



The Premier Association of
Financial Professionals®

MDRT Minute

The 12 Laws of Managing Your Business

The Law of Activity: During my first year, I made 12,520 phone calls, averaging about five-and-a-half hours a week on the phone. The habit continues 10 years later.

The Law of Strategy: My philosophy is to do the life insurance planning first. This allows me to gain the client's trust, so I can become involved in their entire financial life. I often get a piece of their business first and get the rest as time goes on.

The Law of Consistency: I set a quarterly target of how much new business I want to generate. I offer to meet with prospects at 8:00 a.m., at 3:30 p.m., or for a working lunch in my office. The latest appointment I offer to clients is Monday at 5:30 p.m. on Monday.

The Law of Delegation: My assistants are top notch. Be picky over whom you hire and pay good people well. Focus on getting the business and taking care of it, allowing your assistants to handle everything else.

The Law of Time: We all have 24 hours per day, seven days per week and 365 days per year. By tracking my time over the last five years, I have gained more than 150 hours a year. My vacation time over that period has increased from 11 to 25 days off.

The Law of the Calendar: I call new prospects at 9:00 a.m. every Wednesday. I see new prospects every week, and I maintain a calendar of 12-15 client meetings a week. I also make sure I have at least seven or eight appointments scheduled for the next two weeks.

The Law of the Telephone: I ask clients giving a referral to contact the prospect and tell them a little bit about me and to expect my call. When I speak with a prospect, I always say something about them and the referrer before introducing myself. This gives them a good thought about their friend, and they are less likely to be on the defensive.

The Law of Keeping Score: I track activity and results on an Excel spreadsheet. This allows me to improve effectiveness and efficiency. It helps me challenge myself to reach the next level.

The Law of Inventory: How many active cases do you have in the pipeline right now? How long does it take from opening a case until it is completed and paid for? How much business comes from new clients compared to existing clientele? What is your average sale per case? It's fairly simple to track this with an Excel spreadsheet.

The Law of Referrals: I always ask for business owners and high-net-worth individuals. I am actively calling on approximately 30 prospects at any given time.

The Law of Communication: Being a better communicator has translated to a quicker sales cycle process. It builds trust and ensures that the business stays on the books.

The Law of Thinking Big: Write down what you expect to produce and quantify this in numbers by category over the next five years. Get a mentor or coach to help you reach it.

Randy S. Schuster is a nine-year MDRT member with two Court of the Table and one Top of the Table honor, as well as a Silver Knight of the MDRT Foundation. His entire 2005 MDRT Annual Meeting presentation by the same name is available from the MDRT Power Center (www.mdrtpowercenter.org).