

Marketing and Management Tips For Retirement Plan Providers

By Ary Rosenbaum, Esq.

I have been very lucky in my career. It has nothing to do with intelligence or good looks or being pushed by the right people. I've been lucky because I've been able to reinvent myself and sometimes turn lemons into lemonade. Ambition and knowing what you want to do with your life goes a long way and that's why I was able to build a national ERISA practice from scratch. I have never taken a management or marketing course in school, except I learned a lot in the school of hard knocks. So this article is about free marketing and management tips to retirement plan providers.

It's all about connecting with the audience

Despite its lousy marketing and name, The Shawshank Redemption was able to achieve a huge following after its initial run in the theaters just because it was able to connect with the audience. I fell in love with Shawshank during my time at law school because it connected with me because what I was going through at that time. Law school was like prison and some birds aren't meant to be caged and the movie gave me hope that I can escape that prison. It also connected further when I was at that semi-prestigious law firm. Marketing as a retirement plan provider is no different because it's all about connecting with the audience. It should be no problems in identifying the audience because it's plan sponsors and sources of referrals such as accountants and financial advisors. Connecting with the audience is all about creating unique, valuable insights that can only come from you,

not your competitors. You can create those insights by using humor, easy to understand language, and empathy. Like a Tom Seaver fastball, the communication has to hit the target of the audience and you can't do that by talking over their head. Your marketing has to be clear, concise, and not above the audience's head. It may take time to get the audience's attention, but when you



have the ability to connect, it makes it that much easier to be successful in business.

Don't advertise where the audience can't find you

Being a retirement plan provider with a couple of bucks, you'll be contacted by people to advertise your services through

their channels or sponsor their events. I know that feeling when I started out with my own practice 5 years ago. People were asking me to buy a literature table at their event or a search engine optimization company was trying to sell their services. I tried some things and most of them didn't work because my audience or those that can refer me to my audience wasn't there. Going to networking events with new sole proprietors was a waste because these weren't the type of people who could save for retirement and if they could, they would just a small business plan like a SEP-IRA instead of hiring me. Money to showcase your business should be wisely spent and when you discover that something you spent money isn't even attracting flies, it's time to cut bait.

It's a small world out there in the retirement world, so watch what you do

I heard from a financial advisor who said that a third party administrator (TPA) was disparaging me because of my outspokenness about TPA issues. When I found out who the TPA was, it made sense because it was one that I had issues with many years ago when they mismanaged the plans of a financial advisor client. The point here is that the retirement plan industry is essentially a close-knit community. Even though it's a national industry, it's still small. So when you do bad work or act inappropriately with clients, advisors, and/or other retirement plan providers, you will develop a reputation that you won't be proud of. Word in the industry travel fast and bad work or unethical behavior will

sully your name that will affect your opportunity to develop new business since many other providers won't work with you or refer you. I know so many retirement plan providers still trying to rehabilitate their image for the transgressions they committed in the past. So the point here is that if you do bad work or if you are considered unethical, people will talk and people in the industry will know.

Never go into business against your friends

People ask me all the time whether I'm in the TPA business and I politely say no. I have no interest in being in the TPA business or being a financial advisor because I'm just good enough to be an ERISA attorney and that's it. In addition, I don't want to go into business against my friends since my best referrers of business are TPAs and financial advisors, so it's not a good idea to compete against my friends. Trust is a very important thing in the retirement plan business and it's a violation of trust if you decide to venture into other areas of the retirement plan business and compete against your friends. A TPA that does a good amount of business with financial advisors shouldn't decide that should get into the plan advisory business. An ERISA attorney shouldn't be a TPA.

Understand what the other side is looking for

Empathy is an important trait that a good chunk of people really lack. I know, I'm related to quite a few people like that. When you deal with people, empathy can be an effective tool because understanding what someone else feels or may feel is something of a competitive advantage. I realized early on when I was trying to build a national ERISA practice at that law firm that doesn't need to be named, I realized that networking with other retirement plan providers required me to offer something that was in it for them. People tend to be selfish in the sense that they are always looking in it what's best for them, so I realized that having an open door policy when it came



to questions from these plan providers went a long way in getting referrals. One of the reasons I started writing articles is because I believed that preparing short articles would be effective, impartial sales materials for plan providers to use and I've never turned down any provider from disseminating my articles because when you help people out, some will help you out when they need an ERISA attorney. That's why I am always so perplexed by the financial advisor who meets me at a networking meeting and just wants me to refer them business as if I don't know hundreds of advisors around the country and most of my clients come from referrals from existing plan providers. Having empathy and understanding human behavior and emotions is part of making the connection with the audience.

Get good employees and retain them

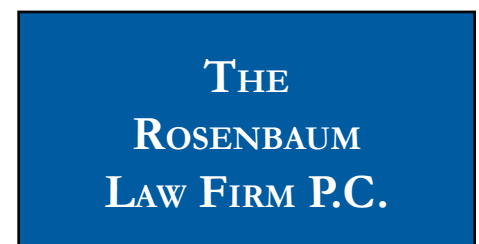
I always say that you are only good as your worst employee because while there are many employees in the retirement plan industry, there are not that many superstars out there. I know, I worked for 9 years as a TPA attorney and I can write books on the characters that I met at those firms. That being said, you have good employees by finding those with the necessary experience and you train those who do not. In addition to hiring good employees, you need to make sure that you retain them. So that means paying them a good salary and not nickel and diming them on employee benefits such as health insurance or free milk

with the coffee machine.

Never let a grudge get in the way of making money

They always say you should never cut your nose to spite your face. I also say that you should never let a grudge get in the way of making money. From time to time, there are people and companies that you will have a disagreement with. They may have done something that cost you money or said something disparaging about your business or were a former employee that was a problem. Grudges are a part of day-to-day life, but you should never

let a grudge get in the way of making money. I once made peace with someone who was probably identified as my number one nemesis even though that wasn't the case that was his partner. Regardless, I made peace because whatever issues existed had passed and I generally liked my "nemesis". I saw it as a growing moment for me and the relationship today has been one of the most pleasurable experiences in the past couple of years in my practice. I could have cut my nose to spite my face by refusing to let go of this grudge, but it would have cost me money by keeping up a war that no one was fighting,



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