

10X PRACTICE SCORECARD™ - INSTITUTIONAL FIRMS OFFERING LIFE INSURANCE



Measure	1	2	3	4	5	6	7	8	9	10	11	12	Score
Profitability/ Staffing and Business Leverage	We have no specific experts in life insurance as each licensed professional acts as a generalist making their own insurance recommendations OR staffing for our life business is one of our largest challenges. There is little to no growth in this business line and it is a small part of what we do. Our staffing costs and any fair allocation to general expense overhead create a break-even ROI at best.			We have good people, but it is hard to delegate our work processes and there is little documentation on our processes or leverage. Around 30% of revenue goes to our bottom line in good years, less in lean ones, with full allocation of general expenses. Profitability from this service is less than 5% of our total business.			We have a very strong staff that can take a case from A to Z. Our overhead is still relatively high with only 30-50% of revenue dropping to the bottom line. We have at least two strong client-facing experts and a partially documented process and job descriptions for our support team. Profitability from this service is more than 10% of our total business.			We have a very lean life insurance unit and staff with clear responsibilities. We create leverage with software and outside resources. We generate 50%-70% of revenue to our bottom line, and this service is a significant part of our profit pool, more than 15% of total. We also have a completely documented process that allows the business to flow in a consistent way regardless of which team member is servicing the client.			
Advanced Markets Estate and Business Planning Capacity	We do not have any significant resources other than an insurance company's advanced underwriter and canned programs for basic estate planning concepts that we use periodically (such as ILITs, Key Man coverage, etc.).			We work very closely with 2-3 local law firms in our area where we coordinate getting basic strategies implemented (e.g. – setting up a trust, installing a buy-sell arrangement, gifting). We struggle when the client insists on using counsel that is less familiar with advanced concepts or in situations where clients have complex issues.			We have access to an advanced planning person with specialized expertise as part of our team (it may be through our CPA arm). We have capacity to review documents and design and model proposed solutions for estate and business planning. Our team presents a comprehensive plan that integrates insurance solutions with clear implementation steps for other advisors.			We have a dedicated advanced markets team member with experience and credentials to discuss and model strategies. This person assists with presentation of ideas and works through the presentation with partners in the firm and follows up with clients and their advisors. This translates into 1-3 additional large cases a year and other firms engage us to access it.			
Acceptance of Life Insurance Products/Advice by other Partners in Firm	There is not a good understanding of how life insurance fits into financial plans. Many partners are reluctant to put our current team in front of clients for anything other than simple term policies. Most clients of the firm use professionals not affiliated with our firm.			We have only a small group of partners in the firm who refer this service consistently. Others lack confidence that our internal team will do as good a job as a non-affiliated insurance advisor. We have difficulty pointing to a compelling reason to use our internal team.			Most of the partners have confidence in our internal team. They understand how life insurance fits into broader planning and how our internal team creates demonstrated value over outside resources.			All of our partners have full confidence in the client-facing insurance advisors at our firm. It would be very rare for a client of our firm to seek this advice from anyone other than our team. Other professionals outside our firm consistently tap our expertise. We are the go-to source in our market.			
A Documented, Purposeful Written Policy Design	Each insurance advisor creates his or her own recommended solutions after ordering multiple illustrations and may summarize options for clients on a spreadsheet. There are no consistent recommended product sets or any consistent way to document or track client goals or expectations.			Our firm generally has agreed to an informal set of products we have vetted. There isn't a consistent, documented deliverable that helps clients understand product tradeoffs, but we do have a consistent process for retaining records on all as sold cases.			We have some standardized templates we use as a firm to summarize product choices. These are consistently used to help clients understand tradeoffs based on performance. This process is documented for every client and the information can be retrieved for reviews.			We consistently use a process-based technology that involves clients in creating a customized design of life products. This process clearly demonstrates how the product meets clients' goals and is in the clients' best interest. Every final as sold design is memorialized via a policy management statement for annual monitoring.			
Underwriting Process	We are often surprised by unexpected health problems with potential clients and feel powerless to alter results. As a result, clients and other advisors might feel we do not manage client expectations on costs or timing of policies issued.			We rely on our BGA/Wholesaler to push through difficult underwriting cases when they occur, or we have an internal person who keeps track of policies on a spreadsheet or system that must be manually updated. We sporadically keep partners updated.			We stay on top of all cases until they are put in force. We have a systematic method of keeping partners and clients updated. We only engage carriers for underwriting when they have "right fit" products.			We have a proactive process to identify impaired or tough underwriting cases at the very first meeting. Our team's ability to comprehensively package cases wins business that others would lose. Our system manages expectations of clients and partners.			
Policy Management	We respond to requested issues from clients, and do not provide a proactive service to clients or advisors. We do not have a database of existing policies in force.			We try to keep up with policy guarantees and proactively check in force illustrations for our best clients, usually with a spreadsheet or partially documented database.			We manually provide annual summaries of all policies for our best clients with annual reviews. We have data that is mostly up to date, but all by manual entry.			We have a leading edge service capacity including consolidated policy holdings, annual reconciliation to original plans, and electronic notices of upcoming premiums due sent to related parties.			

SCORECARD

