
CHAPTER

1

Networking Is the Key to a Successful Career (*Especially in Financial Services*)

“Networking allows you to build strategic relationships where you can ‘nest’ and become a valuable resource within target markets.”

—Susan Cooper, *Managing Director, Prudential*

Why Financial Advisors Should Network

A position in sales is hard. Really hard! Especially sales positions that offer a very low barrier to entry, high turnover, an expensive product, compensation that is commission only (no salary), an important

product that is often intangible and difficult to sell, limited training in sales and marketing, and very little risk to the organization.

Welcome to the insurance and financial services industry! If you're a financial advisor, broker, planner, agent, or rep, you know what I'm talking about.

Of course, sales positions in other industries offer similar challenges, including real estate and distributors that sell products through multi-level marketing (MLM) channels, but sales positions in insurance and financial services are like no other.

When you think of major insurance companies and financial services firms, you can't help but picture well-known logos posted on the sides of office buildings, nice dark brown furniture, waiting areas with actual printed copies of the *Wall Street Journal* on the coffee table, flat-screen televisions with MSNBC and ongoing stock updates, conference rooms, and lots of people walking around in business suits.

Everyone here must make a lot of money!

But the reality is that a very small percentage of insurance and financial services sales producers become successful. And by successful, I mean growing a thriving practice, business, or career where you can come and go as you please and the money keeps coming in.

Industries like banking, private equity, technology, pharmaceutical, telecommunication, food and beverage, and even wholesaling financial services products like mutual funds often provide a generous salary to salespeople with a commission structure. The salary component alone changes the game completely. In these types of positions, you're more of a corporate employee than a sales producer, business owner, or entrepreneur who needs to sell to survive. Of course, positions in some of these industries are in high demand, so in many cases (though not all) there is pressure to succeed.

I'm not judging. It's just the way it is.

In fact, in many industries, you can be a bad sales producer, or worse, not care that you're a bad sales producer and get away with it – for years and years and years.

As a trainer and coach, I've been hired to consult with banking teams whose sole purpose is to provide loans and other related banking services to either businesses or individuals. Some of those bankers have been allowed to remain in their positions for years and fail. In fact, I know struggling bankers who have been in their roles for over ten years.

Here's the thing. If you're a financial advisor, broker, planner, agent, rep, or other type of sales producer in the insurance and financial services industry, you *must* be successful at producing sales, otherwise you won't put bread on the table. Simple as that. No salary. No income. No commission. *No más.*

It's the same story if you're an entrepreneur or business owner starting a business from scratch. Being on your own with no salary puts a lot of pressure on you to sell – and sell now.

Networking is the answer!

The need to make money now makes networking so important – essential, really – to a sales producer in the insurance and financial services industry.

As a financial advisor, once you learn about the products and services you'll need to sell, pass a test, and earn a designation or two, you're all alone out there. Once you talk to your family and friends about buying life insurance from you or having them allow you to manage their money, invest their money, take their money, and even borrow their money (until you get your practice off the ground), it's all about you asking for other people's money. And that's the only way for you to make *your* money.

As a financial advisor you *must* network to be successful. In fact, financial services firms should make networking acumen a requirement. I'm not sure why they don't.

If I was managing a firm and recruiting, hiring, training, coaching, and retaining productive sales producers was important to me, I would assess a candidate's ability to communicate verbally, to network, and to build relationships.

Many firms assess a candidate's natural market (their friends and family), and their network (often called their Project 100 or 200, depending on how many people are in their network). What happens when a brand-new financial advisor runs out of family and friends to sell to?

On the other hand, if an advisor or sales producer has the skills to network (or works with a firm that helps them develop those skills), they can develop their own database - forever. The "teach a man to fish and you feed him for a lifetime" proverb comes to mind.

Think of how much better prepared a financial advisor would be if armed with the ability to go to the right places, say the right things, and meet the right people, all while developing the right relationships.

Financial firms are doing new sales producers a disservice by not teaching them how to network to grow their business. And that is why most of them fail.

Top Producers Should Network Too

Top producers are the financial advisors (or other sales producers) who generate the most sales. Obvious, but thought I would put it out there like a stiff jab. Top producers win all the awards, go on all the trips, get the corner offices, have the ongoing praise and respect of management, and don't have to do anything they don't want to do. Meetings tend to be optional for them, so when a top producer goes to an office meeting or event, it's a pretty big deal.

In fact, top producers rarely need their managers for anything. That's why they're top producers.

Top producers set their own hours, play as much golf as they want, get the support of management for almost anything they want to do, have the admiration of their peers, and get the attention of any product wholesaler (those selling mutual funds, retirement plans, annuities, exchange traded funds, etc. through financial advisors) they want.

Top producers also tend to make a lot of income. So there's that. Where do I sign up?

It's a pretty cool deal. Not bad being a top producer. But also not easy. It requires a lot of work and being a top producer is well earned. If you're a top producer, feel good that you sit on top of the food chain. You absolutely have my respect. I congratulate you on all of your success. You are in an elite club.

Most importantly, being a top producer means that you provide an excellent service to enough people to make a difference. More people are hopefully becoming more profitable in their retirement accounts, investments, and protection of their assets. That's a big bravo!

Now I'm going to shift gears on you. Ready? There are two types of top producers.

Serious, but Not Committed (SBNC)

There are top producers who feel they have earned the right to be on cruise control. They come into the office whenever they get there, do what needs to get done to support their clients (maybe), stay in the know, and go home. These are the top producers who are content with their assets under management (AUM), renewals, or any referral business that happens to come in. They have plateaued.

And you know, all of this is just fine. These top producers have earned that right to keep the button set on cruise control. They paid their dues.

If this is you, all good in the hood!

Serious, but Committed (SBC)

If you're a top producer and you're serious about continuing to learn, improve, grow, set goals, produce, or at least teach junior producers how to do the same, the ability to network should be important to you.

I know this because when I get hired by a firm to deliver a seminar on networking, many of the top producers come out of their corner offices and participate in my program. And it's usually not required of them. They're serious about growing their business and simply see the value.

In my seminars, the serious top producers tend to ask the most questions, take the most notes, pay the most attention, and plan to implement the most ideas. These are the top producers who get to the top and stay on top – the heavyweight champions of the world.

If you happen to be a top producer, which one are you?

If you plan to become a top producer, which one will you be?

The Difference Between New Producers and Top Producers

Beyond production level, that is. Here's the difference in the value of networking for both new and top producers. Newer producers or financial advisors tend to have more time on their hands than market (business). Their focus is to fill their time with more prospecting related activities like networking to develop their market.

The more seasoned advisors and top producers have much more market than time. They're looking to invest more time so they can leverage their market and potentially scale their practice into a business – a money-making machine that doesn't require them to be at their desk or on their phone all day every day.

Make sense?

For new advisors, seasoned advisors, and even grizzled veterans, networking can lead to growing your business and, more importantly, creating a more secure life for yourself and others.

Why Financial Advisors Don't Network

Or network much. I lead networking events in two major cities (soon to be more) at least once a month. I'm amazed that more financial advisors

don't come out of the woodwork to learn more about attending my events. Of course, some do. Out of almost a hundred attendees at a given event, I may have six advisors in the room. I don't look to have many more advisors at my events, but given the opportunity to connect with quality people in a vetted community, I'm surprised there aren't more who at least inquire.

Here are some possible reasons.

Don't See the Value

Networking requires a lot of time and a lot of work – there are entire books written on the topic. Many financial advisors are so focused on the next sale that they simply aren't willing to put in the work or the time that it takes to develop important relationships. The irony is that you can't be successful as a financial advisor or most types of sales producers if you're not willing to establish the important relationships required to get you there. The payoff to networking is usually not immediate so it's very difficult to see the value when you're so focused on making the sale. Most people you meet at networking events are not there to find a financial advisor to invest with or purchase life insurance from. Harsh reality!

Not Encouraged by Their Firms

The reason most financial advisors fail at being financial advisors is because most should not have been recruited by their firms in the first place. Many firms are simply looking to hit their recruiting targets. Hopefully this is not you! Outside of that, the reason most financial advisors fail is because they don't see enough people and set enough sales appointments. The reason there aren't enough sales appointments scheduled on the calendar is because advisors (especially new sales producers) are not encouraged and taught by their firms how to meet

people, establish important relationships, and get referred to those who need a financial advisor. Networking!

Don't Know How to Network

We are taught at a very young age not to talk to strangers. That wiring carries through to elementary school, high school, and beyond. Naturally, it's great advice not to talk to strangers when you're a child, but when that programming translates to the business world, it becomes problematic, especially when our programming dictates that we stay focused on our cell phones every moment of every day. Our phones become the excuse *not* to talk to people who are in the same room with us. Look around you right now. How many people do you see looking at their phones? Not even talking on the phone but looking and tapping. It's amazing how many people are glued to their phones when sitting down for dinner at a restaurant, walking with their friends, crossing the street, and even when driving their cars. We all do it. But the first step in learning how to network is to let go of social media and texting and be present to those who are in the same room with you. Smile. Connect. Start a conversation. Pay a compliment. Be interested. Be intentional at learning about people. It's a lesson I teach my own kids. And it should be taught and encouraged in firms that are serious about developing their sales producers to succeed.

Personal Fears

Fear of failure. Fear of success. Fear of public speaking. Fear of making a mistake. Not knowing what to say. Not knowing what to do. Not knowing how to ask a question. Answer a question. Start a conversation. Have a conversation. End a conversation. Make the intro. Ask for the intro. Ask for the business. Offer the business. Take the job. Leave the job. Pick up the check. Offer money. Take the business card. Give a business card. Laugh. Cry. Smile. They like me. They don't like me.

How do I follow up? How do I follow through? Should I follow them, or just walk away? Do I get there early? Leave early? Arrive late? Stay late? What should I talk about? Not talk about? Am I wrong? Am I right? Are they a prospect? What if they start selling me their product? What if I know I don't know? What if I see them again? Did I forget their name? Did I forget my name?

The first step is not to care. The second step is to be intentional about simply having a nice conversation (that's all it is) and exchanging ideas with the intent to learn. It's like just learning the jab in boxing. Just focus on getting confident and getting good about the basics. All of your punches come off the jab. The rest will come.

Not Connected to a Goal

Yes, got to have a goal, man. And the goal can't be, "I'm looking for more business." That's pretty obvious when you're in sales. But what kind of business are you looking for? What industry, profession, market segment, niche, dynamic, and geography are you targeting? (I'll get into all of this in a later chapter.) Given the type of business you're looking for, what are you hoping to accomplish by attending this cocktail party? This conference? This association meeting? This chamber mixer? This holiday party? This golf outing? This online platform? The goal can be to learn more about a specific product or service. Or to connect with a specific person. Or to meet two estate planning attorneys. Or to have three great conversations about your target market. Or to get over yourself and be more confident when introducing yourself. It's difficult to determine if you've accomplished something (or making progress) if you don't set a simple goal and build from there.

It's Too Time Consuming

Networking can definitely take up a lot of time, especially if you don't know what you're doing or if your networking efforts are somewhat

random. It's a lot less time consuming if you have a target market and set goals while going to the right places, saying the right things, and meeting the right people. It's even less time consuming (or can be) if you have a system in place so you're focused and efficient with your time. I know people who attend every networking event imaginable and spend a ton of time doing it. For some, events can be fun and feel rewarding because you're doing something and there are other people in the room. It can feel good, especially if you thrive on the social aspect of networking. But the time invested needs to produce results or be rewarding in some way. It's not about networking more but perhaps networking better – quality versus quantity. Better events. Better people. Better opportunities. Better use of time.

Too Busy

Just about everyone is way too busy. When will that ever change? And are you “good” busy (writing a lot of business or studying a lot of information) or “bad” busy (keeping yourself occupied or doing busy work)? If you're waiting for the time when you're not too busy, good luck! Truly busy people (the “good” kind) always make the time to get the right things done. Are you too busy because you're doing all the business you want, with the clients you want, with the margin you want, on the terms you want? Or are you too busy because you're busy trying to become busy?

There are two types of busy – there is activity busy and there is the kind of busy where you're getting paid for what you do. Which do you prefer? If the latter is the case, networking is absolutely the best way to meet the right people, ask the right questions, and ultimately work (as in get paid) with the right clients. Financial advisors who are new or struggling in their areas of business very often kid themselves into thinking they're too busy, or they do things for the sole purpose of being busy. So I tell them, “If you have more business than you can

handle, then maybe networking is not for you.” That always gets a laugh. Are you in that situation?

Being an Introvert

Many times, people think they can't network. They say to me, “Okay, speaker boy, we know you can get up there and put a word or two together. Networking probably comes easily for you. I'm more of an introvert, kind of shy, introspective, analytical. This networking thing isn't for me.” I get what they're saying. It might come across better from someone who's a bit more outgoing, but many of the people I know who are brilliant networkers are also analytical, introspective, and introverted. You don't need to be the life of the party to be a good networker. You just need to know where to go, what to say, and with whom.

Being introverted or analytical often becomes an excuse. I'm not saying networking is easy. Yes, starting conversations with complete strangers may be easier for someone who's outgoing. But it doesn't make them a good networker per se. It actually could make them bad networkers. Outgoing people can chit-chat, have a good time, and socialize. But are they paying attention to the strategic aspect of what networking is? Are they trying to help people? That's an important distinction. I find that analytical people are better at parlaying an initial conversation into an ongoing process – following up, staying in touch, and ultimately generating business, a job, or whatever.

At a CPA event I spoke at recently, I talked about how a lot of people think they can't network. I wanted to address this because I knew that it was on many of their minds – many CPAs are introverted and analytical, left-brained rather than right-brained. I knew if I didn't speak about that right up front, that is what they would be wondering. And they might be discounting what I was saying because they couldn't get past that: “We know you can do this, but it's not for me. I'm a debit and credit guy.” Just learn the process, find your style, get busy, get good, and get confident. Yes, it can be that easy!

Not Sure Where to Go

The reality is that you don't ever have to leave your office, computer screen, or cell phone to network. You can connect with people on LinkedIn. You can call, email, or text prospects, clients, centers of influence, and even have a coffee meeting through Zoom. If you're already established or have a vast network, you may never have to leave the comfort of your cell phone.

Of course, if you're new in your role and not well networked, you may have to go to meetings, events, and mixers. When you're getting started or looking to take your business in a different direction, it may be important to get in the car and drive to a place where people hang out. On one hand, anywhere that people hang out is a good place to go. On the other hand, it pays to be particular about where you go to meet the right people. The question then becomes, "Who are the right people?" The right people thing is important because once you figure out who you need to connect with it will help you determine where you need to go. The best sales producers tend to fish in the right ponds, so the sooner you determine where to drop a line, the better! There are plenty of networking organizations, business groups, and association meetings for pretty much any profession you can name. Just visit Google, press the buttons, and go.

Not Sure What to Say

The best thing you can do when you meet new people is to ask them questions about themselves. People love to talk about themselves. When you are networking, you should be in the business of learning about people. The more genuine interest you show in others, the more they may show genuine interest in you. Interesting, huh? What's the best way to learn about other people? Ask questions about their work, play, goals, accomplishments, interests, associations, and skills.

All your communication around networking will ultimately impact your introductions to others, your introduction from others, questions you ask, the answers you give, the stories you tell, the exchanges you share, the fun you have, the connection and rapport you establish, the value and trust you build, along with following up, getting to know one another, and a regularity at staying in touch. That's a lot to think about – in fact, that's the networking circle of life right there! There is so much critical information in that one sentence. The truth is most networkers (even some really good networkers) miss a beat when it comes to some of this stuff. I'll be breaking down all the details in the coming chapters.

Not Sure Who to Meet

At first, it might be best to meet the leaders or coordinators at events. How bad can it be to meet those who are in charge who happen to know everyone? After that, get yourself introduced to the best networkers in the room. That's how I got started. I met the leaders in some local networking groups and after learning about their roles, responsibilities, and focus, I asked if they could introduce me to the best networkers in the room. And you know what? They did! Those terrific networkers showed great interest in learning about me and making me feel more comfortable. I learned so much from them about local groups and about networking. In fact, as great networkers they introduced me to other great networkers. That's how it works!

Before I knew it, I had a vast network and I started getting referrals to speak at events. In fact, some of these connections that I made nearly twenty years ago are directly responsible for many of the friendships I have today and helped me architect my work as a networking educator. As you get more focused on who you want your clients to be, you can become more focused on those you need to meet.

Please don't let any of the "reasons" mentioned here be your excuse for not getting better at networking or not making networking

an important part of your marketing plan to grow your financial practice or develop your book of business – whatever business you’re in. Making these excuses will only prevent you from growing your business.

Learn, practice, get feedback; learn, practice, get feedback; and learn again. That’s how you develop any set of skills, whether it’s networking, playing the piano, learning a language, boxing, or whatever it is you’re looking to do.

Get busy, get good. Rinse, repeat.