

To Your Wealth™

A Semi-Annual Report to the Clients of Financial Service Group, Inc.

Living More than a Life of Leisure

As the first wave of the nearly 77 million baby boomers reach retirement age, numerous studies are exploring all facets of the work and life changes this population will experience. Several recent surveys show that future retirees want more than to live a life of leisure. According to a Merrill Lynch survey of 3,000 baby boomers, 85 percent want to keep working and 56 percent of them would like to try a new profession. The survey also found that "cycling between work and leisure" was identified as the "ideal plan for...the next stage."



Employee motives for returning to and/or remaining in the work-

place differ significantly by age, notes a study by the MetLife Mature Market Institute. Among workers age 55-59, economic incentives were most important, with 72 percent of employees in this age bracket citing "need income to live on" as a primary reason for working. Economic incentives were also the number one motive

cited by 60-65 year-olds, followed by a desire to "stay active and engaged" and "do meaningful work."

However 72 percent of the 66 to 70 year-old employees cited the desire to "stay active and engaged" as a primary reason to work, followed by "the opportunity to do meaningful work" and "social interaction with colleagues." *Continued on next page*

*"Cycling
between
work & leisure
is ideal"*

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**FINANCIAL
SERVICE GROUP** INC.

Partnering with you
through life's transitions

Living More than a Life of Leisure (Continued)

The Institute found that workers are more likely to pursue alternative work arrangements, such as self employment and part time work, as they age. Of those currently employed, "...76 percent of 55-59 year-olds work more than 35 hours per week, while only 39 percent of 66-70 year-olds work that much."

Some older workers talked of their lives as taking on a "portfolio quality" -- a mix of part-time work for pay, volunteer work, and travel, along with more time for hobbies and family.

Supporting this emerging vision, 25 percent of survey respondents across all age groups currently earn income from more than one job. About 20 percent of those working have two jobs, and another 4 percent have three jobs!

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Boom Boom Boom - The Beat of a Generation New Web Site Celebrates 50 Plus Everything

As Jeff Taylor, the founder of Monster.com, approached his 50th birthday, he knew he wanted more out of life. So Jeff left Monster to start Eons, a web gathering place for the millions of 50+ Boomers who want to tackle their adventures and dreams, celebrate their accomplishments, and make the most out of today.



"We are facing an unprecedented opportunity to travel and explore, to re-invent our careers, to nurture relationships, to give back to the community ... to live life to the fullest," Taylor says on his site. "With the longevity revolution, the 50+ generation has the potential to live nearly 20 years more than our grandparents did. This creates the longest, most unstructured and dare I say most exciting time of our lives."

Eons.com includes several interactive areas including a section where you can list your Top 10 LifeDreams. More than 15,000 people, including celebrities, have listed and shared their dreams of things they would like to accomplish before they turn 100. There's also a Longevity Calculator, personals and content about a number of age relevant topics -- love, money, body, travel and more.

The Need for Career Asset Management

This issue of our Semi-Annual Report notes several pieces of research about today's changing work and life landscape. That's why we developed Career Asset Management (CAM). In our 24/7, global, increasingly project-based workplace, clients need to make sure their financial plans are based on current work and life realities, not outdated employment and retirement patterns.



As you've read in past issues, we've been rolling out CAM to our industry peers and to career coaches. The response continues to be positive and in May, Mike Haubrich will be speaking about CAM at the national conference of the National Association of Personal Financial Advisors in Chicago and Financial Planning Association's (FPA) annual retreat. In June, Mike speaks to the Phoenix FPA chapter.

Money Gets in the Way

Consistent with the MetLife Study, Cali Williams Yost's Work+Life Fit Reality Check found that while money is typically the top obstacle to making a change, money fears do lessen with age. When the Reality Check asked respondents what kept them from "improving their work-life balance," nearly half of the respondents said they "might make less money."

Broken down by age, half of those ages 25-44 cited money fear. In the 45-54 year-old age group, 45 percent said money, while only 36 percent of the 55 to 64 year olds and only 23 percent of the 65 plus age group gave that answer.

The results of the first Annual Work+Life Fit Reality Check, issued earlier this year, found while corporate workplace flexibility efforts and media coverage continue to focus on women and moms, more than 90 percent of those asked believe work-life flexibility is "An issue for everyone." Yet, only 15 percent say they actually have work-life balance. Holding back the other 85 percent are stereotypes about money, work ethic and supervisors.

Are you being realistic about your work-life fit? You can do your own reality check and learn more about how to overcome the stereotypes that may be getting in the way of your work-life fit at www.worklifefit.com.

COMING SOON

In this issue's Special Insert, Mike Haubrich writes about the importance of staying focused on what makes you different. For Financial Service Group, our differentiation is service based. Later this year, we plan to add a new service that provides you with secure and safe anytime, anywhere access to your financial information.

Look for details in coming months.



Living More than a Life of Leisure (Continued)

While the labor shortage that's starting to result from the boomer retirement wave is a top concern for employers, it means more choices for those who want to keep working.

A *BusinessWeek* story last October identified five sectors that either already face or expect to face a shortage in the coming years -- government, education, financial services, health care, and science and engineering.

For more information on post-retirement employment opportunities, check out the sites below.

Post Retirement Employment Web Sites

careervoyages.gov
matureservices.org
retiredbrains.com
retirementjobs.com
seniors4hire.org



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OUR MISSION

Financial Service Group stands by its mission of partnering with you in responding to life events that impact your family, personal and financial planning objectives.

OUR VISION

To be one of the premier financial planning firms in the country by offering unbiased advice to a select group of clients.

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NEW LOOK

This month we launched our new web site designed to make it easier to find the information important to our clients and prospects, while also giving a better feel for who we are and how we work. In conjunction with the new web site, we have also updated the look of the Semi-annual report. We hope you like it.

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Differentiation at Risk of Becoming a Lost Art

By Michael Haubrich

At the beginning of each year, my planning associates and I meet for a strategic planning review and visioning retreat that allows us to refocus our efforts on our clients and the services we provide you every day. It's a time for us to assess what changes we might need to make or services we should add to better meet your financial planning objectives. We take time working through every element of our business vision to ensure that we are living up to the expectations we've set for ourselves and to the obligations we have you.

I always find it sad when a company is unwilling or unable to invest what amounts to a relatively small amount of time in this type of exercise. Perhaps that's why I find what's happening to Midwest Airlines so disappointing -- they simply have lost their vision and forsaken their differentiator as a result. It seems differentiation is becoming a lost art as more companies appear to turn former differentiators into commodities that make them ripe for takeover or sale.

When I first heard of Air Tran's bid to buy Midwest Airlines, I thought "that was only a matter of time."

Unfortunately, I have watched the demise of Midwest Airline's unique differentia-

tor for quite some time. As a Midwest frequent flyer, I mourn the passing of a once great customer service engine into what has become just another commodity product. And one that is ripe for a takeover -- friendly or hostile.



Whenever a company loses their competitive differentiator, all that is left is price cutting which turns the service or product into a commodity. The ultimate winner in that scenario is the lowest cost producer -- Wal-Mart in retailing and Southwest and Air Tran in airlines.

Once-upon-a-time, Midwest Airlines' differentiator was first-class service at a working man's fare. Now it's just like any other discount airline -- lower fares to some

markets with nearly half of their flights on the super-saver planes and five

across cloth seats replacing the spacious four across leather seating. I think the airline has lost its way.

Continued on next page.

"Never, ever lose sight of the thing that makes you different."

Differentiation *(Continued)*

DIFFERENTIATING YOURSELF IN THE FINANCIAL SERVICES INDUSTRY

Similarly, financial planners without a vision simply can not help their clients realize their own visions.

Differentiators in the financial services industries are also heavily client-focused.

There are many avenues that clients can take when it comes to seeking financial service. Some opt for large brokerage houses that specialize in selling financial products.

***"It's not too late to
determine your vision."***

More sophisticated consumers seek out fee-only financial specialists to receive unbiased advice free of conflicts of interest often generated in commission sales.

Looking at a clients' entire financial life cycle rather than taking a more isolated, point-in-time approach to financial advice is also a differentiator that savvy consumers should seek out in their advisors.

The Midwest Airlines situation reminds me of an important principle: never, ever lose sight of the thing that makes you different from those who would position themselves as your competitors.

If you lose your vision, you lose your way and ultimately you lose the customers who have made you successful. Perhaps Midwest will return to their vision and differentiator, but I sincerely think it may be too late for them and they may one day soon find themselves asking "who stole the cookies from our cookie jar?"

EVEN AS INDIVIDUALS, WE CAN STAND APART FROM OTHERS

You may wonder what relevance this has to individuals. I believe that just as companies need to focus on their differentiators to succeed, so do each of us. It is through a constant process of developing the right skills that differentiate you from your competition -- be it in your career, family or community that positions you for success.

The time for New Year's resolutions has past, but spring is also a time of new beginnings. It's not too late to determine your vision, work to maintain your vision and remain focused on providing a differentiator that sets you apart from the rest. This commitment to your vision will keep you from becoming a commodity in any area of your life.

To learn more about creating a personal vision, visit these web sites:

www.solonline.org/practice/tool/drawing.html
www.franklingcovey.com/fc/library_and_resources/mission_statement_builder