

## S.H.I.F.T.ing to a Successful Practice

### First of Five Articles

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It's not easy for advisors to do many things well at once – investment, developing and enhancing relationships with clients, supervising employees, managing a budget, marketing to prospects, and overseeing operations are all vital. Some days there seems to be no end to what needs to be done! And then there are the second-guessers and consultants saying “do this” and “do that” to grow your business or run it more effectively. “When?” Advisors reply. “When do I find time to do what I need to do, and where do I start?”

I've had success juggling these competing challenges, and a client recently asked me to formalize how I manage multiple priorities and what works effectively for our clients. In response, I created the S.H.I.F.T. Model for Success™. The components of this model have proved effective for everyone from one-person firms to the largest firms in the investment industry.

The components of the S.H.I.F.T. Model™ are (**S**) Specify the Desired Outcome, (**H**) Highlight and Categorize Obstacles; (**I**) Identify the Human Element, (**F**) Find Alternatives and (**T**) Take Disciplined Action. This is the first in a series of five articles that will outline each of the steps that advisors and wealth managers can take to implement productive changes. Let's begin with a look at the (S) step – Specify the Desired Outcome.

It may sound easy to simply set a goal. After all, you know what you want to accomplish, don't you? But therein is the rub for most advisors. When I ask advisors, “What are you trying to accomplish” or “What's your goal?” I get responses like, “I want to grow” or “I want to operate more efficiently.” These answers are too vague. With such broad aspirations, it's hard for anyone (including the advisor and their staff) to know exactly what steps will help them achieve the goal.

Vague, general goals present no opportunity to plan or measure. One client of mine had set a goal of “doubling business in the next five years.” When we dug deeper, it became clear that he had no idea of how to go about achieving the goal, what measurements he would use to gauge progress, or even what his current level of achievement was that he wanted to improve upon. He had no idea whether or not simply doubling the business would achieve what he really wanted, which turned out to be enough new revenue to hire additional staff so he could work a little less. This is a classic example of how a simple goal may not define what the person or firm is actually trying to achieve.



In another case, a firm was clear that they wanted to improve the professionalism of their next generation of leaders, and the difference showed. They defined what their desired outcome looked like, how they would measure improvement, what their staff would be doing when they reached the desired level and where the staff was now (which uncovers the “gap” from here to the goal). This clear definition allowed them to develop performance objectives, implement a reward system, establish a coaching process and follow an overall developmental plan that they could track and measure along the way. The next generation could also track their own progress, and actually asked for help when they needed it. The more clearly the outcome is defined, the more able firm leaders are to bring other team members on board.

To take another view of this, think about the way you work with clients. Most advisors would not invest on behalf of a client before they knew *unambiguously* what the client was trying to accomplish. As an example of seeking clarity, imagine if a high-net worth client said to you, “I just want to be able to donate some money when I die.” You would want to know how much money, where to donate it, or whether to allocate the funds now or in their estate. You would ask questions to clarify what success looked like to your client. What does “donate some money” mean to that particular client? And, without knowing these answers, you’d be taking a best guess as to whether or not what you were doing would meet the client’s actual desired outcome. Take the time to ask all the important questions – and then really listen.

In other words, they would not take action without knowing the client’s definition of success. Advisors often fail, however, to apply that same rigor to managing their firms. I’ve observed many firms that have invested in seminar programs and coaching hoping this would produce growth or that have hired the “perfect fit” for a role, believing she would improve business practices. Months later, to their dismay, they find it was time and money wasted.

“Specify the Desired Outcome” means taking the time to clearly and specifically articulate what success looks like to your practice. What does growth mean in terms of assets, numbers of clients, from what channels and at what percentage rate each year? What are you actually trying to accomplish with the growth – is it simply to make more money? To show a predictable increase in assets because you hope to sell the firm someday? To improve the bottom line? Take the time to clarify and understand the motivations behind the goals you’ve set – paint the picture of what will be different for you when you reach the goal.

Most importantly, know how you will *measure* success to know that your goals have been accomplished by using the S.M.A.R.T. process of goal-setting. Make sure that your goals are Specific, Measurable, Action-oriented, Realistic and Time-bound.

In the S.H.I.F.T. process, the first step is to identify your top three priorities over the next one to three years. What are those things that you believe will make the biggest impact for



you? They could be many different things for many different firms, so first isolate the top three for *your* practice. Next ask yourself “why?” questions at least three times. Why did you select these three priorities? Why do you want the things you’ve chosen to be different? Why will it be good for you or your firm when you accomplish these goals? Uncover the reasoning behind what you have set out to do. Then specify the goal as clearly as possible by painting a picture of what success looks like. How will you measure it? How will you track progress toward it? Who needs to be involved? What are your time constraints? Budget constraints? Be so clear in specifying outcomes that even someone outside of your firm could read your objectives and know exactly what you are striving toward.

Once you have written S.M.A.R.T. goals, communicate them to others so that anyone who might be involved in their implementation knows what they are aiming toward for success. Motivation starts by knowing the goal, how it will be measured and understanding our own individual contributions toward achieving it. It matters little if the upper management knows the specific objectives to a “T” if that information isn’t filtering down to those who will actually implement the changes. I’ve seen many firms where the staff has no idea whether the firm is deemed to be successful or whether their contribution is making a difference. When staff members have no connection to progress or don’t know what’s working and what’s not, it’s hard to expect them to really care and invest themselves in getting to the desired outcomes.

This week, take the time to review what you are trying to accomplish, pick the top three most important and highest-impact priorities for your firm, and write them down in a clear, specific, measureable, time-bound, understandable and tangible manner. Then circulate them within your practice. In my next article, I’ll discuss the importance of (H): Highlighting and categorizing obstacles. In too many cases, advisors don’t consider what has stood in the way of meeting their goals. The (H) step identifies these obstacles so they can be dealt with and overcome.

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