

# The Three Areas A Good Plan Gets Off Course

By Barry Spencer & Scott Noble

On a recent flight back home from Los Angeles to Atlanta after a long week that also included time in New York, I (Barry) was grateful the pilot didn't give in to the affects the wind was having on our flight plan.

I recently learned that within minutes after takeoff, planes are blown off course by changes in wind direction and strength. In fact, over 85% of the time a plane is off its flight plan and the pilot must continually make adjustments to stay on course to the intended destination.

Imagine what would happen if the pilot upon noticing he was off the filed flight plan decided to turn around to start over, or failed to make any adjustments? Neither is a very good option. Instead the pilot knows this and makes necessary small adjustments while inflight to stay on course to the determined destination.

When it comes to personal wealth, people so often don't do what pilots do, even if they are one of the few who do have a personal wealth "flight plan". They don't remain attentive to their personal wealth "flight plan" making the necessary minor adjustments in route to their determined wealth and family destination. They don't monitor the "wind direction and speed" and many other influences that have altered their course and the time it takes to get there, so they end up not making the needed adjustments along the way.

As a result, many look back and wonder how it is they didn't reach the destination they were trying to get to when they wanted to get there. Some even regret having not done something they really intended, some are running out of money, some can't fund education for kids and grandkids, some are unable to pay for the lifestyle they've become accustomed to and some even become a financial burden on the family in their later years.

We have found that most of the time couples don't have the right person in place they trust to keep watch over their wealth "instrument panel" guarding, guiding and making the necessary adjustments along the way based on the destination they are heading toward.

Assuming the right "flight plan" is in place that is achieving all the clearly defined wealth and family goals, there are three areas a family wealth specialist keeps watch over in order to help a family stay on course.

## **Financial Attentiveness**

The pilot has an instrument panel that gives him feedback along the way so that he can make the small adjustments needed to arrive at the destination he is

going to when he wants to get there. Like the pilot, people must give constant attention to financial returns and changes in income and costs that change the amounts that are available to use for the wealth and family goals.

An important mindset to have is just as a four hour flight can't arrive at its destination in two hours neither should investors expect returns greater than the longstanding track record of the money manager and market.

Most importantly, constant attention must be given to the pace each investment strategy is keeping in relation to the desired goal that is being funded by and relying on the investment strategy working. Just like in flight adjustments that must be made along the way, without someone watching over how it is all working together in a personal wealth "flight plan", the deviation from the personal wealth "flight plan" requires larger and larger adjustments the longer the time a family is off course.

## **Legal Congruence**

Just like a plane needs to be refueled and updated with refreshments for passengers so do estate legal documents. Every two to four years there are tweaks that likely need to be made to the documents, though most people put it off for ten years or more. This creates greater and more costly work down the road like an airplane not receiving its regularly scheduled maintenance.

Updates are often due to changes in various laws and family circumstances. In many cases there are yearly filings that need to be made that so often don't happen or do not get done correctly, which can possibly ruin the whole plan.

The family's goals, documents and plan must be watched closely to ensure adjustments happen in a timely manner and the family keeps moving toward its intended destination.

Having the right representative, trustee, health-care and power of attorney representative in place, informed beyond what is written in the legal documents and able to serve is also critically important. Furthermore, and most often over-looked, is having these people educated about their role and responsibility.

A specialist keeps watch over these areas for the family and also pays attention to changes in estate and tax laws that can benefit the family's ability to achieve their goals and helps the family take the necessary steps to seize those opportunities.

## **Relational Consistencies**

Perhaps the most significant way a good plan gets off course is the lack of or poor communication and lack of

preparedness of inheritors.

In the same way a professional sports team does not achieve a championship by individual effort, but rather by team execution, so does a wealthy family achieve their goals. Just as a team owner puts a coach in place to make this happen, it is also important that a family puts a team leader in place to ensure they win too.

Most meaningful to the family is the impact wealth goals have on the family. What would happen if the owner of a football team in the NFL sent the team out to play a game without having a plan or having a coach to communicate that plan? How would the players respond? How would they communicate and make decisions? A lack of communication about the goals and intentions can lead to disastrous outcomes. Therefore, many families find a family meeting very beneficial along with a clearly defined development plan that ensures heirs are prepared to receive their inheritance.

### **How to Stay the Course**

First, ensure you have one specialist in place that will be the protector of your goals watching the financial, legal and relational areas of your plan and life so you can make the adjustments with all of your advisors along the way like the pilot does to get to his intended destination. Second, be sure this is someone who you trust. Lastly, make up your mind that you are committed to running the race with endurance so you can finish strong.

I (Scott) recently asked my dad about the navigation process he used as a transatlantic commercial pilot for 40 years. Of course we all know that there are GPS and auto-pilot systems that help pilots make the necessary small adjustments based on the flight plan, but when I

asked him about the navigation process he used before those were available, my dad immediately said, "oh, you mean 'dead reckoning'". That was a process they used to navigate by methodically and regularly calculating their current position by using a previously determined position, and advancing that position based upon speed over elapsed time and course. In some cases they could also use visual fixes or landmarks.

Either way, there was a systematic and regular process they used to stay on course to their destination. Why? Without it, they would take much longer to reach their intended destination at a much greater cost and effort due to having to overcome wider deviations from the intended flight plan. Bottom line was that staying the course through small adjustments along the way saved the airlines much time and money in the long run and ensured that they would get to their destination as planned. Having the right flight plan alone didn't make it happen.

Arriving at your desired personal wealth destination takes constant attention to your plan over time and without it you'll most likely arrive at a place you never intended with results that you or your family will regret.

*Wealth With No Regrets™* is intentionally passing on more than assets to family and causes you care about deeply and doing so goes beyond traditional planning.

Request their special report, "*The 7 Regrets Wealth Creates & How To Avoid Them*", by phone at 678-278-9632 or email [info@WealthWithNoRegrets.com](mailto:info@WealthWithNoRegrets.com). Barry Spencer and Scott Noble are creators of, *Wealth With No Regrets*.