

## Not a Planner and Proud of it!

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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,

*I entered the investment industry almost 28 years ago because I am fond of investing and good at what I do. My clients come to me because they need good investment advice, not because they need a therapist. I am not interested in being their confidant or understanding all of their issues, personal or otherwise, and I do not see a need for this. One of my investment managers has been pushing us to be better planners. This includes having all kinds of personal questionnaires to cover with clients. This seems strange to me – to ask existing clients I have known for years very personal questions that I have not asked before. Is this really a necessary transition? My clients are loyal and seemingly very happy.*

Mark P.

Dear Mark,

This is a very loaded question, and there are a number of responses. First, as I have said in previous columns, there are many ways to be “in” the financial advisory or wealth management business. Not all financial advisors are planners. Some are excellent investment managers, and that’s what their clients hire them to do. What’s important is to be clear about what you do, who you do it for and why it is important or better or different from what clients could get elsewhere. Your market may well be one where investors are coming to you purely for your investment expertise, and that could be fine. Carving out a niche, defining it and being clear about it is my first piece of advice.

Next, you do want to consider the request coming from one of your team members. If this person is valuable to you, and more robust planning is important to them, is it worth letting that person or others in your firm offer some enhanced services? Could they work with their clients in a different way without cannibalizing your overall brand? I’ve seen many firms where advisors have their own unique approach in working with clients, although the underlying investment philosophy remains the same.

The last thing I would ask you to consider is whether your clients might actually benefit from having you ask more questions about what they care about and why. If you have been doing this for almost 30 years, some of your clients may be older and possibly facing retirement or passing their legacy on to children or grandchildren. They may have philanthropic interests or worry about longer term medical costs. I don’t know the specifics of your client base, so this may not be accurate but it would be unusual if no one you are currently working with had issues or concerns outside of how their portfolio is allocated. You might try broaching this with a client who could be open to a discussion to see if they are receptive. Again, as with your team member who wants to engage differently, not all clients may respond to it. But if a few of them do, you will have learned more about them, and more information is usually only helpful, not hurtful when it comes to personal or family finances.

Dear Bev,

*If we have clients in very dispersed geographical areas, is it really possible to have client events that are going to yield any results? I’m not convinced that having a 5-7-person event is worth our while at all.*

Nancy B.

Dear Nancy,

Doing any form of client event or client entertainment takes time and money, so I certainly understand your desire to be strategic about this. I know a number of firms with clients who are spread out geographically and yes, I would agree that the traditional idea of having a large client event often doesn't work well when this is the case.

I have seen many large events work, but I've also seen advisors have great success with smaller, more targeted events. For example, one advisor we support has clients in about 5 different cities, not even locally dispersed but actually in different states. Twice a year they will pick several clients on these locales and will reach out to do a more personal "event." They might have their client invite someone to a nice dinner, or they may do a luncheon for local accountants or attorneys in the area where their client is based. There are costs of travel involved, but they find that their clients enjoy seeing them and realize they have traveled to be there. Because of that, the response in terms of "bringing a friend" or introducing the advisory firm to others has been fairly strong.

While not as optimal, you can also do webinars or hold conference calls for clients who are not physically able to get together. Find an interesting topic, not just a conversation about the market, and be sure to let clients know well in advance what you are doing. Call them and promote it since clients may not be expecting it.

If you have a client council of some sort or a few valued clients that you could use as a sounding board, you could also ask them about how best to engage people who are not physically close to you. Ask them what topics might draw clients in or how to structure a smaller event that would be meaningful. I have found that most clients like to be asked for their help. If you pose this same question to those who know you well, you might find answers that I have not given here. Good luck!

*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. In 2016 her firm relaunched the Advisors Sales Academy. She is currently a Lecturer 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.*