

THE
ROSENBAUM
LAW FIRM P.C.

ADVISORS ADVANTAGE

A Publication for Retirement Plan Professionals

Thinking Outside The Box For Plan Providers.

It's a way to get ahead.

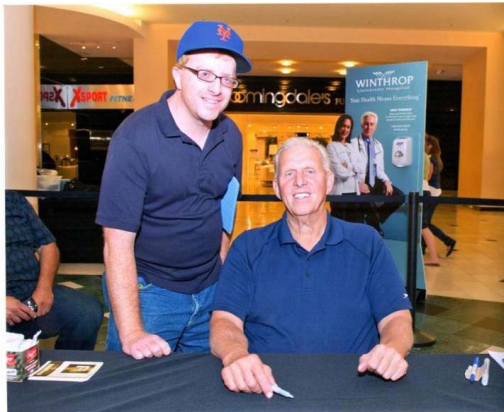
The retirement plan business is one of the most competitive businesses out there because there is so many competing plan providers out there that are also looking for plan sponsor clients and they will certainly be contacting your clients. As someone who has been a retirement plan sponsor, I've seen the junk mail from financial advisors, auditors, and other plan provider looking at my small plan as a potential client. Retirement plan providers maybe a dime a dozen, but thinking outside the box and doing things that their plan providers aren't doing will help you stand out among the competition, This article is about how you can think outside the box and help your plan provider practice stand out among the competition.



To read the article, please click [here](#).

If you cook the food, you should have a say in how the groceries are picked.

Bill Parcells is right.



If there is one famous quote that's landed me in trouble, it's one from my favorite football coach Bill Parcells. Parcells was coaching the New England Patriots and he wasn't getting along with the new owner Robert Kraft because Parcells no longer had a say in player personnel issues. The quote was: "If I'm going to be asked to cook the meal, I'd like to be able to pick the groceries."

I believe in that quote in the sense that I believe that if I have to "cook" the meal, I should have a say in how the groceries are bought.

When I was the lead fiduciary on a multiple employer plan that was rocked when the previous fiduciary was accused of embezzling money from other plans, I thought I should have a say which third party administrator we should use. I thought that even after making only \$125 on the

plan and being named in a lawsuit. So I stepped aside and started my own multiple employer plan.

When I was Vice President of my synagogue and I did a more than proportionate part of the work, I thought I should have a say in which other vice presidents get nominated. The fact that they were bringing back a former President as Vice President who did nothing to increase membership, did nothing to improve the Hebrew School, and negotiated a terrible contract with the caterer got me upset. I wasn't consulted and I just didn't want to work with him because his priorities were different than my own since he had zero interest in increasing our membership base and was only concerned with cutting costs. So I quit.

I'm not saying that you should quit what you're doing, but that when you do a disproportionate amount of the work and you're not happy with the way the business is being conducted, you should have some say.

As far as the Patriots goes, Parcells quit and they hired Pete Carroll who didn't work out after 2 years. Then they hired Parcells disciple Bill Belichick and gave him a say in how the groceries are bought. 5 Super Bowl wins later, Parcells was right even though it worked out for his disciple instead.

The Radio Shack lesson for plan providers.

A lesson to be learned from such a failure.

Radio Shack filed for bankruptcy again and is closing another 187 stores. I know the jokes and how people are puzzled that they're still in business. However, there is a lesson here for plan providers.



When I was a kid, Radio Shack was a behemoth and they were actually one of the biggest computer manufacturers with their Tandy PC clone. They were the place to get batteries, cables, tape recorders, and kids scientific/electronic toys. They did try to change with the times when they opened up Incredible Universe to compete with Best Buy where the stores were so tremendous that they had entertainment in the center that distracted people from buying electronics. The end for Radio Shack was Amazon.com. I no longer had to go to Radio Shack for that odd sized battery when Amazon sold it for half the cost. They tried selling cell phones, but most people like to deal with the carrier directly.

The point here is that you have to change with the times and adapt. Plan providers who couldn't change in a fee disclosure environment left the business (ask how many insurance companies left the retirement plan business) and if a fiduciary rule is eventually implemented, there will be providers who will exit too or fail if they can't change.

Don't be like Radio Shack and change with the times.

Be accountable to your clients.

Admit when you're wrong.

People don't like to be accountable for the most part. It's just human nature to blame someone else. Heck, I used to do it at work and I still do it

HELLO
I AM...

ACCOUNTABLE

at home.

When I was working at that law firm and I wasn't able to draw enough business to my practice, I can fault the law firm partners who didn't refer me work or the marketing office couldn't help so much because they were doing work for other and the process took 6 months to get an

article published. Ultimately, it was my fault that I didn't get it done. So I dusted myself up, went on my own, and the rest is history (I mean it's in my eBook). I changed what didn't work and what I wasn't allowed to do (social media) and I was able to support myself on my own.

Too often plan providers get in the business of not admitting fault when they make mistakes and it's frustrating for plan sponsors because sometimes all they want is a simple apology.

An apology is not an admission of guilt, it's just an expression and sometimes just saying you're sorry is what minimizes small disagreements into becoming World Wars.

I know firsthand, I grew up in a family where you think an apology was draped in the blood of the one who offered it.

Being accountable and admitting when you're wrong is just good business skills. It's a great way to retain clients because it's the unhappy clients who leave.

There will be a Morning After.

There will be.

I was pleased to attend the NAPA 401(k) Summit helping my friends at Alliance Benefits Group at their booth.

One vibe that I got from the event was a common one. The fear of the fiduciary rule and the fear of tax reform and how it will impact the retirement plan business. The fear is the fear of the unknown and that is something I usually only experience when I need a medical test or procedure. I remember getting all panicked about getting my wisdom teeth pulled out or when I got a colonoscopy because I didn't know what to expect.

What I will say is what Maureen McGovern sang about The Poseidon Adventure (she actually didn't sing it in the movie by the way, neither did Carol Lynley) in "The Morning After". She said there has got to be a morning after and I'm telling you that there will be.

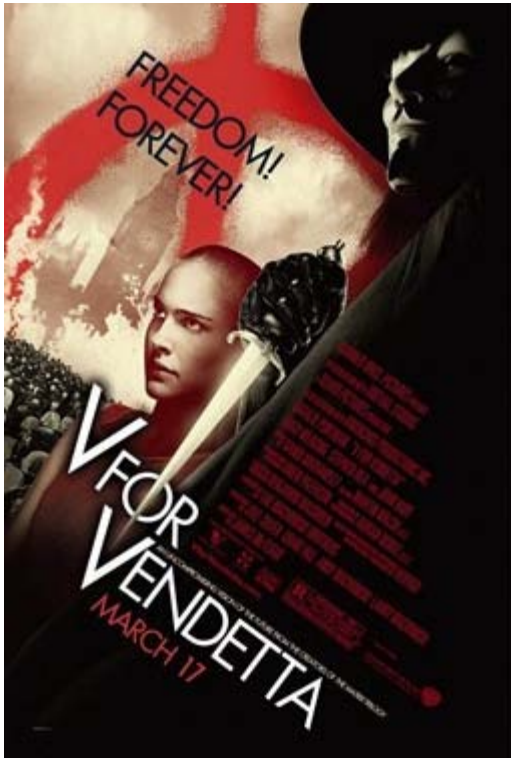


The retirement plan industry will survive and thrive, no matter the change. It survived the Tax Reform Act of 1986, OBRA '93, and it survived fee disclosure. As long as the Federal

Government doesn't go crazy and privatize the retirement plan industry, we'll still be here.

Don't let vendettas cost you.

Don't let a fight get in the way of business.



I'm sure people who have heard of me in my local village might say I'm difficult in the sense that I'm not afraid to speak up in defense of myself and family. I seem to get in fights with people in my area who seem to have the same type of personality.

No matter how I may act in my personal life, I don't let fights or vendettas get in the way of making money in this retirement plan business. Grudges are silly if you let it hit you right in the wallet or pocketbook.

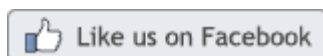
Years ago, I had a major falling out with someone in the retirement plan business. After all was said and the done and the hostilities concluded, that person became one of my best clients. What happened? I think we both acted like adults, showed contrition and general like for each other. I also saw it as an opportunity for me to grow as a person and not let a silly grudge get in the way of growing my business.

All of my business disputes typically occur when I'm the consumer and I let the producer

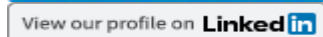
know how disappointed I am in the service. The problem is that these producers can't take criticism too well and they decided that my criticism is no longer worth my business. For some reason, this flakiness usually deals with construction at my home.

That's another thing: if you're criticized it, accept it. Even if the client is wrong, they are always right in the sense that you need to listen to their grievances. Don't let their criticism get in the way of you firing them as clients. There are some clients you may never please, but a good way of client retention is actually listening to their criticism and trying to meet the expectations of your client when they think you're failing.

In the end, never let fighting get in the way of making a buck.

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The Rosenbaum Law Firm P.C.
734 Franklin Avenue, Suite 302
Garden City, New York 11530
516-594-1557
Fax 516-368-3780

ary@therosenbaumlawfirm.com
www.therosenbaumlawfirm.com

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