

Changing Lives

Heroes

People sometimes forget that heroes aren't born—they are self-made. Instead it is education, life experience, love, passion and perseverance that allow them to meet goals that were once beyond their wildest dreams. People who have achieved success are often admired, but that alone doesn't elevate them to the status of a hero. A hero is the rare person who beats the odds to reach their goals, who shares their knowledge and becomes a mentor to help people grow. A hero makes it a priority to make a difference in a person's life every day. Each year, a hero in the insurance and financial services industry is recognized for their accomplishments and their commitment to the industry. This year, Philip C. Richards, CFP CLU RHU, the 2005 inductee into the GAMA International Management Hall of Fame, is our hero.

It could be said that Phil came from humble beginnings. He grew up in the Lower East Side of Manhattan and was raised by his single mother, who worked as a bartender.

In the ninth grade, Phil became a wrestler. "I was a fighter," he says. "There was no boxing team, so I joined the wrestling team."

By Elaina Loveland

Power



Phil says he learned “hundreds of lessons” from wrestling that were useful in other aspects of his life—including his business.

He recalls the memory that taught him the most important lesson. “I saw one of my teammates with a broken arm defeat a three-time national champion during a match. It was then I learned that ‘You can do anything on this earth you want to do.’”

Phil’s wrestling ability earned him a scholarship to Temple University, where he majored in economics with a pre-law emphasis.

“I actually went to law school for a year after college and I thought I wanted to be a lawyer,” says Phil.

Later, Phil learned about the life insurance industry from an acquaintance who was an agent. Little did Phil know, he worked for Maurice L. Stewart, CLU ChFC CLF, who coincidentally was the inductee to the GAMA International Management Hall of Fame last year.

“He keep telling me, I had to meet this guy Maury and I kept saying no,” explains Phil. “But finally I gave in and said I’d do it as a favor.”

That decision changed Phil’s life for good. Within 10 minutes, Phil knew what industry he wanted to be a part of—the life insurance industry.

“Maury was very passionate. He asked me what I wanted to do with my life,” says Phil. “He made note of the three ‘i’s’ in the business: impact, income and independence. I knew that is what I wanted.”

Maury Stewart also remembers the first time he met Phil. “He knew what he wanted,” recalls Maury. “Phil was one of those people when you meet them, you know you want to have him on your team right away. I had a gut feeling about him from the beginning—I knew he was the kind of guy I wanted in my organization.”

Clearly, Phil made the right choice by taking Maury’s job offer.

“I feel I have changed lives because of my product,” Phil says. He describes being able to provide money in times of a family tragedy as “an endorphin high.”

Phil began his career in 1962 in pensions and sales with the Penn Mutual Life Insurance Company. In 1965, he joined Hartford Life where he led the company in brokerage sales and then in 1967, he joined Minnesota Life as the assistant superintendent of agencies. Two years later, he acquired North Star Consultants, Inc., which was the insurance component of North Star Resource Group.

The greatest turning point in Phil’s career is when he acquired North Star. While he was working as assistant superintendent of agencies at Minnesota Mutual, the general agent of North Star was offered a senior vice president position in the home office. He said he would take the job on one condition: if Phil could take his general agent job.

AWARDS

Phil Richards is the ultimate role model. His contributions to GAMA International as president and now as our international liaison have been immense. His commitment to NAIFA and to our industry in his role as co-chair of the Task Force for the Future will assure the effectiveness of both.

James H. Krueger, CLU ChFC CLF LUTCF MSFS MSM RHU
President, GAMA International

Phil Richards is the quintessential “servant leader.” His induction into the Management Hall of Fame is both fitting and well deserved. I rank Phil Richards among the greatest volunteer leaders in the history of GAMA International. He models courage, vision, passion, patience, creativity and consistent values in all his endeavors. Phil is quick to put his hand to the plow when a difficult problem needed attention. In all my interactions with Phil, I observed him to be a “paradoxical blend of humility and professional will.” The North Star Resource Group is one of the finest and most successful examples of a career agency in the world. His vision for a 21st century financial services firm propelled Phil to acquire and transform North Star Resource Group 20 years ahead of its time.

His GAMA legacy will show that he championed the creation of GAMA International as a self-sustaining 501 (c) (6) entity. He personally recruited and established several new industry study groups. He created and launched the Financial Partners Program, which generating more than \$1,000,000 of revenue. As a speaker, Phil is in great demand throughout America and around the world. He led in formulating an international strategy for the organization and personally opened a new GAMA chapter in Thailand.

Phil Richards is a “perfect 10” in the categories of firm building, industry leadership and community involvement.

Charlie Smith, CLU ChFC
Founding chairman of the Task Force for the Future and
former CEO of GAMA International

I met the Richards family when I began my career with North Star 24 years ago. I was immediately impressed by the family’s strong ties and by Phil’s solid leadership. Each day I am reminded of these first impressions as I see that same cohesiveness and that same strong leadership carry over to the “North Star family.” Phil has a unique way of making each person feel special in both his or her

business and personal lives. It has been an honor to know the Richards family, to be a part of the North Star family, and to work with Phil...a legendary leader, and a compassionate, caring friend.

Jeffrey K. Jarnes, CFP CLU ChFC RHU
Fortune Financial/Securian Financial Network

Phil and I have known each other since 1988. Hard to believe it's been that many years. I was hired right out of college by North Star Resource Group in 1989. I joined Phil's group because of the philosophies that he shared with me then, and still shares with his agents, team members, and managers, today. A few of these ideals include:

"We will always put the client's needs before ours."

"Our job is as important an occupation as a doctor, clergy or other trusted respected professional."

"The effect that we will have on our clients will change their lives forever."

And of course, "you will be overworked and underpaid in the first several years, and then, overpaid and underworked forever." We all still search for the day we are under-worked!

There have been many occasions Phil and I have shared time, usually over a glass of wine, discussing issues, both personal and professional. He listens, considers and offers assistance in a way that makes one come to their own conclusions... benefiting from his experience, knowledge and caring. I have dozens of notes, scratched out on cocktail napkins, to prove this fact.

I consider Phil my family. He has been like a father to me. He has been a leader, motivator, mentor, and dear friend.

Jim Quandt, CLU ChFC
Fortune Financial/Securian Financial Network

I met Phil 16 years ago when I interviewed with him while I was in college. I had never even considered this field until I interviewed with North Star. His passion for this business was absolutely contagious, and it was evident by the team he built around him that he had infected them with his passion for making a difference in the lives of others. I will never forget my first meeting with Phil. He challenged me to use my skills to make a difference in the lives of others. He has never stopped challenging me since.

He has the unique gift that only a few great leaders possess: he can see the greatness inside of everyone

he meets, and more importantly, he is able to bring that greatness out and help those around him realize their own unique gifts. Phil often comments that he would like to have the following on his tombstone when he passes on: "He changed lives." I would believe it should read: "He changed lives by teaching others to change lives."

Phil has been my mentor, my surrogate father and my friend for the past 16 years. Because of this I consider myself blessed, and I doubt I can ever repay him for all he has done for me. Next to my family and to God, he is the most important person in my life.

Shaun McDuffee CLU ChFC AEP
North Star Resource Group/Securian Financial Network

Phil, a few years back, challenged me and inspired me to really search my soul and find out what I valued and cherished. This in turn helped my career and life immensely. I now approach my business and my life with a lot more passion and drive. It was a career and life-saving conversation.

Lawrence B. Tate
North Star Resource Group/Securian Financial Network

I would not be in this career today if it wasn't for Phil—he recruited me into the business. I wouldn't be the person today either because he has mentored me in so many ways outside of the business. There isn't a day in my life that I don't thank God for meeting him and being mentored by him.

Edward G. Deutschlander, CLU CLF
Secretary, GAMA International
North Star Resource Group/Securian Financial Network

I have known Phil Richards for over 15 years—we actually met through our involvement in GAMA. Phil has been a personal mentor, as well as a mentor to me in the industry. He is also one of the major reasons I chose to join Securian/Minnesota Life.

Phil is a very dynamic individual. He is passionate about everything he believes in. He is one of the best businesspeople I have ever met—he truly embraces a high-performance culture.

Perhaps the ideal I admire most about Phil is the commitment he has instilled in his firm to both personal and professional growth. He understands that all of his associates must grow in both areas to become the best they can be. He is truly an industry icon.

Thomas P. Burns, CLU ChFC
Securian Financial Network

Today, Phil is the chairman of the board and the CEO of the affiliated companies that operate under the name North Star Resource Group, which are affiliated with Securian Financial Network. At the time Phil acquired North Star, there were five employees—today there are 350. The company has been the leading outlet for its largest supplier, Minnesota Life, for the last 13 years and is believed to be one of the five largest organizations of its kind in the world. North Star offers a variety of financial services and products and has more than 70,000 clients.

Phil describes the defining moment in his career as the day he decided to stop general recruiting and focus on college recruiting exclusively.

“I did what Maury had already discovered—that college graduates were overlooking one of the greatest careers in the world,” explains Phil

According to Phil, recruiting only recent college graduates was a strategic decision to build a new organizational culture.

“You don’t have to change anyone,” he says. “Recent college graduates are like water—they take the shape of whatever vessel you give them.”

Phil’s personal philosophy is “You get back whatever you give,” which has helped him in his professional career.

“Life insurance is a miracle,” says Phil. “Imagine a world without being able to build a fortune without the stroke of a pen—there is no other product like it on earth.”

Phil’s passion and dedication for the industry has extended far beyond where he grew up on the island of Manhattan. Phil has been a featured speaker in more than a dozen countries on topics ranging from college recruiting and selection, strategic planning and leadership, to alternate distribution systems in the financial services industry in the 21st century. He has addressed more than 50 companies, was a platform speaker at the GAMA International LAMP Meeting in 1998 and its Canadian counterpart in Toronto in 1999; a main platform speaker in Singapore, Taipei and Manila in August 2000; and a main platform speaker at the Asian Pacific Conference in Bangkok in May 2001; Crete, Greece in 2002; Shanghai and Beijing China on two separate occasions in 2003. Phil has also been prominent volunteer leader for GAMA International. He is a past president of GAMA International (2003–2004) and currently serves as an advisor to the Executive Committee of its Board of Directors. He is one of only three managers and general agents in the world to have received GAMA International’s International Management Award each year for 30 years since the inception of the award.

Within the GAMA International community, Phil is known for his great leadership and also for two

other activities especially: launching study groups and building relationships with international affiliates.

In 2002, during a meeting of the Joint Executive Committee, Phil and other volunteer leaders were discussing study groups within the industry.

“We realized there were only three cross-company study groups,” says Phil. “And we thought, ‘This is only about 37 people,’ and ‘Why should only 37 people in the business benefit from study groups?’”

So, Phil decided to form more. In addition to forming several study groups for field leaders from traditional-life-based financial planning organizations, Phil also started more specific study groups: an age 40-and-under study group and a multiline study group.

“I think a real bonding of field leaders takes place when a small group of people meets once a year or more often to exchange best practices,” Phil says. “The group serves as a best-practices forum, an accountability medium and a free year-round Board of Directors for any study group member who would like to get opinions and ideas from the rest of the group members—who are some of the best and brightest people in America—throughout the year.”

In his work promoting GAMA International to financial services professionals in other countries, Phil began doing this when he was the immediate past-president of the association. He followed the lead of Bill Pollakov, who was the first person to embrace international relations in recent years.

“A lot of nations are where we were 10 or 20 years ago,” explains Phil. “This is why they respect GAMA International....they can learn from our mistakes.”

The international community took to Phil immediately. Wherever he goes, people ask what the secrets and shortcuts are to building a successful business.

“It’s always sort of humorous to me because the truth is that there are no secrets or shortcuts,” says Phil.

However, the questions kept coming, so one day Phil decided to write down 25 tips on a business card that described his business practices. He took the card on a trip to Thailand and gave it to Montri Saeng-Uriporn of GAMA Thailand. Much to his surprise, the next morning, Montri had 500 copies of the card, which as labeled “Phil Richards’ Secret Shortcuts.” One side was in English; the other side was translated into Thai. This experience served as an example to Phil about how much the international community values being connected with GAMA International.

Throughout his career, Phil has seen a lot of change in the industry.

“Some of the biggest changes are that fewer companies are recruiting new people, and the regulatory environment makes it more expensive to do business than it used to,” he explains.

He believes that one of the most significant things the industry can do as a whole is to build NAIFA membership “so it can advocate for the industry and educate legislators and regulators about our way of life.”

Phil has three nuggets of wisdom for others on how to achieve success in the industry:

1. “People will rise to your expectations, so set them high”;
2. “Think carefully about your delicate position—you represent advisors to the home office and your home office to your advisors”; and
3. “Choose your organization’s vision carefully.”

Phil stresses that vision is important because team members need to have a common purpose.

“We don’t have employees at North Star, we have team members,” he explains. “And our purpose is simple: changing lives, forever.”

Business is more than just the bottom line—it’s also about the vision—and that is what can help make the most positive impact back to the community.

Phil describes participating in Bikes for Kids, founded by Bill Pollakov and Meadowlark Lemon of the Harlem Globetrotters, during the most recent holiday season.

“A Hispanic boy of about 10 years old came up to me and looked me in the eyes and said ‘I never got a gift like this before, and I didn’t think anybody cared,’” says Phil.

Participating in an event like this is consistent with the vision, which is good for everyone in the company.

The experience touched Phil on a personal level because it resonated with memories from his own childhood, when the Boys Club of New York allowed him to experience moments like this.

“I met Joe DiMaggio and was on the *Howdy Doody* show several times,” recalls Phil. “I never forgot these things.”

Among Phil’s personal heroes are Maury Stewart, who recruited him into the business, and Coleman Bloomfield, chairman of the board of Minnesota Mutual. Phil’s admiration of Bloomfield stems from many years of knowing him and also his action in rescuing Minnesota Mutual from demutualization when he was suffering from cancer and “got up from his deathbed” to save the company in the early nineties.

Phil is honored to be inducted into the GAMA International Management Hall of Fame.

“I feel very humbled,” says Phil. “To be in the company of previous Hall of Famers is extraordinary. In my case, I feel like I don’t deserve it—it seems like it should be reserved for the Al Granums and Wayne Swensons of the world.”

But GAMA International disagrees. If anyone deserves it, Phil—it’s you. ☺

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