Moneymax® Producers

A chapter from the best selling book,

YOUR MONEY PERSONALITY

What It Is and How You Can Profit from It

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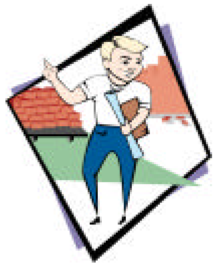

Producers

The greatest revolution of our generation is the discovery that human beings, by changing the inner attitudes of their minds, can change the outer aspects of their lives.

-William James

GUIDELINES

. . . Are frustrated that hard work has not brought them greater financial rewards.

. . . Have great difficulty asserting themselves when it comes to getting what they deserve financially.

. . . Desire the feeling of prestige and power that can be derived from accumulating wealth.

. . . Are not particularly proud of their current financial condition – their earning power or assets.

. . . Lack confidence in their perceptions and skills with their money management.

. . . Feel very valuable when they accommodate other people, both in their financial and personal lives.

. . . Have a high degree of trust in the integrity of others when handling money.

Of all the groups, the Producers are the second-highest in altruism; they hold strong to the belief that people are willing to help others in financial trouble. Also, they have the highest degree of trust (tied for first place with the Money Masters), maintaining that most people are honest when dealing with money. And most importantly, the Producers rank number one in work ethic, again tied with the Money Masters for the top slot. Unfortunately, this group that believes so fervently in hard work earns the lowest income and ranks seventh in assets.

Unlike the Money Masters, who are the most confident money managers of all Moneymax groups, the Producers are the least confident of their money management skills. The Money Masters trust themselves and feel powerful because they have successfully controlled their money and accumulated wealth. The Producers lack the personal power to trust themselves to make appropriate financial decisions. The Money Masters have learned through experience that financial power comes from manipulating money, being its master instead of its slave. The Producers don't understand that they can have financial power and change their money status by changing how they view money and how they deal with it. The Money Masters understand the financial maze and look inside themselves for the path through the maze while the Producers look elsewhere.

For the Producers, material possessions are one avenue of escape. They are the second-highest power seekers of all nine groups, the first group being the High Rollers. Since the Producers don't feel the personal power the Money Masters experience, they try to acquire the power by purchasing the goods and services that signify success. They fool themselves into believing that money, and what it will buy, will earn them financial respect. Material possessions make them feel valuable and are one way of rewarding themselves for their high work ethic. Producers are not emotional spenders, like the Hunters, and tend not to buy superfluous, high ticket items. However, when buying necessities, they may choose Vidal Sassoon shampoo over the drugstore brand, Calvin Klein jeans instead of the Sears brand, and hightop Reeboks over Keds sneakers.

Producers don’t understand that the process of using their own talents and skills to control their money will give them the sense of power they desire. Research has shown that when people don't have high expectations of achieving their goals, their behavior follows that line of thought, their plan of action is flawed, and they usually fall short of their goals.

As mentioned earlier, the Money Masters are not only masters of wealth accumulation, they are also the masters of self-esteem. They have high self-esteem because their lives work for them. While they encounter personal and financial upheavals, they don't get bogged down in worry and self-doubt; their high level of self-esteem ensures that life will be satisfying-financially, emotionally, socially. The Money Masters are equipped to cope with life's challenges and adversities, including those that are money-related.

For the Producers, self-esteem can be a difficult prize to win. Because they don't know exactly how it feels or how to capture it, the Producers look outside of themselves to find it. Whereas the Money Masters gain greater self-confidence and self-respect with each small but successive money step, the Producers rely more on a system of trial and error. Practical and rational, the Money Masters never stop moving, but they move slowly and cautiously, making every step count. They tolerate a giant step only once in a while in order to maintain control of their money. The Producers believe they have nothing to lose with a more risky strategy. They are moderately content with their financial status, are not particularly confident that they can change it, nor do they have an understanding of how others master it.

Whether they buy lottery tickets, bet on the horses, or play cards, they rationalize that they work hard for their money and deserve to enjoy it. After all, their hard work alone has not brought them a pot of gold. While the Producers do rank third in risk-taking, they are well behind the High Rollers and the Entrepreneurs, who enjoy money risks. Nonetheless, the Producers, like the High Rollers, do not evaluate risks carefully enough and their risk-taking tendencies can sometimes therefore be detrimental to money management.

The High Rollers and the Producers are tied for seventh place in asset accumulation. While the High Rollers earn more money than the Producers, the two groups remain equal in assets because the High Rollers are much higher risk-takers and lose more money than the Producers. Regardless of the numbers and Moneymax rankings, neither group is profiting by taking risk. Both the Producers and the High Rollers may seem to prosper for a period. They may even experience an occasional windfall gain as a result of risk-taking, but suddenly the financial bottom can drop out and result in a loss from which they seem unable to recover.

Emotions and attitudes about money are not to be taken lightly because they have an important relationship to financial success and well-being. They are the very factors that explain the difference in wealth of mind, spirit, and assets between the Money

Masters and the Producers. The Producers may work hard but they don't harvest what they sow. They are very frustrated because they believe so strongly that financial success can come from hard work, yet the equation has been disappointing for them. The Producers are confused by a system that allows some people to advance to highly paid positions while others, with equal talent or more experience, are left behind. They don't understand that those who advance not only have skills but believe in themselves and in their ability to succeed. The fears and self-doubts of the Producers sap their ambitious drive and the effectiveness of hard work.

Another reason why the Producers are the lowest income earners and tied as second-lowest accumulators of assets is that they feel more comfortable giving than receiving. If the Producers have low self-esteem, and self-esteem is defined as a feeling of personal competence and worth, then not only would the Producers distrust their ability to cope with financial decisions, but they also don't believe they have an inherent right to be content and happy with money. If they do not feel entitled to money, then their attitudes and behaviors will reflect that feeling. In other words, if you don't feel good about yourself, don’t feel entitled to more money, then you may feel better giving away money as opposed to receiving it. Or, you may feel somewhat guilty about taking advantage of opportunities that might result in more money.

ANXIETY -- A BLOCK BETWEEN MIND AND MONEY

Anxiety is a state of uneasiness and distress about future uncertainties. Financial anxiety is a feeling of dread, a fear that distracts the minds of many people, especially the Producers. Of all the Moneymax groups, the Producers are the highest in money anxiety. Their level of anxiety is evidence that internal conflicts regarding money need to be resolved.

Anxiety over one’s finances is a condition of life. It’s, a constellation of uncomfortable, troubled feelings that nearly everyone has experienced in one form or another, in lesser or greater intensity, at one time or another. We live in an anxiety-producing and uncertain economic environment. You would be inhuman not to feel worried, or even terrified, about money now and then. Many people learn to ignore the anxiety, others defend against it, some deal with it, and others wait for it to go away.

Common forms of money anxiety are not usually troublesome. They are aroused anytime you feel unprepared to meet some new or unusual financial experience or decision. This more common kind of anxiety is called "situational anxiety." It is related to a specific event involving your money; it is present when you cannot predict a money outcome. When you negotiate a starting salary for a now job, bargain for the price of a car, fill out income tax forms, haggle over a divorce settlement -- you feel anxious. Typically, however, as soon as the out-come becomes apparent, situational financial anxiety can subside in a very short period of time. For most people the anxiety is temporary and does not disrupt the normal flow of their lives.

The Producers, however, can become financially incapacitated by excessive anxiety. It interferes with their ability to concentrate and become more knowledgeable about money. They find it very difficult to deal with financial matters, make decisions, or assume responsibility. Impatient with themselves and their inability to attend to the business at hand, the Producers become unable to improve their performance, and then become fearful over their loss of control.

If they ignore money matters, they can later be tormented by guilt feelings. Their agitation even increases when they try to deny their mistakes or find excuses for why they didn't follow through. Such states of anxiety seem to confirm a self-fulfilling prophecy of financial doom. The fear and anxiety produce more fear and anxiety. At such times, the Producers really need to come to their own rescue with a lot of self-support and encouragement. They need to believe that even the greatest financial anguish can be remedied.

Extreme financial anxiety is usually not suffered by most people. The most common complaint is, "I feel nervous about making financial decisions." The word "nervous" is used to express anxiety about money. Most of the time people ignore or get over the nervous feeling, believing in general that life goes on, that life is good.

When mild anxiety becomes more intense, people say they are "very nervous" about money. The escalation in anxiety causes them to become apprehensive, alarmed, helpless, tense, agitated, or terrified. That is the arena where many of the Producers reside. Their anxiety is a more pronounced, pervasive feeling of continuing financial doom without the possibility of marked improvement. They tend to doubt that things will ever really change for them financially.

The Producers, like many other people, will use the words nervousness and anxiety as synonyms for anger. No doubt you've heard something like this: "I get nervous when my broker tells me my stock went down." Translated into emotional terms, that means: “Sometimes my broker says things about my money that I don't like and it makes me angry. But I can't tell him that I don't like it or that it makes me feel angry. It's not polite to tell people things like that. I don't like to criticize anyone or hurt anyone's feelings. So I just say it makes me nervous. I hope he won't tell me things like that again."

The Producer will choose the word that is more generally accepted -- nervous instead of angry. Being angry with a broker is an alarming admission to make, because the Producers fear that the broker may turn around and retaliate in some way, like not giving proper attention to their account. However, they are just as afraid of losing the unrealistic picture of themselves as superbly polite and kind people. Thus, they are doubly angry at the broker who might threaten that image.

When Producers say "I'm nervous" to their brokers, they are trying to convey this: "I hope you feel some responsibility for my nervousness. If you do, you should feel guilty. And if you feel guilty, you will manage my money so well that nothing will go wrong again and I will not have to be nervous or upset." This scenario of nervousness, guilt, and responsibility is often played out by the Producers in the way they respond to other people. Unconsciously, they believe that if guilt pushes their button, it should work on the broker.

Some people, including the Producers, take a very circuitous route in order to deal with their anger and avoid the anxiety that plagues their financial dealings. This route is and has been a well-traveled one by the Producers as well as others high in financial anxiety, like the High Rollers, the Perfectionists, and the Hunters. This is not to say that Producers should seek a total and complete revelation of anger. Openness and honesty in dealing with money can be carried to absurd extremes and cause more harm than good.

When negotiating about money, the Producers must be careful not to use a situation as a dumping ground for their anger.

For example, let's consider a situation in which a Producer is angry with an employer because the employer failed to live up to a commitment about a yearly raise. If anger obscures the Producer's judgment, an outspoken Producer may state the grievance, substituting inappropriate frankness for tactful assertiveness. Instead of starting out with, "I thought this would be a good time to discuss my yearly raise," the Producer might begin with, "I can't believe you broke your promise and didn't give me the raise I deserve." Rather than being viewed as assertive and honest the Producer could be perceived as offensive and threatening. Unaware of the damage that anger might impose, the Producer is puzzled to learn that not only is the raise denied, it may be indefinitely postponed.

The Producers' conflict with anger revolves around: 1) their "right to confront" and 2) their need not to antagonize anyone because of possible retaliation. In other words, they often insist on taking both positions. They want their raise and job, and they want the right to express their anger directly. That would be fine if they could realistically have both. But under the circumstances, they are overlooking an important factor -- their two wishes are contradictory and cannot exist simultaneously. They feel they cannot risk antagonizing anyone and still keep their job, yet don't want to relinquish their "right" to express their anger in an uncompromising fashion. This conflict cannot be resolved if both poles continue to repel with equal and opposite force. When they do, the Producers become blocked and their mounting anger feeds into the conflict and intensities their anxiety.

The Producers have difficulty expressing their anger because of timidity or because it is not in their best interest to express anger directly, They need to find a position somewhere in between suppressing the anger and angry confrontations. If timidity is the problem, they should try to be more assertive. If angry outbursts are the problem,
they need to learn how to got their point across with tact and persuasion instead of hostility and fear. I doubt if much business would be conducted successfully if people were always brutally honest, and nowhere is this more true than when communicating about money-related issues.

Many Producers have been raised to believe that they should neither get angry nor express anger. After all, nice people control their anger, don't they? So many Producers remain "frustrated good guys," unable to express or control anger--they get nervous instead. They remain stuck, fixated in their current financial status. The Producers are the men and women who knock themselves out at work, do a wonderful job, and then sit back and wait for a bonus, a raise, or a promotion. When the reward and recognition don't transpire they agonize over what they did wrong or prepare to go into battle to correct the injustice.

Fearful and culturally bound, the Producers feel compelled to maintain a benign image of themselves, because that image is tied into a fundamental sense of identity. They see themselves as people who don't rock the boat, don't get angry, and don't lash out at other people. Embodied in the image is a certain sense of security that they will not relinquish unless another kind of security takes its place.

Just as anxiety affects health, job performance, and personal relationships, it affects money. If your financial self-image is negative, you tend to feel that no matter what you try to do with money, you will fail. Somehow you will always be the victim of circumstances, the financial straggler who works hard but never seems to get ahead. People like the Producers, who suffer high anxiety, feel that money decisions, like life itself, are forced upon them and they must cope as best they can. Because they perceive themselves as inadequate to deal with money, it is not surprising that even the smallest decision can start the flow of adrenaline.

For example, consider the case of Brian, who received an incorrect bill from the telephone company. Charged to his account were two international long-distance phone calls that amounted to forty-five dollars. His immediate reaction to the bill: "These are definitely not my calls, but how can I prove it? If I call the phone company, I'll probably have to talk to some idiot who won't believe me. When it comes to fighting Ma Bell, I don't stand a chance. If I have to swallow this bill, where will I get the extra money?"

After working himself into a very agitated state, Brian got mad. Then he altered his thinking: "l just won't pay the bill. The phone company thinks they are so damned smart with all that computer equipment, but look at the kind of results they get. They probably make a lot of mistakes like this and get a lot of extra money from people like me who can't afford their mistakes. Well, I'm not going to be a sucker. I'll talk to the president of the company if I have to, but I'm not going to give them an extra dime."

When it occurred to Brian that his telephone service might be out off if he didn't pay the bill, be returned to his original thought pattern: "It's their mistake but I might have to pay for it." He spent a lot of time and energy agonizing over possible conclusions to his dilemma -- all of the conclusions were negative. The anxious money mind thinks that if the situation is already bad (the bill is wrong), then things are bound to set even worse (I'll have, to pay for the mistake).

The unconscious mind is a very strong of our personalities. Stored in its memory bank are your feelings, attitudes, and emotions. While Brian's conscious mind was making the rational decision about whether at not to call the phone company, his unconscious mind was predicting the outcome. When he opened the phone bill and noticed the mistake, he unknowingly hit the alarm button in his unconscious. Since his unconscious mind didn't know the difference between fact and fiction, it only told him what he felt--that he was helpless when it came to money matters and would likely fail again.

Producers find it hard to let go of financial anxiety because: 1) they are afraid of change; 2) they don't believe they can change money attitudes and habits; 3) they aren't sure how to go about changing money attitudes and habits. Change in any area of life elicits fear of the unknown. Predicting a now outcome causes the Producers as much new anxiety as living with the old anxiety. Whether changing an investment style, a job, or a spouse. At least the old kind of financial anxiety is familiar; they have experienced it many times and have developed a way to cope. Also, deep down inside, they don't feel they can change money attitudes and habits. For them, the anxiety about money is a part of life, has always been a part of life, and will continue to be a problem. Finally, if they were to agree that changing their money styles may be beneficial, where do they start?

It is difficult for people like the Producers, who have lived with such an immutable financial image, to leave it behind completely. But change does not have to be complete in order to be effective. In the course of my work I have found that minor changes in financial personality attitudes and behavior result in surprisingly effective strides toward freedom and contentment. The Producers have to develop the courage to venture, cautiously and vigilantly, through the opportunities made by their commitment to change. It is the first few steps which are the most difficult to take. Courage to change one's money self and financial status comes not so much from a position of financial or personal strength as from a willingness to go forward, to alter an unproductive money style and develop better money management systems.

The Producers often confuse assertiveness with aggressiveness. Because they want to be good guys -- polite, accommodating, agreeable, nice -- they don't want to offend anyone with rude, hostile behavior. While aggression does imply that someone is on the attack -- willing to say or do whatever is necessary to win -- assertiveness is a different matter entirely. Being assertive means that you are willing to express your thoughts and desires, directly and openly. Unlike aggressive behavior, assertive action is positive, healthy, and reinforcing. It is a constructive way to stand up for yourself, ask for what you want, disagree with others, and say no without feeling guilty.

Carol was a retired schoolteacher who kept herself busy by doing consulting work for nonprofit groups in Los Angeles. While most of her activities revolved around fund-raising, she also did some public relations and marketing. When I met her, she had just completed a year as a part-time consultant to a major philanthropic group that had paid her $10,000 -- straight consultant fee, no deductions; no benefits. Since the nonprofit group had extra office space, they Save Carol an office and a part-time secretary. It had been a wonderful year for her. Even though the job wasn’t permanent, she enjoyed the work and the people she worked with. She knew she was underpaid for the kind of work she did and the long hours she put in, but Carol didn't mind because she had her retirement money and her husband still worked full time.

At the end of the year, Carol's boss called her in to commend her for a job well done and asked if she would like to continue on for another year -- same job responsibilities, same consultant's fee. He asked that she accept, or turn down, the offer within a week. Carol was both flattered and perplexed. She knew she had done an excellent job and had been directly responsible for raising a large amount of money through her fund-raising efforts. Not only was she underpaid for her first year’s work, but the boss was now asking her to go forth and repeat her success -- but with no additional money.

Driving home that night, Carol had another reaction common to many Producers; she began to get anxious and angry. She felt betrayed and was certain that the nonprofit group was taking advantage of her. She had to admit that it had been her decision to work twice the number of hours as her contract specified, but she believed that the extra time and effort were a good investment and would lead to an increase in her fee. Why didn't her boss treat her more fairly? Didn't he appreciate all that she had done for the nonprofit group?

It was obvious that Carol was rationalizing her behavior, placing responsibility on her boss, and avoiding the real issue: What was she going to do about the situation?

Producers, unfortunately, can recognize their talents but too often lack the means to convert personal worth into money worth. Carol knew she had worked hard -- and had done a wonderful job -- but she didn't have the confidence to say so and state the reasons why she deserved a higher fee. Sitting down with her boss and discussing how her abilities translated into dollars was a thought that made her very nervous. Money negotiation elicits the following Producer reaction: I've never been good at getting the money I deserve; I’ll probably say all the wrong things; maybe I should just accept the offer and not have to put myself through the agony -- I never win anyway.

Carol's husband seized the opportunity to draw an analogy between her money behavior at work and her money behavior at home. In their marriage, he assumed full responsibility for managing the household finances. Since Carol was a passive money manager, he had given up trying to involve her too much in financial decisions. She always insisted that he was better at dealing with money, he made more money, and therefore he should take care of handling the money. In the case of her nonprofit job, he concluded, Carol would really be doing herself a disservice if she didn't ask for the money she deserved.

When her husband insisted that Carol march into the office and demand her just due, she did an about-face and started to defend the nonprofit group. They did work with a very restricted budget. Some of the full-time managers did not get paid adequately. It was a wonderful job and maybe she shouldn't expect a wonderful job and a wonderful salary. Her schoolteacher's salary had never been great so why couldn't she just accept the money she was offered? Her boss, who was her personal friend, would be disappointed and angry, thinking she was money-hungry.

Carol's turnabout stemmed from two other Producer traits -- high trust and high altruism. While both of these traits are admirable, they can put Producers at a disadvantage in the job market and in money negotiations. The trusting Producer money personality usually feel that there will be a fair reward for hard work and dedication to the job. Producers dislike, and are not prone to, self-assertion, but prefer instead to believe that most people share their value system and will do "the right thing" -- including anything that relates to money. When financial situations aren't resolved satisfactorily, Producers, like Carol, usually learn to swallow their frustration and disappointment.

Regarding altruism, Producers are very generous with both time and energy. While many people are generous in giving to those Iess fortunate, Producers do not discriminate. Not only do they give to those less fortunate, but they are often altruistic to those more fortunate than themselves. The same Producers who spend weekends as volunteers for a philanthropic group may also work many overtime hours -- with no extra pay -- for a boss who has a salary five times their own. Carol's money problems were heightened by the fact that the employer was a nonprofit organization.

After much anguish, Carol did talk to her boss and asked for a substantial increase in pay. She organized and rehearsed her money speech many times. In a calm straightforward manner, she outlined what she had done in the past year, providing specific numbers and details, as well as a general overview. She let him know how much she loved the job and told him what she planned to accomplish in the second year. At the end of a half-hour, she was comfortable enough to bring up the subject of money. Though a little nervous, she concluded by asking for what she thought was a fair salary.

When she went home that evening, Carol was proud to inform her husband that she had been rehired -- and at the fee she requested. Carol's final comment on the matter: "I can't believe it worked. I was scared to death to ask for more money -- money has never been my strong suit. But I just told the truth; amazing how it worked."

Besides truth, let's look at what else was an important element in the successful money negotiation: courage. Carol didn't allow her feelings to block her from going forward; she didn't allow her high level of anxiety to sabotage her. When she objectively assessed her talents and dedication. Carol was able to sidestep her Producer tendency to avoid money discussions and decisions because she felt incapable of affecting the outcome. As she continues to face similar issues, Carol will bolster her money self-esteem and reduce the fears and anxiety that prevent her exemplary work ethic from bringing her greater financial rewards.

TAKING THE PATH OF LEAST RESISTANCE

It is very frustrating to realize that the Producers' lack of confidence in themselves and their anxiety and fears prevent them from believing that they have the ability to change their financial status. They do not think that their money and how they manage it can provide more contentment and security for the future. They cling to how things are as predictive of an everlasting financial conclusion. Whether they know it or not they regard themselves as limited instead of unlimited, powerless instead of powerful. Producers believe in the myth of scarcity: money is scarce and no matter what I do, it will always be scarce.

The Producers are reluctant to let go of their money fears. But their fears are only creating smoke screens that prevent them from pursuing financial opportunities. They have a false loyalty to worry, pain, and even resentment. The resentment and anger that have not been overcome keep them from acknowledging what they want out of life. They have to empower themselves because money will not empower them. The Producers have to open the door to wealth and prosperity and become aware of the fact that they are holding themselves back. It is the willingness to allow the door to open that is crucial. Since they do not believe that they are deserving of greater wealth, they shut the door and protect themselves.

Producers can change the way they experience the world, replacing the myth of scarcity with the belief of entitlement. They can give up the fear and anxiety which kill their spirit and motivation. In addition, they can give up the myth that more money will mean that they are selfish, that they care more about dollars than about people.

Producers can learn what it feels like to move ahead financially, but only after changing their attitudes about getting and deserving money. If they remain immobile, they will never allow themselves to become at ease and confident. Instead life will remain a struggle.

MAKING THE WORK ETHIC PAY OFF

Not all Producers close their eyes or put on blinders. Many decide to assume control of their money selves and financial destinies.

One such Producer was Henry. Henry, who was forty-four years old, had been employed by the County of Orange in California for almost twenty years. His salary with the county was approximately $50,000. Henry’s wife, Betty, was no longer employed since she chose to be a full-time housewife and stay at home with their three-year-old son.

Henry had been feeling a lot of money stress because he wanted to provide a better life for his family. He and his wife would have liked to have another child, but their two-bedroom apartment was very small. Henry was not in a position to buy a home, and with only one full-time salary, the prospects for buying a home didn't look too bright.

Henry, like many of the Producers (63 percent) rent instead of own their primary residence. They are the lowest group of all Moneymax groups in home ownership; they are also the lowest group with two-income families. In addition, the Producers generally have dependent children at home.

I met Henry at a management training seminar in financial planning which was held at a local university. Since the county paid for its employees to attend, Henry figured he might as well enroll. He was very interested in financial planning but had never approached a financial professional because he didn't think his savings, $30,000, were enough to warrant professional advice. Also, like many Producers, he was embarrassed by the way he had handled his money, since he had no real budget, or goals, or any plans for retirement. Henry and Betty lived from day to day, and even though they were practical about spending money, they had a hard time making ends meet and often bad to dip into their savings account.

Henry, however, was the type to ask his friends for money advice and often posed financial questions at lunch. He expressed a desire many times to seek expert advice, but his coworkers laughed and asked if he thought he were a Rockefeller. Also, his friends always brought up the story about their colleague who got involved in a tax shelter and lost a bundle of money. Even though his friends joked about his interest in financial matters, Henry wasn't discouraged. Most Producers want to be more involved in their money management and they are not impulsive when making financial decisions. Henry’s instincts and intentions were right; he simply needed some guidance.

At the seminar Henry asked if financial planners would be interested in someone like him who didn't have hundreds of thousands of dollars to invest. He said that he wanted to get smarter about his money but he needed someone to help him map out a plan. The guest panelists overwhelmingly agreed that Henry should seek out some professional help and that he shouldn't hesitate just because he didn't have a lot of money to invest. By the end of the day, Henry was convinced and asked for a referral to a financial planner. He was given the names of a few very good, professional people.

Part of the seminar involved the Moneymax Profile, and in a private discussion that followed, Henry learned that he was a Producer. He was very open about discussing his money style and talked about his immigrant parents who worked very hard to provide for him and his seven brothers and sisters. He said that growing up had been rough -- never enough money, always too many bilIs. While he had a good, secure job, he felt that he would always be at the mercy of money. As he calculated his lifetime earnings and what he had been able to save, Henry concluded that be was just beating inflation and taxes. How could there ever be extra money to buy a house or provide financial security for his family? It worried him a lot.

Henry is not unlike most Producers who are willing to accept the fact that they need a financial plan. However, since they are so disappointed with their current financial status, they usually focus more on the present. For them, first things come first. In their case, the first concern is more current income. Their high level of anxiety and money management style keep them locked into a preoccupation with today instead of planning for tomorrow. They don't seek out professional advice because they are primarily concerned with the present and they are embarrassed about their personal money shortcomings.

Typically, the Producers perceive themselves as capable of tolerating calculated and even higher levels of risks. Twenty percent of the Producers have owned or currently own individual common stocks. While 14 percent have had mutual funds, another 18 percent are interested in owning them. Mutual funds are viewed as having liquidity and can also satisfy the Producers' need for appreciation.

Henry was never comfortable with the stock market. He had heard too many horror stories about people who lost all or newly all of their savings in the stock market by using brokers who were a little too adventuresome. Even though the Producers do seek out some risk with their money, they are not comfortable with high stakes; they are too responsible and work too hard for their money. Appropriately, they see individual stocks as too risky and mutual funds as a better bet; they also tend to be savers and because they can continually reinvest their mutual fund distributions, they can accumulate more money.

Henry found a financial planner who appealed to lum both professionally and personally. After the first session with the planner, Henry realized that he and Betty had multiple needs; they had insufficient life insurance, he had inadequate disability insurance; neither of them had wills; all of their savings were in a money market account. Like the majority of Producers, Henry was primarily interested in more current income, but he was also interested in witty and growth. About twice as many Producers are primarily interested in more current income instead of safety or growth.

The type of life insurance Henry and Betty needed, they couldn’t afford, so they bought term coverage for the time being and planned to convert it after they had more income -- when their child entered school and Betty went back to work. Upon conversion, the permanent insurance would give them a tax-free buildup of cash values, and would give them very adequate returns with a great deal of safety. They were amazed by how much cash would accumulate over the years. However, since at that time it was more important to have an adequate amount of coverage with an affordable premium, the planner suggested a term policy of $200,000. They talked about the inadequate disability insurance Henry currently had but determined that he couldn't afford any more at that time.

The next question was what to do with the $30,000 savings. First, the planner recommended that the couple put away an emergency fund that totaled three months’ income. Since Henry earned $50,000 a year, that amounted to $4,150 a month, so they agreed to put $12,500 in a money market fund which would be their emergency money. The balance of $17,500 was invested in several conservative growth and growth and income mutual funds. The mutual funds would help to offset inflation by building up their asset base.

Even though they wanted to buy a house, they could not consider such at major purchase at that time. They would not qualify for a home loan based on Henry's income nor could they come up with an adequate down payment. It was advisable for them to stay in their current apartment or move into a three-bedroom apartment when they required more room. Although they were disappointed, the couple understood the financial reality of their situation.

Betty decided that she would get a job the following year, work for two of three years, and then consider having another child. Finally, the planner referred them to a legal service that would help them draft a will at very little expense. Henry was very pleased with the plan and told his cynical friends that he was on his way to becoming a financial wizard.

The Producers don't have to accept their financial status as a dead-end street. Just as Henry found out, there is a plan for everyone. The Producers must transform their high work ethic from working hard to working more effectively. They also have to change their self-image as ineffective money managers into confident, successful money managers. If the Producers continue to expect financial disappointments they won't tap much of their financial potential. If they start out with a belief system that emphasizes what they can't do, that system subsequently signals their money personality to respond in a negative way. What financial results come out of that scenario? Dismal results. What will the disappointing results do to subsequent endeavors? Chances are they will reinforce the negative beliefs that started the whole chain. People like the Producers, who are frustrated about money and live financially discontented lives, have been without the financial results they desire for so long that they no longer believe they can produce the results. Thus, they do little or nothing to tap their money potential.

Let's look at this from another angle. Let's say the Producers begin with great expectations – as Henry did. Starting with a direct, clear commitment, how much potential will the Producers use? Probably a good deal. What kind of actions will they take? Would they procrastinate and sabotage an opportunity? Of course not. If they have expectations for success, they would charge ahead with tunnel vision and optimism. If the Producers were to put out that kind of focused effort, what sort of results would be generated? Chances are the results would be good. And how would those results affect greater financial results in the future? In this case, financial success would feed on financial success.

MONEY MANAGEMENT STYLE

1. The Producers like whole life insurance more than any of the other nine Moneymax groups. The fact that they like whole life insurance, coupled with the very favorable results that high quality whole life insurance contracts have produced over the years, has made it a good investment for my Producer clients. They can accumulate money sheltered from income taxes, and at the same time protect their families against the untimely death of the breadwinner. And in the case of the Producers, where 59 percent are one-income families, this is particularly important.
2. Government bonds are a preferred investment vehicle for some of the Producers. They perceive this investment as moderate in risk -- slightly higher than their savings accounts and lower in risk than their IRAs and Keoghs.
3. Of all the Moneymax groups, the Producers have had the least experience with most investments. One of the investments that they have used with greater frequency than other groups is commodities. Interestingly, they are tied with the High Rollers for the greatest level of satisfaction with commodities. The Producers and the High Rollers are both motivated to gain a feeling of power with their money, and the highly charged commodities market may satisfy that drive.
4. In addition to whole life, the Producers also like universal/variable life insurance and are second to the Money Masters in high satisfaction with this investment. This vehicle can provide protection as well as serve as an investment tool because of the multiple investment options like stock funds, bond funds, and money market accounts. Producers are familiar with the death benefits of insurance, but they, like most people, are more concerned with living benefits. With the additional investment opportunities, the Producers could find universal/variable life

attractive financial tools for their financial security in later years.

5. Producers have dabbled in the stock market, particularly with individual stocks --more so than with mutual funds. They are tied with the Entrepreneurs in highest level of satisfaction with their individual stock ownership and also express an interest in learning more about mutual funds.

FINANCIAL STATEMENT -- THE PRODUCERS

The Producers have the strongest belief in the American work ethic -- hard work produces financial success. They are motivated to get ahead financially and raise their standard of living, yet they rank ninth in income and are tied for seventh in assets. They have average contentment with their money.

For the most part, the Producers see themselves as an integral part of their financial future. They would like money to bring them more prestige than they currently have. Also, they would like their money to provide a power base allowing them to exercise more influence and control. They believe money is a tool to get prestige and power. Whereas the Entrepreneurs, the Money Masters, and the Achievers rely more on personal assets and achievements to yield power and influence, the Producers believe that financial well-being and greater financial resources will create the power and influence they desire.

They lack confidence and are anxious about making financial decisions. The level of anxiety they experience inhibits and handicaps their skills. Their self-doubt regarding financial success greatly diminishes their expectations. Their high anxiety, however, does not translate into destructive emotional spending as it does in other groups such as the Hunters. The Producers prefer saving money to spending it. They like to accumulate money even though they have not been successful in building an asset base. Their primary financial objective is greater current income. The Producers want to be involved in money management even though they don't trust their skills. They have a great trust in their fellow man's honesty in dealing with money and they are also altruistic and believe in helping those who are less fortunate.

The Producers are as much married as they are single. When married, they are very low in two-income families and tend to have dependent children in the home.