

Rodger on Retirement

Financial planning failure

Have you heard the story of the couple that went to a high-end planning firm for comprehensive financial planning? They spent hours with a para planner and a financial planner. They received a beautifully bound leather notebook containing the full financial plan. It was divided into 12 sections, each with 20 or more pages of detailed data, summaries and instructions. The executive summary alone ran 23 pages. The full plan was over 275 pages. The engagement cost the couple more than \$10,000.

You might ask what was missing and what the point of the story is. Would you be surprised to learn that *nothing* is the point of the story? The couple, after paying such a large sum to have a plan created, did nothing. The fancy leather notebook stood, gathering dust, on their shelf at home. You see, what was actually missing, was *energy*.

The spark that could have been provided by the planner was never included. The batteries that would have driven the plan from execution to conclusion were not included. The client was never able to move from point A to point B – which is what the whole exercise of financial planning is all about. To move you from where you are now to where you want to be in the future.

There was no commitment to the plan, just the plan itself. Through a series of ridiculous misunderstandings, the plan was never put in motion. It was a great looking plan; everything that needed to be included was there. It was well thought out, yet it failed in the most important aspect. The client never took action. There was no execution.

Long ago, I realized that a really good financial plan is actually a roadmap to the future with a big, and somewhat complex, to-do list. If you have a guide to shepherd you along and coach you through the list, there is a good chance that all that has to be done will actually get done.

But without the batteries, there is no spark, no energy, and hence, no forward movement. You end up with a really expensive notebook to place on your trophy notebook case.

This story reminds me of someone who planned to start a business. They were cautious, hired a consultant, drafted a plan, and then never executed the plan. They never launched.

Accomplishment and achievement occur because men and women launch. Susan B. Anthony, Walt Disney, Marie Curie, Margret Thatcher, Bill Hewlett and David Packard, Einstein. What they have in common is that batteries *were* included, and they all launched! All the planning in the world will not create a desirable outcome without execution. If you are to succeed in your own personal financial and retirement planning, it is imperative that you both plan *and* launch.