



After Further Review

Leveraging client reviews to strengthen your professional relationships and grow your business



For many advisors, the client review is, if not an obligation, certainly a formality: an annual ritual that is simply considered part of a responsible advisory relationship. Perhaps the most common mistake is to view these sessions primarily as a way to push new products and services.

Far too many advisors fail to recognize client reviews for what they actually are: rare and valuable opportunities to forge a stronger *relationship* with their clients. Too often, advisors go into these enormously important meetings shooting from the hip. The following includes best practices designed specifically for advisors to enhance their client interactions, to make the most of client reviews, and to create and capitalize on opportunities that those reviews can present.

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SHIFT YOUR PERSPECTIVE

Start by asking yourself the fundamental question: what are clients looking for that we can provide as advisors? Be willing to think about how you can fulfill those needs, even (or especially) when they might be outside your comfort zone or your standard practices. In the four classic pillars of wealth management—Build, Manage, Protect and Distribute—advisors tend to focus on the *manage* leg of the advisory table. They are all about management mechanics. But, if you take some time up front to make clients aware of *all* the services you provide (even referring them to experienced centers of influence—lawyers for estate planning, CPAs for tax planning, etc.—to add new value and depth to the relationship), clients will be more likely to utilize your services and rely on your counsel going forward—growing the relationship and your book of business concurrently.

AGENDA-DRIVEN

Go into your client reviews with an agenda. Take the time to learn what is going on in your clients' lives, prioritizing fact-gathering and any new information regarding changes in their situation. Based on that input, proceed to educate and inform them about additional services you offer that could benefit them. Spare them the hard sell. Even if you wind up just setting potential opportunities down the road, a more relaxed approach will literally—and figuratively—pay dividends.

Go into every review with a plan, and make sure you execute that plan and follow through on this basic agenda over the course of the meeting:

- Touch base
- Learn additional information about the customer
- Provide potentially valuable information to the customer
- Explain why you are good at what you do
- Explain why that matters to them (see below)
- Get them on board

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EXPLAIN WHY IT MATTERS TO THEM

Too many advisors get hung up on talking about their great performance, or their impressive insight, or how exciting their product or service is. Ultimately, however, the only thing that matters is how all of that translates to the client. Take the time to think things through, and make absolutely certain you are discussing things through the prism of client interests. If you can't tell the client what it means *for* them and why it should matter to them, you're unlikely to get their attention, keep their interest, or get them to increase their buy in. A corollary to this point is to remember to keep that same client-first mindset when sending out surveys or requests for feedback. Go beyond merely asking how you did, include follow-up questions asking how important different products, services and/or performances are to them.

BRIDGE THE GAP

To forge the strongest possible connections with your clients, understand that advisors tend to think more technically and clients tend to think more emotionally. Demonstrating your knowledge, experience and offerings help create trust with your client, which is important. But you must do more than tell them what you know, you have to ask them what you don't know about them. This is a chance to understand your clients better, and to develop a more sophisticated understanding of their personal views on things like charitable and generational giving, market sentiment and retirement plans—as well as their financial needs and priorities. Show them you care! All advisors have their own style and way of communicating, but the thing that every advisor can do to build positive relationships is to make it clear to clients that *you are here to help them*. Everything follows from that.

EMBRACE THE NEW

Sometimes success holds advisors back. Don't be afraid to try new things and expand your knowledge, services and offerings. The best advisors do the same thing: incorporating new services and products as they grow professionally. Don't be afraid to rely on subject-matter experts, even as you guide the overall process. It's a good way to leverage experience and valuable expertise that isn't your own. Having fresh services and lines of business to present to clients keeps things interesting and increases your odds of expanding your professional portfolio.



BE PATIENT

Identifying, cultivating and capitalizing on new opportunities with clients often requires subtlety and a great deal of patience. Customers tend to give you little pieces of information at a time, and trust has to be firmly established before they open up and begin to discuss more personal priorities and perspectives. With that in mind, be sure to keep in regular touch with clients in between client review sessions and meetings. Have some kind of mechanism in place to touch base on a regular basis, and use your touch points to build the relationships and educate your clients about other services you offer that might benefit them. Provided you stay in touch, this holistic long-term approach gives you ongoing opportunities to demonstrate to the client that they are receiving value for what they are paying for, and will also have you well-positioned to assist clients with market shifts, changing life circumstances and important milestones.

BUILD RELATIONSHIPS

Recognize that what you do is equally about managing money as it is about managing *people*. Relationship-building is the skillset that separates the best from the middle of the pack in this business. Understand that building relationships takes time, and doesn't happen overnight. Fundamentally, view customer engagement not as an obligation, but as an opportunity.

MAKE IT EXCITING

Liven things up with fresh ideas and new perspectives whenever possible. At the end of the day, the investment products themselves are commodities. Customers are actually paying for your engagement and your ability to listen to them and provide responsive and engaging service based on their specific circumstances.

PRACTICE TRANSPARENCY

It is essential to be completely clear and upfront about any costs associated with your offerings—particularly any new advisory services you may be describing to your client. Psych 101 tells us that even when not being deceptive, failing to share relevant information can *feel* that way. There are also legal and regulatory implications for omitting or misrepresenting material information. In extreme cases, it can be a relationship killer or worse. Make sure to use the word “costs” instead of “fees.” Clients tend to be more receptive to cost-benefit calculus, and the fact that investment management expertise comes with a cost is somehow intuitive—whereas fees tend to feel like an unwelcome financial penalty.

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FAMILY MATTERS

Make sure you involve the family of clients when appropriate. If possible, take the time to talk to the kids and build a relationship with them, as well. A lot of representatives lose business and expose themselves to unnecessary risk by not involving older kids in their senior clients' meetings and business decisions. Sometimes that inclusive approach may even mean involving outside accountants or attorneys. Essentially, it behooves you to be smart about connecting with anyone who could, should or might one day be involved in making decisions about your clients' assets.

TAKE YOUR OWN ADVICE

Work to maintain a holistic view of your own business. Don't get so lost in the financial ebb and flow that you fail to take the practical steps required to *build* your business! That means making sure you have the tools and technologies to manage your data better, and evaluate and reward or replace employees who aren't performing. In other words: don't just focus on the dollars and cents, but also the nuts and bolts. That's a recipe for success with your clients, and it holds true for your own operation, as well.

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