

HOW SCRA

In this interview with publisher **Paul Feldman**, **Terri Sjodin** shows how an attitude adjustment will solve sales problems and **bring in the big deals.**

DOL makes in its guidance about the role of IMOs:

» DOL noted that it would be permissible for an insurance company selling through independent agents to bolster its compliance by contracting with an IMO to ensure that agents working through that IMO satisfied the impartial conduct standards.

» IMOs can continue to receive commissions and override payments under either BICE or PTE 84-24 if the conditions of the applicable exemption are met.

The prevailing recruiting tactic today is that you must be with one marketing organization or financial institution to continue to sell annuities and you may only sell its products, O'Brien said.

"By recognizing that advisors can and do have multiple carrier relationships, the advisor seeking as many carriers, IMOs and FIs that offer the products his clientele demands, may remain independent," she added.

3. How are "front-end" and "back-end" bonuses treated under the rule?

With regard to advisor recruitment programs, the DOL clarified that front-end bonuses or awards tied to ongoing service by the advisor are "consistent with the warranties under the full BICE."

However, back-end bonuses or awards tied to the achievement of sales or asset targets on an "all or nothing" basis are not.

"This is a more absolute statement on this point than anything in the preambles to the BICE," Sutherland noted in its analysis.

DOL will allow relief under the full BICE for binding commitments to pay "back-end" awards entered into prior to the October 27 date of the FAQ if the firm "determines in good faith that it is contractually obligated to continue those awards, and adopts special and stringent procedures to oversee conflicts created by those awards."

Lawsuits Ongoing

Opponents sought clarity through the federal court system with multiple law-

suits filed this summer. But those court cases — in Minnesota, Kansas, Texas and Washington, D.C., federal courts — are moving at a snail's pace.

As of press deadline, National Association for Fixed Annuities vs. Department of Labor was the only case nearing any resolution. Thrivent Financial vs. DOL is not even scheduled for a hearing until March 3 in St. Paul, Minn.

Lawsuits in Kansas and Texas are in between and awaiting a resolution. Even when rulings are eventually issued, appeals seem very likely.

Meanwhile, the industry players cannot wait. Most are scrambling to put procedures and technology in place to comply with the rule by April.

The DOL has promised that additional guidance is forthcoming. [in](#)

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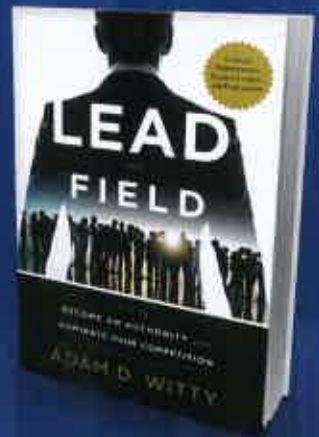
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TO HAVE A SCRAPPY NEW YEAR



If your marketing is hitting the world with a dull thud, don't try harder, try smarter.

That's the message Terri Sjodin conveys in her book, *Scrappy: A Little Book About Choosing to Play Big*.

Terri has been helping individuals and companies improve their sales for more than 25 years now. What she sees is that a lot of people aren't having success with the usual sales methods, so they try harder using the same methods and get the same results.

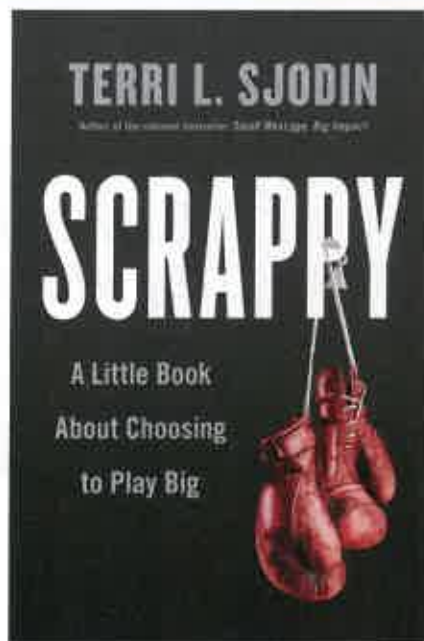
Terri says you have to back up and get your scrap on. Like a street scrap, it's a left when you expected a right. Call on the element of surprise.

But how do you do it? Scrappy is the feisty, fighting spirit, but it does need the focused shot rather than wild round-house swings.

In this interview with Publisher Paul Feldman, Terri talks about the three parts to effective scrappiness.

FELDMAN: I think most insurance agents and financial advisors consider themselves scrappy. How do people who might already see themselves as scrappy become scrappier and take their careers to the next level?

SJODIN: We define scrappy as being full of fighting spirit, synonymous with having moxie, being feisty, enthusiastic, gutsy, sparky. It's a mix of all of those things. One



of my favorite definitions comes from the Urban Dictionary, which describes a scrappy person as someone who is little, but can really kick some ass. I kind of like that one.

If we're talking about small-business entrepreneurs in the insurance and financial services space, I think that is a perfect description of what it takes to be successful if you are working day to day in that environment. When you have what I would call a tiny and mighty team, you have to have a little bit of that determination of a

street fighter. You have to work smarter.

You've got to be willing to work a little bit harder when you need to. You're going to take some risks, and you've got to try to play big no matter what the obstacle.

FELDMAN: How does being scrappy differ from being persistent?

SJODIN: I think the easiest way to explain it would be to go back to that classic film *Wall Street*. Bud Fox is played by Charlie Sheen, and he's a little player who's trying to get a big client but the odds are against him.

Even his friends and colleagues are saying, "Look, dude. It's not going to happen for you. You might as well let it go." But he gets that gumption, that fighting spirit.

So at first, he is persistent. He cold-calls Gordon Gekko's office for 59 days in a row. That's persistent, but that doesn't get him in the door.

So you can keep doing the same thing day after day after day. It doesn't mean it's going to get you in. Now he must craft some sort of clever plan in order to gain access.

He does some research and starts schmoozing Gordon Gekko's secretary, who is also the gatekeeper. He finds out when Gordon Gekko's birthday is and what his favorite cigars are as he's nurturing this relationship with the gatekeeper. Ultimately, he decides he's going to make his big, bold play.

He gets a box of Gordon Gekko's favorite cigars, which are pricey. He shows up at the office with the nod from the assistant. He gets his shot.

When I was watching that film, I was in my first sales job and could completely relate to the Bud Fox dilemma. I'd been doing the things I needed to do to be persistent, but nothing was happening.

His illustration inspired me to get scrappy. While he got his shot, I got the lesson. That was the impetus for my doing my very first scrappy effort.

This is exactly what small- and medium-sized businesses and even people who work within large companies are facing every day. We can be persistent, but if you really want to capture someone's attention, maybe it's time to get scrappy.

FELDMAN: Your book is broken into three parts: the attitude, the strategy and the execution. What is the attitude?

SJODIN: Attitude speaks to that fire in your belly. Having a scrappy attitude is characterized by your mindset, and it speaks to your fighting spirit.

Most people are pretty happy, so why do they need to get scrappy? Some people get scrappy because they want to get a new client. Sometimes they just want to earn the right to be heard. Sometimes they're trying to get a promotion. Usually, people have had enough irritation to want to break out of where they were.

I liken it to that little piece of sand inside the shell of an oyster. Without that irritation, it creates no pearl. What we typically find is if you're sitting on the beach enjoying your life, having a pina colada in the Caribbean, you're probably not thinking, "I need to get scrappy."

But if you have a big deal in play and the chips are on the line, that's probably going to be your go-to play.

FELDMAN: How do you implement good strategy?

SJODIN: Strategy is the second piece of the scrappy puzzle. You could have the greatest attitude in the world, but unless you come up with a really clever plan and you make it work, then all you have is a great attitude.

You might as well live in the land of persistence if that's all you've got, because it's the strategy that changes the game. Let's define strategy.

A scrappy strategy encompasses all of your efforts. That includes research, due diligence and sweat equity. It helps you to channel these efforts in the most productive directions, and it's the tactical planning necessary to achieve a specific goal.

That includes how you focus on a specific industry, decision-maker or opportunity. What investment do you have to make? Maybe you're going to have to change your skill set.

FELDMAN: Then comes the hard part — the execution.

SJODIN: One of my favorite quotes is by Amelia Earhart, and she said, "The best way to do it is to just do it." Sometimes people spend so much time tinkering, tinkering, tinkering, that they never take action and just get it done.

That third piece is about executing

and scrappy. I don't do anything that's going to be offensive or off-putting, or put myself in a situation that would be dangerous or not considered welcome. In simple terms, I think your scrappy play must be designed to pleasantly meet the expectations of the receiver.

Probably one of my favorite stories in the book comes at the very, very end. It's from this gentleman named Steven Varela. Steven was an Imagineer with Disney. That's kind of a really good job by any stretch of the imagination. He was very well-respected in his firm, but he wanted to try something different. He wanted to move. He wanted to explore other opportunities.

His dream was to go to work for Wizards of the Coast, which is a video-gaming company. He knew that if he just submitted his resume through the front door like any other person, he would probably get screened out because they're looking for a different skill set than they might think he had by working for Disney as an Imagineer.

He decided that if he was going to do

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your plan. Execution is about putting your tush on the line. How do we really think that through?

We say scrappy execution is about putting your plan of action into play. It's the go phase, the transition from planning into actual engagement, moving forward on a course of action that you've developed. This, of course, is where the risk comes in, but so does the reward.

How do you play bigger? Bigger is dependent on the person. The first thing to assess is your risk tolerance. You don't want to make a play that's so big that you're not going to feel comfortable with the outcome.

My whole strategy is let's keep it classy

this, he was going to be all-in and come up with a really clever plan. He came up with this incredible, very elaborate strategy to deliver his resume to the CEO of the company. He embedded the resume in tablets that were sealed in these big crates. Once you opened each crate, there was a little hammer and chisel to crack open the tablet and it would reveal the resume.

But he also knew that when the first person opened the tablet, the jig would be up. He had to send two crates.

Before he decided to execute this, he shared his idea with his closest colleagues and friends to see if it was too over the top. There was a moment of

silence, and everybody said, "Steven, if you don't do this, we're going to be disappointed in you."

That gave him that confidence to go. The CEO of Wizards actually reached out to Steven and told him it was the most incredible resume delivery he had ever seen. The CEO said that even though they didn't have an opportunity for him, they had a colleague who he thought really needed Steven's skill set, and he asked if he could refer Steven to this other opportunity.

Steven said, "Yeah, with a referral from the CEO of Wizards, I think that's pretty amazing." So he gets this opportunity and ends up getting the dream job that he never even knew existed.

So the other back end of getting scrappy is that when you come up with an incredible strategy, there's a little element of serendipity and you don't know how beautiful and amazing the outcome can be. He may have been aiming for A, and he ended up getting B, but B was even better than he possibly could have imagined.

Every single person reading this article can think of a time when they walked into a situation and thought it was going to go one way. But if they simply put their best foot forward and got a little bit scrappy, it could lead to unimaginable, amazing opportunities that they never expected.

FELDMAN: What are ways of coming up with scrappy ideas in your business?

SJODIN: This is really where the rubber meets the road. We all can get our heads around the fact that you need to have a good attitude and you have to execute. But where people get stuck is in this middle place of coming up with ideas.

The first thing you want to do is ask yourself who the decision-maker is. What do I know about them? What are their wants, needs and expectations? Whom have they been working with before? All those basic things that we know from Selling 101. Those are a given.

Now we're going to use our analytics. How do we take this one step further than anybody else does? Depending on how much time you have, you could really customize it in a clever way.

There are illustrations of people who took everybody to a golf outing so they

3 TIPS TO GAINING A SCRAPPY ADVANTAGE IN 2017

As we look ahead toward 2017, I say let's put a little flair in our resolutions for the New Year and try something entirely different. How about a **Scrappy New Year?** Here are a few tips to help you stand out from the crowd.

1. Choose to get scrappy.


It all starts with attitude. Having a scrappy attitude is characterized by your mindset and speaks to your fighting spirit. It's about the "fire in your belly" and a determined nature that can't really be quantified. When you foster a scrappy attitude, you're far more likely to commit to making a scrappy play, and when you do, it changes your perspective. You are not going to get scrappy every day, but certain situations call for a scrappy effort.

2. Craft a truly clever strategy.

A scrappy strategy encompasses all of your efforts: research, due diligence and sweat equity. Whatever the goal, it's crucial to customize your strategy to meet the needs of the recipient and separate yourself from the competition. Remember, the idea is to move your intention forward while also dazzling the key decision-maker. The more you know about the person, the easier it will be to tailor your strategy for maximum effect. So do some homework and ask these key questions:

- What do I know about this individual or the people on this committee?
- What might be a classy way to approach this person or group?
- Have I ever met this person, or is he or she a complete stranger? If they're a stranger, whom do I know who might be able to introduce me or at least give me additional information about them?

3. Execute — put your tush (a little) on the line.

Scrappy execution is about putting your plan of action into play. This part of your scrappy effort includes considering your risk tolerance, thinking through your plan, going forward and leaving a little room for serendipity. If you want your circumstances to change, at some point you have to stop strategizing and launch. My advice is to start small with a simple play and then build up from there. 



could have extra time with them on the course. That's a no-brainer. Who doesn't do that?

The bigger question would be, what if you guys all were going to go to an outing, and you said, "So that you don't have to worry about drinking and driving, why don't we come pick you up? I'll be your designated driver for the evening. Let's go out and have a really great time. Then we'll go to the show, and I'll be the driver."

The strategy has to be about what you are trying to gain. Are you trying to gain access? Are you trying to develop a relationship? Are you trying to move a deal forward?

Your strategy is going to be based on that, but it goes back to some pretty simple principles. How do we become dazzling?



So, does **Entrepreneur Barbie stand out** more than a guy who sends a plant? Yeah, I think she does. That would be a scrappy little play.

There are 21 different suggestions in the book that I hope will inspire people. There's an illustration of how I wanted to open some doors with some pretty tough businesswomen.

I had gone to see a speaker from Mattel, and he was talking about this amazing new Entrepreneur Barbie doll. I fell in love with the idea of Entrepreneur Barbie.

I picked up Entrepreneur Barbie, and I gave her to a couple of my friends. They went crazy. I'm like, "You know what? I'm going to send Entrepreneur Barbie to a couple of these power women, and see if they fall in love with her too."

Not only did they fall in love with her, but it made them pick up the phone and call me.

It was a perfectly appropriate approach for me to send Barbie to a woman who's a pretty tough cookie, who's the head of a financial services firm. That helped open

up the conversation and get in the door. It's these clever little workarounds.

So, does Entrepreneur Barbie stand out more than a guy who sends a plant? Yeah, I think she does. That would be a scrappy little play.

If you really want to get clever, you can do some little things just to touch base, to reconnect. Just don't do a whole bunch of them. Maybe five to 10 at a time. Follow up with them in the next couple of weeks.

Sometimes they land, and sometimes they don't, but it can also just be a really nice follow-up tool. I really recommend doing things in small batches, so that you can follow up and execute and customize in a way that you can manage.

Sometimes people say, "Oh, we send to everybody on our list — 500 people got

This works in three ways: We stand out from the crowd, we're showing our appreciation and we avoid any conflict that might come up with anybody's religious beliefs during that holiday season. Yet, even though we've talked about this for years, last year we received one Thanksgiving card.

Most of the vendors who call on me still send me Christmas treats. I love the treats. Don't get me wrong. I love treats, but I just think it's funny that that's what everybody does.

If you really want to stand out, why not have a scrappy Thanksgiving concept?

FELDMAN: What are some ways of scaling and creating a scrappy culture within an organization?

SJODIN: We did a mini case study of Crossroads Hospitality in the book. They wanted to inspire people to take some chances. It became a defining quality of their entire company.

The company's four divisions had acronyms. The Northeast division was BRATS for Booking Revenue And Taking Share, which was super cute.

They said the rules basically were, "Here's the circle. These are the boundaries. We want to make sure everything that you do is legal and ethical and positive and creative. As long as you stay within those boundaries when you're proactively going after clients, you're free to go do whatever it is you want to do." The salespeople were like, "Wait, what?"

If you encourage a scrappy environment within your organization, you're really giving people a sense of entrepreneurial freedom.

One of the things we've tried to do with the book is to say: Understand what your risk tolerance is as an individual or as a company.

But I like to say that getting scrappy is redemptive. Because nobody remembers what you did before. They only remember the win. So it's really very redemptive.

FELDMAN: Does it help the culture when people in the company are encouraged to get scrappy together?

this." But how is that scrappy and how do you manage that?

FELDMAN: What are some smaller things that you do?

SJODIN: One of the things that we do is send Thanksgiving treats. We don't send holiday treats around Christmas time.

We want to avoid all that ruckus. Some people celebrate Hanukkah. Some people celebrate Christmas. Some people celebrate Kwanzaa.

You're going to get into a sticky wicket if you send holiday treats. But by sending Thanksgiving treats, we really set ourselves apart, because most people don't.

That's really the whole point of Thanksgiving — to show gratitude for your partnership over the year and say you're looking forward to working with them in the new year.

COMMON SCRAPPY MISTAKES TO AVOID

Here are a few examples of common mistakes people have made when attempting to get scrappy:

- Telling a lie to make something happen
- Sending an inappropriate gift
- Dropping by unannounced or uninvited
- Breaking the law to obtain access
- Making a poor judgment call
- Playing dirty
- Missing the window of opportunity
- Overreaching and setting unrealistic expectations
- Scaring the prospect
- Pushing too hard or not knowing when to back off
- Failing to consider the outcome or possible negative consequences

2016, Scrappy, Terri Sjodin, Portfolio/Penguin

SJODIN: I think that's where it gets fun. This is a little silly, but I'll share this one.

Of our 10 Halloween treats that we sent out last week, yesterday one of those 10 people called. I was out of the office at an appointment, but they called my assistant, and they said, "We'd like to move forward. We'd like to confirm the date."

When I got in, my assistant was jumping up and down, saying, "Oh, my gosh. One of our scrappy treats worked." I'm like, "Oh, my gosh. Which one?" We were screaming. That's fun.

So when you try something scrappy, then it actually lands and you get a deal, even if you only get one, it pays for all 10 — tenfold. It's a huge, amazing, fun thing when it lands.

That's what keeps you going. It only takes one to make your day awesome. You get two and you're like, "Oh, my gosh.

I'm on fire." Salespeople need those wins. That's what inspires you to go for the next one.

FELDMAN: That was simple. Would you say it doesn't always have to be this grand thing that shocks and awes people?

SJODIN: I call it the pleasant surprise. Why not give somebody a pleasant surprise?

I hear this all the time: "I sent out 500 emails yesterday." I say, "You and everybody else." Are you going to create that creative of an email that it's just going to land? It's not going to happen.

FELDMAN: Mass emails would not be where the big wins come from.

SJODIN: It's really hard. Each of our inboxes is inundated every day. I think we can do better with the good, old-fashioned, handwritten note. Imagine that.

FELDMAN: How do you know when you're being scrappy or pushing too hard?

SJODIN: You have to sense it. Sometimes we all make mistakes when we're going for a big dream and pushing really hard.

I call it the crash and burn where people do things in the name of getting scrappy that were stupid, quite frankly, or stalkery or creepy. Leaving all those things out, we have a whole lot of things you should never do because they're not scrappy. They're creepy.

It's usually that the individual who's executing has pushed himself too far because he's exhausted. It's those little details, those little nuances, those little things that fall through the cracks, and then that's when you'll blow something. You'll blow a deal, or you won't be on your game because you're exhausted.

There's that balance to be an excellent performer. You have to be alert and awake, on time, and ready for game day. Make sure you cross all your t's and dot all your i's.

FELDMAN: We've all had that happen. How do we pick up again?

SJODIN: Sometimes we're trying so hard that we drop the ball. That doesn't mean quit altogether. It just means pull back, slow down, regroup and then go back out again.

I love that saying that mistakes just mean you're trying. You don't want to make them all the time. But just know that when you're executing scrappy efforts — whether they're small, medium or large — there is a little risk involved.

You are putting yourself on the line. Look, all we can ever do is put our best foot forward.

Jim Carrey has a great quote. He says, "You can fail at doing what you don't like doing. So you might as well fail at doing what you love."

My thinking is you don't have to fail. You might as well try harder at doing what you love. 