PRODUCTION PLANNING SERIES

Know Your Numbers

The Keep Rate Workbook

Turn any income goal into the exact annual premium (AP) and daily activity it takes, and learn how to keep more of what you write.

THE ONE FORMULA IN THIS WORKBOOK

Income Goal ÷ Keep Rate = AP Needed

INSIDE

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AGENT NAME _____ CONTRACT LEVEL _____ DATE _____

For training and planning purposes only. All figures are illustrative and are not a promise or guarantee of income. Actual commissions vary by carrier, product, contract level and individual results.

Every dollar you write shrinks before it reaches your bank account.

Your paycheck is not your AP. Four percentages stand between them. Learn what each one is, why it exists and where to find your own number, and you will never guess at a production target again.

1 Contract Level

Example: 90%

What it is: The percentage of annual premium (AP) your contract pays you as commission.

Why it matters: Commission = AP × contract. At 90%, $1,000 of AP earns $900 of commission.

Find yours: Your contracting paperwork or the carrier's commission grid. Ask your upline if you are unsure.

2 Advance Rate

Typical: 75%

What it is: The share of first-year commission the carrier pays you upfront once the policy is approved.

Why it matters: You plan your cash flow on the advance. The remaining 25% is paid later, as the policy earns it.

Find yours: Your carrier contract or commission schedule. Many carriers advance 75%; confirm yours.

3 Persistency

Agency default: 80%

What it is: The percentage of your issued policies that stay in force and keep paying.

Why it matters: If a policy lapses during the advance period, the unearned commission is charged back to you.

Find yours: Your carrier persistency or lapse reports. No history yet? Use 80% for your first 90 days.

4 GI & Direct Express

Agency default: 80%

What it is: An adjustment for guaranteed issue (GI) policies and clients paid through Direct Express cards.

Why it matters: GI products often pay reduced commission, and Direct Express drafts carry more payment-failure risk.

Find yours: Review your last 20 apps. What share were GI or Direct Express? Adjust your percentage from there.

PUT THEM TOGETHER

Contract × Advance × Persistency × GI/DE = Your Keep Rate

Working Backwards: The $10,000 Example

Start with the money you want to keep, then divide by each percentage to "gross up" for what shrinks it. Each answer becomes the starting number for the next step.

STEP	WHAT YOU ARE SOLVING FOR	THE MATH	RESULT
Start	Monthly income goal (what you keep)	Your choice	**$10,000.00**
1	**Commission needed** Divide by your contract level	$10,000.00 ÷ 0.90	**$11,111.11**
2	**Commission to write** Divide by the advance rate	$11,111.11 ÷ 0.75	**$14,814.81**
3	**Cover lapses and chargebacks** Divide by persistency	$14,814.81 ÷ 0.80	**$18,518.52**
4	**Cover GI & Direct Express** Divide by the GI/DE adjustment	$18,518.52 ÷ 0.80	**$23,148.15**
Total AP needed			**$23,148.15**

THE SHORTCUT

Multiply the four percentages once: 0.90 × 0.75 × 0.80 × 0.80 = **0.432**. About 43¢ of every AP dollar becomes cash you keep. That decimal is your **Keep Rate**.

$10,000 ÷ 0.432 = $23,148 AP

QUICK REFERENCE BY CONTRACT

CONTRACT	KEEP RATE	AP PER $1K	AP FOR $10K
70%	0.336	$2,976	$29,762
80%	0.384	$2,604	$26,042
90%	**0.432**	**$2,315**	**$23,148**
100%	0.480	$2,083	$20,833
110%	0.528	$1,894	$18,939

Assumes 75% advance, 80% persistency, 80% GI/DE.

COACH'S NOTES

This plans upfront cash. The 25% not advanced is still yours. It arrives later as the policy earns it, so this target is intentionally conservative.

Don't double-count. If your persistency number already includes your GI and Direct Express clients, set Step 4 to 100%, or adjust only for GI's lower commission.

Find Your Keep Rate

Use your real numbers, not the examples. Write each percentage as a decimal (90% = 0.90). If you don't know a number yet, use the agency default and mark it with a star so you can update it later.

STEP A · YOUR FOUR INPUTS

A · Contract	B · Advance	C · Persistency	D · GI/DE adjustment
e.g. 90% → 0.90	Typical: 0.75	Default: 0.80	Default: 0.80

STEP B · MULTIPLY TO GET YOUR KEEP RATE

A	×	B	×	C	×	D	=	My Keep Rate

STEP C · DIVIDE YOUR GOAL BY YOUR KEEP RATE

Monthly income goal	÷	My keep rate	=	AP I must write this month
$				$

STEP D · SHOW THE LADDER (CHECK YOUR WORK)

Walk it one step at a time like page 3. Your final line should match Step C.

STEP	DIVIDE BY	MATH	RESULT
Start	Monthly income goal		$
1	Contract (A)		$
2	Advance (B)		$
3	Persistency (C)		$
4	GI/DE adjustment (D)		**$**

Gut check: with a 75% advance and 80/80 adjustments, keep rates run about 0.34 to 0.53 for contracts from 70% to 110%. Far outside that range? Re-check your decimals.

From AP to Daily Activity

AP is the result. Activity is what you control. Work down the funnel to turn your AP target into the number of dials you make each day. Always round up.

MEASURE	HOW TO CALCULATE	EXAMPLE	YOUR NUMBERS
AP needed this month	From page 4, Step C	**$23,148**	
Average AP per app	Your last 10–20 apps ÷ count	$1,200	
Apps needed	AP needed ÷ average AP	**20**	
Close rate	Apps ÷ presentations	40%	
Presentations needed	Apps ÷ close rate	**50**	
Presentation rate	Presentations ÷ contacts	50%	
Contacts needed	Presentations ÷ presentation rate	**100**	
Contact rate	Contacts ÷ dials	10%	
Dials needed	Contacts ÷ contact rate	**1,000**	
Working days this month	Days you will actually dial	20	
Dials per day	Dials needed ÷ working days	**50**	

Example figures are for illustration only. Use your own averages from your production tracker.

MY WEEKLY SCOREBOARD

Apps / week	Presentations / week	Dials / day

WHERE YOUR RATES COME FROM

Track every dial, contact, presentation and app. Your rates are only as honest as your tracking.

No data yet? Use team averages from your coach for your first 30 days, then switch to your own.

Read What Your Numbers Are Telling You

Numbers don't judge you; they diagnose. Answer honestly. The goal is not a perfect page, it's a clear next step.

WHAT IF PERSISTENCY IMPROVED? $10,000 goal · 90% contract · 75% advance · 80% GI/DE

PERSISTENCY	KEEP RATE	AP NEEDED	VS. 80%
70%	0.378	$26,455	+$3,307 more
80% (default)	**0.432**	**$23,148**	—
90%	0.486	$20,576	$2,572 less
95%	0.513	$19,493	$3,655 less

The lesson: keeping what you write is the fastest raise you can give yourself. Same paycheck, less AP, fewer dials.

1 **When you first saw your AP number, what was your honest reaction: excitement, doubt or pressure?**

What does that reaction say about how much you believe in your business right now?

2 **Which of your four percentages is costing you the most money right now?**

How do you know? Name the report, number or pattern that tells you.

3 **Look at the table above. What would a 10-point jump in persistency mean for your month?**

Think beyond the AP: your time, your family, your peace of mind.

Protect What You Write

A sale isn't finished when the app is submitted. It's finished when the family stays protected. These questions move you from "I need more leads" to "I need to keep what I write."

4 **Of your last 10 issued policies, how many are still active?**
For any that lapsed, what happened, and what could you have done differently at the point of sale?

5 **Are you writing GI or Direct Express because it's the right fit for the client, or because it's the easier close?**
Be specific. Think of your last GI or Direct Express sale.

6 **What happens between the sale and the client's first draft?**
Describe your follow-up process step by step, or be honest that you don't have one yet.

7 **What is one habit that would protect your business after the sale?**
Choose one from the list below, or write your own.

HABITS THAT PROTECT PERSISTENCY

- [ ] Set the draft date to match the client's payday or benefit date
- [ ] Call the client a few days before the first draft
- [ ] Check carrier pending and lapse reports every week
- [ ] Make a welcome call within 48 hours of submitting
- [ ] Review the policy and beneficiary with the client once issued
- [ ] Keep a current phone number and a second contact on file

Put Your Name on It

A number you don't commit to is just a wish. Fill this in, share it with your accountability partner and bring it to your next coaching session.

This month I will write _____ in AP, which means _____ apps.

Every working day I will make _____ dials and run _____ presentations each week.

Improving this month: ☐ Persistency ☐ GI/DE mix ☐ Contract

I will improve it by _____

My accountability partner is _____ · check-in day _____

30-DAY SCOREBOARD

WEEK	AP TARGET	AP WRITTEN	APPS	DIALS	ON PACE?
Week 1					
Week 2					
Week 3					
Week 4					
Total					

Weekly AP target = monthly AP ÷ 4. Behind pace? Look at activity first, then skill.

AGENT SIGNATURE · DATE

COACH / UPLINE SIGNATURE · DATE

"Be thou diligent to know the state of thy flocks, and look well to thy herds."

PROVERBS 27:23