

The Exclusive Coaching Program

Proven Systems ... Customized Advice ... Results

2022 OPERATING PLAN GUIDE



Our goal at the Academy of Preferred Financial Advisors is to provide a wealth of information and tools for you to implement throughout the year.

This workbook is a key part of your plan to maximize your success in 2022!

This workbook will help you:

- Create your overall operating plan
- Determine your mission statement
- Define your ideal client
- Conduct a brief practice evaluation
- Conduct a client retention and prospect pipeline evaluation
- Determine your top five client service offerings
- Review your client review meeting strategy
- Evaluate your current revenue stream
- Discover the vision you have for your practice
- Analyze your five-year growth analysis and projections
- Define your goals for 2022 and the key progress indications that will support them
- Determine your strategic initiatives
- Find the actionable items to take immediately to set you on your path to success in 2022 and beyond

Your Operating Plan, 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.

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 clients;
6. Make your practice more efficient; and
7. Boost your ability to enhance your personal life.

Your goals this year are to:

- ➔ Re-evaluate or define the key criteria that will become the foundation of your practice.
- ➔ Create a 12-month meeting and marketing plan.
- ➔ Modify/update your plan as necessary (based on results and market conditions).

CREATING YOUR FUNCTIONAL OPERATING PLAN

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

A foundational and functional operating plan can help your practice maintain security and find opportunity even during periods of economic uncertainty. A well-designed and properly implemented operating plan is meant to support the growth and success of your practice.



Most financial professionals 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 functional operating plan.

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

The five phases of developing a functional operating plan should be:

1. [Analyze](#) your practice.
2. [Determine](#) your goals.
3. [Design](#) your plan.
4. [Share](#) your plan with your team.
5. [Implement!](#)

Let's get started!

WRITING A WINNING FUNCTIONAL 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.

General Rules for Writing a Winning Functional Operating Plan

1. Be concise and comprehensive.
2. Create a plan that is easy to read and understand.
3. Convey your market niche and the business opportunities for your practice.
4. Define realistic goals within a 6- to 12-month timeframe.
5. Review and, if necessary, update your plan periodically.
6. Share your plan with your team so they can support the goals in their best capacities.

General Rules for Writing a Winning Functional Operating Plan – Things to AVOID

1. Being vague or too generalized.
2. Making it overly complicated with long, tedious, or overly technical information.
3. Underestimating the challenges of growing a successful practice.
4. Having unrealistic assumptions and goals.
5. Revealing highly confidential or proprietary information.

At the heart of your operating plan should be your primary goals: **to have highly satisfied clients who retain your services and to generate new clients to increase your growth.**

YOUR MISSION STATEMENT

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.**

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

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 are the most important values that I provide to my clients?"

"Which clients am I most enthusiastic about servicing?"

3. Write down the demographic that you are most enthusiastic about helping and providing the values you have written down for question #2.

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.

Our office's mission is to:

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

OUR IDEAL CLIENT

Choosing a specific demographic 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 those 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 your practice can best help.

What is your target market niche?

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 yet more vague range of information, we have found that focusing on becoming a specialist in a more dedicated area allows you to service your clients better. This will help you maximize the opportunities that this niche has to offer and make yourself and your practice highly desirable to them.

Our market niche is:

Our ideal client has the following attributes:

1.

2.

3.

4.

5.

PRACTICE EVALUATION

There are four primary areas to evaluate that will 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. Being aware of the **strengths** your firm currently possesses so as to use them to your advantage.
4. **Improvements** that your firm needs to make to reduce or remove 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.

The top strengths of our firm are:

- _____
- _____
- _____
- _____
- _____

Improvements needed in our firm are:

- _____
- _____
- _____
- _____
- _____

Changes we'd like to incorporate into our firm in 2022 are:

- _____
- _____
- _____
- _____
- _____

CLIENT RETENTION AND PROSPECT PIPELINE EVALUATION

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

100% client retention is your goal! Many 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.

Answering these following questions will help you evaluate key areas that will help you retain clients and provide a healthy pipeline of prospects.

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 Clients B Clients C Clients

Are we frequently communicating and connecting with our A and B clients?

YES NO

Do we constantly thank our A and B clients?

YES NO

Are our A and B clients fully aware of the services we offer?

YES NO

Are we providing comfortable entry points for A and B clients to refer us to prospects?

YES NO

Are our A and B clients referring friends, relatives, and colleagues?

YES NO

Are we asking our A & B clients for referrals?

YES

NO

Do we have the capacity to adequately service new clients?

YES

NO

Do we have a suitable number of prospects in our Prospect Awareness Program?

YES

NO

Do our A and B clients know what makes us unique from our competition?

YES

NO

Please list 3-5 of your top (Gold Medal) services. You should be reminding your clients of these services when you meet with them.

1. _____

2. _____

3. _____

4. _____

5. _____

BRIEF BUSINESS EVALUATION

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 your personal commitment to meet with your existing clients.
- Understand how many new clients you are looking for a what minimums they will need to meet.
- 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.

RECURRING REVENUE STREAM ANALYSIS

Current revenue:

	Assets	Recurring Revenue
Fee-based:	_____	_____
Non-fee-based:	_____	_____
Other:	_____	_____
TOTAL	_____	_____

Client Evaluation – Revenue:

Revenue From Largest “A” Client: _____ Revenue from Smallest “A” Client: _____

Revenue From Largest “B” Client: _____ Revenue from Smallest “B” Client: _____

Revenue From Largest “C” Client: _____ Revenue from Smallest “C” Client: _____

Revenue From Largest “D” Client: _____ Revenue from Smallest “D” Client: _____

CLIENT REVIEW MEETING - TIME ALLOCATION

Client Evaluation - Tiers

	Revenue/Asset Amount	Review Frequency	# of Clients
"A" or Tier 1	_____	_____	_____
"B" or Tier 2	_____	_____	_____
"C" or Tier 3	_____	_____	_____
"D" or Tier 4	_____	_____	_____

Meeting Time Commitment

	Minutes	x	Factor	x	# of Clients	=	TIME
Quarterly	_____	x	4	x	_____	=	_____
Semi-annual	_____	x	2	x	_____	=	_____
Annual	_____	x	1	x	_____	=	_____

OUR TOTAL YEARLY MEETING TIME COMMITMENT IS _____.

CREATING OUR 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. As a leader, you 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 a functional 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)!

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. 2022 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?

After analyzing your current situation, you can calculate your realistic new asset goal and new qualified client goal for 2022. 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 2022 in at least these four measurable areas:

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

Make a distinct and individual 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 check-up calls to you or your designated contact person. Our goal is for these check-up calls to keep you and your office on track while keeping you updated and apprised of any new information that can be helpful. Together, we can maximize your success and minimize distractions!

Long Term Company Vision Plan (Chose a year that is realistic with your vision, i.e. five or ten years from now):

	2021	YEAR _____
Assets Under Management	_____	_____
Revenue	_____	_____
Households	_____	_____
Wealth Managers	_____	_____
Team Members	_____	_____

FIVE YEAR GROWTH ANALYSIS & PROJECTIONS

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.

	2020	2021	2022	2023	2024
AUM	_____	_____	_____	_____	_____
TOTAL CLIENTS (Households)	_____	_____	_____	_____	_____
NEW CLIENTS	_____	_____	_____	_____	_____
GROSS REVENUE	_____	_____	_____	_____	_____
REVENUE GROWTH	_____	_____	_____	_____	_____
PROSPECT LIST	_____	_____	_____	_____	_____

GOALS FOR 2022

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 2022?

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 realistic goals 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 2022?
- What you are willing and capable of working toward:
- Are you willing to do what top producers are doing?

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.

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.

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

Your goals are to:

- 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!*

Our top five business goals for 2022 are:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

A top personal goal for 2022 is:

- 1. _____

OUR STRATEGIC INITIATIVES FOR 2022

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 2022, it is time to form the strategy you will use, set your plan, and then execute and stick to that plan.

Our strategic initiative and focus for 2022 is:

KEY PROGRESS INDICATORS (KPIs) THAT SUPPORT OUR GOALS

Key Progress Indicators or KPIs are the quantifiable measures that a company uses to track the performance over time. KPIs measure or demonstrate 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. 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

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 Will Help Us Track Our Goals:

• _____	Lagging	Leading
• _____	Lagging	Leading
• _____	Lagging	Leading
• _____	Lagging	Leading
• _____	Lagging	Leading

ACTIONABLE STEPS TO TAKE IMMEDIATELY

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

The first movement is to assign a team leader and a realistic desired completion date for each goal. Next, your team leader can start constructing a complete path for success.

Please remember, you do not have to do this alone. Our professional team at the APFA is always here to help you!

	Team Lead	Desired Completion Date
• _____	_____	_____
• _____	_____	_____
• _____	_____	_____
• _____	_____	_____
• _____	_____	_____