

SENIOR CONSULTANT

The Voice of the Investment Management Consultant

Macro Strategic Planning® – The Process with the Power to Transform People’s Lives

Mike Hernacki

There’s a revolution afoot in the financial services world. It’s a quiet revolution, as yet garnering few headlines and little fanfare. The leaders of this revolution are small in number (for now), but large in influence. Their strength lies not in the positions they hold, but in the principles that guide their practice. And their primary tool is not a supercomputer, but a surprisingly simple process so powerful it can completely transform people’s lives and businesses.

The Man Who Told the Truth

Folks who know Bruce Wright will tell you he’s a lot like the boy who told the emperor he was wearing no clothes. A mentor, trainer, speaker and author based in Simi Valley, California, Wright has a way of articulating an embarrassing truth that many know but few are willing to admit.

While consulting to financial service professionals and discerning consumers about 15 years ago, Wright noticed a disturbing trend. Many large banks, brokerage firms, trust companies and insurance companies were developing ad campaigns around the idea that they were helping their clients realize their dreams, enjoy a happy retirement or simply have everything they ever wanted.

Yet in actual practice, these firms were doing what they had always done: selling products. These representatives spent their time pushing stocks, bonds, CD’s, annuities and mutual funds. And while they talked about being committed to their clients’ dreams, not one of them could produce a document that stated what those dreams actually were.

“You’re telling your clients you care about their futures,” Wright told the brokers, “but the truth is, you have no idea what they want their future to look like.” The financial professionals claimed to be client-

centered when, in fact, they were product-centered. Wright began advocating a truly client-centered approach, one that took the emphasis away from merely talking and selling, and shifted it to listening and truly understanding, then facilitating tangible results.

Tony first heard Bruce Wright speak in 1994, and the message immediately hit home. “If you don’t truly understand the clients,” Tony says, “you can’t fully help them.” A senior vice president of investments with a large financial services firm in San Francisco, Tony is one of the firm’s top producers. He and his four partners manage \$4.3 billion in assets. He uses Wright’s approach, not only in his business, but in his personal life as well.

Sheila echoes his sentiments. A vice president and private wealth management advisor with another large investment firm in Las Vegas, Sheila has been in the business for 27 years; and she sensed long ago that something was wrong. “There is a disconnect between the big firms and their clients,” Sheila says. “The business is not just about money. People feel a need to live their lives in a certain way, but they don’t know how. Bruce Wright showed me a way to help them discover that. All the financial planning training in the world would not have opened my eyes as Bruce did.”

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Simple Process, Profound Results

Encouraged by the enthusiastic response his message generated among top-notch, forward-thinking producers, Wright began developing a process that would enable financial advisors to “break out of the box” and address, not just finances, but the issues that their clients really care most about: health, family, enjoying their wealth and using it to make the world a better place.



The process came to be known as Macro Strategic Planning® and while it is essentially quite simple, it requires special training and regular practice to execute properly. To learn the process and become authorized to use it, one must attend a multi-day intensive training and sign a licensing agreement.

Paul became licensed in 2002 because he experienced the value of a Macro Strategic Plan® Bruce Wright had created for him. Paul says, “What I found appealing about MSP is that it starts with the most important thing – the client’s vision of the best life they can imagine. It begins with the big picture and every step along the way it addresses balance and quality of life.” Paul, a 20-plus year veteran of the financial industry, is a senior vice president of investments with a major investment firm in San Diego.

The steps of the MSP process take the client sequentially from the broadest, most general ideas, hopes and dreams to increasingly more specific goals, strategies, tactics and tools. It’s intuitive and logical, left-brain and right-brain, pie-in-the-sky and down-to-earth – all at the same time.

**Above the Line,
Below the Line**

The Macro Strategic Planning® process is divided into two main parts. The first part contains the big-picture items: specific statements of the client’s vision, dreams and goals. The second includes the strategies, tactics and tools to be employed, as well as the action steps to be taken.

A line is drawn between these two parts, with the first being called “above the line” and the second “below the line.” The overwhelming majority of financial advisors focus their attention “below the line,” talking about portfolio management, which investments to make, and how to execute a financial plan.

Vision	T	↓
Commitment	I	
Goals	M	
Strategies	I	
Tactics	N	
Tools	G	

Yet Macro Strategic Planners have found that what the clients really care most about are

the “above the line” elements – how they’ll live their lives, the legacy they’ll leave behind, how they’ll use their money, ... rather than how they’ll manage it. It’s delivering results on these things that gets them excited – not calculating rates of return on their bonds. It’s “above the line” that all the magic happens.

While that might surprise some professionals, it’s understandable. After all, most people are more interested in results than the process used to achieve them. But a bigger surprise is how large a difference “above the line” thinking makes in the lives of advisors and, most importantly, their clients’ lives.

The Best Surprise of All

John Burns, president and CEO of the Burns Advisory Group in Oklahoma City, claims he

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gets his biggest rewards from applying “above the line” thinking to his clients’ problems. “There’s something liberating about getting people to think about all the issues – not just money,” Burns says. “Macro Strategic Planning® helps them see new possibilities. I use this kind of thinking in other areas of my life as well – in being a positive mentor for my children, for example.”

That all sounds wonderful, but what about the dollars and cents? Does “above the line” thinking produce “below the line” income? “That’s the best surprise of all,” Burns says. “MSP has made a solid six-figure difference in my business. And I don’t have to ‘sell’ anything. On top of that, I’m getting a lot of referrals and new clients without even asking for them – all because of MSP.”

Paul tells the story of a client whose son was killed in a plane crash, and because he had no will, the millions he’d made as a computer specialist went to his mother. The woman wanted

no part of the money and couldn’t decide what to do with it – until Paul asked one simple question: “What would your son want you to do?”

After giving it much thought, the woman remembered that her son, who loved sailing, had dreamed of teaching inner-city kids to sail. Plus, he would have liked to help his sister get established in New York and had always wanted his mother to indulge herself and buy a little red Mercedes. So with Paul’s help, she set up a foundation to fund a sailing school in San Diego. She bought an apartment on Central Park for her daughter, and she got her little red car. The “above the line” result was that she achieved her son’s vision for helping others. Later, she deposited \$3 million with Paul’s firm, though Paul had not asked for it.

In another case, Paul was approached by an elderly woman who had made over \$1.5 million on the sale of her home and couldn’t decide how to invest the proceeds. During his discussions with the woman and her children, he was repeatedly told that they were also consulting other advisors. “In all our meetings, I did not talk about money,” Paul recalls. “I talked about life, relationships, everything ‘above the line.’ I recommended she reinvest much of her profit in real estate and use quite a bit for travel and fun.” After a while, the children informed

Paul that they were no longer talking with other advisors and had decided to place much more of the money with him than he had originally recommended.

An avid golfer, Paul draws a comparison between this approach and a good golf swing. “Ironically, when you don’t try to swing hard and crush the ball, you wind up hitting it farther. By not asking for more money, you get more.”

Sheila also reports getting fees without asking for them – “and it’s easier to sleep at night!”

Tony says, “The difference in dollars is hard to measure, but the very process of MSP deepens the relationship. Without a doubt, it’s the best formula on the Street.”

“A Part of Who We Are”

When asked how he plans to use Macro Strategic Planning® in the future, John Burns says, “This is not just a product or a service. It’s

now part of who we are. We're applying these principles every day. We're using the process to evaluate every business decision. It can be used for virtually anything you're planning to do – 'micro' and 'macro' alike."

Tony considers himself a "continuous student of Bruce Wright. I will continue to learn and practice this for years to come."

Sheila laments the fact that major Wall Street firms like hers are slow to accept Macro Strategic Planning® and the "above the line" approach. "Compliance departments just say, 'This isn't what we do,' but don't explain why," she says with some frustration. But she's determined to continue using Bruce Wright's books and other materials, and looking for appropriate situations to introduce "above the line" thinking to clients and other business people.

Like John Burns, Paul reports that he uses the MSP structure in a lot of instances. "It goes way beyond business. I incorporate it into life in general. I helped my son create an MSP to become a better baseball player – and it worked. Regardless of the challenge I'm confronted with, I can always rely upon the process."

A New Way to Measure Success

When you ask most financial professionals to define how successful they are, they'll give

you numbers: how much money they make for their clients and how much money they take home. The people quoted here – plus the growing numbers of new MSP licensees – measure their success, not only with production but also with satisfaction: the satisfaction they create for their clients and themselves. You can put numbers to this kind of success, but when you look at what makes life really worth living, seldom do numbers tell the whole story.

When the mother who lost her young son drives her little red car to Mission Bay and watches the children laughing with delight as they learn the basics of sailing, money is the farthest thing from her mind. All she can think about is how happy her son would be if he could see it, and how grateful she is to the financial professional who used Macro Strategic Planning® to make her son's dream come true. ■

About the Author

A former registered representative and financial writer, Mike Hernacki is a San Diego-based Success Coach, working mainly with clients in the financial service professions.

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