



Results-Driven Solutions June 2014 Newsletter

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The ultimate success of a financial services practice means maximizing
ROP=Return on People™



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Happy Summer. Hope you are enjoying the summertime! We are hearing great successes from our thriving advisory teams. Referrals, organic growth, team expansion, and a focus on business optimization are consistent themes. In this newsletter, we offer some guidance on increasing revenues through organic growth. We hope you enjoy it!

Please feel free to share the content of this newsletter with anyone who can benefit from it. And, if there is anything that you would like for us to include in future newsletters, let us know! We base our newsletter content on your specific needs and what we hear from the field. To submit a topic that you'd like to see in upcoming newsletters, please email us at info@ParagonResources.com or info@knownobounds.net.

“The rung of a ladder was never meant to rest upon, but only to hold a man’s foot long enough to enable him to put the other somewhat higher.”

~ *THOMAS HENRY HUXLEY*

Have You Optimized Your Client Base? If Not, Then Now Is the Time for an Organic Growth Lift in Your Business

Most advisors recognize that there is much growth potential within their existing client base. Recent results from [Business Insights](#), one element of our Performance Insights diagnostic resources, have reflected that many teams are missing major opportunities within the MINDING side of their practice, specifically in the client relationship management function. There are a number of different reasons for this scenario; the most prevalent of which is that for years, many advisors mainly focused on the investing side of the business, whereas now they offer a more comprehensive platform of solutions to fill ALL of their clients’ financial needs. This may

include some combination of planning, investing, insurance, credit, lending, mortgages, and/or other banking services. Yet many advisors have not adapted how they **articulate their story** to clients and prospects. Also, they are not consistently asking the **fact-finding questions** to uncover needs and offer these solutions or make the appropriate introductions to specialists or partners. Keep in mind that most investors have two or more financial advisors; if YOU are not asking the right questions to deepen the relationship, then you are vulnerable to the other advisor becoming your client's primary advice provider.

There are a number of different approaches to uncover organic growth opportunities.

Financial Plan Initiative:

Utilizing your firm's resources for financial planning often leads to uncovering the MOST organic growth opportunity due to the extent and depth of questions asked in order to complete a plan. Considerations here may include the TIME that it takes to complete the plan, WHO is responsible for creating that plan, and the FEE associated with it. Many advisors include a financial plan as part of their process with NEW client relationships. Perhaps you want to review your existing client base and create a working list of clients for whom to execute a financial plan (or at least ask about completing one).

Specialty Initiative:

Many advisors prefer to take more of a bite-sized approach and run an organic growth initiative based on a specific focus area. The focus could either be SOLUTION-specific or SERVICE-oriented. Utilizing fact-finding questions in and around insurance represents an example of running a SOLUTION-specific initiative. Offering a second opinion, risk reviews, legal document updates, or family retreats are examples of more SERVICE-oriented organic growth approaches. With today's demographic, many advisors are focusing on deepening the relationship, not just by the number of accounts (regular, joint, IRA, etc.) that a client has with them, but also by generational depth (grandparent, parent, child, grandchild, etc.) in order to retain the assets as they are passed from one generation to the next.

Full Client Base Mining Initiative:

While some advisors focus on their "B-Book Clients," as that is often where the greatest growth opportunity resides, others decide to fully review their client base and re-segment based on the totality of solutions within each current relationship. This methodology may take more time but typically leads to greater organic growth lift than a specialty-only initiative.

Integrate NEW Fact-Finding Questions into Your Client Meeting Process:

Rather than running a specific organic growth initiative, some advisors simply choose to add additional fact-finding questions into their regular client meetings, calls, or reviews. They utilize existing client encounters to articulate their full story and offerings. They share how they have evolved and expanded their capabilities to be able to assist clients with a wider array of financial solutions. After giving the client some time to react, the advisor begins to ask the fact-finding questions to uncover needs and opportunities.

Below we provide a simple process to develop your organic growth initiative.

1. PREPARE

- Adjust your story. Be sure that you and your team members are consistently articulating the totality of your value proposition.
- Get to know your internal and external specialists/partners/solution providers (based on the firm you have chosen).
- Assemble the toolbox of resources available to you for an organic growth initiative.
 - Fact-finding tools, specific questions, full questionnaires, letters/scripts, etc.
 - One-page snapshot allowing you to quickly identify what solutions & services

each relationship currently has with you so you can hone in on the gaps

2. **PRIORITIZE**

- Decide on your organic growth approach as above and create the appropriate OPPORTUNITY lists.
 - **Financial Plan Approach** – Review client base & create prioritized list of clients for whom to complete a financial plan
 - **Specialty Approach** – Consider your client base and decide which specialty area you want to focus on first. Examples:
 - Based on specific solution (example: Insurance Check-Up)
 - Generational (expand household by family, by account type, etc.)
 - Risk Review, Beneficiary Review, Legal Document Update, Estate Plan Review
 - Second Opinion (those who have assets elsewhere)

Create your specific opportunity list(s) accordingly

- **The Full Client Base Mining Approach** – Add “Organic Growth” to weekly team meeting agenda and review X relationships per week by current segment
 - Discuss quantitative & qualitative elements of each relationship; share/document personal knowledge
 - Create a weekly client opportunity list based on your analysis & discussions
 - Create a migration list for those who no longer fit your practice
- Establish goals & accountability. (WHO on team is doing WHAT and by WHEN.)

3. **PERFORM**

- Launch plan as above. Work your opportunity lists, establish client appointments, position your story, and engage in fact-finding.
- **Mine + Meet + Ask + Listen = Additional Value to Client + Increased \$ to YOU!**
 1. **MINE** your current database
 2. **MEET** with your clients
 3. **ASK** your new questions
 4. **LISTEN** for opportunity
 5. Execute on opportunity and realize new revenues, assets, etc.

4. **APPRAISE**

- Assess organic growth Initiative – track your success.
- Adjust plan as necessary – re-launch!

Organic growth is founded on the concept of **deepening** the team’s relationship with your current clients which leads to increasing assets under management, identifying cross-selling opportunities, and ultimately increasing client retention. The most successful way to uncover organic growth opportunities is through ongoing **fact-finding** and a commitment to **exemplary value-based service**. With 2+ advisors, investors gravitate to the most trusted relationship based on advice and service. Do you just **THINK** that your clients are happy with you or do you **KNOW** that they are? Do you just **THINK** that you are exceeding their expectations or do you **KNOW** that you are? The opportunity for organic growth is yours to win or lose. The risk of not asking questions or looking to optimize your client base can be the difference between client retention and client departure. And it certainly takes less time, money, and effort to manage your current relationships than it does to prospect for new ones. Initiate an organic growth initiative and increase your assets under management, overall revenues, client retention, and client satisfaction levels!

Because we believe in the collaborative approach, we offer a number of resources to add value to your platforms and help firms and financial advisors grow and develop teams and practices. Below we highlight a few of our offerings and resources:

Book: [Know Service](#): Connect with Clients. Shape Your Future. Differentiate You. 5 Steps to 5-Star Service for Financial Professionals. A comprehensive, how-to book to re-engineer your service model and reap new revenues (Quantity discounts available for firms)

Assessments:

[Performance Insights Process](#) – Comprehensive 360° assessment tools reviewing the PEOPLE, the TEAM, and the BUSINESS.

[People Insights](#) – to assist with self and team-awareness, role definition, and improve team communication

[Business Insights](#) – includes Team and Business Performance Assessments to help your sales force analyze their current team and business, identify the gaps, and create an actionable roadmap for the future

Firm Workshops & Speaking Engagements: We offer a number of [topics](#) within the areas of Practice Management, Client Development, & New Client Acquisition. Our speaking services are customized to your firm; contact us to learn more.

Firm Content Development & Tools for License: Specific tools, resources, and how-to information to help your advisors build and develop attractive, engaging, retentive, efficient, and profitable practices. Co-branded tools can be licensed for on-demand access on your firm's intranet site.

Please contact [Krista](#) or [Sarah](#) for more information.

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 that we can craft the best solution for you using our own expertise or that of our strategic partners.

Warmest regards,
Krista & Sarah

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[Results-Driven Solutions: June 2014 – Now Is the Time for an Organic Growth Lift](#)

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