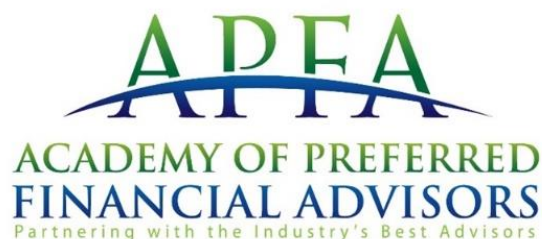


The Exclusive Coaching Program

Proven Systems ... Customized Advice ... Results

2021 OPERATING PLAN GUIDE AND WORKBOOK



Your Operating Plan

Our goal at the APFA is to provide a wealth of information and tools for you to implement throughout the year.

The main objectives of the Exclusive Coaching Program are to help you:

- 1. Improve your skill level;**
- 2. Improve your communication systems;**
- 3. Increase your revenue;**
- 4. Expand your qualified client base;**
- 5. Provide outstanding service to your current clients;**
- 6. Make your practice more efficient; and**
- 7. Boost your ability to enhance your personal life.**

Your goals this year are to:

- 1. Re-evaluate or define the key criteria that will become the foundation of your practice.**
- 2. Create a 12-month meeting and marketing plan to achieve your desired results.**
- 3. Modify and update your plan as necessary (based on results and market conditions).**

This workbook is a key part of your personal plan to maximize your success in 2021!

In this workbook, we will cover your:

- Operating Plan
- Mission Statement
- Target Market Niche
- Practice Evaluation
- Creating Your Vision for 2021 and Beyond
- Complete Client Evaluation
- Client Meeting Strategy Evaluation
- Evaluation of Current Revenue
- 2021 Revenue and New Client Goals
- Specific Goals for 2021
- 5-year Growth Analysis and Projection
- Strategic Initiatives for 2021-2023
- Key Progress Indicators (KPIs)

These topics, along with your Gold Medal Services and 12-month Marketing Calendar, will help you build the foundation required to grow your practice and have a highly productive year. **As always, if you have any questions about any of this information, please call our office at (866) 866-0472 as we will be happy to assist you.**

Our strategy for this module is to develop your Operating Plan. At another session, we will review your PRO Team and discuss having the right individuals in the right seats with a coordinated focus.

Creating Your Operating Plan

*A critical part of your **success**
is a **comprehensive annual operating plan.***

Financial professionals with a solid operating plan will help themselves stay secure and find opportunity even during periods of economic uncertainty. A well-designed and properly implemented operating plan is a critical part of the success and growth of your practice.



Most financial planners tell their clients that people do not plan to fail, they just fail to plan. As a financial advisor, it is your responsibility to help your clients define their goals and needs. In order to do this, you must first follow your own advice: define your own goals and objectives and you will set the foundation of success for yourself and your clients.

Our experience in coaching advisors who consistently produce revenues in excess of \$1,000,000 for their firm have shown us that one of the best exercises they annually perform is to revisit and, if necessary, revise their operating plan.

A written operating plan should not be very long, detailed, or difficult. Nor should it be oversimplified. In this workbook we will provide you the guidance necessary to create a winning operating plan.

Once you have created your operating plan, your entire team should have a firm understanding of what it is so they can aid in the success of your business.

Writing A Winning Operating Plan

A sound operating plan can mean the difference between a company that prospers and one that flounders. A strong operating plan coordinates communication throughout an organization. It should generate enthusiasm for your business and create standards that are both professional and realistic.

Operating Plan General Rules

Be concise and comprehensive.

Be easy to read and understand.

Convey your market niche and the various opportunities for business.

Convey the strength and depth of your entire team.

Have realistic goals within a 6 to 12-month timeframe.

Be formally reviewed and updated periodically.

Operating Plan Things to Avoid

Being vague.

Being overly complicated with long, tedious, or overly technical information.

Avoid including “granular” details.

Underestimating the difficulties of growing a business and underestimating the competition.

Having unrealistic assumptions and goals.

Having highly confidential or proprietary information.

At the heart of your operating plan should be your primary goal: *to have highly satisfied clients who retain your services and to generate new clients to increase your growth.* Elite Financial Practices have a vision, and then they build their strategy to fulfill the goals they set for their practice.



Clients First!

Your Mission Statement

There are three specific steps that one should take in order to help develop your mission statement properly:

1. Make a list of three verbs that are the most exciting to you. You may want to use the words: create, assist, generate, motivate, help, etc.
2. Ask yourself the following question, "What is the most important value that you add to your clients and which are you the most enthusiastic about?"
3. Write down your most likely candidate that can help with the values you have listed in question #2.

Two sample mission statements are:

- Our mission is to reduce our client's taxes, while providing extraordinary client services and comprehensive wealth management for retirees or people close to retirement.
- Our mission is to enhance, teach, and emphasize the importance of financial independence for retired doctors so they can enjoy life.

Your Mission Statement is a brief but all-inclusive statement that makes your clients and prospects aware of who you are and what you offer. It should state:

- 1. Your purpose;**
- 2. Your values; and**
- 3. The main objectives of your practice.**

Our office's mission is to:

***Focus on client satisfaction and benefits.
Make your mission statement the mantra for your entire office!***

Target Market

Why should you focus on a market niche?

Choosing a specific sector of the population to focus on will help define and set you apart from your competition.

Having a specific target group will help you concentrate your efforts into more focused campaigns and programs to capture and maintain specific clients instead of spending valuable time, energy, and funds on a larger demographic that is less likely to retain your services. For example, the needs and wants of a retiree will be much different than the needs and wants of a college graduate. Your marketing strategies will become more efficient and effective and your clients will have a better understanding of what type of referrals you are looking for.

What is your target market?

Categorize your existing clients, review their interests, and see if your skill set matches what these clients need. Does this niche help you achieve the vision you have set for your practice?

You want to be a financial advisor who is known for your area of expertise! It is important to learn to think like your clients. After you have chosen your target market niche, you should make it a priority to fully educate yourself on that market (what common interests do they have, what are their major areas of concern when it comes to their investments, what are their main financial goals, etc.). Focusing on a market niche will also help your knowledge base. Instead of spreading yourself thin by acquiring a broader and vaguer range of information, you would then be able to focus on becoming a specialist in a more dedicated area for your clients. This will help you maximize the opportunities that this niche has to offer and make yourself and your practice highly desirable to them.



Focusing on Your Ideal Client

My Market Niche is:

Who is our ideal client?

1	
2	
3	
4	
5	

Quick Practice Evaluation

There are four primary areas to evaluate to provide you with quick insight on the overall health of your firm. They are:

1. The **primary vision** that your firm focuses on or should focus on.
2. Understanding **new responsibilities** or tasks that you would like to implement or should be integrated into your firm to bring it to the next level of efficiency and productivity.
3. The awareness of the **strengths** your firm currently possesses so you can use them to your advantage.
4. **Improvements** that your firm needs to make to reduce or remove its weak points or deficiencies.

This quick study can help clarify these four important cornerstones for strengthening the foundation of your firm, defining the goals you have, and how you will be able to achieve them.

Primary Focus of Firm	New Responsibilities for Our Firm
Strengths of Firm	Improvements Needed in Our Firm

Creating Your Vision

Before you begin the process of strategic planning, your vision should come first. When realizing your next level, make sure to take into consideration the beliefs, missions, skill sets, and environment of your entire team. You also need to be positive and inspiring! Every great firm needs a vision. Some elite practices have a 5-year objective and others a 7- or 10-year timeline. They then develop an annual operating plan to start that journey. Your timeframe will depend on your vision. Try not to obsess over if yours is 5 years or 10 years from now. It is more important to concentrate on a realistic timeline that you can plan for your vision to be accomplished (just like you tell clients)!

Be aware of these vision killers!

As you engage in your vision process, be alert of the following vision killers:

- Tradition
- Fear
- Complacency
- Short-term thinking
- “Naysayers”
- Negative thinking

Now, start to clarify your vision. 2021 provides an opportunity for you to achieve your primary goals. But First, ask yourself these questions:

- *Where do I see my firm one year from now?*
- *When can we realistically start working on these goals?*
- *Will we commit to put a “fully positive” effort toward attaining these goals?*
- *Are we open to trying “different” strategies if necessary?*
- *Can we coordinate the entire team to meet these goals?*

Step 1: What is your vision?

During the first session of the Exclusive Coaching Program, we will review the steps that analyze your current situation. From there, you can calculate your realistic new asset goal and new qualified client goal for 2021. Once you have determined these, your primary objective is to keep these key goals in mind as you develop your operating plan.

Step 2: How do you stay focused on your vision?

There are many ways to stay focused and keep on track. One of the easiest and most effective ways is to have a **written reminder** of your primary goals.

Most elite firms will keep in writing a brief but concise update on their current situation and their vision for 2021 in at least these four measurable areas:

- **New Assets Under Management Goal;**
- **New Clients Goal;**
- **Annual Revenue Goal; and**
- **A Personal Goal.**

Make a personal list that is easy to update and keep it where you can see it on a regular basis to remind yourself to stay the course and continue to work toward it.

The purpose of tracking is to remind and reinforce what you are aspiring to achieve. Make it a routine to look at your progress every month.

If you feel yourself distracted, losing focus, or procrastinating, look at your list and ask yourself, ***“Is what we are doing today helping us toward our vision?”***

If not, reassess your actions, regroup and find the steps you need to take to get back on track.

Step 3: Additional Support

It is also necessary to **share with all of your team members your firm’s vision**, so that they can contribute and work toward these goals as well.

To help you achieve these goals, our office will make monthly check-up calls to you or your designated contact person. Our goal is for these monthly check-up calls to keep you and your office on track each month while keeping you updated and apprised of any new information that can be helpful. Together, we can maximize your success and minimize distractions!

Company Vision Plan (Chose a year that is realistic with your vision)		
	Now	Future
Year		
Assets Under Management		
Revenue		
Households		
Wealth Managers		
Team Members		

100% Client Retention!

100% Client Retention!

Sadly, many financial firms pay great attention to attracting new business and forget the most essential rule of a successful business – **to keep ALL existing clients!**

In an effort to proactively protect your existing business, you should meet with clients regularly, constantly reminding them of the special (*Gold Medal*) services you provide.

Please list 3-5 of your special (Gold Medal) services that you will remind clients you provide when meeting with them this year.

The goal of a successful advisory practice is to both retain and attract new clients.



1	
2	
3	
4	
5	

Your Client Evaluation

One of your primary goals is to focus on retaining your existing clients before even starting to market to new clients. The number one reason a client will leave their advisor is due to lack of communication! Most clients do not blame their advisor for the decline of the stock market. Obviously, it is not just their portfolio that is going down in value, but the entire stock market is going down as well. One of the most important focuses you should have is to meet with each client to explain the current environment and to provide them with an update as to what is happening in their portfolio on a consistent basis.

Reviewing your client evaluation matrix will help you to:

1. Identify or fine tune who generates the majority of your revenue.
2. Create or fine tune your own personal “**Gold Medal Services**” that cater to this group.
3. Communicate or reinforce these “**Gold Medal Services**” to your most important clients and “qualified” prospects.
4. Determine your time commitment to meet with your existing clients.

***Before you can focus on growing your business,
you must first focus on protecting your existing relationships!***



Five Star Tip

The key to successfully growing a healthy practice is to consistently add more “A” clients in an efficient and scalable manner.

Evaluating Your Client List and Prospect Pipeline

What is our minimum for a client to be considered an A or B client?	A: _____ B: _____
How often are we meeting with A, B and C clients?	A: _____ B: _____ C: _____
Who is offered our top tier services (Gold Medal Services)?	A: _____ B: _____ C: _____
Are we offering enough services to attract and keep all A and B clients?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are we frequently communicating and connecting with our A and B clients?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do we constantly thank our A and B clients?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are our A and B clients fully aware of the services we offer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are we providing comfortable entry points for A and B clients to refer us?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are our A and B clients referring friends, relatives, and colleagues?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are we asking our A & B clients for referrals?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do we have the capacity to adequately service new clients ?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do we have a suitable number of prospects in our Prospect Awareness Program ?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do our A and B clients know what makes us different ?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Allocate Your Meeting Time

Client Evaluation Matrix

Type of Client	Revenue /Asset Amount	Review Frequency	# of Clients
"A" or Level 1			
"B" or Level 2			
"C" or Level 3			
"D" or Level 4			

Meeting Time Commitment

	Minutes	x	Factor	x	# of Clients	=	Time
Quarterly		x	4	x		=	
Semi-Annual		x	2	x		=	
Annual		x	1	x		=	
YOUR TOTAL MEETING TIME COMMITMENT							

Analyzing Your Recurring Revenue Stream for 2021

Many financial professionals obsess over their bottom line without fully understanding how to best improve their results. We have found that the most productive way to balance “profits” and “working hours” is to:

- **Completely understand your existing revenue stream.**
- **Evaluate who generates that revenue stream.**
- **Determine you or your firm’s personal commitment to meet with your existing clients.**
- **Try to understand how many new relationships you are looking for and what type of clients they need to be.**
- **Develop a meaningful calendar of activity to attract that type of client.**

Here is a format that can help evaluate or fine-tune your situation.

Current Revenue Analysis		
	Assets	Recurring Revenue
Fee-based		
Non-fee Based		
Other		
TOTALS		

Setting Realistic Goals

What are realistic goals?



Realistic goals are truly achievable within the parameters of your business and timelines. We all want to increase our numbers by a large percentage, but many times this will not be a practical 12-month goal. For example, if your new assets under management is \$1,000,000, is \$12,000,000 a realistic goal for 2021?

In order for you to set your goals realistically, you need to first review your performance in past years and then decide how far is reasonable for raising the bar for the New Year. **By setting and following a strong but realistic plan, you will maximize your success!**

Your 2021 Realistic Goal should be based upon:

- **Your past performance:**

Compare the last two years of your practice. Based on your calculations, what is an honest and achievable goal for 2021?

- **What you are willing and capable of working toward:**

Are you willing to do what top producers are doing?

You're in the Exclusive Coaching Program to better your practice!

Your goals are to either:

- Advance toward a higher level of revenue;
- Improve your practice's efficiency;
- Create a stronger financial services franchise;
- Enjoy your life more;
- ***All of the above!***

While setting your realistic goals, it is just as important to make sure you are not aiming too low as well. Setting low expectations promotes complacency and lowers motivation, which could lead to a stagnant and less productive year.

Growth Analysis of Your Practice

Best practices look at historic results and then project future results. Best practices try to focus on annual goals but set realistic multi-year goals. We have found that financial advisory firms have had a better grasp on setting and meeting goals by looking at the last two years and projecting forward for three years.

Five Year Growth Analysis & Projections

	2019	2020	2021	2022	2023
AUM					
Total Clients (Households)					
New Clients					
Gross Revenue					
Revenue Growth					
Prospect List					
A Personal Goal:					

Setting Annual Goals for 2021

Here are some sample goals:

- Have a 100% client retention rate.
- Meet with at least 95% of clients based on their assigned frequencies.
- Attract \$20,000,000 of new assets.
- Collect and review tax returns from 2020 from all A & B clients.
- Learn at least two personal interest items for all clients (hobbies, sports, activities, family).
- Confirm all beneficiaries and health directives are updated for clients.
- Make all clients aware that they can add names to our mailing list and to join workshops (client advocate program).
- Improve office productivity by eliminating all manual paperwork.

Primary Goals for 2021

Strategic Initiatives for 2021 - 2023

Strategic initiatives are the steps that need to be taken to translate your goals into practice. They are the compass that will guide your vision to fruition. After you have set your primary goals for 2021, it is time to form the strategy you will use, set your plan, and then execute and stick to that plan.

Strategic Initiatives and Focus for 2021- 2023



Key Progress Indicators (KPIs)

Key Progress Indicators or KPIs are the quantifiable measures that a company uses to track the performance over time. KPIs measures or demonstrates how effectively the company is achieving its strategic and operational goals. Some examples of KPIs are initial client interviews, prospect list calls, client reviews held and mailings sent.

After your goals are set, a company must find out the factors that would help it to achieve the objectives. KPIs quantify the critical success factors, and thus, help to measure performance. A strong KPI is one that is both measurable and quantifiable.

An elite financial firm needs to communicate both KPIs and the details behind them to team members at all levels. All team members must know the importance of KPIs and what you are trying to track. Elite and highly efficient firms do not have too many KPIs and they focus on a small set of the most important KPIs. This not only saves time and resources, but also helps to focus on key areas.

Lagging vs. Leading Indicators

Lagging indicators show the after-effects or “results” of your work. They show you how you did.

Leading indicators are just the opposite. They point forward and help you anticipate and predict what will happen.

Why are they both important?

Lagging and **leading** indicators both have an integral place in your firm’s metrics. Lagging indicators show the health of the organization and are important measurements of how your firm is performing.

Leading indicators show how well the key processes and essential activity points are performing, and therefore are good predictors of whether or not you are going to meet the performance goals of the organization as a whole, i.e., whether or not your **lagging indicators** will continue to look favorable.



Action plan to create strong **lagging** and **leading** indicators

For your **lagging indicators** or measures:

- What is our goal and how do we know (measure) that we have achieved it?
- What are the indicators of our firm's success?

For your **leading indicators** or measures:

- How do we influence our goals, i.e., what active steps can we take that will contribute to meeting our goal, and how do we measure those steps?

Here is an example: For many elite firms, a business goal is new clients. This is a clear **lagging** indicator that is easy to measure. You look at your new accounts and you have your answer.

How can you actually reach this goal? For new clients there are several "**leading**" indicators, they include:

1. Initial Client Interviews
2. # of prospects on ***Prospect Awareness List***
3. # of prospects at events (educational and entertainment)
4. Calls to prospects

**ALWAYS
ACCEPTING
NEW
CLIENTS**



Five Star Tip

Establishing KPIs for your practice is essential. Tracking both **lagging** and **leading** indicators will help you understanding what is happening in your organization and to knowing what changes to make to improve those statistics.

KPIs That Support My Primary Goals

Actionable Steps

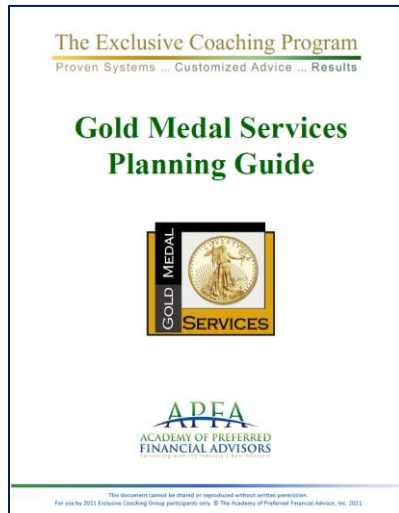
Ready, set, go! Time to set your goals into actionable next steps.

Immediate Steps to Take to Achieve Goals

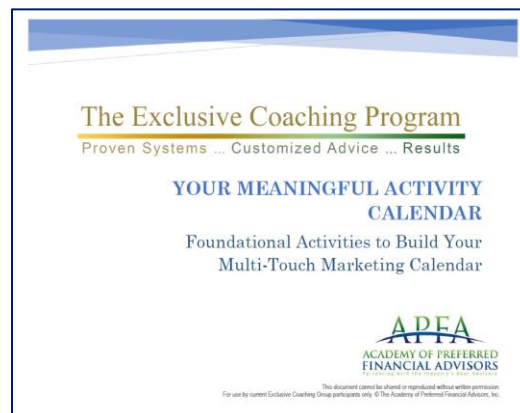
Project	Team Lead	Estimated Date of Completion
Sample: Grow Prospect Awareness Program list by 100 names	Dana	June 1
Sample: Perform Client Evaluation (A,B,C)	Heather	March 1

Additional Key Components of Your Operating Plan

GOLD MEDAL SERVICES



MARKETING PLAN



TEAM EVALUATION and STAFFING PLAN



Will be delivered at
Session 2