

Clients
always come

first



One of the greatest challenges for most CFP® professionals is building a client book, and once this is accomplished, retaining these clients is even more difficult with ever-changing legislative requirements, client preferences and in the wake of ever-increasing competition for large financial institutions.



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According to McGraw-Hill Publishing; Business Review, and Bain & Company, it is six to seven times harder to gain a new client than to retain one, and in South African Financial Planning, it is probably eight to nine times harder to acquire clients for most CFP® professionals. In a tough economic environment, it is very difficult for most CFP® designated professionals to be seen as long-term trusted professional wealth advisors, as opposed to 'product sales and distribution' for major financial product houses.

The case for a wealth network

CFP® professionals can no longer just be seen as having a financial focus as clients continue to become more sophisticated in the wake of an abundance of free information. CFP® professionals are now required to be abreast and knowledgeable in all aspects of a client's

financial wellbeing and have a strong network of other professionals including attorneys, accountants, stockbrokers, doctors, real estate experts, transactional and lending specialists and other professionals that tap into the money veins of your client. It is important that the CFP® professional is seen as the wealth centre of a client's universe. To do this, every CFP® professional must always put the needs of the client first and continue to offer value-added services that go way beyond a financial needs analysis and regular reviews.

CFP® professionals that adapt and continue to upskill themselves are putting their client first. The simple reality is that if a CFP® professional does not establish themselves as the centre of quality solutions and wealth creation, another professional in your client's network will do this, relegating the CFP® professional to the stereotyped financial advisor who sells products which clients may not need.

Remuneration and ethics standards

Naturally, fair remuneration for advice rendered is essential, but this must be done within the confines of the FPI code of ethics. The FPI Code of Ethics states that placing the client's interests

first is a hallmark of professionalism, requiring professional members to act honestly and not place personal and/or employer gain or advantage, economic or otherwise, before the client's interests. Clients must never feel that CFP® professionals sell products, but rather see CFP® designates as providing solutions. The FPI Code of Ethics also states that CFP® professionals will always be fair and reasonable in all professional relationships. We are to disclose and manage conflicts of interest. Depending on the quality of the service rendered and value addition to all clients' lifestyle needs, most clients are willing to compensate professionals for all fees charged. The FPI Code of Ethics and Professional Responsibility essentially is our promise to clients that they are always first. Display this document prominently in your offices for clients to be assured that they are indeed first.

Management putting clients first

Many practices and large institutions make a big deal of the fact that they put clients first, but my observation is that as CFP® professionals, without clients, we cannot be in the industry. Our entire existence is based on clients so our businesses are all about

clients; clients are the be all and end all. Employees and personal interest rely entirely on income derived from clients.

Between Monday morning meetings, strategy sessions and administrative functions, management often starts to distance themselves from clients. In order to keep clients first, leaders must still be out in the field. Lead partners and senior managers must regularly schedule customer interaction to be in touch with the coal face of the business.

CFP® professionals in management need to often step back from the VVIP clients and interact with the newest clients entrusting their financial journeys to their organisation. This interaction needs to be honest and unplanned, be part of quality-control processes and be borne out of a need to always put client first. Some findings may not paint a rosy picture, but with honest intervention, managers can build a culture where the business is responsive and dynamic to meet client needs.

Hire client-centric CFP® professionals

Not all CFP® professionals naturally possess the soft skills required to interact and build relationships. Indeed, the best academic results do not always indicate the pre-requisite client skills we require. Many CFP® designates can produce exceptional plans for clients without interacting with clients direct, whilst other CFP® professionals build relationships and acquire client information naturally.

When interviewing new CFP® professionals, ask, "What do you do with random free time in the office?". When the interviewee prefers to catch up on administration, or

doing random operations reviews, consider letting this candidate go unless you require a CFP® professional in your operations team. If your interviewee answers, "I call my clients to catch up," or "I go on a customer visit," this may be a client-centric CFP® professional in the making.

Select front office teams that want to know what the customer wants, for without clients, the best administration systems and processes count for naught. Businesses need a successful front office team that puts clients first.

Para-planners and back office teams

The compliance and back office teams must also be involved in putting clients first. Customer-facing CFP® professionals must meet with back office teams regularly to explain how their roles are linked to putting the client first. Whilst remaining compliant, back office work directly impacts all clients and often the best solutions that enhance your value proposition come from the back office teams themselves. The back office team must always feel they are integral to putting clients first.

Every aspect of a business must be considered from a client's view; with areas many may not consider client-facing being most important. An effective business must listen and respond to all clients (new and old). Businesses will be encouraged by what they learn and will not have to add 'putting the client first' in marketing material, mission and value statements, as the business will be all about your client from end to end. Putting the client first is an experience which is confirmed by clients, and this is seen by growing business with strong referral networks. Is your business all about the client's experience?

