



The unsuspecting ally taking us to the heart of advice

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To some it comes naturally. There are those advisers with a certain presence that can intuitively invite clients into a lifetime of loyal professional commitment.

Lamentably, not all of us have the capacity to relate to strangers in ways that inspire them to accept our position without hesitation.

Most of us get in the way of our natural abilities by making judgements about what someone may want or what we can get from them.

Struggling to actively listen, we give in to the elephant in the room – a gluey personal agenda that can be about the size of one.

There's nothing wrong with an agenda, provided it's one that works for mutually beneficial outcomes.

However, the acknowledged industry-wide lack of adviser know-how when it comes to employing interpersonal skills can no longer be hidden behind that pachyderm. Compliance and reputation issues have now made it more relevant than ever that these skills are learned and applied, with appraising client tolerance to risk being one of the most vital reasons for doing so.

It's understandable why advisers have avoided giving priority to the so-called softer skills.

Traditionally, they've been persuaded that if they make their clients feel secure by delivering them lots of money, they'll keep them happy and loyal. Besides, that's what we're all here for, right?

It's not unreasonable to assume, if the research (and sound wisdom) is correct, that people eventually find money working away in assets and

banks does not in itself deliver on everything they want.

If you haven't noticed it yet, money doesn't always make people happier – connection and how their money can make this happen does.

Even if clients are not completely aware of it, we can safely assume many are looking for this from an adviser.

Moreover, for some of the more demanding affluent and high-net-worth clients there is an expectation advisers will deliver in various ways beyond a productive financial plan.

Of course, connection is a main motivator for advisers too. Without it, and trust in an adviser's professional competency, clients would never implement the plan.

Furthermore, without confidence in a personal ability to connect and, more importantly, engage with clients, advisers cannot deliver the extra outcomes for them that differentiates their business and propels advisers into the enviable world of fewer clients with more funds under advice.

If the reason an adviser uses for rejecting further education and challenges to grow is that they already know enough about how to get close to their clients, or have sufficient insights to fulfil anything they can bring up now and into the future, they may have to take another look. Not at the clients, but themselves and the assumptions that are probably limiting business potential.

Advisers are working out that to move beyond the usual and introduce deeper or more innovative areas of service provision than their competitors

are offering, they need more than what basic financial planning can offer.

They also need to know that whatever means they use to vary their methodology is justified by its end – in other words, there is business development potential as well as closer client relationships.

One means that unsuspectingly meets both of these criteria and opens up a natural space for more intimate service delivery for clients is the subject of their giving.

Philanthropy is growing, we all know that. More Australians want to give – 69 per cent gave to charity in 1997, now it's 86.9 per cent. The client is doing it, but are advisers talking to them about it?

While it may equally be the latest opportunity and newest challenge for the planning industry, client giving also provides an excellent way to attach some training wheels onto the process of significantly deepening relationships with clients.

Holistic planning, potential for gaining funds under advice, use of soft skills, tax deductibility, client intimacy, lifestyle planning, family connections and so on – it's got it all, as well as a bridge to client engagement that, to date, has been largely unequalled.

Advisers are realising that this is not the latest fly-by-night gimmick, but are instead gearing up for a powerful solution to what many clients in our ageing population are looking for.

Perfectly positioned to facilitate the giving conversation, advisers can not only reassure clients about their ability to undertake charitable planning, but also play a key role in the management of structured philanthropy that will open up almost unprecedented opportunities for client retention.

Does this mean having to learn something new? Probably.

Most advisers do not have the technical know-how for philanthropy and where to go to find it.

Furthermore, there's a nagging feeling that this area is 'too private' and one that can only be raised with clients once the adviser 'knows them better'.

And there there's the (mis)conception that philanthropy means advisers will have less of their clients' money to invest.

Putting aside for the moment the adviser's responsibility for identifying how a client's potential philanthropy may impact their tax situation, there are some deeper issues here – and they are likely to be more about the adviser's perception of their soft-skills expertise than a client's sensitivity to being asked personal questions.

For advisers wanting to build their ability in this area, there are few better ways to effectively yet respectfully gain deep insights into someone than to ask what's important to them; what, in essence, are the things that, together in the form of values, act as a compass for their life.

Consideration can then be put to how these can be expressed to form an unfathomable link to personal satisfaction and self-actualisation.

Enquiry around philanthropy is an adviser's natural ally because, rather than setting up the basis for inappropriate dialogue with clients, it goes to the very heart of why people seek out advisers.

Clients are not offended by questions that make them feel more confident that the adviser has a fuller capacity for fulfilling their dreams.

This type of interviewing technique also cuts through an adviser's reservations about straying beyond professional boundaries.

Where do you start? In short, with asking about personal values, and perhaps a trigger such as tax.

The tax issue is not intimidating for advisers, provided they have swotted up on the charitable trust rules.

The concept of using client values as a way of understanding a client's individual needs is perhaps more daunting. But it's really quite straightforward if we begin, logically, with our own principles.

Ask yourself: What things are important in my life? What purpose does money have in my life?

Regardless of any 'values-defining' label that can be attached to questions like these, if we intend to

openly, honestly ask our clients about their values and how they may like to express them via wealth planning, we need to think about the subject ourselves. Without that, how far will the conversation go before they expect you to openly share something of yourself?

If you haven't thought it through, any additional trust built into the relationship with the client will be diminished, even lost, because we appear inauthentic.

In essence, defining and enjoying our own personal values also allows us to create and give voice to the story we share with clients and hence open up another avenue to a deeper connection with them.

We can use our story in several ways, not least because it's the easiest path to passionately, confidently and authentically engage with clients, especially if we wish to provide more than investment advice.

A story is a powerful way of showing how easily something can be done. When it comes to giving, this doesn't mean you have to talk about how you give yourself – whether you do or not is not the point. It's your awareness of and commitment to your client's need to make a difference in some way that's the thing they'll be impressed by.

And when it comes to helping them implement their own giving strategy, they know their trusted adviser is also an empathetic one who is there to help and support them along the way.

Do you really need to go down this path, can't you just ask your clients if they're interested in philanthropy?

Well, of course you can, but wouldn't it be helpful to be prepared for the potential of this and the other questions it might bring up? It might just be to an adviser's advantage to come to terms with richer discussions with clients and find ways to fill gaps in their skills base and life experience. This may mean further education, taking on a coach or mentor to challenge the ways they currently do things.

One of the main reasons coaching is successful for so many is because it encourages and supports

people in breaking new ground. A good coach will also stretch the mind-set of how we've always thought about and done things.

Once advisers understand the practicalities and self-learning within coaching in their own situation, they may find it invaluable for using with clients – becoming, in truth, their financial coach.

But don't put it off. Start to build familiarity with how it physically feels to do things differently. Try coming out from behind the desk when talking to clients about what's fundamentally important about what their money can do. And hear them with a new heart as much as the old head.

Find out about coaching skills and how they can assist work with clients.

If as an adviser you are going to use the values approach with clients, define your own values before asking others. This alone produces a great narrative that you can share with others and makes every interview process easier.

The great thing about applying all we can learn (and earn) from being challenged to implement new ideas – whether it be from a book, a class or life – is the profile of clients begin to change as we change.

Hence, our business and our personal life alter, and the world around us seems to transform as well.

And remember ... keep putting aside that personal agenda. Yep, forget about the money sitting up there in the elephant's howdah and be amazed how much clients will notice.

Mandy Lamkin is a director of Enrich Australia, creator of Gateway For Giving, an online resource for professional advisers in philanthropy, which includes accredited online training in introducing and implementing client charitable giving. For more details please see www.gatewayforgiving.com.au