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# Finding a successful retirement plan

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Last month we covered the biggest retirement mistake: failing to have a plan. This month let's look at the different methods for getting your plan in place. Here are a few of the most common options:

## **Do it yourself**

Most financial planners would say that you should never 'do it yourself.' But I have a number of clients that have done a lot of their planning on their own. It DOES require that you have both the interest AND the time to do it on your own.

You might wonder why I have clients that planned their retirements themselves. Some people create the plan themselves, but at some point they have questions that they know they need a professional to answer. So they come to me not to start from scratch, but simply to enhance the plan they're already working with.

## **Work with a stockbroker**

Stockbrokers (most 'planners' or 'advisors' that work for a brokerage firm) can provide a lot of help in picking investments to grow your nest egg prior to retirement. Unfortunately, many stockbrokers don't invest very differently for your retirement years compared to your working years. Investing in your 50's, 60's and 70's the same way you did in your 20's, 30's, and 40's can be very dangerous.

Do you know anyone who retired in the year 2000? Sadly, I've had at least a dozen people come into my office and tell me they retired the first time in 2000. But after their stockbroker kept them invested completely in stocks and bonds, they had to return to work within 2 years. They end

up in my office looking for help in planning for their retirement all over again.

## **Work with an insurance agent**

Many insurance agents have had thorough retirement planning training. So the good news is that you may get a great plan. The bad news is that your agent may recommend that you invest your life savings completely into insurance based products. While these types of accounts can be valuable for some retirees, it's rarely the case that you should have all your eggs in one basket.

Also, while not always the case, many insurance agents are captive to a single company. This means that they can only recommend products that are offered by 'their' company. So even if the company they work for has a subpar product, the agent may still recommend it, because they have no other choice.

## **Work with an independent financial planner**

We'll discuss this next month. Each approach has positives and negatives, and option number four is no different. I hope this series of articles helps you determine the approach that will work best for you.

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