

Book Review

The Business of Life: An “Inside-Out” Approach to Building a More Successful Financial Planning Practice

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Kay, Michael (2011). *The business of life: An “inside-out” approach to building a more successful financial planning practice*. Sunnyvale, CA: AdvisorPress. ISBN: 978-1603530217.

Although the book is written to ultimately help consumers, financial advisors and therapists can learn how Kay examines values, goals, dreams, and priorities to create an ideal practice. Kay makes a strong case for the kind of in-depth relationships that combine life and financial planning, something termed Financial Life Planning. FLP is not a new idea, necessarily, but this book provides a step-by-step practice framework for those interested in adopting it. The book is a welcome addition to the financial therapist’s planning tools and techniques workbench.

Kay identifies FLP as the process of helping people focus on personal values and motivations. Goals and objectives can be identified from those personal attributes. It is these goals and objectives that become important markers for both personal and financial decision-making. The novel element in this framework is an emphasis on non-financial decision-making. The framework adds personal dimensions to the more-familiar financial planning process.

Anyone who helps other people with money questions and issues will understand the associated challenges. If financial formulas and informational books were sufficient, any consumer with the desire would have a robust retirement plan with sufficient savings and prospects of solid income for life. Instead, a whole host of psychological and behavioral barriers cloak the path toward reaching financial goals and objectives for many consumers. FLP attempts to clear that conceptual path and reconcile personal conflicts as a way to assist clients in achieving their financial dreams.

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The author documents his personal journey from number-crunching CPA, to sales-oriented registered rep, to relationship-building advisor. It is a journey that many readers of the *Journal of Financial Therapy* have traveled, with all the attendant challenges. Eventually, most financial advisors and therapists have come to the conclusion that number-crunching and mathematical solutions are but a modest part of financial success, either personally or in the lives of clients. Process and behavior are the real horses that pull that cart.

Kay argues that creating and nurturing deep personal relationships is the only way to help clients achieve success (however the client measures it). He provides specific ways to help create lasting and meaningful relationships. For example, Kay recommends that advisors script client meetings. He offers helpful questions for discussion. He also presents practice illustrations and explanations that can be applied. Step-by-step lists throughout the book are especially dynamic and for many advisors and therapists, it is these tools that will make the book valuable.

What really sets this book apart is the level of detail Kay provides in terms of strategies and recommendations. Chapters are designed to lead practitioners through a distinct process for building a fulfilling and profitable practice. For new professionals, this starts at ground level – a self-inquiry process of planner skills, goals, and needs. From there, he clears a path towards defining what is meant by the term “ideal client.” He then demonstrates how to define, measure, and achieve healthy client relationships.

For example, Kay suggests that introspection is beneficial to identify what each practitioner precisely means by ideal clients. This is followed by explaining how it is sometimes important to refer away prospects and clients who do not meet that ideal. Kay helps define this process. As a practitioner, I especially liked his admonition to avoid abusive people, or anyone who disrespects professional advice, service, or providers. Both novices and veterans will appreciate this discussion, including appointments and scheduling, and how these simple tasks can provide insight into a client’s personality and potential for success.

Upon reflection, readers will likely find four chapters to be most beneficial. Chapters Ten through Thirteen offer procedures for data gathering, plan design, presentation, and implementation. Veteran practitioners will recognize these as the critical steps leading to success for any financial plan. This book brings process and imagination to important things advisors and therapists do for clients. There are new ideas and helpful illustrations that bring personal relevance to the financial planning process.

Kay also includes six appendixes with specific surveys, exercises, and worksheets. These, alone, are worth the book’s price. Three worksheets are particularly useful: (a) A Financial Satisfaction Survey, (b) a Money Memories Worksheet, and (c) a Life Transition Survey. Fill these out and you’ll have a detailed picture of your own family’s situation. Adapt them for use in your practice and you’ll have happier, more successful, clients. These are powerful tools and you can use them to create more meaning and success in your own life. Other surveys and worksheets in the book provide the same types of opportunities.

Not every page of the book will suit all readers. Some practitioners—probably many members of the Financial Therapy Association—have already traveled down the FLP path and will not benefit much from retracing the steps. For these advisors and therapists, much of the “how to get started” discussion will be somewhat redundant, but for novice practitioners or those who are making a transition from product sales, the introductory materials will be of particular value. Some of the book’s guidance is rudimentary. For example, reminding practitioners to “Do what you say you’re going to do—consistently” and “Listen more than you talk, and listen fully and actively” is wise counsel but these clichés are not genuinely new or insightful for most practitioners.

Still, it wouldn’t be fair to chide the author for including time-tested guidance. These types of insights help Kay present the detailed process associated with FLP. The good news is that readers can join this journey along the way and grow from any point forward. Virtually every reader—novice to veteran - will find some helpful ideas and guidance.

Bob Veres, described by Kay as a great luminary in the financial planning world, wrote an introduction to this book, and his quote illustrates how FLP can alter the way advisors and therapists think of their work: “Becoming a truly effective financial planner is a long and often trial-and-error struggle toward better procedures and a fuller understanding of the possibilities of the service itself.” Michael Kay also tips his cap to George Kinder (Nazrudin Project), Carol Anderson (Money Quotient), and Michael Gerber (*E-Myth Revisited*, 1995²) for their influential work in shaping his life perspective.

The *Business of Life* brings better procedures and understanding to the ongoing professional struggles of working with clients while pursuing one’s own life dreams. It is encouraging to see how the concepts of life planning are being transformed in a way that continues to shape the practice of not only financial counseling and planning, but financial therapy as well. Readers of the *Journal* who are looking for fresh inspiration, new counseling techniques, and confirmation of their professional journey will find Kay’s book an excellent reference source.

² Gerber, M. (1995). *The E-Myth Revisited*. New York, NY: HarperCollins. ISBN: 0-88730-728-0.