5 Reasons Why Everyone Needs a Roadmap

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As our clients know, everything we do revolves around the Roadmap. We believe that this is one of the keys towards driving ourselves, as well as the families and businesses we council, towards success. Our Roadmaps lay the foundation for being organized, planning, and managing portfolios according to methodology and principles. They also maintain the focus on achieving specific goals, and continuously providing relevant projections of future values. Roadmaps essentially encompass our “Why”.

Below are 5 reasons we believe everyone should have their own Roadmap:

1. **Virtual “live” planning vs. “static” planning**

Something we believe makes our Roadmaps, as well as all the planning we do, different from the standard in our industry, is the real-time nature of the plan. We like to refer to it as a “live” plan vs. traditional or “static” plans. Most financial plans are created with modern software, but are then frozen as of delivery. These paper plans are full of value initially, but become obsolete fairly quickly as values and other factors change. Most often, clients will stick these plans in a drawer, never to be seen again. In contrast, we strike to make our Roadmaps active and to ensure that they are never obsolete (values always updated, planning changes always incorporated). This allows us to focus on today’s situation, plan out tomorrow’s dreams, and create an aspirational experience every time we meet with our clients.

2. **Laying a foundation by starting with the basics of Wealth Management**

For us, “Wealth Management” entails 3 things:

1. Being Organized – creating and reviewing your personal or family inventory (see our last blog: What’s in your Safe?)
2. Planning Intelligently – “live” planning, as outlined above
3. Securing Your Legacy – an up-to-date Estate plan, including proper use of insurance for both coverage & investment purposes

3. **Focusing on your goals: whether personal or financial (anything requiring time or money)**

We find that most of our industry focuses almost exclusively on long-term goals, often overlooking what is important to clients in the next 1 to 5 years. Most people can undergo profound changes over a 5 year period, or at the very least may have evolving views or beliefs over this time. For the most part we council very successful people, and normally this means people who are constantly evolving and growing. We think that focusing exclusively on long-term goals often misses the mark, and does not create the all-important connection between a clients' portfolio and their everyday life.

4. **Portfolio management "reframed" to demonstrate the power of compound interest**

Financial planning software usually assumes a standard (and conservative) rate of return over time. We see the value in conservatism when it comes to planning (best to under-promise & over-deliver), but we also believe in aspiring for more. We always project for multiple scenarios, both conservative, as well as ones that are aligned with our own historical performance. We want our clients to see the difference that 1% higher return can make when compounded over time. Albert Einstein once called compound interest the "eighth wonder of the world", and we think it is very important to know the opportunity cost of making sub-optimal decisions when it comes to investing.

Nothing motivates us, or our clients, more than seeing what can be accomplished financially over time. Lots of money does not necessarily equate to success, but it can provide the means to create or accomplish great things ranging from leaving a legacy for a family, to pursuing philanthropic ambitions.

5. **Financial literacy that starts with you**

We have recently written on social media that this November is the 10th anniversary of financial literacy month. Financial literacy is something that is usually thought of as being for kids, but it actually applies to everyone who has the means to save and compound wealth. Our Roadmaps help clients visualize what they can achieve over time. They educate with respect to the necessary steps to compound wealth, and align these with specific goals. One of our favorite things to do is to eventually introduce these concepts to future generations, and walk our clients' families through the Roadmaps as well.

If you'd like to learn more about our Roadmaps, or would like a refresh of your own, please feel free to reach out to us at any time.

Sincerely,
Di Iorio Family Wealth