

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

## OPPORTUNITY IS KNOCKING...ARE YOU OPENING THE DOOR?

A survey by Prince and Associates found that 81% of investors with over \$1 million of investable assets plan to take some of their assets away from their current advisor, with 86 percent recommending that other investors do the same. Are you one of those advisory teams who are losing great clients in these turbulent times or are you one of those advisory teams capitalizing on this unprecedented new client acquisition opportunity?

The advisory teams who we work with have committed to providing memorable service over the years and are now the ones thriving in this uncertain market. In our People + Process = Performance™ Model, we emphasize the importance of developing service initiatives and internal systems to drive revenues. This article reminds you that the right kind of **MINDING** in your business should lead to profitable **FINDING** opportunities!

As a reminder, **FINDING** involves all rainmaker activities and functions. Here you focus on marketing and sales. Finding is everything it takes to uncover new prospects, new relationships, new assets, new business, etc.

**MINDING**, on the other hand, involves all activities that relate to taking care of your relationships. Minding is everything you do to proactively service your most important relationships so that you build client loyalty and advocacy. You want your clients to come back for more and actively make qualified referrals. Minding is also everything you do in the area of practice management, such as business planning and team development. In this article, we will focus on the client relationship side of minding.

If you have SERVED your clients well, regardless of portfolio performance, they should not only stay loyal to your practice, but also provide you with qualified referrals. Yes, we are saying you should be receiving referrals now, even in these tough times. Those advisors who are receiving referrals are the ones who have not only articulated, but also demonstrated to their clients the value they bring to the table. Even with portfolio balances substantially down, clients appreciate those advisors who have proactively stayed in touch with them, made adjustments where they were needed, and ultimately delivered on the service expectations they committed to at the onset of the relationship. These clients are hearing horror stories from their neighbours and friends whose portfolios may be down over 40% and have not had any real communication or action from their advisors in months! It is this

### People + Process = Performance™



disgruntled client base that you need to be aware of, and it is your current clients and centers of influence who should be introducing you to them.

Many people define service as the reactive activities you HAVE to perform to call yourself a financial professional. When we discuss service with our coaching clients, we are actually talking about the PROACTIVE strategies that you need to have in place to build client engagement and profitability. The right service model for your ideal clients leads to three key new business opportunities:

**How-to Book and Tools Resource:**  
Visit [www.BoundlessPublishing.com](http://www.BoundlessPublishing.com) for more information on the *Know Service: Connect with Clients. Shape Your Future. Differentiate You!* book and support resources.

1. **Organic Growth Opportunities.** Remember that most clients have at least two financial advisors. The right type of service will ensure that you are their number one, and we hope eventually, their sole, trusted advisor. Delivering on your service commitment will lead to more business and maximizing your existing relationships. Consider the following example:

*Advisory Team A, who has a systematized communication plan as part of their service model, began to reinforce their offer to provide a **second opinion** on outside assets in the fall of last year. Although they thought they had most of their clients' assets, these difficult times proved them wrong. Simply readdressing this topic has led to \$50 million in new assets coming in the door. They learned that many of their clients did indeed have a secondary or tertiary advisor and accounts elsewhere. And, because those other advisors hadn't communicated well over the last few months, the clients became willing to move the accounts to Advisory Team A, who had executed on their service commitment.*

2. **Multi-generational Relationship-Building Opportunities.** Providing truly personalized service to your clients means knowing them on a deep and personal level. Additional fact finding will lead to further developing the relationship to include parents, grandparents, children, and grandchildren. With the baby boomer generation demographic and wealth transfer statistics (although they have declined from six months ago), your service is the element that will help ensure that you retain assets through the generations.

*Advisory Team B has been utilizing their client meetings to ask how other members of the **extended family** are doing. They heard some horror stories of how family members had been treated and were able to establish meetings with parents, grandparents, aunts, and uncles to help them. Again, a vast amount of new assets came through the door and family members were grateful to each other as well as the advisory team. This team is now certainly one step closer to ensuring that they retain assets through the generations by developing relationships accordingly. They had already demonstrated to their existing relationships their service and value, which led to warm introductions of other family members and subsequent new business.*

3. **Referral Opportunities.** Your clients become so wowed by the service your team brings to the table that qualified referrals begin coming your way at a faster pace than ever before.

*One of our favourite stories of customized service in the form of **appreciation** seems appropriate to share here. We were working with Advisory Team C on improving their personalized appreciation to top clients rather than always sending generic gifts. A week or so later, a client came into their office and asked for a check for \$40,000. He explained that*

*he and his wife were finally going on their dream safari. They'd talked about it for decades and they had finally decided to go. After the client left the office, the advisor asked his assistant to purchase a book on African Safaris, and for \$18, she did so. A handwritten note signed by both the advisor and the assistant was delivered along with the book the following day. Several weeks later, the client invited friends and family over to their house to look at the slides from their trip and included an invitation to the advisor and sales assistant. As everyone was sipping on cocktails, the client said a few words before starting the slide show. He shared how wonderful their trip was and mentioned that it actually began three days before their departure when they received a beautiful book on African Safaris from their financial advisory team. He then pointed them out in the room and indicated that he'd worked with many advisors over his lifetime, but had never been given such a **customized and thoughtful gift**. He and his wife had received chocolates and peanuts every year at Christmas from varying advisors but never something so apropos and timely. All eyes were on the advisor, and within 6 weeks, the team initiated 36 new relationships and transferred the original clients' outside accounts from other firms! A simple \$18 book, which had specific relevance to a top relationship, delivered with a personalized note, led to tremendous new business!*

So many advisors miss the service opportunity. When you truly execute on a proactive model and deliver memorable service to your clients, it will indeed lead to FINDING new business. Devising a service model that leads to new client and asset acquisition decreases the financial and time expenses of more traditional marketing methods and increases the loyalty of your existing relationships! In the last example, there was no advertising, postcards, or cold calls – just \$18 and the 5 minutes that it took to write a personal note resulted in an endorsement to 42 potential prospects, of which 36 converted!

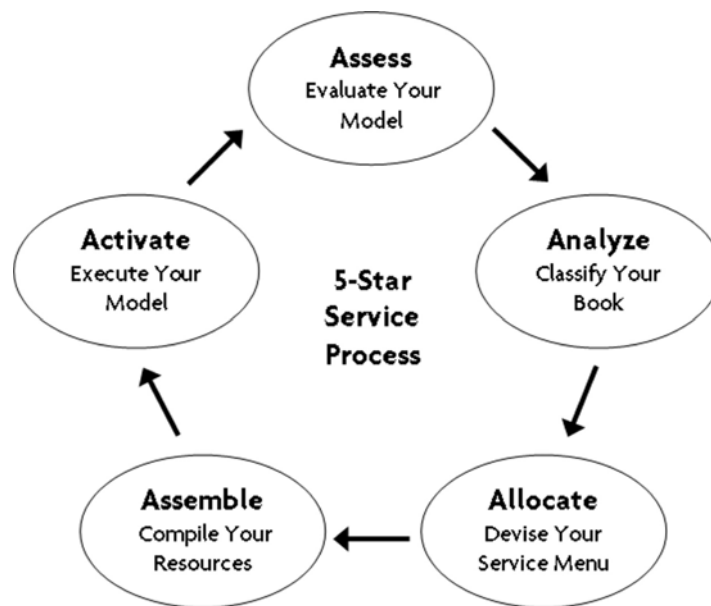
So ask yourself,

- Does your team have a well-established proactive service model that is driving new business?
  - Are you executing on that model consistently?
  - Are you demonstrating that “wow” service that leads to referrals?
- Is your practice growing from referrals or is your business solely dependent on more traditional marketing methodologies?
- Does your team have a compelling story to tell to prospects so they understand what you and your team bring to the table?
  - Can every member of your team articulate that differentiating story?
  - Does that story include your service model?
- Are you able to answer the questions, “why should I do business with you?” or “what makes working with you different than my current advisor?”
  - Are you using a sample service commitment agreement to help answer that question and DEMONSTRATE your service philosophy rather than just using words? (Visit [www.BoundlessPublishing.com](http://www.BoundlessPublishing.com) to purchase our book, Know Service, which includes a sample service agreement.)

Maximizing the current client acquisition opportunity is first and foremost predicated on whether your clients have TRUST in you (in the absence of trust, there is no relationship) and whether you have delivered on your service commitment. For successful advisors who have DEMONSTRATED said elements, these turbulent times provide that opportunity to ARTICULATE your story and value proposition to new prospects. This is the time to share your service model and establish expectations. This is the time to introduce all members of your team so clients can see there is more than one person behind their financial future. This is the time to capitalize on other advisors in your town who have not demonstrated a high value service model. This is YOUR time! For those advisors who have focused on MINDING their relationships, these turbulent times create an increased marketing opportunity to FIND more business!

### CLIENT SERVICE INVENTORY

The following inventory was developed based on the 5 Steps to 5-Star Service Process we created. Each step is a building block to develop a practice that allows you to connect with your clients, shape your future, and differentiate you!



Think about the following questions when reviewing the effectiveness of your service strategy. Don't just quickly answer "YES" or "NO" to these questions. Consider how well you are doing in each of these areas and what you can do to further improve them.

- Is your book segmented into A, B, and C (or similar) client levels?
- Do you use other factors or data (other than financial or quantitative) to establish your client segments?
- Do you include the segment level in your contact management software so that all members of your team can view it?
- Do you have a written definition of your ideal client relationship that includes what you will do and won't do for your clients?

- Do you migrate lower end or less profitable clients out of your practice on a regular basis?
- Is your office environment attractive to your ideal clients and does it properly represent your practice?
- Do you provide a different level of service to each of your client segments?
- Do you spend most of your time on your top tier clients?
- Do you utilize an organized communication plan to ensure that you are contacting your clients on a regular basis?
- Do you provide CUSTOMIZED appreciation tokens to your best clients? (i.e., they receive something that connects specifically to their passion, rather than a generic gift)
- Do the members of your practice understand their roles and responsibilities as they relate to clients and client service?
- Do you maximize your firm's resources?
- Do you maximize your technological resources?
- Do you proactively educate your clients on all the services provided by your team and practice?
- Do you maximize the resources of external partners such as wholesalers, COI's, etc.?
- Do you have standardized processes, checklists, or standard operating procedures for all client activities, meetings, and interactions?
- Do you use an organizational tool (i.e., calendar, CRM program, "tickler" system, etc.) to ensure your clients get regular communication?
- Do you articulate detailed service expectations to your prospects?
- Do you re-profile your clients on a regular basis?
- Do you use a written commitment agreement with your clients?
- Do you conduct regular client surveys to solicit their feedback about the service and communication you provide (not just the advice you provide)?
- Do you solicit feedback from external partners such as wholesalers or centers of influence on the service your practice provides and how you can improve your relationships with them?
- Do you hold regular team meetings to assess your service goals and the strategies and tactics developed to achieve those goals?
- Do all members of your practice have a "voice" when providing ideas to improve the practice?
- Do you update your clients on the service improvements your practice makes so they know their feedback is taken seriously?

If you answered "NO" to any of the above questions or if you think you can do a better job in differentiating your practice by the service you offer, then our Know Service book is for you.



## Results-Driven Solutions March 2009 Newsletter by Sarah E. Dale and Krista S. Sheets

### 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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