

*"The ultimate success of a financial services practice relies on maximizing your Return on People and Return on Process"*  
Krista Sheets & Sarah Dale

I just returned from a meeting of 75 top human capital management consulting firms where we discussed the "people challenges" that businesses are experiencing during this time of job insecurity and economic turmoil. No matter what industry, a resounding theme of the conference was the importance of leaders to be positive and to support their people so they can excel at taking care of clients. Our industry is probably experiencing more scrutiny and uncertainty than any other. That is why it is even more important for us to be PROACTIVE. This newsletter features two articles on how you can build strong relationships with your clients and your team. Please feel free to share the content of this newsletter with anyone to whom you feel it may be of value.

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### Are You Delivering Differentiating and Memorable Service? by Sarah Dale, Know No Bounds LLC

The Ritz is often used as an example of exemplary service. It is one thing to READ about their service initiatives to ensure that every guest encounter is memorable; it is quite something different to EXPERIENCE it yourself. By creating an environment where each individual on your team feels understood and appreciated, you establish a foundation by which to increase their commitment and better serve your clientele.

So often our industry defines sales and service as two separate entities – this is a critical mistake! Executed correctly, the service you provide to your clients should be driving your revenues as well as increasing your client retention ratio. Service is not just about REACTING to specific incoming requests; it is about creating and consistently delivering a PROACTIVE and customized experience with every touch point – every encounter.

*"Do what you do so well that they will want to see it again and bring their friends."*  
Walt Disney

In a 2006 survey that Krista and I conducted, we learned that there are a significant number of financial professionals who recognize that they need to transform their current service model in order to exceed expectations. By doing this, they will not only RETAIN current relationships, but will also increase the depth of the relationship and subsequent referrals provided.

#### Survey Results – Proactive versus Reactive Service

##### Reactive

- ★ Responding to client inquiries and requests – 56% say works extremely well
- ★ Responding to service problems or mistakes – 50% say works extremely well

##### Proactive

- ★ Communicating with clients on a proactive basis – 50% needs some or significant improvement
- ★ Conducting client appreciation activities or events – 59% needs some or significant improvement
- ★ Showing clients you appreciate their business – 50% needs some or significant improvement
- ★ Capturing all/most of your client's investment assets – 40% needs some or significant improvement
- ★ Anticipating your clients' non-financial needs – 54% needs some or significant improvement
- ★ Getting to know your clients' family members – 64% needs some or significant improvement

Every advisor's book of business is different, but service is typically extremely important to most clientele, and based on a number of industry surveys, is often more critical than performance. Service is ultimately the only thing within your control. No matter how much research and due diligence you perform, you cannot predict performance. Your differentiation comes in the form of advice and memorable service! Begin by asking yourself some questions –

- Have we lost any IDEAL clients in the last 12 months? If yes, do we know the reason? (performance, advice, service, or other)
- Do we treat all of our clients equally? Do our best clients get a higher level of service than our lower tier clients? If so, what are those differences? Do we spend ample time with our best clients? If not, why?
- Do our clients understand our value proposition, especially as it relates to the service we deliver?

Arguably, most financial professionals understand the importance of service. The challenge comes with establishing a model that is both differentiating and one that can be delivered efficiently. A good starting point is for you and your team to ask some questions about your current model and practice.

### How do we currently set service expectations with our clients?

The success of client relationships is based in part on whether we are falling short, meeting, or exceeding their expectations. Yet, so often we don't even know what those expectations are! We may be diligent in trying to discuss realistic performance expectations, but are we really establishing a benchmark for service expectations? It behooves the team to ensure that you set expectations from the onset of the relationship. One of the best tools to accomplish this goal is to use a SERVICE AGREEMENT – a personalized document which outlines the specific service commitments you make to your clients and exactly what they can expect from your team.

### How well do we KNOW our clients?

Providing customized and memorable service to your clients is predicated on your KNOWLEDGE of each relationship. Are you a team who uncovers the minimal amount of information in order to open the account and get the business done? Or, are you a team who spends that extra time getting to know your clients on a deeper level? A FACT FINDER is one of your most vital client retention tools. You need to ensure that you are gathering financial, professional, and most importantly, personal knowledge on each of your relationships! It is the personal "intel" that allows you to really customize your service from a communication and appreciation standpoint. Delivering a plant to your client who has a passion for gardening, or a bottle of wine to your wine-lover client, will be far more memorable than the standard chocolates or tin of peanuts! If you want to retain your best relationships, you must KNOW them on a deep level.

### Are we really delivering the ideal client experience?

Here you should step into your clients' shoes and think through all of the varying connection opportunities or touch points, including phone calls, office visits, emails, letters, and so on. What do your clients experience when working with you and your team?

- Are we communicating with our clients often enough?

- Do all of our communications have some perceived value to the end recipient?
- Do branch associates greet our best clients by name when they arrive in the office?
- Do our clients know how much we appreciate their relationship?
- Are we doing WHAT we said we would do, WHEN we said we would do it?
- Have we established processes to deliver 5-Star Service to our clients efficiently and consistently?

The foundation for delivering exemplary service includes KNOWING your clients: set those service EXPECTATIONS together so you have the benchmark to exceed them and subsequently deliver that IDEAL CLIENT EXPERIENCE with each and every encounter.

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## Client Loyalty Starts in the Office

by Krista S. Sheets

When I first entered this industry in 1997, I was fortunate to have read *"The Loyalty Link, How Loyal Employees Create Loyal Customers"* by Dennis McCarthy. The book gave me inspiration and was the beginning of the formation of my belief that we must surround ourselves with great people if we want to be great. I grew up in a very entrepreneurial environment where I learned through the "school of hard knocks." The best lesson I learned in my family business was how NOT to manage and motivate people. I could never thank my dad enough for this fact and he laughs when I say that because he knows all of my formalized training since leaving his business has been to counter this bad knowledge. I know that his non-motivating company culture was the Achilles heel in his business and I don't want the same for you.

In *The Loyalty Link*, McCarthy states, "businesses that develop loyalty links to their employees (team members) will consistently retain loyal customers (clients) and gain a competitive edge." You must create a working environment in which your people go out of their way to exceed client expectations because this results in profitability. To do this, you must be committed to your team. You must build a strong team culture to deliver excellent service. We offer the following quick tips to help you:

**Be positive** – Every individual and team faces negativity and challenges, but the best rebound with positive energy, resilience, hope, and faith. The best stay positive and don't let adversities and obstacles sabotage their individual and team success. The best don't let naysayers and energy vampires keep them from their goal. The best teams get on the bus together, stay positive, and move forward with a shared vision, focus, and direction.

**Right Person + Right Job = Right Results** – As you push your business forward during difficult times, never forget the value of surrounding yourself with extraordinary team members. The right people in the right jobs get better results faster, which creates a positive, fun work environment. If people are

*"Teamwork is the fuel that allows common people to attain uncommon results."*  
Andrew Carnegie

not well-suited for their jobs, then stress, frustration, procrastination, and boredom usually surface. They may be performing ok in their jobs, but at what cost to them and your business? Is "ok" really good enough in this competitive market? I don't think so. Your focus should be to

put them in the right roles so that they will become superstars. Start by clearly defining roles and responsibilities for your business and then assess each person so you can match up the right players.

This involves understanding the unique attributes of each team member. We utilize the Managing For Success Behavior and Workplace Motivators Assessments in our Team Development Process to do this.

**Focus on strengths, not weaknesses** – Once you understand each team member's attributes, you will probably discover that you will need people with complementary skills to provide a well-rounded practice and to effectively complete all of the work. The leadership of the team needs to manage these differences for maximum performance. While doing this, you must focus on the strengths of your people, not their weaknesses. If you relentlessly focus on the negative aspects of a person, you will get negative results. The Old School of Management believes that when you force training on someone, criticize, or threaten disciplinary action, you will change a person's behavior. People change for their reasons, not yours. The New School of Management believes that you must focus on who you are and develop your positive talents. It's a waste of time to work on what we are not. Give people feedback on what they do well and you will see them improve in other areas because they will feel highly motivated and respected for their contributions to the team. People have one common thing...they are different. Maximize their differences.

**Believe you are never complete** – The most successful people always strive to be better. Never stop learning - personally and professionally. As they say, *change is inevitable, growth is optional.* INVEST in the development of your people. Provide your team members with learning opportunities through training sessions, online resources, mentoring, etc., and you will provide them with an everlasting reward.

**Take time to build relationships with your team members** – If you want them to care about you, your business, and your clients, you must show an interest in them. What are their needs? What motivates and drives them? Where do their passions lie? What makes them get up every morning and come to work? You might be surprised by their answers. Periodically set time aside on your calendar for a lunch with each of your team members to check in with them and forge a stronger relationship.

**Seek input, gain insight** – Advisors who conduct client surveys and act on the insight that they obtain, are able to build successful, sustainable businesses. When was the last time you conducted a team survey? Do you put open discussion on the agenda for your weekly team meetings? If you start sharing your ideas when you are trying to solicit input from others, they may be less likely to share their possible solutions. Why? They assume that you already have a plan or an answer. If instead you let them share their ideas, then chances are one of them will come up with the same thoughts you had. That idea will be much more powerful if it comes from the group instead of you. Talk less and demonstrate your interest in others; communication is a two-way street. If you are not aware of your own communication style or the styles of your individual team members, you could be behaving in a way that closes the door of communication with them. The Managing For Success Behavioral Assessment provides specific do's and don'ts for communication that everyone on your team should use to improve communication effectiveness. There are a few general rules that your team should follow to make improvements in this area: make sure that you encourage the team to make comments that others will not take as a personal attack, but rather for the purpose of sharing perspective; agree to disagree; and actively seek input from others by applying the Platinum Rule: "*Treat others as THEY would like to be treated.*" Encourage an open forum for discussion and you will gain insight that will help you make wiser business decisions.



## Results-Driven Solutions February 2009 Newsletter by Krista S. Sheets, President

**Celebrate success, discuss failure** – When things go well, the team should take time to celebrate. This encourages a positive work environment. Ray Kroc once asked, "Are you green and growing or ripe and rotting?" Teams stay green and growing by not only learning from their mistakes, but also by identifying exactly what they are doing well. Further, they build on what they are doing well by asking themselves, "How can we do this just as well in other areas?"

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### NEW WORKSHOP OPPORTUNITY – DRIVE REVENUE WITH 5-STAR SERVICE!

In order to retain ideal client relationships and attract new ones, SERVICE is paramount. You must have a service model in place that adequately articulates, demonstrates, and validates your value proposition. Our new workshop provides participants with a simple process and enumerable tools which lead to dramatic results including:

- An **increase in both assets managed and revenues generated**
- An **increase in asset retention, client retention, and loyalty**
- An **increase in referrals**
- A more **efficient practice and team**

This program is being offered to firms and industry associations as a 1 day or 1 ½ day program.

*Visit our website at: [www.paragonresources.com/services/knowserviceworkshop.php](http://www.paragonresources.com/services/knowserviceworkshop.php) for more information.*

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### TEAM DEVELOPMENT PROCESS

Invaluable tools for determining if you have the right PEOPLE doing the right JOBS in your team. This process includes personalized consulting on the strengths, motivators, and unique attributes of your team members. We utilize well-researched and validated online assessments to identify the talents of each of your team members, and give you tips on how to define your team infrastructure, individual roles and responsibilities, and increase communication and management effectiveness. Included in the process are two 60-90 minute telephone consulting sessions to help you act on the results.

*Visit our website at: [www.ParagonResources.com/products/team.php](http://www.ParagonResources.com/products/team.php) for more information.*

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If you have any comments or suggestions on how we can better assist you and your practice, please know that we welcome your input. If you are looking for assistance on a specific project, please feel free to contact us so we can craft the best solution for you using our own expertise or that of our strategic partners.

Warmest regards,

Krista

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