



**BLAIR  
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# From The Cars Outside To The Opportunity Inside A Place Of Business

The parking lot that surrounds a business enterprise gives a quick impression of the individuality of the group found within. Few employee parking lots show a universal preference for a single make or model of car. Instead, there is a variety—from compacts and hybrids to vans, pickup trucks and luxury models—even among similar vehicles there may be boat hitches, rooftop racks, antenna decorations or political stickers that further express individual preferences.

When an agent arrives at a business location with documents and a smart presentation about recommended coverage for the group of employees, he has given thought to the characteristics the employees share. But will the employees be able to get the protection that fits them in this recommended plan?

Many times agents address employees' needs in a way that best fits the average American household's financial plan. However, as I mentioned in my article in last month's issue of *Broker World*, many times a very good plan can be inadequate for households struck by a medical catastrophe such as a stroke or debilitating, chronic illness.

Just as with anticipation of medical catastrophe, group members have expectations that a responsible, wise agent will consider the individuality of each employee along with the shared characteristics of everyone that make certain plans suited to a group.

Remember the joke about the man whose left arm is plunged in hot water and his

right arm is buried in ice—but, on average, the man is comfortable? Considering the "average" can well cause a financial professional to serve some group members in a way that causes problems, plus it wastes opportunity for those who want to become excellent financial counselors.

The parking lot surrounding a business not only reflects a variety of preferences, it also reflects a salary spread of great dimensions. In addition, over the years, the difference between the wages of the economy's lowest workers and the wages of the nation's CEOs has grown. The figures vary according to the nature of the companies included in the studies but, invariably, the spread is notable.

Depending on where you look for statistics, the spread can be as much as 300 percent, up from approximately 74 percent in the past decade. Of course every company may not have the same characteristics; yet every company is certain to have a salary range related to the market for skills. Even a multiple in single digits means that a group plan spread across the work force will cover an uneven surface.

No matter what we make of the difference—whether we think of it as an acceptable part of a capitalist system or as proof of an economic imbalance—we need to recognize that a group being served with a fine, well-crafted plan for the general condition still includes employees whose incomes make the general plan only a partial solution.

A one-size-fits-all approach puts a broker in jeopardy for the future: The development of government health exchanges will cater to “the choice of four plans fits all.”

In the senior ranks of a business, income is greater than the norm and business influence is greater than the norm. Risks may remain the same for the upper bracket earners as for the junior business members, but the magnitude of the household income and expenses increases the perils of some medical and life events. Thus medical care sought by a high-income household in a time of serious medical distress may exceed the group’s norm.

High-income households are certain to remain distinctive at the conclusion of a working life, too. The household will have expectations about retirement spending. Plus, if a person requires long term care, the pattern of expectation makes exceptional care a more likely expectation than adequate care.

The counsel an agent provides can help senior members of a company protect against risk while taking advantage of plan features. A company’s legal structure may afford senior executives some tax advantages when they choose among options.

In addition, because senior members of a company are the company’s high ranking employees, the agent’s counsel should reflect consideration of the executive’s age, household financial obligations, hopes and lifestyle. Executives, like their automobiles, are varied, with a need for wise, individual insurance solutions.

Taking the time (and perhaps even insisting on the time through persistent follow-ups) to sit down with the senior executives and explore the nuances of their own personal financial/insurance situations is wise. This time will quickly make their financial exposures more clear to them, as well as their needs and/or desires for individual disability, long term care coverage, and even critical illness. This consultative process will solidify you as the valued/trusted insurance advisor versus being viewed as a single-dimensional health insurance broker.

Time and time again, studies have proven that brokers who have a single line of coverage for an employer are viewed as product specialists, whereas brokers who present multiple lines of coverage are viewed more as valued insurance advisors. The difference in longevity of relationships between

the two types of brokers is pronounced.

In addition to helping an individual household, an agent serving as counselor provides something of substantial value to the company as well: retention of valuable executives, which may be a direct result of the agent’s good work. The senior executives whose compensation, directly or indirectly, includes a well-designed protection of health and lifestyle may have a reduced appetite for relocating to a new company.

Agents know all too well that people requiring advice are not always eager to spend the time to receive it. Senior executives and all the members of a company’s work force have schedules and obligations that can push other matters to the edge. The effort can be daunting, yet an agent must never allow a company to consider a one-size-fits-all plan sufficient when, in reality, it isn’t.

Facing regulatory and economic pressures that incorrectly reduce many insurance services and many insurance professionals to interchangeable commodities, we must recognize the variety within our groups as opportunities for fine, individual service. ☛