

2015 Advisor of the Year: Eric L. Scott

From a production standpoint, 2015 Advisor of the Year Eric Scott is among the top five percent of advisors in the world — but that's not what really sets him apart.

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Eric L. Scott, for lack of a better word, is a storyteller. He weaves pages from history, insights from his 30 years as a retirement expert, even touchstones from his personal life, to better connect with his clients, providing guideposts for their retirement.

When his Dad died earlier this year he spoke about it on his weekly radio show.

"My family called me from the hospital and told me Dad didn't have long," says Scott. "I knew as I was driving, trying to get to him, that our lives would be different."

Scott's family comes from a strong patriarchal and matriarchal line, he says, and, as the oldest son, he knew he was the next person in charge. He drove to the hospital with that information weighing on him, knowing that at 58, he would finally be the man of the family.

"I didn't make it," Scott says. "Dad was gone when I got there. When I walked in the hospital room, everyone looked at me and I could see it on their faces, 'The relief. 'He's here.'"

As painful as it was, Scott shared that story with his radio audience to let them know, "We all face crossroads in our lives. I wanted them to understand the emotional impact of losing someone, but then I wanted them to understand the financial impact as well."

He asked questions of his audience. "Are you set up financially in the case of a death in the family? Have you done everything you should do with the estate? I told them Dad did some good things in his estate and did other things that created problems. I said this so they would understand the importance of planning."

Scott uses stories as an educational tool and to make an emotional impact with his clients. When he first started doing radio, Scott hired a coach to critique him. The coach told him, “Eric, I love those stories you tell the listeners. They have a great emotional impact, but you wait too long to work them in. Begin your show with them.”

Scott listened to the advice and saw the difference in the leads his show generated.

“The stories hooked them,” Scott says. “The stories compelled them to listen to the entire show and hearing about real life experiences helped the content make more sense when we spoke about estate planning or taxes.”

A Family Thing

Nazi forces invaded Norway on April 9, 1940, and would occupy the neutral Scandinavian country until May, 8 1945, or V-E Day — the day marking Germany’s unconditional surrender of its armed forces in Europe. Many in Europe celebrated, others were torn; they rejoiced in the victory and the end of tyranny, but mourned the loss of loved ones.

Between the World Wars, Scott’s maternal grandfather had sailed to America. A single man from a small country, his eyes opened to the promise of the New World — a place where any man, even an immigrant, could rise above his lot if he were willing to work for it.

He returned to Norway and found a wife and would tell her — and later their children — of the New World, its vastness, its potential, but mostly he told of its freedom.

After the Nazis occupied Norway, he vanished one day, along with any details of his disappearance. That happened a lot in those terrible days: there; gone; the not knowing making it all that much worse.

The family didn’t forget. They remembered the man. They remembered the gleam in his eye when he spoke of the New World. Scott has a picture from 1951 of his mom and her sister, the girls wrapped in Red Cross blankets, as they disembark from their boat to America.

“Mom is so proud of her heritage. When my brother and sister and I were kids, Mom told us these stories of her family and her childhood so we could make that connection of who she was and where she came from,” Scott says.

“Dad would tell stories, too, really funny ones, and my Mom would say, ‘I don’t think you should be telling these stories until they get to adulthood.’”

Scott’s dad grew up in Virginia and his family line can be traced back to the Civil War and generations of men fighting in subsequent wars. His dad would take up the cause himself by serving in the Air Force during The Korean War. Eventually, he would side with Scott’s mom, telling the children, “Maybe you shouldn’t know all the things I did.”

He did tell them something that Scott has carried into his advisory practice: “Your word is your bond.” Several



Eric Scott has a passion for his beloved Boston Celtics as well as a talent for storytelling. Two of his books are picture below.



Celtic Pride

SCOTT'S MOM AND DAD met in San Francisco and the family would move to Virginia, then back to California, before finally settling in Massachusetts for Scott's high school years. It was there he began his fanatic passion for the Boston Celtics. A framed, autographed jersey of Larry Bird hangs on one wall of Scott's office, along with other Celtic memorabilia. His favorite Bird story happened on March 12, 1985, when Bird torched the Atlanta Hawks for 60 points. Much like Babe Ruth calling his famed home run, Bird told teammate Kevin McHale, who had set the single-game scoring record just nine days earlier, "Don't expect that record to last too long. I'm going to break it."

Scott's favorite Celtic moment occurred on June, 4, 1976, in Game 5 of the NBA Finals between the Celtics and the Phoenix Suns. Many NBA fans and historians consider it the greatest game ever played, a triple-overtime thriller at the Boston Garden.

"I was there," Scott says. "I was on the last row, but I was there."

"I've seen grainy replays of the game on The NBA Channel and the atmosphere looks like a sauna," I tell him.

"It was hot in there," says Scott, "but maybe not that hot. I will tell you, though, something the cameras didn't pick up. In the third overtime, almost everyone had fouled out. Coach Tommy Heinsohn walked to the end of the bench. There were two guys there who never played. He closed his eyes and pointed at one of them."

The scrub he picked, Glenn McDonald, would score six points in the third OT, helping the team to a nail-biting 128-126 win. The Celtics somehow found another four-leaf clover to win that day, but Scott admits he can't rely on such blind luck in his advisory practice.

Home

TODAY, SCOTT AND HIS FAMILY live in the retirement community of St. George, Utah. The metropolitan area has an estimated 152,000 residents, according to the latest Census.

"Where is St. George? I ask him. "What's around you?"

"Lizards," he says, without missing a beat. "Lots of lizards."

The city rests on the Utah-Arizona border in the northeastern-most part of the Mohave Desert.

"From my backyard, I can throw a rock and hit Arizona," Scott says.

The community has an airport, but most people drive the 118 miles to Las Vegas if they want to fly.

In 2005, the U.S. Census Bureau named St. George the nation's second-fastest-growing metropolitan area. The area is warmer than much of the state and a haven for snowbirds looking to avoid the harsher winters of Utah's northern sections along the Wasatch Mountains. Scott — who for decades ran his retirement advisory firm out of Northern Utah — followed that great migration of retirees to St. George.

"It's a retirement community," he says. "And the prospects I focus on are in that 55-75 age range. It made perfect sense to move here."

There was only one problem — other retirement experts had the same idea.

As Scott says, "We have so many advisors and brokers and agents in the area and we only have about 5,000 households in the county that fit my market. So, I have to constantly look at how can I stand out and put myself in a position to help more people."

A League of Extraordinary Clients

THREE YEARS AGOT, after more than 30 years in the insurance and financial services industry, Scott came up with a novel idea — he decided to ask for extensive feedback from certain trusted clients.

"We started an advisory council," says Scott. "And it's one of the best decisions I've made in my career."

Some advisors might shy away from opening themselves up to criticism from clients; Scott found a different concern — his clients on the council worried they would offend him.

"I had to tell them, 'Look, I'm a big guy with big shoulders. Be brutally honest. I can handle it.'"

Scott picks four couples to serve 12–18-month terms. They meet quarterly and pick apart everything Scott does — from his radio shows to his books to his presentations to his website. Everything is fair game.

"They tell me exactly what I need to hear. They'll say: 'I like that. I don't like that. Try this. Stop doing that.' If you want a great council, pick the ones who really care about you. They'll be great advocates."

The first year he had 8 couples. "That was too many. Now we have 4 couples, actually, 3 couples and a single lady who's just so passionate about what we do."

Scott says he uses the council as a sounding board.

"The council gives us feedback. Then, the next 3–4 months we work really hard on implementing those changes before we meet again when we report on what we did and why we did it. We show them that we listened."

A few years ago, Scott told his council he wanted to transform one of his conference rooms into a living room. One of the council members told him, "If you do that, you'll want a fireplace."

Scott says, "That fireplace was such a big hit with our clients, we added another one in the waiting room."

Scott loves to tell stories. It's apparent the minute you meet him, but he says if you want to run a successful business, you have to listen. You have to listen to your clients; you have to listen to your staff; and, most importantly, you have to listen to your family.

"God gave us two ears and one mouth for a reason," he says.

9 TOPICS EVERY ADVISOR SHOULD COVER WITH EVERY CLIENT

According to Eric Scott, being a holistic advisor provides clients with the best coverage. He offers a 9 point plan in education sessions to make sure his clients are ready for retirement. "These are the areas all seniors and pre-seniors need to know about and understand fully. I love educating because it allows people to make sound decisions in their lives. These are the topics we cover with them".

- 1) What are the best options for Social Security?
- 2) What are the best pension options?
- 3) When should you start taking your IRA/401K?
- 4) What plan do you have in place for long-term care, home health care or assisted living?
- 5) What are you doing to reduce income taxes today and in the future? Has anyone gone over the top six areas in your tax return to put a plan together and possibly reduce income taxes? What happens to taxes when we lose a spouse?
- 6) Budgeting in retirement is so different than when working and having two paychecks
- 7) Working with attorneys on estate planning
- 8) Beneficiary reviews. We see in our office 8 out of 10 mistakes with beneficiaries.
- 9) Having an income plan with inflation.

ERIC SCOTT believes in a holistic approach to serving clients. In a recent discussion, Scott offered his thoughts on a few key topics that help make his a client-centric practice.

ON EDUCATION

I truly believe education has to be the priority with clients. When you educate, people can make a sound decision and will tell you what they want and desire and you do not do any selling. You help them achieve their desires and goals. I have written two books so far with the help of my son. The first is our planning book, "The Five Crossroads", which deals with Tax Reduction, Retirement Income, Risk Management, Debt Elimination and Budgeting and Legacy Planning.

My second book is "Shattering IRA Misconceptions" Thirteen Myths Everyone Should Know About.

Our third book will come out at the end of the year and will cover the "Social Security Maze". I feel with our books and education classes' people know we are here to help, educate and give them the ability to succeed in retirement. It gives us a track to run on because what they are reading we are teaching in our visits with them. It is not about selling, but serving and educating. When you serve you end up selling.

ON DESIGNATIONS

I feel education in all areas is very important, and I go to serval trainings a year around the country. I can tell you over the last 33 years, I have only been asked about the CFP

designations a handful of times. Clients are looking for someone they can trust; someone who will serve them; someone who will be there for them. When you care about people and show them your commitment, they will want to work with you.

ON SERVING SENIORS

My grandmother was in a nursing home and passed away there when I was early in my career. I was affected by this and I wanted to help and prepare retirees to have a solid foundation in retirement and be the person to guide them through the areas they have to face when retired.

I see seniors who work their whole career and now they have 20-30 years in retirement and several decisions have to be made. If even one of those decisions are not made correctly, it can affect their retirement.

ON HEALTH COVERAGE

I have a team member that sits down with our clients and goes over their options and she stays up on what they need to know and do with Medicare, Medicare supplements and long-term care, etc. I have learned that an advisor cannot do everything so you need to work with people that can assist you and your clients