



# Commanding the Stage:

A Guide to Optimal Performance in Each Stage of an Advisor's Career

# Every Career Path Has Its Phases

Generals start their military careers with basic training and work their way through the ranks. Athletes transition from high school to college to the pros. Doctors begin their careers with a residency then become a clinician, joining a practice and later possibly opening their own. No matter the industry, earning your stripes is as much a process as it is a rite of passage.

Advisors have distinct stages in their career as well. Each one is defined by its areas of focus and strategies for growth. This guide is designed to help you make the most of the opportunities presented by the phase you are in while preparing you for the next one.

Following the action steps in each of the four key areas studied by The Oechsli Institute can help you sustain continued growth throughout each stage of your career.

The data presented in this white paper was from research conducted by The Oechsli Institute between January 2013 and February 2014. There were 1,139 total respondents from a variety of backgrounds, experience and levels of success. Data was collected through an online survey.

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# What Phase Are You In?

For most advisors, the number of years they've been in business is a good indicator of the phase of their career.



## New Advisor

<1-5 yrs>

You're in the start-up phase of your career. If you're like many advisors in this stage, your primary focus is survival. You're working hard to acquire enough assets to form the foundation of a long-term career. Average age: 39.5.



## Mid-Career Advisor

<5-15 yrs>

This is arguably the most important phase. While you're no longer in survival mode, your lifelong career habits are being formed, for better or worse. You're either setting the stage for ongoing, discipline-fueled growth—or a career of mediocrity. Average age: 43.5.



## Veteran Advisor

<15+ yrs>

Staying in business this long is a challenge on many levels, and you've risen to the occasion again and again. You likely oversee more assets, have wealthier clients, and wield a broader knowledge base than your less-experienced peers. At this stage, consistently maintaining motivation and creating a succession plan are the common challenges. Average age: 53.

# Client Acquisition—Quality vs. Quantity

## Acquiring the \$1M client.

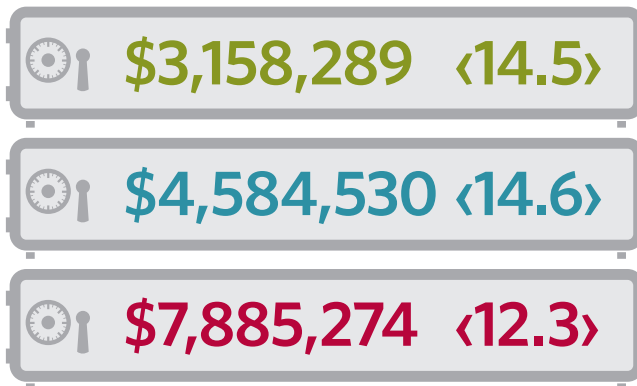
Throughout every phase of your career, you will be prospecting for clients. When you're a new advisor, it may seem almost any client will do, and the more the better. But as your practice matures, you'll likely find your niche and create an ideal-client profile, which may include a shift toward higher value clients such as those with investable assets of \$1M or more.

On your way to becoming a veteran advisor, you quickly learn such clients are very unlikely to be found on the other end of a cold call, or attending a seminar. Social prospecting through strategic networking, personal introductions and referral alliances is the preferred client-acquisition strategy of advisors in all phases of their careers—but veteran advisors often have the edge. As the graphic shows, they bring in more money from fewer clients. And these higher-value clients lead to higher-value social prospecting contacts.

### Assets from New Clients <Number of New Clients>

In the Past 12 Months

 **New Advisor**    **Mid-Career Advisor**    **Veteran Advisor**



Source: The Oechsli Institute

*“We must take a hard look at what affluent clients consider a personal and social relationship. Stock birthday cards and a little small talk at meetings won’t cut it.”*

*—Matt Oechsli*

# Action Steps: Mastering Client Acquisition



## New Advisor

<1-5 yrs>

For you, client acquisition is still a numbers game. But now is the time to begin honing your skills at the relationship marketing activities that are most effective with today's affluent: personal introductions, referral alliances, and strategic networking.

- » Get involved with organizations in your community, donating your time generously, and focus on meeting new potential clients and new connections.
- » Act as if you're running for mayor and only wealthy voters count. Go where they go, do what they do, and build relationships with them before asking for business.
- » Maximize the number of face-to-face interactions you have with potential referral alliance partners every week. Draw on them and the skill set of others in your firm to create a team of experts to service clients and drive new business.



## Mid-Career Advisor

<5-15 yrs>

At this stage of your career you should be spending more time on leveraging your client and community connections, hosting intimate client and prospecting events centered on social activities.

- » Draw on contacts within your professional and social circles (perhaps using Facebook and LinkedIn) and ask for one personal introduction per week to a prospect.
- » Be focused in your civic involvement: what opportunities or events would give you the opportunity to approach a certain prospect?
- » Host an intimate client event every other month, and invite affluent clients to bring guests.



## Veteran Advisor

<15+ yrs>

Refine your implementation process. Create a relationship management structure for referral alliances, a set schedule of intimate client events, and a disciplined process of uncovering client connections.

- » Focus on intelligence gathering during client meetings—uncover connections and small-gift opportunities.
- » Commit your intimate client events to the calendar well in advance—it will help you plan for them and make it easier for you to do more of them.
- » Get your assistant or team involved in your marketing. They can help uncover connections, plan events, and help you keep in contact with referral alliance partners.

# Client Maintenance—Getting Out of the Office

## It’s all about the relationship.

As you build your client base, if your relationships with your top clients remain strictly business, you are missing out on one of the most effective—and arguably enjoyable—ways to gather new assets and new clients. Do you know your clients’ hobbies and passions? Have you met their family members and friends? If your top clients only see you behind your desk, you need to get out more!

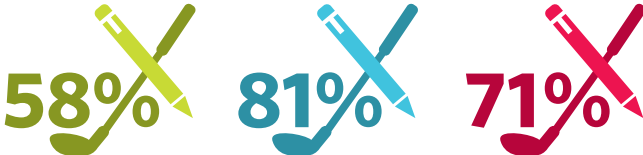
Getting social by hosting intimate events anchored by a fun activity—a golf outing, a ballgame, wine tasting, a charity event for a cause you are involved with—gives your best clients a reason to introduce you to family and friends who aren’t already on your books. It also may spark deeper conversations that can help uncover hidden opportunities and put more of your current clients’ assets under your management. Don’t forget to expand your options and your reach by putting social media into your social relationships.

## The Stats Are Telling

How *you* define your relationship with your clients matters less than how *they* define it:

### Percentage of advisors believing they have a business and social relationship with their top 25 clients:

 **New Advisor**    **Mid-Career Advisor**    **Veteran Advisor**



### Number of \$1M+ clients who believe they have a business and social relationship with their advisor:



Source: The Oechsli Institute

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# Action Steps: Talk the Talk



## New Advisor

<1-5 yrs>

Since your top clients may not all be your ideal clients at this point, you can sharpen your relationship management skills by broadening your business circle.

- » Have two non-business lunches a week with a client, a referral alliance partner, a center of influence or a well-connected friend.
- » Ask about—and take mental notes on—their hobbies and passions, and inquire about their family and friends, keeping the conversation light and friendly.
- » Touch on client passion points regularly, whether through email, a small gift, a reference in conversation or a query for their opinion or expertise.



## Mid-Career Advisor

<5-15 yrs>

Seven out of ten affluent clients do **not** feel they have a social as well as business relationship with their financial professionals. Only when you add the social component to your client relationships can you apply relationship-based marketing activities.

- » Invite top clients, referral alliance partners and centers of influence to your small social events and encourage them to bring guests.
- » If you're not already, do something social with each top client and their spouse at least once or twice per year in addition to your small social events.
- » As you uncover opportunities, note how you could be of service to others in their social or professional circles: "I can help Steve with that. What's the best way to reach out to him?"



## Veteran Advisor

<15+ yrs>

At this stage, you should be well-positioned to get every high-powered relationship working for you. Foster the social side of your professional connections to make relationship marketing second-nature.

- » Follow the action steps for mid-career advisors, selectively focusing your efforts on high-potential relationships.
- » Involve your assistant or team in your social efforts, encouraging them to engage in conversations with clients around what's happening in their and their families' lives.
- » Ask your team to keep notes on your clients and refer to them when setting up meetings—"How's your daughter Sara? She's graduating this year, isn't she?"—for a more social feel across your business.

# Meeting Your Expectations and Those of Your Clients

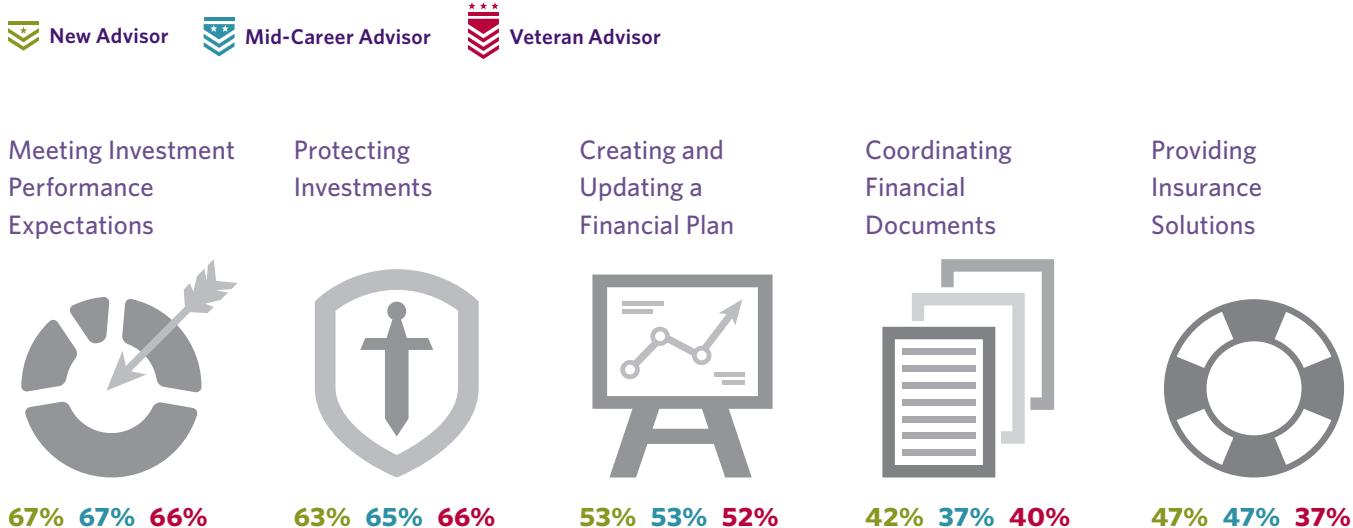
## You and your clients know you could do more.

Our surveys show that new, mid-career and veteran advisors are pretty much alike in one measure: self-ratings in key service areas. When it comes to meeting the investment performance expectations of their affluent clients, fewer than three quarters of new, mid-career and veteran advisors give themselves high marks. It's likely that most everyone has some service areas to fine tune in their businesses (see chart below).

Catering to high-net-worth clients is not easy—the demands are greater and the stakes are higher. Additionally, their service-level expectations are forged in other high-touch (and higher margin) environments, from hotels and restaurants to car dealerships and beyond. But all is not lost.

Searching for ways to improve your service level is a career-long process. Take heart in knowing that you are not alone in this endeavor—and that the following action steps will make it easier to get started. By focusing on the needs of your top or trickiest clients, you'll enable your enhanced service levels and skill sets to spread throughout your entire book.

### Rated Themselves Highly in Five Financial Services Criteria



Source: The Oechsl Institute



# Action Steps: Boost Your and Your Clients' Satisfaction



## New Advisor

<1-5 yrs>

Bring in veteran advisors or other outside experts when you encounter complex situations. It's not only beneficial to the client—it will help you broaden your knowledge base and build strategic alliances.

- » Identify the clients or prospects whose cases would benefit from the input of a veteran advisor or outside specialist.
- » Draw upon your network to identify more experienced advisors or other experts who are willing to be a resource to you for challenging cases. To prevent a "warm transfer" of a client, be up front about your expectations for their assistance.
- » If needed, schedule meetings between yourself, the veteran advisor or specialist and the client or prospect.



## Mid-Career Advisor

<5-15 yrs>

At this point in your career, delivering on your basic service model should be becoming a habit you can build from. Position (and prepare) yourself to become a lifelong learner, expanding the products and solutions you offer whether it adds to your bottom line or not.

- » Identify one to three services or skill sets that you could improve (e.g., creating financial plans, retirement income strategies, etc.)
- » Identify resources for improving these areas. Possibilities are a mentor, independent training programs or programs offered by your broker-dealer.
- » Develop an action plan and timeline for your development of these skills: having an action plan will help you stay on target and track your progress.



## Veteran Advisor

<15+ yrs>

Improvements to your business model may no longer be a solo operation: you might consider whether a younger advisor could add to your team as a junior advisor, or whether creating a strategic alliance is in order.

- » With everything you do, ask yourself "Is this the way it should be done, or just the way I've always done it?"
- » Determine your (or your team's) ability to provide a comprehensive array of financial services. What are competitors in your area offering? If clients have left, or decided not to transfer additional assets to your management, what made them do so?
- » If needed, add to your team or create a strategic alliance with outside specialists to offer your affluent clients a one-stop shop for handling their finances.

# Client Communications

## Stay top-of-mind and ensure your clients feel they do, too.

Timely client communication should be a core competency of any advisor's practice. But our survey shows that only 66 percent of new advisors gave themselves high ratings on that measure, and only 64 percent of mid-career and veteran advisors did so. Self-ratings were only a little better when it came to advisors' level of personal service.

Providing financial advice to affluent clients is a high-touch business, and as noted before, your clients are evaluating you against service providers in other industries—not just other advisors. If you are not communicating well and often, and failing to take the time to give those communications the personal touch that will wow and delight clients, you may find yourself struggling to achieve your business growth goals.

These days, a stock newsletter and a birthday card aren't enough. Draw on the following takeaways to boost your communications strategy. After all, the firms of advisors who reach out to their best clients at least 12 times per year generate 68 percent more revenue per principal than those who reach out only six times per year.\*

## Self Ratings for Delivering Timely Communications and Personal Service

 **New Advisor**    **Mid-Career Advisor**    **Veteran Advisor**

Providing Timely Communications



**66%** **64%** **64%**

Delivering a High Level of Personal Service



**71%** **68%** **75%**

Source: The Oechsli Institute

\*Cetera Advisors LLC and Business Health Pty Ltd. (2011).  
*The Pulse of Practice Health: An Insight into the Health of Elite Advisors Firms.*

# Action Steps: Never Be “Advisor What’s-the-name?”



## New Advisor

<1-5 yrs>

When you are new to the business, your clients are also relatively new to you. Get to know your clients and lay the groundwork for lifelong relationships with regular communications on business and social matters that set the tone for your level of personal service.

- » Add the phone numbers of your clients, prospects, centers of influence and referral alliance partners to your cell phone.
- » Make two “touch base” service calls per day—you can multitask and call as you’re driving home from the office. You may want to plan who to call around birthdays, anniversaries, graduations, or clients’ other life events.
- » Follow the recommendations for non-business interaction with clients as described in Talk the Talk on page 6—all-business relationships are not the way to grow your business.



## Mid-Career Advisor

<5-15 yrs>

Is your process for high-level client service buzz-worthy—will your clients feel compelled to share your services with their friends and associates? Define your processes and stick to them: the habits you form now—good or bad—will boost or hold back your business.

- » Define a communications plan for each segment of clients. Don’t over-segment: two is enough. A-clients may get priority, but B-clients should still receive a high level of service.
- » Audit this service model quarterly to ensure it is effectively executed.
- » Have someone on your team become adept at managing your social media presence; at the very least, *have* a social media presence.



## Veteran Advisor

<15+ yrs>

It may be time to re-examine your bandwidth. How many clients do you have, and how many can you service at the highest levels? If you have more clients than you can provide personal service to, you may find it a struggle to hold on to your most affluent ones.

- » Review your service models. Are they being implemented? Do they provide for all clients getting quality service from you and your team or assistant?
- » Are you leading your team by example—and encouraging them to follow suit—by making the extra phone call and sending handwritten notes or that thoughtful gift?
- » Is it time to bring in a junior advisor to help you with your client base, or an additional assistant to facilitate client communications?

# The Final Action Step: Enjoy Every Phase of Your Career

Even a great career is full of changes and transitions, successes and setbacks. But whereas time may force an athlete to transition from a love of playing into a love of watching after a decade or so, as a financial advisor, you can retire at the top of your game at any age—if you choose to retire at all.

Success isn't the result of happenstance; it's the result of setting goals, achieving them, and setting higher or more meaningful ones. Whether your goal is to stay a one-person shop with a short list of clients or lead a massive practice that stretches across several states, one thing is certain: maintaining strong personal connections with your clients and partners will be at the core of your success, no matter how you define it.

Taking the time to master each phase of your career before moving on to the next one can make achieving your goals that much easier and that much more rewarding. After all, your ultimate goal isn't only greater client service. You're also pursuing greater career satisfaction!

## **About The Oechsli Institute**

The Oechsli Institute, founded in 1978, specializes in helping the Financial Services Industry improve its ability to attract, service and develop loyal affluent clients. Their research-based performance coaching and training programs have become the standard within the industry. The Oechsli Institute does ongoing work for nearly every major financial services firm in the U.S. For individual advisors, Matt Oechsli and his associates remain in high demand for Performance Coaching, Rainmaker Retreats, and FastTrack for Growth (for new advisors).

For more information on their services, visit [oechsli.com](http://oechsli.com) or call 800.883.6582.

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