

The “Daily Plan-It™”

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General George Patton on Planning

George Patton’s advice: “A good plan, violently executed now, is better than a perfect plan next week.”

As advisors, one of the difficult challenges we have is getting clients into action. If there is no urgency to act, then there is no strong motivation to act. There is just a lot of time to “think about it”. The downside is that while they are thinking about it, it may be costing their family money. In our experience, there are three reasons to take action now:

Reason #1: Bad Planning vs. No Planning.

You could argue that a bad plan is better than no plan at all. A bad plan implemented is far better than the best plan only thought about. Strange as it may sound, we believe that if you have a plan of some form, even a bad one, you are light years ahead of those who do not. This “bad” planning versus no planning may motivate the client to think differently.

Reason #2: Stop Procrastinating - The Hydra of Indecision.

The greatest source of failing to plan is procrastination. We all know clients who really need to take action, but drag their feet when it comes to doing their planning. There are many reasons for their procrastination: fear of the unknown; lack of confidence in the recommendation; lack of understanding; lack of trust in the advisor (shocking but true); lack of time to think; confusion and anxiety; and cash flow issues. Procrastination is like a multi-headed Hydra: once you cut off one reason not to act, it seems like two more grow back. The problem is that procrastination never solves the problem. The only way you defeat procrastination is to act in the face of it. The key question is, “If this planning works the way you want it to work, what is the benefit to you and your loved ones?” This type of question helps you to move through the procrastination sluggishness and get focused on the critical issue, which is the real motivating factor for your client. Everyone procrastinates, including us. (We barely made the deadline for this issue!) (case in point- making the deadline for this issue).

Reason #3: Someone else will make money off of your client’s procrastination.

There seems to be a whole industry in wide support of procrastination. In some cases, there is more money to be made off of people who procrastinate than those who plan ahead. For example, estate planning lawyers generally make more in attorney’s fees from helping a family probate an estate where the deceased died without a will than if the deceased had a fully funded trust. In this example, procrastination works well for the lawyer, but costs the family more than if they had had an effective plan in place.

(A side note - an apology to enrolled agents)

We want to take a moment and apologize to all of the enrolled agents who subscribe to the Daily Plan-It. In a prior issue we said, “Check with your CPA.” This could be interpreted that it excludes enrolled agents as accounting professionals. We apologize and will be more careful in the future. We respect your expertise and meant no form of disrespect.

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