

The Process

Life insurance consulting and policy management involves in-depth financial analysis of policy performance relative to original assumptions and systematic benchmarking against market alternatives. It's about understanding the changing goals and risk tolerances of clients and managing them against the constantly shifting financial markets, dynamic product offerings, underwriting advancements and inconsistent policy performance.

Given the nature of life insurance sales and marketing, it's all but impossible for most advisors to view in-force ledgers or competing proposals for new policies and come away with any kind of meaningful conclusion about which is "best". But it is possible to navigate the market and make decisions based on black and white, empirical data, free from the inherent emotion and spin of the traditional sales process... from an expert who doesn't have a horse in the race. Policy owners deserve to be in charge, to own their information, to be in control of how, when and to whom it is presented and to engage with an advocate who independently negotiates on their behalf.

This process needs to incorporate the best tools, independent analysis, modeling and testing the market offers; tools and ideas traditionally foreign to the world of life insurance. Because no one can be all things to all people, even in a narrowly defined niche, it makes it more important to thoroughly understand the market and know when to bring the tools which are a result of one's own intellectual capital to the process and when to look to the furthest corners of the industry to employ specialists and tools applicable to the given engagement.

In other words, life insurance can and should be acquired, analyzed and managed in an actuarially defensible manner like a financial analyst would approach the investment market.

This doesn't mean every situation needs the highest end work available. Sometimes relatively superficial analyses or even knee jerk responses are appropriate. No matter how experienced we are, we are always seeing something for the first time, but after thousands of transactions, you simply don't have to start at square one every time. The awareness to quickly understand the lay of the land and bring the most appropriate level of consulting to bear to keep from unnecessarily driving up the cost of solutions is exceedingly important.

