

Building Bench Strength

Staff succession planning can give your team a winning edge

AS financial advisors and insurance solution providers, we often provide succession solutions for our client’s businesses. We may even take our own advice and plan for our own business successor. But how much thought and planning have you given to developing a purposeful succession plan for your most critical infrastructure—your staff?

Think about winning sports teams. All great teams have key players and demonstrate exceptional teamwork, but those that go the distance have players who can come off the bench or move up from the farm system when injuries or other adversity strikes. The same ought to be true on *your* team. If you don’t have a succession plan for your staff, you’re forced into a reactive mode when you need to replace a key player. But when it comes to giving your team its best chance at success, *action* is better than *re-action*. Ask yourself these questions:

- What is the financial cost involved in hiring a replacement?
- What is the loss-of-productivity cost?
- What effects do these costs have on your business and on your remaining key players?
- How will the distraction of undergoing a search, hire and training process effect you and your team?
- How will you find this new teammate?

- How much time will it take?
- During the transition period, who will take on the responsibilities of the departed team member?

When an unexpected staff succession happens, it’s easy to feel overwhelmed, but the results of inaction can be unfortunate. You can’t hide your head in the sand and hope the problem goes away. Becoming bitter at the thought of someone leaving after all you’ve done for them doesn’t make him or her stay. And if you need an exorcist to deal with the

change in your demeanor, you’re not helping anyone.

Most important, if you hire out of desperation, you might end up paying more than fair value for your new staff person, or hiring the wrong person—triggering another exit and even more distraction.

The best way to avoid this unhappy scenario is to build bench strength by growing your replacements from within. Develop a proactive, methodical succession plan and have replacements waiting in the wings for just the right opportunity.



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principal to principal

There's a tremendous upside to having a staff succession plan. You're motivating excellence within your current team. You're promoting opportunities and fostering loyalty by offering choices and opportunity for growth to staff with potential. You can develop a robust, cross-training team of support professionals. You can factor in a contingency position for each job in case of an unexpected exit. You can reduce ramp-up time. And you can make infrastructure changes on *your* timetable, not someone else's, giving you your best shot at making an informed, selective decision when you need to hire someone new.


So how do you go about developing bench strength? Here are some tips you can use to develop a proactive staff succession plan and build a team of champions:

- A culture fit is the basis for a successful hire. Develop a profile of the type of person who fits the culture of your firm.
- Develop job descriptions that are fluid and give your people the opportunity to "grow into" their positions.
- Hire an administrative staff of intelligent, energetic, problem solvers with strong interpersonal skills.
- Develop a formal training path for all positions on your team. Overlapping training between positions cultivates a basis for cross-training. In addition, all administrative staff should experience the NAILBA BGA Employee Training module no matter what their current responsibilities are. This provides your staff members with a basic understanding of insurance terminology, which will be helpful to the file clerks, executive assistants, mailroom clerks, securities transaction processors, and licensing administrators who will move into other slots as they open.
- Cultivate a farm team. If you hire entry-level administrators, you'll spend less and have less ramp-up

time and a larger labor pool from which to choose. Then you can groom your entry-level folks to grow and move into other positions. When someone departs, people can domino up to new positions on the team, and you can hire a new entry-level person. A key advantage to this method is "soft intelligence." When someone is ready to move up the ranks into a more technical or customer-oriented position, it means that he or she has developed an understanding of your firm and your entrepreneurial vision as well as a strong familiarity with your customers.

- Develop a relationship with the finance department of your local university. Consider adding a second semester junior to your team. There's a financial upside for you and a chance that you'll develop and retain a strong team member for the future.

When you develop your hiring process and succession plan, follow hockey great Wayne Gretzky's advice: "Hire for where your business is going, not for where it has been."

So the need for strong staff succession planning isn't just a thought we plant in our customers' minds. It's an obligation we have as managers of our own teams. If you want to compete—and win—you need to develop strong players behind you who can deliver on the promises you make and provide the service your customers expect. If you grow your bench strength from within, there will always be someone on your team who can rise to the occasion and help you win the game, finish first, and build a dynasty. 

Melinda S. Meyer serves as Vice President of ValMark Securities, Inc., and Chief Operating Officer of ValMark Insurance Agency, LLC, catering to the needs of the independent financial and estate planner. Melinda is also involved with the NAILBA Education Committee, LifeMark Partners, and the Women's Interactive Sales Exchange.