

Don't Assume Your Clients Are Keeping Up With You

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*This time we hear from **Michael Chadwick**, president and CEO of Unionville, Conn.-based **Chadwick Financial Advisors**. He recalls a lesson he learned about his “teaching” style, and how it changed his approach to his clients.*

One way financial advisors can gauge the success of their business is through their retention scores. How many first-time interviews become clients? How many clients do they retain over time? There's no better gauge for success than a classic market signal: Who is willing to do business with you?

I must admit that when I began my career my retention numbers were not that strong. In fact, they were below the industry norm and that was unacceptable to me. But I could not figure out what I was doing wrong. This was particularly mysterious to me because the clients that I did have were very happy.

Those clients and I clicked from the very beginning and developed strong relationships. We saw eye-to-eye on almost everything.

The clients I succeeded with were very smart people — engineers and lawyers and such — so I knew this wasn't a case of my not meeting their expectations. They were impressed with my breadth of knowledge. In fact, like many in our profession, I was driven to know everything about this business. I had plans and proposals for every situation and was eager to lay them out for prospective clients. But even so, my retention rates kept lagging.

Eventually, I decided to go right to the source and ask people directly why they did not choose to work with me. One person was very direct in his criticism. He was nice about it but he also made himself very clear: You share too much information, you move too fast and I can't keep up, he told me.

He further clarified that he felt overwhelmed by all the data and material I had delivered. Once he fell behind he could not keep up. He also felt intimidated, which made him not want to ask questions or try to get me to slow down. Instead, he decided to move on and work with someone else.

Hearing those critiques was certainly a revelation. I did some soul-searching after that conversation. I realized what was obvious or even easy for me was not necessarily that way for everyone else. I had always assumed I could just describe or explain a concept and my clients (or prospects) would follow along. Boy, was I wrong.

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He also reminded me that I'm a fast talker. I always knew that about myself, but I had never factored that into my presentation style. His critique also helped me understand why some of my existing clients — those engineers and lawyers — didn't have a problem with my communication style; they were a lot like me and could incorporate new ideas quickly and easily.



Michael Chadwick

I realized I needed to change the way I communicated. I started by consciously stopping myself during my conversations with clients and asking if there were any questions. I would also repeat certain points or ideas and explain them in another way, even if the clients said they understood them; it is always good to reinforce ideas. I have never had anyone complain that I take too much time to make sure that they understood everything that we were discussing.

It's hard to change habits, but eventually those lessons took hold. After a year or so of working to change my communication style and slow things down, my retention numbers started to climb and they have remained strong ever since.

I'm still a fast talker — there is only so much you can change about yourself. But just because you talk fast doesn't mean you have to keep talking and talking, and it doesn't mean you can't make conscious stops along the way to let people catch up.

I'm thankful for that "missed client" who took the time to share his honest feedback — it has made all the difference.