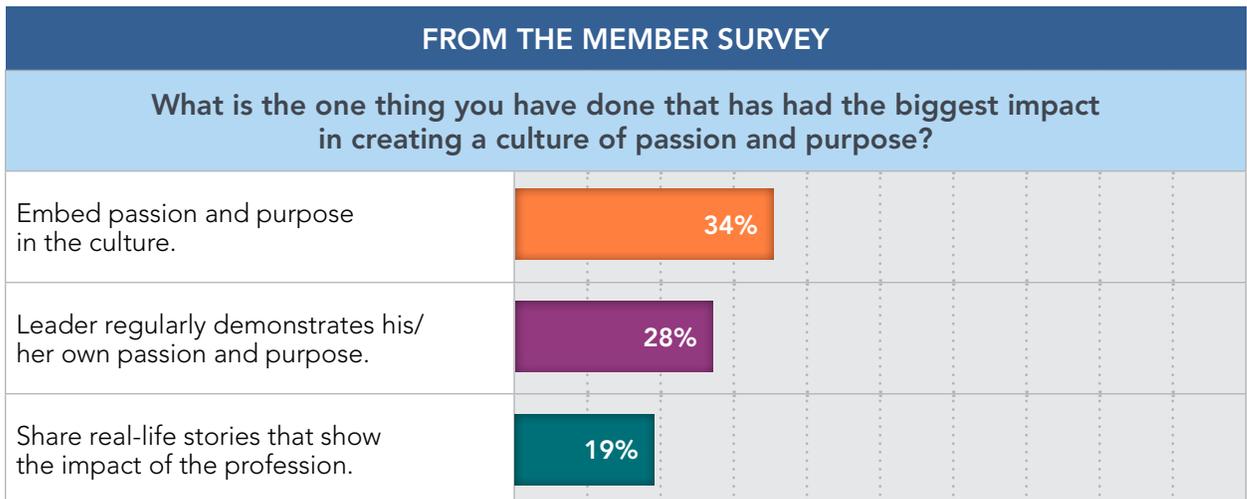
When people list the occupations they want to pursue to change the world, “financial advisor” is not often included on the list. But it should be, given the significant impact that an advisor’s knowledge and recommendations can have on the lives of clients and their loved ones. To underscore that point, several firms send a new advisor along when a veteran advisor delivers a death benefit, to see firsthand how much comfort and security can be brought to a grieving family. Others invite clients to speak at advisor meetings about the difference an insurance product made in their lives.

As one sales director observes, “You have to keep returning to the same message: Here’s why we do this. Because everyone wants someone to lean on in tough times, like when something wildly unexpected occurs. Stories and messages about how we did the right thing help advisors set aside their ego and their fears and have the courage to have crucial conversations with people.” When advisors truly believe in this greater purpose and demonstrate genuine passion for their work, clients are more likely to trust, rely on and refer them.



“At times, if you’re not having a lot of success, the passion for this business can wane. So I have one-on-one pep sessions with new advisors every week. If they want to talk about cases, we can, but I’m really a cheerleader.”

Shawn Will
Principal



Top-performing leaders find a variety of ways to bring the profession’s passion and purpose to life every day. They embed passion and purpose into all aspects of their culture and their systems and processes — from recruiting and selection, through training and development, and meetings and communications. Here are just some of the ways leaders in our study reinforce passion and purpose in their culture.

Recognize Advisors Who Demonstrate Passion and Purpose

The vast majority of leaders use one-on-one meetings, emphasizing each advisor’s individual Why, as the primary means of reinforcing a culture of passion and purpose. Then they employ the following strategies to continually emphasize the cultural message and recognize advisors for exhibiting individual behaviors that demonstrate passion and purpose.

Stay in touch. Most leaders issue a weekly briefing or report via email to communicate numbers, progress toward goals and general firm information. Some put their own spin on the communication to reinforce the firm’s desired culture. One manager, for example, includes many photos in the weekly briefing so the geographically dispersed advisors can get to know one another, at least by sight. Photos of new advisors appear as well, with invitations for others in the firm to call or email the newcomers and welcome them to the family. The same manager also records a phone message every week, then schedules it for distribution to all advisors on the same day, at the same time. “The biggest advantage is consistency of messaging. There’s no question about what I said, and no one can say they didn’t get the message,” says the manager, who often uses the message to congratulate advisors on individual successes and encourage their colleagues to do the same.

Another leader films a short video every week to introduce new advisors, share information about veteran advisors (such as hobbies and interests) and recognize achievements. The video, which is posted on the firm's YouTube channel, typically receives many visits.

Celebrate. An annual awards recognition, standard for most firms, can help the passion from one year carry over into the next. One firm goes all out, designating the special dinner as black-tie optional. It also celebrates its cultural diversity by hosting an international day every year; advisors are encouraged to bring in and share foods that reflect their cultural backgrounds as a means of getting to know one another better.

Appoint an advisory board. One leader credits the firm's cultural turnaround, in large part, to the creation of a board comprising advisors from varying backgrounds and levels of experience. The board has helped managers create messaging for different audiences within the organization, offered advice on communication vehicles and provided valuable feedback on training — which was moved to an online platform, in response to requests from younger advisors. The board's nine volunteer members don't receive additional compensation or benefits for their advisory efforts. Notes the manager, "Being paid was exactly the culture we were trying to avoid. So if you're going to be on our advisory board, you need to be truly committed to helping the organization grow and buy into the vision of what we're trying to build."

Acknowledge the family support system. Show appreciation for the people who support your advisors by inviting them to an annual recognition event or quarterly celebrations and thanking them publicly. The manager of one firm, which pays for spouses to attend regional meetings, says, "We bring them into the culture, because you want the spouse to be supportive of the financial advisor. If the husband or wife doesn't like the spouse working for your company, that spouse won't be happy and will probably leave."

See and be seen. In addition to maintaining an open-door policy, which allows advisors to feel free to come in with their questions and challenges, one sales director spends up to one hour walking around the office each morning and personally greeting everyone. Instead of immediately checking email upon arriving at the office, "I say hello to everybody and make a point of getting to know individuals, not just their numbers. It's a nice touch point," says the sales director. "Being a manager isn't a desk job. We need to be out talking to advisors to find out and see things. Some people want to have conversations or pick my brain about something, and some don't. And walking around also tells me who is and isn't there each day."

Serve the community together. Volunteer service provides an additional outlet for advisors to channel their passion for helping others. When they join together in community work, advisors interact differently and build a deeper rapport with one another, which carries over into the work environment. Plus, many potential recruits and clients like to work with firms that value social



responsibility. “If you’re passionate about what you do, people will notice. The more our advisors do volunteer work, the more they recognize the value,” says one firm executive.

Experienced leaders offer one caveat regarding all these strategies: Be willing to do whatever you ask of your advisors. Instructing or coaching others to undertake something you won’t or haven’t done yourself will undermine your credibility. “I can’t tell people why they have to do a fact finder if I’m not committed to it myself. Or I can’t tell people to get a higher designation if I haven’t. You have to walk the walk and lead by example,” says one top leader.

“We do the same things we expect the advisors to do. If I provide positively outrageous service to our financial advisors — like returning their phone calls promptly — then they will provide positively outrageous service to their customers.”

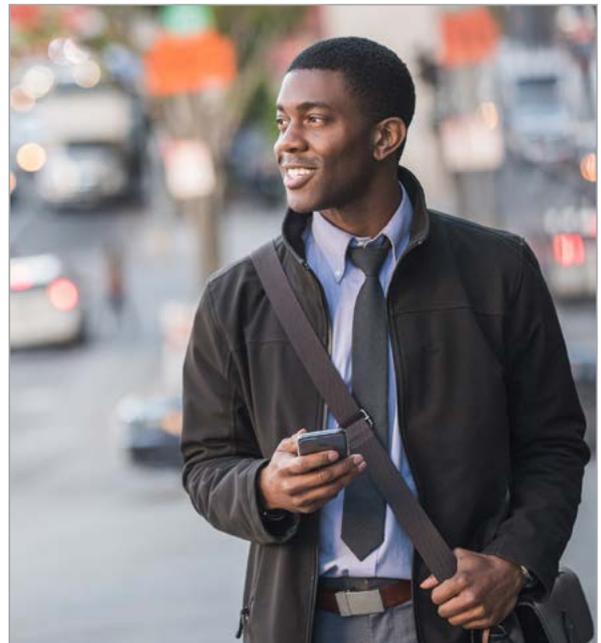
Scott Morris
Thrivent Financial

Create Messages that are Meaningful to Different Groups

No matter what their age, gender or ethnicity, people can exhibit the same desire for purpose and the same high level of passion. “There really isn’t any difference among groups. Purpose is one of the elements of a great career, period,” says one sales director. “Getting up each day and saying, ‘I’m really making a difference in my community and in my world,’ is what everyone gravitates toward.”

But initially identifying and then nurturing purpose and passion may require some adjustments on the part of leaders, who may be working with an older female immigrant one moment and a freshly minted college graduate the next. For example, millennials — the name broadly applied to those born between the mid-1980s and the dawn of the 21st century — seem almost hardwired to want a purposeful career built on personal passion, say many managers. Fortunately, the advisor profession touches many of their hot buttons, so it simply becomes a matter of making the connections clear for them.

“Millennials want to be in a team environment, be contributors, solve problems and help people,” says one leader, whose firm has produced recruitment materials with the youngest job-seekers in mind. All candidates watch a short, two-minute “commercial” about the career that includes interviews, social media excerpts and video snippets of potential incentives. They also view a customized slide presentation set to music that shows the firm’s advisors doing business in the



community and engaging in volunteer and social activities. “The words used, the imagery and the visualization involved are engaging and exciting. It’s the power of attraction — most candidates want to be part of a team of professionals who also have a lot of fun together,” says the firm leader.

Adds another leader, “Millennials are not necessarily driven, or even impressed, by money or awards. But they are impressed by how we are helping people and making a difference in people’s lives.” To appeal to millennials’ altruism, one firm always emphasizes the company-wide foundation, established by several advisors, that assists families having financial struggles. Others call attention to their volunteer work in the local community.

Teamwork, service to the local community and a commitment to helping people appeal to female candidates as well. Women, note managers, tend to be good listeners, are compassionate with clients and generally have excellent interpersonal skills that make them well-suited to the career. Yet coaching and training sessions, particularly those related to selling styles and techniques, may need some refinements for a female audience.

As one manager observes, “Females, in general, are terrific in this job. It’s definitely an emotional relationship you have with your clients, and females have that caregiver nature. But females want to know everything they’re going to be talking about so they don’t get stumped. They don’t really like to learn by screwing up.” To support and retain female advisors, most firms promote mentor relationships, especially with other female advisors, so the women have a source for extra support and industry knowledge.

Don’t Forget to Have Fun

Sometimes the best way to build a firm’s culture is to get away from it — to bring everyone together in a different place and space, where prospecting and fact finding take a back seat to relaxing and getting to know one another better.

“Coming into work every day and doing the same thing can get monotonous. We try to have many social interactions, where we can let our hair down and have a really good time as a whole group,” says the leader of a firm that used to schedule one purely social activity per year. The feedback from advisors indicated they so much enjoyed getting together outside of the office that they wanted to do it more often — so the firm now budgets for a quarterly activity, such as going to a baseball game or bowling. “There’s no business — it’s all talking about their families, not industry trends — and it brings us closer together,” adds the firm leader.

Here’s a sampling of other activities that can build firm culture:

- Pit new advisors against experienced ones in a softball game, or challenge another nearby office or firm to a duel on the diamond.
- Host a family barbecue, where the leadership team does all the cooking.
- Take the entire organization on a camping trip.
- Schedule a picnic or potluck dinner that includes advisors’ families.
- Rent sailboats and spend a day racing them.
- Cool off in the summer with a pool party.

“Culture is the most important thing you do. If you can get culture right, it will lift everything else. Then you’ll have a culture where people are excited to come to work, excited to be a part of your team, and excited to serve their clients.”

Kyle Sims
AXA Advisors, LLC



Reinforce Passion and Purpose in Others Checklist

Identify ways for new advisors to experience the impact this profession has on the lives of their clients.

Develop a variety of ways to continually reinforce passion and purpose in your culture.

Revise recruitment, onboarding and training activities to have more appeal for targeted groups.

Occasionally schedule fun, no-business-allowed activities for the entire firm.

Questions to Consider

1. What do you currently do to reinforce purpose and passion in your culture? What new ideas will you try?

2. How does your firm adjust its messages about passion and purpose for different demographics?

Conclusion

“ There is no passion to be found playing small — in settling for a life that is less than the one you are capable of living. ”

—Nelson Mandela

There is a popular saying in our industry, “First you are in the business, and then the business is in you.” Top-performing leaders understand that creating a culture that is powered by passion and purpose is what transforms a career into a calling.

Top-performing leaders put purpose first in all they do. They find opportunities to teach new advisors and to remind veteran advisors of the incredible impact they can have on their clients’ lives. They use purpose to motivate advisors to keep going when the going gets tough and to continue asking the hard questions and talking about things many people don’t want to discuss.

Top-performing leaders look for passion and the desire to help others in the people they bring into the business. They understand that a culture of passion and purpose doesn’t just happen. They carefully nurture and protect the culture within their organizations and reward and recognize passion and purpose in others.

Top-performing leaders know that creating a culture of passion and purpose will increase retention. But for many, that isn’t the primary motivating factor behind their actions. Their own passion about the communities they serve and the opportunity to work in a profession where they can make a significant difference in the lives of others is what inspires them to action and, in turn, is an inspiration to their teams.

“Purpose is one of the elements of a great career. If you can get up each day and say, ‘I’m really making a difference in my community and in my world,’ that’s the career people gravitate toward. When you get that synergy going and advisors catch the fire of that passion, it’s miraculous to see how their lives can change — and to see how clients are drawn to someone they can rely on.”

Greg Smith
Farm Bureau Insurance of Michigan

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