

# A Recipe for Success

In this exclusive interview, Kenny Massey, president and CEO of Modern Woodmen of America, shares some critical insights into what it takes to achieve success.

**NAIFA:** What attracted you to the industry and what has kept you there?

**Kenny Massey:** My father was killed in a car accident when I was a teenager. He had several insurance certificates and policies that quite literally didn't pay. After losing our farm and the house, I developed a very bitter taste about life insurance companies. When I was a student at Mississippi State University, I took several life insurance courses to learn more about these companies and found out there are some very good companies and some not-so-good companies. When you combine good agents with good companies, it's a wonderful thing. You can help people, and that's what attracted me to this industry—the ability to help people in a way that no other industry can do.

**NAIFA:** What makes someone suitable for this profession?

**Massey:** They have to be self-motivated and entrepreneurial. They should be outgoing and connect well with people. If you can't prospect in this business, it's going to be tough. They must be driven to improve themselves, continue

their education and learn from others. They have to be hungry and strive to become someone who is willing to make it—and make it long term.

**NAIFA:** What is the most important business lesson for today's financial advisor?

**Massey:** Always remember why you are in this business. Your job will become easier when you understand that your job is to help other people. We sometimes get caught up in measuring our incomes, calls and efficiency. But you can make your job very enjoyable just by going back to the basics of why you are in the business.

Also, invest in yourself by spending some money on yourself and growing yourself because you can get out of whack if you're not careful. You are pulled in different directions and it is sometimes difficult to keep your balance.

**NAIFA:** What business skills and work habits have contributed to your success?

**Massey:** I don't particularly subscribe to the last part of the saying, "work smarter, not harder," because some

## RESOURCES

You can listen to the interview with Kenny Massey by tuning in to the podcast, "The Leading Edge with Kenny Massey." You can access it at [www.AdvisorToday.com](http://www.AdvisorToday.com) or at [www.naifa.org](http://www.naifa.org).

## Kenny Massey,

president and CEO of  
Modern Woodmen of America



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people use that as an excuse not to work hard. I think that we need to work very hard to educate ourselves. In fact there is a correlation between the amount of education you have and the income you earn. When you are spending time on seminars and classes, don’t look at it as a lost opportunity. Look at it as an investment. Money and time are very similar. You can either waste them or invest them. So invest in yourself.

You also have to be disciplined. You might even consider doing things that would help you, such as rewarding yourself for doing things systematically or punishing yourself by not doing what you enjoy doing until you get the job done.

**NAIFA: What attributes contribute the most to a successful advisor?**

**Massey:** I would prefer to recruit, hire and train a wonderful prospector instead of a great salesperson. Prospectors have a way of networking and getting in front of people. But those who struggle always seem to have an issue with these two activities and are always looking for prospects.

**NAIFA: As a fraternal benefit society, Modern Woodmen is heavily involved in community-outreach programs. Please describe some of these initiatives.**

**Massey:** We hold tens of thousands of events across the nation. More than 2,700 units are active in different communities and we touched 1.9 million children last year through our outreach programs. We spend millions of dollars each year giving back to the communities in which our members live. Our creed is: *There’s a destiny that makes us brothers; none goes his way alone; all that we send into the lives of others comes back into our own.*

That really sums it up for us. That’s what we do. The people we give to are grateful to us but the other side of the coin is that the person who is giving often feels better than the person who is receiving. That’s how we feel at Modern Woodmen and we’re very proud of that.

### MASSEY’S TIPS FOR MOVING AHEAD

- Remember that you are in the business to help others.
- Learn to prospect.
- Keep it simple.
- Invest in yourself.
- Be self-disciplined.

**NAIFA: In spite of the economic downturn, insurance income for Modern Woodmen increased to a record high last year and you’re also enjoying record annuity sales. What is behind this success?**

**Massey:** We definitely give credit to our people in the field—that is really the key. With our company and products, we are pretty conservative.

With all of the financial turmoil that has occurred, we have proved to many of our clients that we're there. We've done what we said we would. So this flight to safety has really become more of a fight for safety. Many people are turning to fixed annuities, in particular with our organization, and I know across the industry as well. This conservative approach is really paying off for us.

**NAIFA: What about the whole life component? What do you see?**

**Massey:** The economic downturn has brought people back to wanting what's safe and secure and avoiding uncertainty. So consumers are willing to buy those guarantees. It may cost them a bit more, but we're seeing a large increase in even limited pay—the 10-, 20-year, paid-up-at-65, whole life insurance sales. I think they like the certainty.

## “NAIFA is doing a wonderful job in representing us as one voice politically.”

The industry has pushed a lot of risk back to the consumer. I think that people have been burnt in several cases by underfunding. The policy was not underfunded when they bought it. But they don't really understand the complexity and the risk we have pushed to them as an industry. So many people are saying they want guarantees. In fact, term insurance that has a refunded premium has continued to sell very well for us, and I think across the industry. Universal life has also surged in the last four years and that is because of the guarantees.

**NAIFA: Tell us your strategy for dealing with the middle market.**

**Massey:** Personal relationships. We have advisors in small and medium-sized towns across the nation. We know that there's a tremendous opportunity here. Today, more people are underinsured than ever, especially middle-income and lower-middle-income people and those in small and medium communities, because

the industry, as we have tried to cut back in an attempt to improve efficiency, has withdrawn from them.

However, the industry is trying to get back to them by using tools like the internet and direct marketing. But there's nothing better than a trusted advisor face to face with a prospect or client. All of the data proves that time and time again, people want to deal with a person face to face, someone they can trust, someone who can explain what they do not understand and someone who can be called to service and answer those questions. This really is the opportunity for us. So we think that we're in the right place at the right time with our organization, Modern Woodmen, and we will continue to support that model.

**NAIFA: What other techniques are you encouraging your agents to use?**

**Massey:** The new approach for us is to keep it simple. If you just keep it simple for people, they'll do business with you. Sometimes we tend to make it a little difficult with all of our illustrations. Just start with some basic premises and keep it simple.

**NAIFA: What are some of the top challenges and opportunities facing the industry?**

**Massey:** An important challenge is the public perception of insurance companies and the industry in general. It's unfortunate how the media have portrayed large insurance companies as insensitive to consumers and driven by greed. We all know that this isn't true.

There is also the issue of taxation of life insurance. Our challenge here is to educate our elected officials about life insurance. It's not just sold to the affluent; it also plays a vital role in keeping families intact and keeping them debt free if a disaster were to occur. Through this

education, we can enhance the public's awareness of the industry.

We also need to recognize that some of our sales tactics and the complexity of our products have threatened our business and our reputation. We shoot ourselves in the foot by creating products that push too much risk to the consumer, who does not understand what's happening. The result is again public distrust. So we need to focus on selling those guarantees and not selling the assumptions.

**NAIFA: Given the market turbulence and consumers' concerns about their finances, what counsel have you given your agents?**

**Massey:** We just ask them to stay the course and let their members and clients know that our industry is fine, and in particular, our company. We know the financials are good.

I think this is a time when many people are very interested in a company's choice of investments and what they have as far as subprime is concerned, and we've had tons of questions about these issues. So we have beefed up the financial information we've sent to our clients and agents.

**NAIFA: What three things should readers take away from this interview?**

**Massey:** One is that these are very interesting times and we need to recognize the opportunity that has been given to us. There is a lot of distrust, but we work in a secure industry. We're not relying on the FDIC to print money for us if something goes under. We're reserving and putting that money back. So there's a true safety issue here.

Second, to be successful in this industry, you have to be disciplined. You can get out of balance if you lack discipline. Most people want to be better but this comes through discipline and through identifying a routine and a system and putting them in place.

And the last thing is the importance for all of us to have a voice and that's being provided by NAIFA. NAIFA is doing a wonderful job in representing us as one voice politically. You're listening to us as far as our educational and networking needs are concerned. □

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