



Plan Ahead: An excerpt from Frank's contribution to *The New Book of Investing Rules*

In a previous life, I was an Air Force Pilot and then an Airline Pilot. Rules and discipline I learned in the cockpit are directly applicable to your investment portfolio. This article is excerpted from my contribution "A 30,000 Foot View" to *The New Book of Investing Rules*, which will be published by Harriman House in Autumn 2017.

Strategic Air Command Aircrews used to joke that the SAC motto, "Peace is our Profession", but the combat crews thought it should have continued "But, flight planning is our obsession." Four of us on a Tanker crew spent a full day planning and filling out the paperwork for a six-hour mission. More time planning than flying! But, when we got to the aircraft, we knew EXACTLY where we were going and what we were going to do. As little as possible was left to chance. Whatever our mission was, we couldn't just take off and fly around aimlessly. We routinely rendezvoused with bombers 800 miles from our home base with a plus or minus 30 second tolerance. Things happen pretty quickly at 450 Knots. You better know what's supposed to happen next.

Similarly, you are highly unlikely to get a decent outcome for your investment plan without some detailed planning.

Industry professionals joke that while a family may spend weeks researching a flat screen TV, they don't spend ten minutes planning their retirement. It sounds funny, but you know it's true.

There are many parts to an investment plan. For instance, for retirement planning:

- How much capital you will need to maintain your lifestyle?
- How many years until you retire?
- What's an appropriate withdrawal strategy?
- How can you maximize your tax advantages?
- How much risk should you take?
- What is the range of returns you should reasonably expect?
- What asset allocation is appropriate for each stage of the trip?
- What funds will best execute the asset allocation strategy?
- How much will Social Security contribute?

Each of those are important variables that will dramatically impact the outcome for better or worse. Screw up just one part and you are likely to have a disaster.

You only get one shot at retirement accumulation. You can't learn this game as you go along. You can't hit rewind in real life. Early mistakes may never be made up. Spend some time planning your financial future.

It's painless to get started. There are a huge number of free resources available on the Internet



that will point you in the right direction. For instance, my company, Investor Solutions, has over 100 financial calculators that will help you do everything from mortgage illustrations to a retirement plan calculation that is integrated with Social Security.

<http://InvestorSolutions.com/media/calculator>

Speaking of calculators, the Social Security Administration calculator is already preloaded with your earnings history, age and other information so they can turn out a personalized Social Security projection at various ages.

<https://www.ssa.gov/retire/estimator.html>

Now would be a perfect time to begin to plan for your family's future. If you can't do it yourself, or don't want to do it, engage a competent financial professional. One way or another, for happy landings, plan ahead.

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