



The Advisor PACT Monthly Session™

December 15, 2015
Hosted by Mark Little

How much benefit do you want from today's session?

**Are you ready to be here
and **no place else?****

- Max Dixon

This online meeting system technology uses lots of memory & system resources, so please...

- ✓ Close your **email** program
- ✓ Close all **browsers**
- ✓ Close **all programs** on your computer other than this GoToWebinar system

Consider taking this attitude starting right now:

Something discussed today will be a significant positive **game-changer** for my business
I want to focus so I don't miss it

ADVISOR
PROTECTION
ATTENTION
COORDINATION
TRANSARENCY



Question

How should I set my compensation for Truly Comprehensive Financial Services™?

5-Steps To Setting Your Compensation



5-Steps To Setting Your Compensation

Presumptions

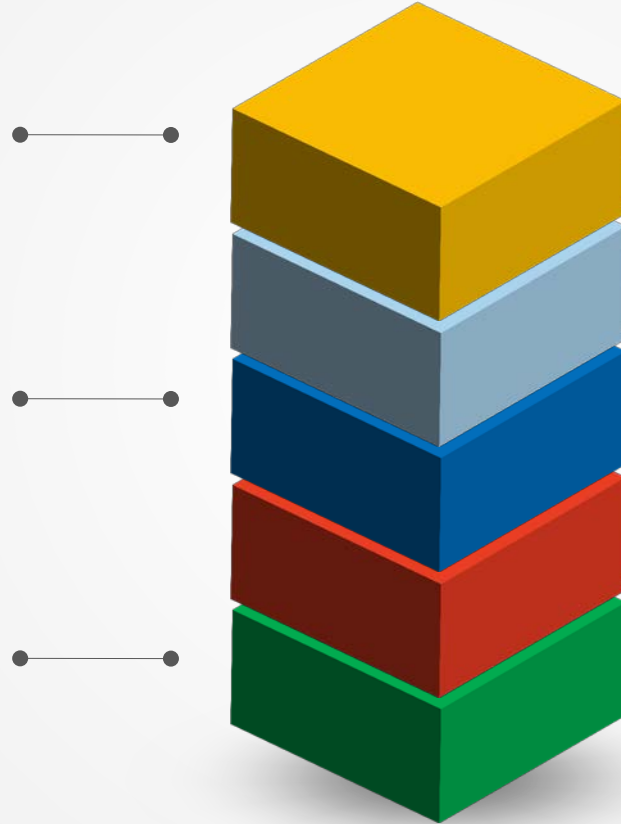
There are a set of assumptions to embrace

Client Value

You would be surprised what Ideal Clients are willing to pay

The biggest factor

Confronting the most significant issue



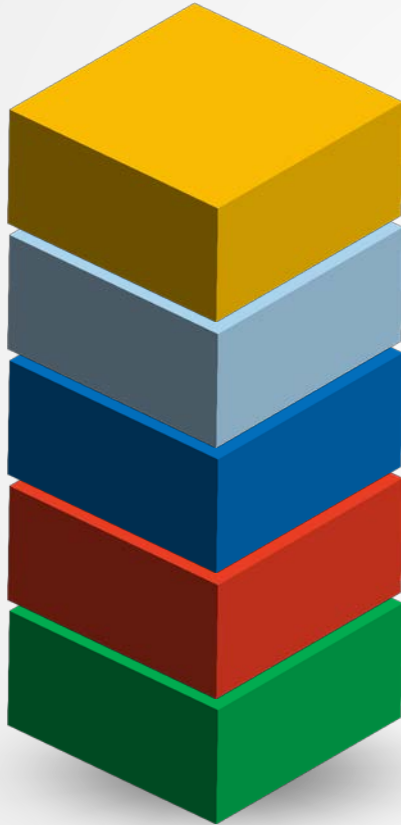
Cost-Based Method

You must be profitable

How do you price a monopoly?

Pricing a service that's unavailable elsewhere

5-Steps To Setting Your Compensation



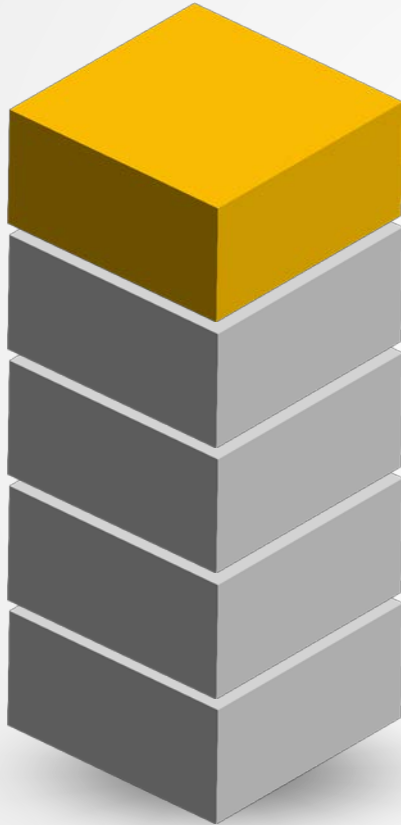
Presumptions

There are a set of assumptions to embrace

**“We all know that the
Trusted Advisors who offer the most
comprehensive financial services
command the highest compensation,
and are the most indispensable,
to their Clients.”**

-Mark McKenna Little

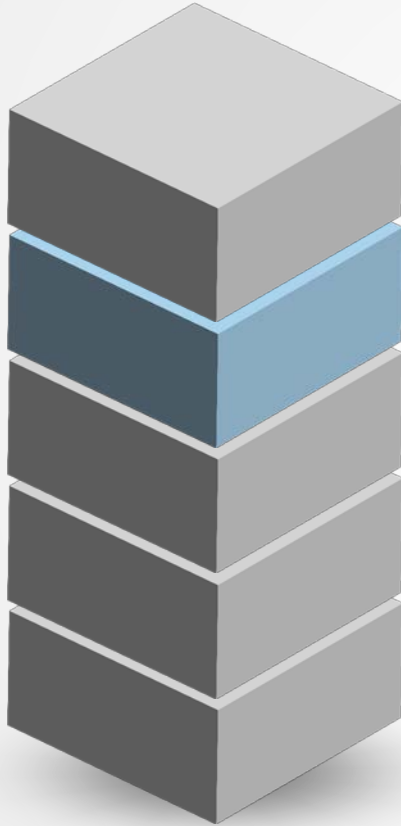
5-Steps To Setting Your Compensation



Presumptions

- ✓ Those offering the most Comprehensive Financial Services are the most **highly compensated** & most **indispensable**
- ✓ Not all clients desire Truly Comprehensive Financial Services™
But **Ideal Clients** do!
... that's what helps **define** an Ideal Client
- ✓ Truly Comprehensive Financial Services™ is an enormous **gap** in the marketplace currently
There are **millions** of multimillionaires who desire Truly Comprehensive Financial Services™
... and cannot find it **anywhere** at **any price**

5-Steps To Setting Your Compensation



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Cost-Based Method

For calculating your compensation

1. Establish your annual cost for delivering Comprehensive Financial Services

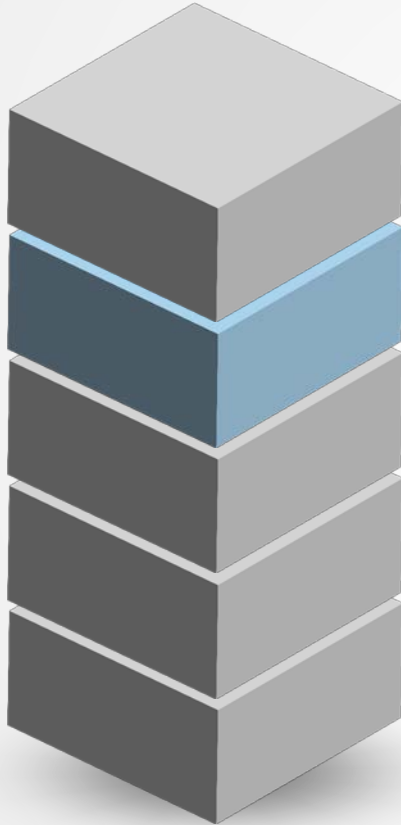
Subject Matter Expert Hours Per Client Per Year

(Time estimates including their support people)

- ✓ **12.75 hours:** Financial Planning Subject Matter Expert
- ✓ **8.00 hours:** Tax Planning Subject Matter Expert
- ✓ **7.25 hours:** Money Management Subject Matter Expert
- ✓ **6.83 hours:** Insurance Subject Matter Expert
- ✓ **5.45 hours:** Estate Planning Subject Matter Expert*

* Estate Planning Subject Matter Expert time represents average annual hours since a full estate planning review is once every 3-5 years on average

5-Steps To Setting Your Compensation



Cost-Based Method

For calculating your compensation

1. Establish your annual cost for delivering Comprehensive Financial Services
2. Establish how much you need annually to run your business
3. Establish how much is required annually to fund your future goals
4. Establish how much you need to live the life you want to live currently.
5. Finally, estimate your annual tax liabilities on the gross revenue for all of the above

5-Steps To Setting Your Compensation



The “Client-Value-Based” Method

You would be **surprised** what clients are willing to pay

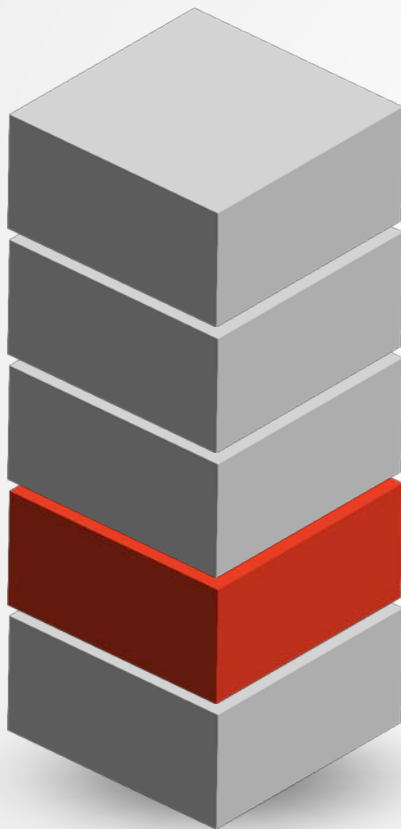
- ✓ What is your **true value** to your Potential Ideal Clients? Do the math!
- ✓ What is their time worth to **them** per hour?
- ✓ How much **time** is currently being spent organizing financial affairs?
... or **should be** spent organizing financial affairs
- ✓ How much money is **currently** being spent (The Truth in Fees Exercise™)?
- ✓ For each spouse, establish how much **stress**, anxiety and irritation of the other spouse is involved?
- ✓ How thorough, accurate, and **proactive** is the current method (what are the current gaps)?
- ✓ How much do they **enjoy** managing their financial affairs?

Leave behind any limiting beliefs you have that:

- ✓ "Clients like that don't **exist** where I am"
- ✓ "My Potential Ideal Clients don't value **their time** as much as people elsewhere."
- ✓ Financial delegators can't be **found**.
- ✓ "I can't **ramp-up** my value quickly enough to earn 'what's possible.'"

If you let them, these and hundreds of other myths will derail you from establishing your ideal life.

5-Steps To Setting Your Compensation



How do you price a monopoly?

Commit to being a service that's unavailable anywhere else

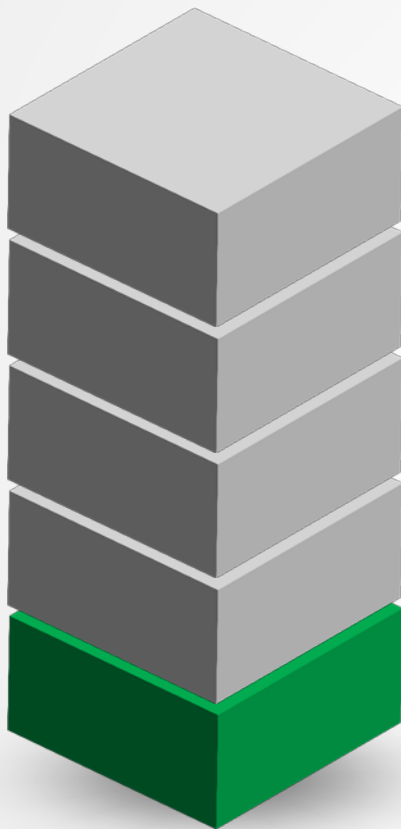
- ✓ **Protection:** Someone whose role it is to protect your assets and your financial strategy
- ✓ **Attention:** A team who will proactively spot the need for required course-corrections required to remain on-track
- ✓ **Coordination:** All your financial people and financial recommendations will be well-aligned under your overarching strategy
- ✓ **Transparency:** You'll always be crystal clear about the costs of every financial product and financial person on your team (commitment that nothing is ever hidden)

You Own A Financial Services Monopoly



- ✓ Something your Potential Ideal Clients will **never** find anywhere else...
- ✓ It's either choose **you** or choose **nothing**.
- ✓ There's **no one else** available to deliver on these promises
- ✓ Not **anywhere...** at any **price**

5-Steps To Setting Your Compensation



Confidence

Confronting the biggest, most significant, obstacle to setting an appropriate compensation level

- ✓ Your compensation level is an issue of confidence
- ✓ The higher your confidence in your ability to deliver Comprehensive Financial Services, the higher you're willing and able to set your compensation
- ✓ So what's holding you back?
 - ✓ A low commitment to implement can limit you
 - ✓ Your resolve to implement is the main factor in right-sizing your compensation
 - ✓ Your confidence in your willingness to implement
 - ✓ Most advisors charge too little
- Low confidence
 - ✓ Most advisors offer too many options

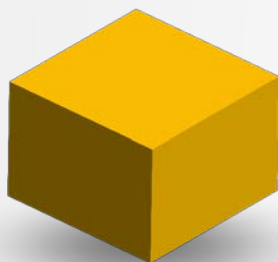
Raise Your Confidence

- ✓ Resolve to **fully** implement Truly Comprehensive Financial Services™
- ✓ Promise to never consciously **lower** the level of service & value you could be providing Ideal Clients
(commit to **continual** increase & improvement in client value)
- ✓ Pledge to honor your **Advisor PACT™** to each Ideal Client, no matter what
- ✓ Resolve to **never give-in** or give-up on building a skilled team of Subject Matter Experts
(no matter how frustrating the people might be at times)
- ✓ Resolve to set **high standards** and never waiver
(protect your clients before protecting your team)
- ✓ Resolve that your service offering will **not** be available anywhere else

5-Steps To Setting Your Compensation

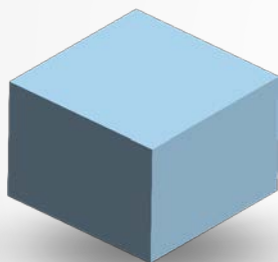
Accept the Premises

Accept that the more **value** you provide the **higher** your compensation will be



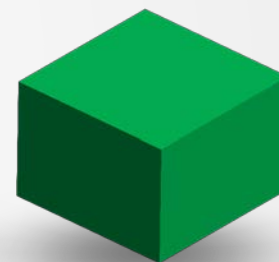
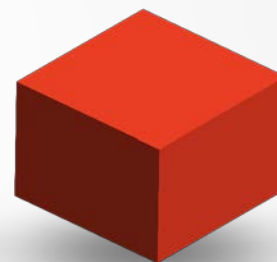
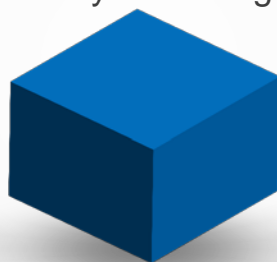
Client Value

Accept that clients will pay substantially **higher** compensation if you commit to fully delivering



Confidence

If you lack **sufficient** confidence, begin by resolving to be **extraordinary**



Cost-Based Method

Commit to projecting **costs** and setting your compensation substantially **higher**

Be a Monopoly

Commit to being the **only** game in town (and price yourself accordingly)