

The Perfect RIA, Episode 83: Is Lifestyle Code for Lazy?

“Our definition of a 'lifestyle practice' is NOT riding off into the sunset, but rather Delivering Massive Value while still having a balanced life.”

Action Items

1. **Mark your calendar for 12th of August and watch our webinar.** We're going to talk about how to get team members to embrace Perfect RIA. We will have Victoria and Coleen from both our respective offices who will guide you through all of that.
2. **Make sure your practice is intentional.** Make sure you have clear goals for new assets under management. Whatever it is that you're doing, be very intentional.
3. **Have a clear activity calendar.** Mark all your family activities, mark your office activities. There is no excuse, you have everything planned, whatever is happening in your life, you need activities to stay productive.
4. **Keep track of the personal, professional and family things that you've done.** Maybe at the end of the year when you look back you will say “I didn't do everything”. But that's fine, you probably did so many other things. It's good to keep track of them so that you can always remember that.
5. **Make a commitment to deliver massive value.** Do it with your clients, your team and your personal life. Think about how you can do that for each of those three groups separately. How to deliver massive value to your family? What's your plan? That's very important because improving that will have an impact on everything else and help grow your practice while making sure you're not just being lazy.

A few weeks ago, Matthew was on the phone with one of the major companies in the industry that provides support to big RIA firms. One gentleman told him that “Anytime he hears someone say

they run a lifestyle practice, what he hears is a lazy practice that they're running into the sunset. They really don't care about their practice or their clients."

First, Matthew felt defensive but then he realized that that person actually had a good point. There are lots of practices using the "lifestyle" term which are sort of riding them into the sunset. Today, Matt and Micah will talk about that and differentiate between what is a lifestyle practice, a perfect RIA, and what is just a lazy practice riding off into the sunset.

People very often don't see the difference between those. Micah was giving a presentation with the FPA when one of the guests came up to him and said "Micah, you described my practice". But once Micah started talking to him it turned out that his practice is far away from what Micah has. The Perfect RIA is growing and producing more, it's all about growth which is a huge component of Micah's practice.

Matt gives another example – there are people who have 12 million under management and no team, and they are saying "I have a practice just like Matt Jarvis". Once someone makes them realize that it is nothing like what Matt has, they would call just to say they hate him and his practice because people are using this as an excuse to be lazy. And that is the last thing Matt and Micah are trying to accomplish with the Perfect RIA.

The very first difference between the Perfect RIA and the lazy practice, or the sunset practice as Matt and Micah call it, is the intention you have. With the Perfect RIA practice, you always want to deliver massive value to your clients while with the other one, the sunset practice, your intention is to coast, to collect AUM fees until your clients die etc.

The second thing is what you are actually doing. We all know that the road to hell is paved with good intentions. Micah knows one guy who always says he will do A, B and C but he doesn't do it. So, his intentions are really good but in this case, it's the action that counts. If you fail to deliver on results or you had intentions to deliver it, but you didn't, you cannot call yourself the Perfect RIA.

Matt and Micah are comparing the whole practice idea of being a surgeon. If you are doing operations in the exact same way for 30 years, without making any improvements, modernizations, without updating your equipment, you're not really on top of your game. However, if you are in business for the same period of time and you have the latest technology, you are making sure you deliver massive value. That's the same thing with being a financial advisor.

Make sure you are always delivering massive value by trying to improve things as much as possible. Improve how you are doing things, improve your teamwork. Take some time to go through your successes and failures. What do you lack in your practice? Is there any system or personnel issue? As Micah says, one of the most soul-sucking, crushing things you can do is accomplish your BHAG – big, hairy, audacious goal and not have another one. Always make sure you have a reason why you're doing what you're doing.