



Results-Driven Solutions August 2014 Newsletter

by Sarah E. Dale and Krista S. Sheets

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



[\[download\]](#)



In this month's newsletter, Expanding Your Opportunities: Developing Multi-generational Relationships, we remind you to constantly focus on organic growth opportunities by building more in-depth relationships. So often we work with advisors who have not yet fully capitalized on the "low hanging fruit" in their practice, which ultimately leaves their future profitability and business value insecure.

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.

"What you leave behind is not what is engraved in stone monuments, but what is woven into the lives of others."

~ *PERICLES*

Expanding Your Opportunities: Developing Multi-generational Relationships

Are you still defining your ideal client relationships as individuals? Successful advisors define their clients in terms of "family" or "household." Historically, the male was the breadwinner and dominated most financial decisions, but the times are changing! Women control more than 60% of personal wealth and account for over 50% of all stock ownership in the U.S. By 2018, the projected global income of women will be \$18 trillion. (Source: Boston Consulting Group) 98% of adult children switch financial advisors once they have received their inheritance from their parents. (Source: "Engaging and Retaining Families" IMCA) The statistics don't bode well for those advisors who are not looking to build full and

comprehensive relationships with their clients. Today, spousal relationship building is not enough. You need to establish relationships with as many people in the family as possible. Thriving advisors concentrate their efforts on connecting with the parents, children, grandparents, and grandchildren of their clients. Unless you have an extremely specialized niche, we highly recommend that you focus your energy on building multi-generational relationships immediately if you haven't already done so! Current demographics suggest the need to deepen relationships to ensure long-term asset retention.

Whether your clients are from the baby boomer generation or the Sandwich generation, you can always approach the subject of legacy, introduce them to an estate planning attorney, encourage family financial meetings, and so on. Additionally, summer and fall are typically the seasons for more family reunions and fun times with loved ones. Capitalize on the opportunity for a family-themed event, whether it be educational in nature, one where you show your appreciation for their business, or a combination of the two.

Take Action!

Fact-Finding – The best way to get started is to learn as much about your clients as possible, thus making the process of profiling or fact-finding that much more important. Fact-finding will provide the information that you need to develop and implement relationship-building and marketing strategies to deepen the household and grow organically! Review your current fact-finder or develop a simple family profile to uncover more information about your clients' family members.

Conduct Annual Family Financial/Heir Meeting – All appropriate family members should be present, but be aware of the occasions when the parents may not want the children to know what they are doing with their assets! However, in this environment of eroding social security, expanding life expectancies, and complex estate planning issues, the more the children know, the better prepared they will be for the inevitable. You should include their attorney and other pertinent advisors. This type of meeting provides the opportunity to talk about more than finances; you can also discuss legacy, which is vital to many in the older generation. According to Ken Dychtwald, President of market research consultants Age Wave, "Many people wrongly assume the most important issue among families is money and wealth transfer – it's not. An inheritance focuses primarily on the money, but a true legacy also includes memories, lessons and values you teach to your children over a lifetime." This type of meeting opens a new door to deepen the relationship with different generations. Yes, this does take an investment of time with your clients; however, it increases your likelihood of retaining the assets through the generations and shows your concern for the overall family.

Conduct a Family Update Meeting – These meetings may be with your primary clients within households or include other family members. Use this opportunity to learn what is going on in their lives and careers to uncover any major life occurrences or celebrations that the family may be experiencing. Knowing that the grandfather is about to go into a nursing home or that the daughter is about to leave for college will help you craft your plan of action to help them. You can also discover any life desires that have not yet been attained.

Promote a Family Seminar – Conducting a 'family seminar' is a great way to further deepen your relationship with the different generations. Rotate topics so they become applicable to multiple family members and generations – planning for college, the dangers of debt, estate planning, long-term care, charitable giving, etc.

Create a Family Appreciation Event – Depending on the demographic you serve, you may have clients with both very young children and older children. Obviously, you need to customize your appreciation event to your specific market. This is also an opportunity to think

about your community and what it offers... community theatre, parks for family picnics, tables at local sports/arts events, etc.

Getting Started:

The best way to get started is to learn as much about your clients as possible.

1. **Develop a list of clients and their household members with whom you believe you can deepen your relationship.** Use your contact management system or client filing system to help you review your client or household awareness. Develop a list of clients who may be receptive to your efforts to learn more about their family. Start with your joint accounts. Review what you know about each relationship and the family structure. Then move on to your individual account relationships and corresponding assets; think about your knowledge of those clients. You may have to dig deeper into the data and knowledge you have of these relationships to decide whether they should go on the contact list.
2. **Give your Client Service Assistant the list of clients to call to set up a Family Update Meeting.** The purpose is to better understand your clients and their family members. You can also position this as a client satisfaction survey meeting where you are also asking for their assessment of your performance, advice, and service. Our preference is to really focus on the family and not portfolios, though! This is a time to build a stronger personal connection with your client.
3. **Conduct the Meeting & Perform Fact-finding.** During the meeting, review your relationship with them and ask appropriate questions about their family members. Use your fact-finder or family profile to uncover the information you have deemed important. Be sure to gather all of the names, birthdates, passions and interests, as well as the contact information. Don't forget to include all of the family members, i.e., children, grandparents, brothers, sisters, etc. Take good notes and obtain as much information as possible. Remember that it is important to approach this from a planning perspective and caring standpoint, not a hard-core sales push!
4. **Set a plan with the client according to the information that you uncover.** Note that although you may not immediately retain other family members as clients, with your new information you can start sending them birthday cards, your newsletter, invitations to seminars, etc., so the relationship begins to evolve.
5. **Follow Up!** Multi-generational marketing can go a long way towards deepening your existing relationships and uncovering organic growth opportunities if you FOLLOW UP and act on opportunities to add value!

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

© Copyright 2014. Know No Bounds, LLC & Paragon Resources, Inc., Atlanta, GA

THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY AND WAS CREATED AS A PUBLIC SERVICE FOR THOSE INTERESTED IN THE SUBJECT MATTER. INFORMATION PROVIDED IN THIS DOCUMENT IS PROVIDED 'AS IS' WITHOUT WARRANTY OF ANY KIND. The user assumes the entire risk as to the accuracy and the use of this document. This document may be copied and distributed subject to the following conditions: 1) All text must be copied without modification and all pages must be included; 2) All copies must contain this copyright notice and any other notices provided therein; 3) This document may not be distributed for profit.

[Results-Driven Solutions: Expanding Your Opportunities: Developing Multi-generational Relationships](#)

Visit our website to view all of our [Newsletters and Updates](#).
