

# Advisor Retirement Plan Update

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## Updated Limits for 2015

Here is a look at the newest limits:

Retirement Plan Limit	Dollar Amount	Change
401(k) Deferral Contributions	\$18,000	Up \$500 from 2014
401(k) Catch Up Contributions	\$6,000	Up \$500 from 2014
Maximum Defined Contribution Limit (415)	\$53,000	Up \$1,000 from 2014
Maximum Compensation	\$265,000	Up \$5,000 from 2014
Highly Compensated Compensation	\$120,000	Up \$5,000 from 2014
Social Security Wage Base	\$118,500	Up \$1,500 from 2014
SIMPLE Deferral Contributions	\$12,500	Up \$500 from 2014
SIMPLE/IRA Catch Up Contributions	\$3,000	Up \$500 from 2014

# How to Consistently Close More Sales

**Mark was ecstatic! "I just closed a \$50 M deal," he exalted. Mark had reason to celebrate.** He had been unable to close many of his presentations in a long time. It had been a long hard struggle, much harder than he had imagined. He knew he had a lot to learn about finding and meeting prospects. He never had to do it working for his old wire house. Prospects were handed to him and he closed most of them.

**Mark started his company nine months ago. He was now an independent RIA.** Before that he worked for a wire house and was successful there. He had built a nice book of business over the years. He had studied hard, learned a lot, and was highly regarded by his clients. Now he was pursuing his dream of being independent and getting those high fees and commissions. Now he was his own boss. Wasn't it swell? He had the freedom to work the way he wanted. Wasn't it hell? Everything rested on his performance. He had to learn new skills.

**Mark knew he had to learn to find and meet prospects because he had never done that before** on his old job. So Mark hired a coach who taught him the ins and outs. He learned to network, say the right things to attract clients, and do the intricate steps of the follow-up tango. Friendly persuasion was the key. Not getting discouraged and quitting was the challenge.

**The last thing Mark thought would be a struggle was closing the deal.** After all, he closed most of the leads the wire house had sent him. What Mark hadn't realized was those leads were presold. The wire house had a strong brand and was well-positioned in the industry. New clients are really buying from the firm instead of from Mark. Now he was representing himself. He had no big brand. He had to nurture prospects to trust him. He needed strong selling skills. Simply winging it like he did at the wire house didn't cut it. He needed a system. Something he could apply over and over and become more skillful as he practiced over time.

**He developed a system he called Portfolio Reviews.** There are two parts to the structure of his presentations: the discovery phase and the fulfillment phase.

**Discovery Phase—The discovery phase starts with listing the prospect's goals, hopes and dreams.** That was followed by what drove those dreams. What did those desires mean to the prospect? Why did he want them and why were they important? For instance, one prospect wanted to save an extra \$125,000. This would pay for her daughter's mortgage. The daughter had been abandoned by her husband and she was struggling to pay the mortgage. It would be a great comfort for the client to have her daughter free from this burden. The next step in the sales presentation was to learn what was getting in the prospects way. What was slowing him down or stopping him from achieving his object? This was another problem Mark could help the

prospect solve.

**Fulfillment Phase—The next part, the fulfillment phase,** showed how Mark's proposal would solve the problems unearthed in the first phase. As you know, the proposed solutions in the fulfillment phase are generally long and sophisticated. Mark learned the hard way his explanations needed to be done carefully. They had to be accepted and understood by the prospect before moving on to the next section. If a section wasn't understood, the prospect would stop listening. His mind would be on the part that confused him.

**If that happens,** then when Mark gets to the end and asks to be his advisor the prospect would not be sold. People will not buy a financial plan they do not understand. They either say, "I'll think it over," or, rarely, "I didn't get that part about so-and-so." Then when Mark clarifies that part, they still won't buy because they don't understand the rest and don't want to admit it.



**Mark learned an expensive lesson:** always check with the prospect whether you made yourself clear and if this is something he wants or believes is good. In other words, you're selling each section of your proposal. Mark was honestly checking if he was being clear and the prospect understood. Mark also wanted to know if he is offering something the prospect valued.

**At the end of his presentation,** Mark answered any questions. His close was simple and straightforward, "Would you like me to do this for you?" Prospects would respond with, "yes," "I want to think it over," or they have further questions. Mark answered those questions and then asked again, "Would you like me to do this for you?"

**Mark learned that no one says "no," anymore.** Instead they say, "I'll think it over," and never return your calls. Sometimes "I'll think it over" really means they will think it over. Mark was coached to say, "That's a good idea. Let's be sure I answered all your questions before we part." Then he asks how long they needed to think it over and made an appointment for the final decision.

**At that appointment, three things could happen;** the prospect could have a question, say "yes," or say "no." Mark would answer any questions and then say, "Would you like me to do this for you?" Usually the prospect said "yes." If the prospect said "no." Mark would thank him for his time and ask for a referral.

**Mark used a systematic selling process over and over.** He became more skilled over time and kept closing a greater percentage of his cases and made his first \$50 million sale. At this point, his practice began to grow dramatically. Would this work for you too?

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