

ADVISOR PERSPECTIVES

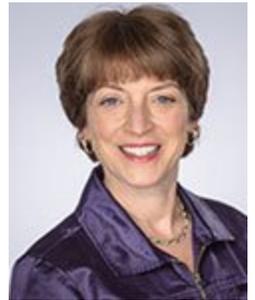
Closing the Difficult Prospect

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by Beverly Flaxington

Beverly Flaxington is a practice management consultant. She answers questions from advisors facing human resource issues. To submit yours, email us [here](#).

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Dear Bev,

We have a strong outbound marketing campaign happening. We have received a number of interested inquiries for our financial planning services, so it is going well. In more than 80% of the cases, however, we have a conversation, get interest from the person or couple and provide a proposal for our services, but we are not able to finalize the business. We follow up pretty religiously with email and phone calls, but most times we don't even hear back from the person with whom we have been talking. Obviously we are doing something wrong, but we can't figure out what it is. One of my colleagues thinks it is the timing – between the election chatter and the market ups and downs, people aren't making decisions to move money. I could buy that for some situations, but not for 80%. Do you have ideas about what we could try differently that might lead to better results?

Joseph D.

Dear Joseph,

Have you been able to discern anything that is different in your approach from the 20% that have become clients? Some things that come to my mind for you to consider:

1. How well qualified are the people who are coming through these marketing efforts? It can be great to have interest, but qualification depends on the type of interest. In other words, let's say you are just sending out something basic like a "Free Report on Current Economic Market Conditions." Many people will respond to get the free information, but they may not have any interest in actually investing or finding a new advisor.
2. If you aren't doing something this basic, the next place to consider is your questioning process in the early conversations. It is common to ask questions like goals, retirement objectives, family situation and risk tolerance, but when a person or family is coming to you because you have done

outbound marketing, you want to find out “why?” Why now? Why not six months ago or six months from now? What’s happening today that prompted them to reach out? If they just say they want to learn or they are interested in what you have to say, they may not have a real need to work with you. Unless someone can articulate need and desire, it can be hard to get them to close in a timely manner.

3. What’s your established sales process? Do you have a clear step-by-step that you can outline for a prospect early on in the discussions? You should be able to articulate what you will provide, what they should do and what the typical timing is. I’ve seen too many cases where the prospect gets a proposal or asks for information, but the process for decision-making hasn’t been established. You want to outline a partnership approach; you do something, but they do something too.
4. Be sure you are asking for the business in a formal way. It’s surprising, but many times advisors will assume the close is clear, or they send the proposal with just a note saying, “I look forward to hearing from you.” You want to be clear – “We really want to win your trust and your business. We’ve spent a great deal of time putting together this proposal. Is it reasonable to expect an answer by ____?” State your interest, and get their commitment.

Dear Bev,

One of my top team members has been complaining more and more about the expectations for his role, the pay scale and the working conditions. He wants to work from home half of the time, expects to get paid more for retention and has generally become a naysayer. I don’t want his negative attitude to infect the rest of my team. I am inclined to pull him aside and tell him to knock it off, but I’m not sure if that will incite him rather than solve the problem.

M.S.

Dear M.S.,

This is definitely a difficult issue, but I’m proud of you for inquiring about what’s best rather than just telling him to “knock it off!” When employees of any level get into the state you are talking about, it’s typically because a few different things have built up. They are frustrated and irritated, so telling someone like that to just stop is an exercise in futility at best and at worst can create a Mount Vesuvius reaction.

Over the years, I have coached thousands of people, and one thing I find is that when they complain about their pay or their working conditions, something has happened to set them off. They learned what another colleague is making, they have family issues they are trying to balance or another firm with a more attractive package has tried to recruit them. It’s usually some trigger event that creates the negativity, and it just builds from there.

I suggest taking him aside and saying you have noticed he seems unhappy. Seek to understand a bit about what is going on. Many times, leaders don’t want to seek to understand because they believe it puts them in a position of having to address the concerns. You don’t. He is being paid whatever you

and he have agreed – to this point – is fair (unless you have changed your compensation program and that's another story). Working from home may or may not be the right thing for your culture and his clients. It doesn't mean you have to give in to his requests and concerns, but maybe if you listen to what's underneath them and learn a bit about where the attitude is coming from, there is something you could do. At a minimum, you would show him you care about him as a team member and want to know what's going on.

Beverly Flaxington co-founded The Collaborative, a consulting firm devoted to business building for the financial services industry in 1995. In 2008, she co-founded Advisors Trusted Advisor to offer dedicated practice management resources to advisors, planners and wealth managers. She is currently an adjunct professor at Suffolk University teaching undergraduate students Leadership & Social Responsibility. Beverly is a Certified Professional Behavioral Analyst (CPBA) and Certified Professional Values Analyst (CPVA).

She has spent over 25 years in the investment industry and has been featured in Selling Power Magazine and quoted in hundreds of media outlets, including the Wall Street Journal, MSNBC.com, Investment News and Solutions Magazine for the FPA. She speaks frequently at investment industry conferences and is a speaker for the CFA Institute.