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More Than A Resolution: Six Ways To Rejuvenate Business Throughout The Year

By Michael J. McGlothlin, ChFC, CLU, CFP, Principal Life Financial Representative, Princor Registered Representative

This article is based on the program, "Business Resolutions to Make—And Keep, in 2006" from the Women in Business Teleclass Series produced by the Principal Financial Group® (The Principal®) For additional information on the complimentary series, visit www.principal.com/women.

Sometimes business owners of growing companies find themselves in a slump even after completing a productive year. For many, this is extremely frustrating because owners should be content after spending extraordinary amounts of time and resources building a business. Unfortunately, many veer away from initial visions due to outside influences or decreases in energy.

Whether it is the beginning of a new year, or they're in simple need of a boost, the following six goals will rejuvenate any employer, which will ultimately translate to the company's profitability and growth.

Recommit

As a business owner, responsible for numerous employees, it can be easy to forget about the most important person: yourself. If owners are not focused and energized, it will trickle down causing the customers, clients and employees to suffer and not get the attention, or support, deserved.

The best way to recommit is to make a solid goal statement and read it everyday. After some time, rather than reading it, owners will be living it. For example, "I commit to finding ways to get myself to the top of my priority list. I know by putting myself out there, I will be happier and I will be able to give more to my clients and all I care about."

Energize

Individuals tend to have high energy when conducting enjoyable tasks. However, once attention has to be given to a less amusing activity, the amount of energy dramatically drops. In order to effectively overcome this, it is important to evaluate how much time the unpleasant priorities will take out of the day—either do it, delegate it or dump it. After these steps are realized, it will be much easier to refocus energy and move forward with business and with life.

Re-envision

In order to have a clear sense of business objectives, it is imperative to reposition the vision and think about goals to achieve in life overall, not just for business. This will translate into the company outlook.

Take Action

It is important for business owners to trust themselves to stay committed to their vision. Many times, outside influences such as other individual's advice, will steer ideas off track. For instance, many employers may hire a client simply to increase revenue, even if they are not interested in that particular type of business the client brings. However overtime, a company will be more profitable with fewer pleasurable clients because employees will spend more positive energy on them.

Imagine

Take time to see goals being accomplished and it will be easier to commit to the vision. For instance, envision the sale successfully closing or networking happening at an event. If owners commit to their vision, they will become it.

Enjoy

Overall, in order to be successful, work needs to be enjoyable and owners should fully delight in the product and service the business provides. If this means taking a step back to evaluate the life and business vision, go ahead—regain power and open up to solutions that will work.

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The State Has A Plan For Your Assets

Did you know that the State has a plan for your assets in the event of your death? It's called Intestate (Dying without a Will) Succession. In Indiana, it's the Probate Code or Indiana Code (IC) Section 29. This code states who gets your assets in the event that you die without making a will. It gets better… because you died without a will, it will probably cost your estate more, leaving less for those you leave behind.

Single and No Children or Less than $25,000

Now if you are single with no children and/or have an estate that cumulatively is smaller than $25,000, then you may not care. If you are single with no children, your estate will revert first back to your parents, then if they have predeceased you, to your siblings, then to your aunts and uncles, and so on and so on.

If your estate has assets worth less than $25,000, you will need to document this, and hire an attorney to file a small estate affidavit with the probate court. This will get you out of probate and keep you in compliance with the law for minimal cost.

However, most of us want to find the love of our lives and to be rich, or at least comfortable. Comfortable, usually means, a home of your own, which means also 2 things: 1) you don't want those that survive you to lose that house and 2) you probably wont get by with a small estate affidavit. That will mean you will want to do some estate as well as financial planning. But, let's pretend that you didn't do any planning.

Spouse and No Children

If you have a spouse, but no children, regardless of how long you were married, your spouse will only receive 75% of your estate and 25% will revert back to your parents if living or follow a similar path as if you were single. This is a throw back to much older times, when it was thought that if a couple had no children, they must not have been married for very long, so why should the spouse receive a windfall. Now in this day and age, there are a lot of reasons why a couple might not have children, including postponing family until they could adequately provide for the expansion.

This may not be as bad as it sounds - many household assets are held jointly as such they will naturally shift ownership to the surviving spouse. So non-spouse family will only receive 25% of the probate estate, which may be very small. This also does not include assets such as life insurance which passes directly to the beneficiary avoiding probate. In fact, some spouses never file anything with the Probate Court.

Spouse and Children

Here the variable really lies with the number of spouses that you have had. No, I am not talking about bigamy. I am talking about your hopes and dreams for your family.

If you have had only one set of spouse and kids, then your assets will be split between your spouse and kids, with your spouse getting 50% and your kids splitting 50%. If those kids are under the age of 18, then your spouse gets all the assets with the kids 50% in custodianship until they reach the age of 18. However, if those kids are over the age of 18, the kids get those assets immediately, which could put your spouse in a bind. And if they are considerable, may lead to not-so-smart financial decisions, if your kids are too young to handle the wealth.

Although the scenario is the same if you have a new spouse and a prior set of spouse and kids, the consequences could be much worst for all the parties. The new spouse will still get to keep any joint assets and 50% of your probate assets, and the other 50% will be split among the kids, still being held for them if they are minors. However, this could also leave your new spouse with a lot less than s/he needs, especially if most of the children are past the age of majority and demand their share, which may be more likely for children when the spouse is not their mother.

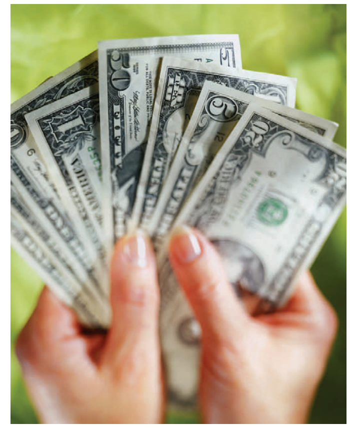
Grief in the loss of a loved one can bring out the worst in people.

Children and no living spouse

If you have no spouse and you have living children, then your children get everything. Here the variable is how old are your children. If your children are over the age of 25, then your worries may be limited to how much the estate is diminished by probate costs, taxes and legal fees.

But, if your children are minors, then who will be the guardians of those children? The court will need to determine the guardians of your minor kids because you did not. It will probably look first to your and your deceased spouses' parents as to ability and interest, then to your and your deceased spouses' siblings, and next to your and your deceased spouses' aunts – and so on and so on. If the family argues over custody or does not step up to the responsibility, your kids could end up in an orphanage or in foster care until the court chooses a guardian or until your kids reach the age of 18, AND your kids could be separated from one another.

If your children are the age of majority, they will inherit all your assets immediately. Whether this is a good or bad thing will depend on the amount of assets and the maturity level of the children. No money for an 18 year old or a lot of money both spin a lot of potentially unpleasant scenarios.



Start making your plan

Well, now you know the government's plan for your assets. The question becomes is it the plan that you want for your assets? If the answer is no, then please go talk to your financial advisor and estate planning attorney.

If you don't have either, find both. Ask your friends or respected colleagues, who they recommend start with the one you feel most comfortable with either the financial advisor or the attorney. Then, the financial advisor or attorney can refer you to the other as appropriate. Or, you can ask your friends and respected colleagues again, who they would recommend to you.

Like most goals in life, don't try to take it on all at once. If you do you will be overwhelmed and may never start. Take this goal one piece at a time and build upon it.

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Caring For Elderly Loved Ones From Afar

There was a time when family members – grandparents, parents and children alike – lived in close proximity to each other, often in the same house. But that was then and this is now. And now, it's becoming increasingly common for family members to live in different parts of the country. That trend is fast colliding with care-giving for the elderly.

According to the MetLife Mature Market Institute's *Since You Care* guide, there are some 34 million Americans providing care to older family members. And 15 percent of these caregivers, or 5.1 million, live one or more hours from the person for whom they are providing care.

According to MetLife, these "long-distance caregivers," in many instances, are caring for a parent or other older relative and are also employed and have dependent children of their own. Because of this, they are often referred to as the sandwich generation. "In some circumstances, due to actual physical distance and/or other constraints, the long-distance caregiver may be unable to provide the direct, everyday, hands on care, but is responsible for arranging for paid care and coordinating the services that are provided."

And that's no easy task. In many cases, long-distance caregivers must often juggle the demands of two households. Often, they have to rely on reports from others about daily events. Just as often, they have to arrange and then rearrange work schedules, business trips and doctors' appointments. In short, the task can be difficult, stressful, and time consuming, according to AARP. But there are a number of steps you can take to make the task more manageable.

Gather information and assess the need. Adult children should determine with their parents (and other family members) what help is needed. In some cases, adult children should consider hiring a professional geriatric care manager who can assess a family member's needs and who, if need be, can provide ongoing case management. Geriatric care mangers are often familiar with the services that are available to aging parents. Finding a professional geriatric care manager is easy enough, say experts. The National Association of Professional Geriatric Care Managers has a Web site that provides links to association members, many of whom are former nurses or social workers (www.findacaremanager.org). A professional geriatric care manager might charge $100 to $500 for an assessment and $60 to $90 an hour for ongoing care. If you choose this option, work with geriatric managers who are licensed or certified by the states in which they work and be sure to conduct a full background check before you hire. Many states and municipalities typically have benefits and resources that can be used by qualifying individuals to help cover the costs of some of these services. Another resource, the *Eldercare Locator* (800.677.1116) can tell you which local agencies provide services and will refer you to the area agency on aging in your parents' community.

Be prepared. Before a crisis occurs, caregivers and older family members should complete and distribute widely a "caregiver emergency information" kit. That kit should contain all necessary medical, financial, and legal information, including doctors, medications, insurance information, assets, and Social Security numbers, wills, living wills, durable powers of attorney and health care proxies. Adult children should ask their parents to complete privacy release forms, HIPAA compliant, and keep copies on file with their parent's doctor's office. That way, the parent's doctor can discuss an older family member's health. MetLife has a caregiver booklet that can be downloaded from its Web site, www.maturemarketinstitute.com. AARP also has useful long-distance care-giving resources at its Web site, www.aarp.org. Caregivers might also consider using a personal medical alert emergency response system.

Develop an informal network. Experts say adult children should establish an informal support network composed of family, neighbors, friends, clergy, and others who might help. Adult children, when visiting their parents or older family members, should introduce themselves to neighbors and friends and keep their phone numbers and addresses handy. If an adult child can't reach a parent, calling that informal network can provide peace of mind. Plus, they may also be able to help with some needed tasks.

Visit as often as you can. Long-distance caregivers should visit their older family members every few months to check for signs of trouble – which might

include changes in personal hygiene, old food in the refrigerator and chores not done. Long-distance caregivers should note, however, that such care can be expensive. According to MetLife, caregivers spend an average of $193 per month on out-of-pocket purchases and services for the care recipient and another $199 per month in traveling and long-distance phone expenses.

It might make sense to consult your financial planner early-on, to ensure that your loved ones are properly cared for in the future.

January 2005— This column is produced by the Financial Planning Association, the membership organization for the financial planning community, and is provided by Michael J. McGlothlin, ChFC, CLU, CFP, a local member of the FPA. You may reach Mr. McGlothlin at Indiana Advisory Group, 317-826-4547.

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Indiana Advisory Group, LLC was founded with the goal of assisting our clients in every aspect of their financial lives. We've provided the most personal service available, thus earning a reputation for excellence in our industry. For each of our clients we strive to help create financial stability and security to provide financial independence.

We Are Expanding Our Business And Need Your Help
Who Do You Know Who…

- **Is looking to reduce their taxes?**
- **Retired recently, or thinking of retiring?**
- **Has a small business with 5—50 employees?**
- **Was talking about how they lost money in their retirement plan?**

If so, please write down their name and telephone number and fax to me at 317-594-6461.

Name	Telephone Number
1.	
2.	
3.	
4.	
5.	

Thank you for taking the time to help me expand my business.