

# How the Life of Steve Jobs Can Help Financial Advisors Build Their Retirement Plan Practice

By Ary Rosenbaum, Esq.

Steve Jobs was one of the greatest business leaders of our time. His focus and attention to detail as well as his unconventional business management has made him a business icon. In his very short life, Jobs helped start a computer revolution in his parents' garage and ended up having the greatest second act in business history when he returned to Apple in 1996 and saved it from certain bankruptcy. In Jobs' recently published autobiography, written by Walter Isaacson, we come to understand and appreciate the brilliance in his approach to business. It is a thoroughly worthwhile read for financial advisors because the lessons we can learn from Jobs' life can benefit financial advisors in how they maintain and grow their retirement plan business.

## Do What You Love

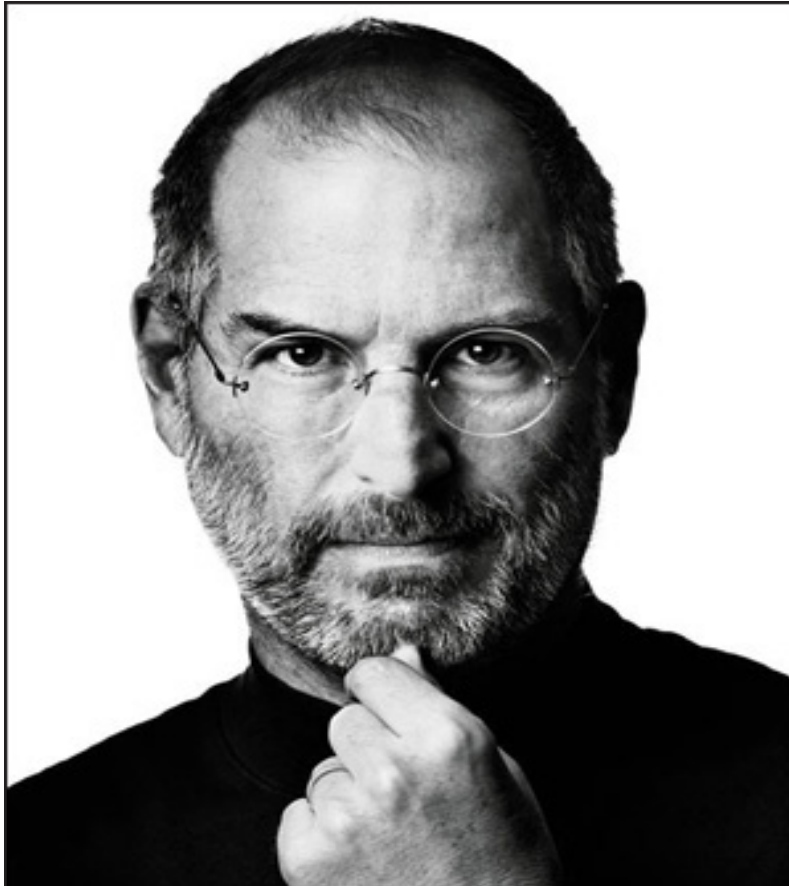
Steve Jobs revealed the secret to his career success in a 2005 commencement address at Stanford University: "Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. And the only way to do great work is to love what you do. If you haven't found it yet, keep looking. Don't settle."

If you do what you love for a living, you will do well at it. If you want to be successful as a retirement plan financial advisor, you have to love this business (even if you have reservations about many of its practices, as I do). If you are tired of the investment product part of the business, consider becoming a retirement

plan consultant. If you don't like developing investment policy statements, providing investment education, and working with plan participants, get out of the way and make room for a financial advisor who does.

However, if you are unhappy with your role in the business, change it. If you

Apple's products simple, so was the way Jobs articulated the vision behind those products. Notice the difference between an iPad and an Amazon Kindle Fire or a MacBook Pro and a Dell laptop? Apple products have simple designs that are stylish. Jobs insisted on an overall presentation that was uncluttered [and functional?].



When it comes to the way financial advisors generate marketing and sales material, I see many newsletters and client solicitation materials that look that were either drafted using Print Shop on an Apple IIe or are crammed with so much information, they look like they were produced by Encyclopedia Britannica. I have been guilty of that myself. Indeed, as I look at it today, the brochure from my Retirement Plan Tune-Up legal review is less than impressive. When it comes to marketing materials and your website, less is more. Treat your retirement plan practice like a brand and protect that brand. When designing materials and presentations, you should strive for simplicity in design so that your message is clear.

are not happy being a broker, become a registered investment advisor. If you hate offering target date funds, don't use them. Life is too short to be miserable. Do what you love because you will end up doing better for yourself.

## Strive for simplicity

Jobs also said "Simplicity is the ultimate sophistication." Supposedly, it's a quote from Leonardo Da Vinci. Not only are

I have always used the acronym in business, KISS, keep it simple stupid. A key to my success has been to take my knowledge in ERISA and break it down into English so that financial advisors and plan sponsors can understand it. While some attorneys feel the need to throw out legalese to confuse their clients or use it to justify their billable hours, my low overhead and flat fee billing approach allows me to serve a marketplace that is wary of attorneys and their large legal

bills. My goal is to help plan sponsors and financial advisors understand how retirement plans works because I believe that better educated sponsors and advisors will lead to better retirement plans. Clients will hire you because of your skill and your level of services, not because of sales materials that most clients won't understand or bother reading.

### Control the Process

People will say that in the Mac vs. PC war, the PC market won because Apple refused to license the Macintosh operating system to other computer makers. Jobs refused because he didn't want his operating system to be used on his competitors' inferior products. It's true that the PC market is dominating the market share. However, Apple products sell at a higher price point, and have a larger profit margin. Remember also, PCs dominate the market because IBM had Microsoft draft its DOS operating system, which eventually led to Windows (based on the look of Macintosh).

And, perhaps most telling, IBM no longer makes PCs, which people often forget.

For its iPhones, iPods, and iPads, Apple controls the entire process. Only products purchased or placed on iTunes can be downloaded to these products and any applications, music, books, and movies purchased through iTunes, nets 30% of the sale to Apple. IBM lost its grasp on the entire PC market by allowing an outside software manufacturer to make money by licensing their operating system to companies that made cheaper clones.

When it comes to retirement plans, I have seen too many financial advisors who sit back and let the TPAs take the lead in handling the client. Whether they are using a bundled, unbundled, or producing TPA, these advisors take a far too passive approach. While doing so may allow them to avoid a confrontation with the TPA/client, they are well on their

way to becoming invisible to that client. I remember a financial advisor lost a plan because he let the just sat back and let the TPA mishandle the client's request to look at a new plan design. A financial advisor needs to be actively involved in every aspect of the relationship between the TPA and the client. An advisor can't afford to be out of the loop because they effectively lose control of their client.



Financial advisors need to work with TPAs who understand that they should be sent copies of all correspondence and communications that they send to the plan sponsor and consults them with any issues resulting in the administration of the plan.

### Strive for Quality

Jobs summed it up best when he said: "Be a yardstick of quality. Some people aren't used to an environment where excellence is expected." Strive for excellence because the industry of retirement plan financial advisors is mediocre. Too many advisors don't understand their role; they think all they have to do is pick a good mutual fund lineup for their clients. Understand the fiduciary process and understand your role in helping a plan sponsor draft an investment policy statement, review investment options, and provide investment education/advice participants. You will stand out among the crowd of

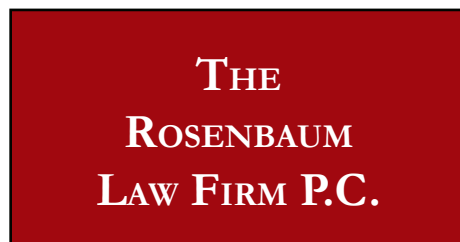
retirement plan financial advisors if you make the commitment to make excellence your priority.

### Surround yourself with the right people

Jobs may have been a genius, but he couldn't have done it on his own. He had the ability to find and cultivate talent: the engineers and designers who made computer products that he knew people wanted (even before they knew themselves what they wanted). As good a leader as he was, it was due to the team he assembled. As a financial advisor to survive in the retirement plan business it would be wise for you to surround yourself with the right people and the right people are a quality TPA and ERISA attorney. Working with good TPAs and ERISA attorneys will enhance you. Avoid those who would tarnish your reputation.

Steve Jobs left an imprint in the fabric of business history and we can certainly learn from his life in business lessons that can help us grow our business. You will be surprised how lessons learned from his

experience as a technological genius can help you grow your retirement plan book of business.



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