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KNOW NO BOUNDS

Results-Driven Solutions July 2014 Newsletter

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

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In this month's newsletter, we discuss two team activities that focus on valuable assets in your business – your clients and your time. We hope you enjoy these practice management tips.

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.

“We are what we repeatedly do. Excellence, therefore, is not an act but a habit..”

~ ARISTOTLE

The ABC's of Client Segmentation

It is important to routinely segment your client base to become keenly aware of these valuable assets in your business. Just because you've categorized your clients once doesn't mean that you should never do it again. To the contrary, you and your team should do this on an annual basis. Organizing your client base will lead to increased awareness of not only your relationships with your clients, but also the efficiencies and inefficiencies of your business. You will ensure that your clients are receiving the appropriate level of service by conducting this review. Most importantly, your assessment of clients should also uncover new revenue opportunities. We feel that client segmentation is so important that we made it the first step of a 5-step process to 5-Star Service in our book, [Know Service](#).

With proper client segmentation, you and your team can do the following:

- Make wiser decisions about where your time, money, and resources are allocated when servicing your clients.
- Become aware of each client's value to your business and ensure that you are doing everything you can to attract and retain the best clients.
- Determine how to show your appreciation, add value, and maximize each of your client relationships.
- Uncover organic growth opportunities that lead to an increase in new assets.

While segmenting your client base, here are some questions you should answer:

- What is your primary business model – what do you do for your clients and more importantly, what won't you do for your clients?
- What is your profitability for each client?
- How much wallet share do you have for each of your clients? What can you do to maximize your client relationships?
- What qualities do your best clients possess?
- Do you know enough about your clients' families, circles of influence, etc.?
- How many qualified referrals are you receiving from your clients?
- Do your clients know that you want and need referrals?
- Do your clients know the value that you bring to the relationship?
- Can any of your clients be better served elsewhere?
- Should you consider increasing your account minimum?

If you would like more assistance with conducting your own Client Segmentation Campaign, we have provided step-by-step instructions in the first of five toolkits included in [Know Service](#). We even provide you with a sample Client Scorecard and a Question Guide for Defining Your Segmentation Criteria and Ideal Client Relationship. For more details, please visit www.ParagonResources.com/knowservice.

Are You Too Busy?

In the hyper-chaotic world that we live in, we would all like to have an extra hour or two in our day. Unfortunately, we don't have a magic wand to create more hours in the day. So, it is our duty to make sure we are spending that time wisely if we want continued business success and personal satisfaction. To do so, we suggest that you reflect on how you utilize this valuable resource, and focus on properly organizing your day to reap results.

Call a team meeting to evaluate your current allocation of time, both as individuals and as a business. The questions below will facilitate a constructive dialogue among the team members to assess where your time is being spent, and will determine if your efforts support your personal and business goals. It is important to include the alignment of roles and responsibilities of team members because many inefficiencies are often uncovered in this critical area of your business. The goal here is to organize your business and *increase your efficiency*.

Individual Time Utilization Questions

- Where are you spending your time currently?
- Are you focusing your energy on items within your control?
 - Are you in control of your defined activities or others' expectations?
 - Are you wasting time focusing on elements outside of your control, like firm initiatives or challenges, government or world problems, the economic environment,

etc.?

- Are you allowing the “reactive” to control your day?
- Are you spending too much time with the wrong clients and prospects?
 - Have you defined your “ideal client relationship” and are you staying true to your definition?
 - Have you segmented your clientele appropriately?
 - Are you spending the majority of your time with your Signature, top clients or with your Standard, low-producing clients?
 - Do you have any clients who should be migrated out of your business because they “cost” your business valuable time and resources?
- Are you putting unnecessary pressure on yourself each day?
- Are you letting others put unnecessary pressure on you?
- Do you feel like you are behind schedule at the end of the day or do you have a sense of accomplishment?
- What is your energy level when you start the day? What is your energy level when you end the day?

Planning & Process Questions

- Are you PLANNING your time or WINGING it each day?
- How MUCH time are you dedicating to planning and organization?
 - Are you spending at least 10% of the work week ON the business versus IN the business (i.e., conducting practice management and team development activities that improve the business)?
 - Are you spending so much time in one specific area of your practice that things are falling through the cracks in other areas?
- Are you focusing on activities that will help you reach the GOALS you have defined for yourself, your team, and your practice?
- Is your business systematized?
- Are you running your prospect/client/team meetings efficiently? Do you use an agenda?
- Are you communicating your schedule to those important in your life both professionally and personally (your team and your family)?

Resource Utilization Questions

- Are you engaging in activities that really belong to another member of the team?
- Are you maximizing your people resources and delegating appropriately?
- Are you maximizing your technological resources to increase efficiency?
- Are you and your team maximizing the use of your contact management system?
- Are you answering your own phone or does your assistant answer your phone?
- Have you identified “time wasters” and do you avoid them?
 - Information Overload: Are you spending too much time on “research” (newspapers, periodicals, research reports, etc.)? Have you identified those that provide you with the most value and eradicated the rest?
 - Technology: Are you allowing email and the internet to consume too much time and hold you hostage? Do you have any software or hardware that is outdated? Are you fully utilizing your software and hardware capabilities?
 - Office Politics:
 - Are you giving yourself “closed door” time?
 - Do you allow anyone to come in at any time to share whatever is on their mind?
 - Do you get sucked into “water cooler” conversations?
- When you push activities further down your “To-Do List” or “Priority List,” ask yourself a few questions:

- Are there valid reasons for doing so?
- Are you procrastinating because these are not activities that you enjoy?
- Are you making excuses?
- Should they actually be done?
- DELEGATE, DO, or DELETE!

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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