

FINANCIAL PLANNING COMMON MISTAKES AND RECOMMENDATIONS

Coupling the insights from Joe, George, Bill and Brad with our experience in helping organizations develop and execute a scalable, revenue-producing Planning Experience, this document outlines the common mistakes we most often see that tend to derail your planning strategy, followed by some key recommendations that will help ensure maximum effectiveness of the strategy.

The Most Common Mistakes

- Initiating your financial planning strategy without regard, or prior to clearly defining, the Experience you intend to deliver to your prospects and clients.
- Overlooking the fact that planning software is meant to accomplish two things – enhancing the Client Experience and ensuring scale/efficiency for advisors in delivering a planning-centric Experience.
- Naming your planning tool, thereby unintentionally communicating that it is “a thing” or a product unto itself.
- Engaging in training that is solely focused on the functionality of the software and equipping advisors with the capability to utilize the full breadth of the planning tool ... overlooking the critical importance of Advisor EQ (the conversational skills and competencies that make it a more engaging and differentiated experience for the client).
- Merely tracking the number of plans and the revenue impact to evaluate success, which again conveys that planning is separate from the overall experience.
- Assuming or defining Planning in the traditional sense, i.e., comprehensive planning, which leaves it impossible for advisors to scale planning throughout their book of prospects and clients and creates an advisor adoption challenge.
- Requiring advisors to rely on centralized planners/strategists for all planning engagements... further intensifying the advisor adoption challenge.
- Overlooking the importance of equipping sales leaders with the skills to coach advisors around the key competencies in the planning process (both in terms of functionality, but more importantly, in terms of the conversational/engagement skills).
- Mandating the number of plans advisors must deliver to clients in a certain time period. This typically confirms that advisor adoption is an issue (likely due to the mistakes mentioned above).

Greene Consulting Recommendations

The following recommendations include those tactics and strategies we have incorporated to help our clients avoid the above mistakes and maximize the impact of the planning strategy.

Define the Experience you want to deliver to your prospects and clients.

It is critical to consider how the planning process fits into, supports, and enhances your client experience. Seriously consider what Joe mentioned in Part II of this series:

- “A whole new level of success can be realized through planning by reimagining what the client experience could be if it was anchored in an experience that is customized to clients and 100% targeted to help them progress toward the things that matter most.”

Greene Consulting Recommendations (Continued)

Resist the temptation to name your planning tool.

Naming or branding the planning tool emphasizes the software, while it is far more relevant and important to focus on the experience you deliver. The tool should support the experience, not be branded in distinction to the experience. But if you must name it or already have, make sure you clearly and consistently convey that it is a component of, and even central to, your Client Experience and not just a product or experience unto itself.

Ensure that your training includes the following to maximize Advisor Adoption and Execution Effectiveness:

- **Establish clear messaging** as to how the Financial Planning Process supports/enhances your Client Experience. A prerequisite to this messaging is clear communication of what the experience actually is – with specific detail down to how each advisor is expected to engage prospects and how they will work to deliver a consistent experience to every prospect and every client.
- **Focus on equipping advisors to engage clients in *basic planning***, which we define as Rapid Planning and Bill refers to as “planning lite.”
- **Address the Practice Management Realities** that advisors will face when they seek to integrate a planning-based experience with all clients in their practice. This is a significant shift in how the advisor manages each relationship, and there must be direction and support to help them make this transition.
- **Define the Range of Planning Experiences** they can deliver that account for the range of client profiles each advisor manages. This provides advisors with a realistic way to deliver a planning-centric experience to the full range of clients they work with in their practice and do so in an efficient and scalable way. Historically, the industry has tended to have a singular definition of “financial planning,” which is typically one that involves 3, 4 or more client interactions and results in the delivery of a “comprehensive plan,” which is comprised of detailed documentation and a series of recommendations from the advisor. This is not a scalable model!
- **Deliver focused training on the Engagement Skills** (Advisor EQ) that are necessary to effectively engage clients and collaborate with them throughout the planning process. (NOTE: This requires more than a one-time training event, but an ongoing development process with clearly defined competencies and guidance on how advisors can develop proficiency in those competencies, further supported by the next point).
- **Establish an infrastructure that ensures your coaches are equipped with the ability to assess your advisors’ proficiency** with the above skills. They must understand what “good” looks like in each competency, be able to coach to them, and ultimately hold their advisors accountable for achieving proficiency. This is particularly important if leaders do not manage their own book of clients or actually deliver the planning themselves, as this lack of direct experience will challenge them to provide actionable, value-add coaching with advisors who struggle with adoption or execution of planning.

Greene Consulting Recommendations *(Continued)*

Define the Right Metrics

Define the metrics that help to verify for you the rate of advisor adoption and advisor engagement effectiveness in the delivery of a planning centric client experience... which will directly impact the ROI on your planning investment.

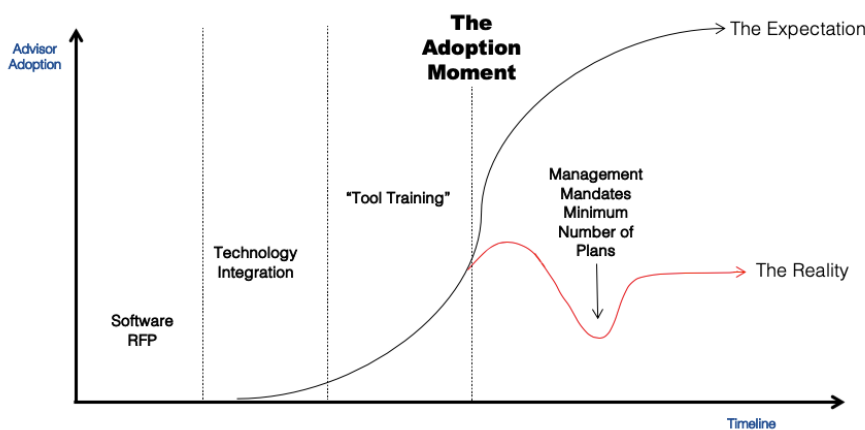
Differentiate the type of planning engagement that requires the involvement of central planning/Wealth Strategists

Specifically differentiate the type of planning engagement from those situations where the client-facing advisor should be delivering the planning experience. This equips advisors with the clarity they need to decide when to bring in specialists, reduces risk from a compliance perspective, and ensures the Strategists are spending their time on the more complex opportunities that require their expertise.

Recognize that when you feel compelled to mandate a minimum number of plans advisors must do, you are:

- Implicitly communicating to your advisors that planning is really not central to your client experience but is an activity you want them to deliver for a small segment of clients of their choosing.
- Likely capping the number of clients who will receive a planning experience as part of their relationship as advisors will typically gravitate to the required minimum standard.
- Likely overlooking some of the key mistakes defined above that lead to lack of advisor adoption. (See the chart below illustrating the cycle we have seen play out time and time again throughout the industry.)

The Financial Planning Adoption Cycle – The Reality



Greene Consulting has worked with a wide range of clients to maximize the impact of their financial planning initiative by increasing advisor adoption, increasing the number of plans developed with clients, enhancing advisor EQ and ultimately driving incremental revenue growth from those efforts. Greene Consulting offers two unique programs to support firms in their efforts to more effectively execute their financial planning initiative.

Both provide specific frameworks and best practices and also provide specific examples of how advisors can leverage the specific planning software your firm uses to be more effective.

Rapid Planning Program

Designed to provide advisors with a process for delivering an efficient and collaborative planning experience to prospects and clients in the context of a single meeting, the Rapid Planning process identifies how advisors can use planning to generate engagement with prospects and clients alike and either deliver a basic analysis that serves as the foundation for the relationship or establish the rationale for a more comprehensive planning engagement when needed.

Digital Experience Program

Designed to ensure effective implementation of your full financial planning strategy and equip advisors with the processes and breadth of skills needed to most effectively incorporate planning into their practice, this program redefines “traditional planning” to expand it into a range planning experience advisors can deliver depending on their goals, the client situation, and the complexity of the planning needs. The program identifies how advisors can more effectively integrate planning into their practice, efficiently scale it for delivery to all clients, and identify specific strategies they can use to drive incremental revenue from each planning experience delivered.

For more information on these programs, contact David Greene or Rick Swygman at 404-324-4600 or via email at davidgreene@greeneconsults.com or rickswygman@greeneconsults.com.