



Ginsburg Financial Advisors, Inc.

Personal Financial Planning & Investment Management

Larry P. Ginsburg, CFP®

Adele Ostomel, CFP®

phone: (510) 339-3933

fax: (510) 339-1611

LGinsburg@GinsburgAdvisors.com

Aostomel@GinsburgAdvisors.com

The Financial Planning Association, East Bay Chapter October 4, 2017

My Top 10 Mistakes (David Letterman Style):

10. While making a career change at age 34, I worried too much about doing everything perfectly. Early on in my career as a financial planner, I suffered from paralysis. I spent too much time thinking about what to do, and this actually prevented me from doing nearly as much meaningful good work for my clients or myself. (Tip: Get help; find a mentor!)
9. I did not follow my intuition about people, and historically it has rarely been wrong. In hindsight, I learned that having opinions about people is extremely helpful in this business. (Tip: Your gut intuition about people may help you avoid working with toxic clients.)
8. I tried to be a team player, but sometimes with the wrong teammates. I listened to the wrong people, and lost valuable time and money doing so. I needed to understand better who I was and wanted to be when working with clients. This lack of focus and effective positioning kept me from clearly articulating to clients how I could best help them. (Tip: If you know what you want to do and develop a plan, success will come with less frustration.)
7. I should have hired staff and increased the number of staff sooner, to allow me to spend my time doing what I do best, which is interacting with clients. This lack of delegation prevented me from growing my business sooner. (Tip: Being too cautious and unwilling to invest in myself caused me to lengthen the time necessary to build a quality business.)
6. I waited too long to become active in my company (affiliated broker dealer) and in the professional industry organizations. I mistakenly thought the time could be better spent working harder on my business. (Tip: Share your successes and failures with colleagues; benefit from their experiences too.)
5. I tried to help people who did not want to help themselves. I was sure I could help people who did not want to help themselves, in spite of themselves. I have since learned better. (Tip: Have enough self-esteem to avoid the attraction of helping those who are never going to follow your beneficial advice. Toxic clients punish you, and by extension, the good clients, colleagues and vendors you interact with following unpleasant discussions with a toxic client. You and your clients and business partners deserve better!)
4. I initially resisted the idea of transferring my compensation to fees instead of commissions. (Tip: In 1994, I finally made the decision to transition to fee compensation for investment management. My one regret is that I did not do this sooner. It enabled me to do more for my clients. Their appreciation of my service grew following this transition.)

"Helping You Shape Your Financial Future Since 1981"

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6201 Medau Place, Suite 101, Oakland, CA 94611

3. I did not fully appreciate the benefits of properly positioning my goals in every business activity. (Tip: Tell clients what is in it for you long term. Help them understand why you want to build a strong partnership with them. If your clients know you need to deliver quality service to them to meet your business objectives, it will be easier to “train” and manage their behavior.)
2. I did not “fire” clients, or restrict the clients I would accept. (Tip: You never “fire” clients; rather you fire yourself from them. Much like ending a relationship that is not working for you by saying, “It is me, not you;” the goal is to terminate without creating anger as you part ways.)
1. I did not let clients know how much they benefit from working with my staff, and me; and that they too have a responsibility to treat us well so we do not fire them. (Tip: A toxic client finally taught me the value of knowing who should be my clients and what we do for our clients. Discovering which prospects not to accept as clients was one of the most important lessons I have learned.)

My Top 5 Best Decisions:

5. Choosing to become involved in a business where I could help others and feel very good doing so. Being fortunate enough to have my professional work be in concert with my life's goals, helping others to be more successful and happy. Being able to leverage the life lessons taught me by my love of golf in my business activities. This includes clients, our office team, colleagues, and valued business partners (including wholesalers and broker dealer staff).
4. Aligning myself with a company where I could quickly learn about people, and how they make decisions. Then choosing to move to a more independent broker dealer that had many successful advisors willing to share their experiences with me, and that provided such excellent support that I could continue to reject the recruiting efforts of others. After being with this Broker Dealer for twenty-three years, it was sold to a company I found incompatible with my business and personal values. Ultimately, I moved a decade ago to a broker dealer with the combination of capital, capability and competence. Oh yes, my broker/dealer steers clear of my business development activities, yet makes it easy for me to meet all the regulatory requirements. I could de-license and just use my SEC RIA. However, having a valued business partner with good resources and the capability to support my clients and my business is beneficial.
3. Deciding that I needed the support from others who knew much more than me, and realizing that the best way to obtain this support was to join committees at my prior broker dealer. Being a slow learner, I then experienced the same lesson by getting involved in the IAFP, now the FPA, and expanding the reach of my professional network. I eventually chose to get involved in leadership with the FPA locally, regionally and nationally, to meet the best financial planners here in the bay area and across the country, to further enhance my professional education, and to enable me to develop friendships and network with many wonderful people. I joined a study group with other advisors and ran the Northern California Study Group for my former broker dealer for nineteen years. I have also been involved with another study group for ten years.

These study groups enable me to learn from the mistakes made by others. This saves me the psychological, emotional and financial costs of making those mistakes myself! Focusing on minimizing psychological, emotional and financial pain, hiring the best potential team members capable of growing with our business is the best way to prevent unnecessary headaches. Human capital is the most important asset in our business.

2. Recognizing that not using my sense of humor was preventing my clients and me from enjoying my work, both for them and for myself. Humor softens the many serious discussions that must occur, and it is the most important tool in my business.

1. Understanding that my life is far more than my work. While I love this profession so much I will likely die still participating in it, I have alerted many of my clients that I will be restricting the number of clients I serve. They naturally want to know what they can do to remain one of the "chosen few." We tell these clients that our staff must like them and that they will need to do what we tell them, so long as our recommendations are reasonable and appropriate for them. This encourages clients to behave the way we want, and that such behavior is in their self-interest too. This process of me seeing less clients and more golf courses will benefit my staff, as I transfer more responsibility to them, and they earn increasing compensation. My business goals of making a comfortable living and enjoying life while I am in good health are preeminent to earning more money and never spending any of it. My family and friends are more important than my business.

Summary:

You have to choose for yourself what decisions are important to you in your life and in your business. As surely as we tell our clients that making the best choices is important to them, we must also do the same for ourselves. Thank you for the privilege of relating my experiences to you. I hope some of them will be of value to you as you evaluate your choices and make decisions.