

# The advisor voice

## The five most important questions to ask new clients

BY HERB WHITE

Developing a trusting relationship, as well as establishing effective communication, is critical when meeting a potential client. However, we know that not all clients are alike. Each individual brings his own set of expectations to a relationship with a financial planner.

Over the years, I've discovered key questions that can help identify what is important to a potential investor. After reading, "Cultivating the Middle Class Millionaire" by Russ Alan Prince, I became even more convinced that these emotional and subjective questions are keys to understanding what motivates clients to take action. They are:

### **What would you like your investments to achieve?**

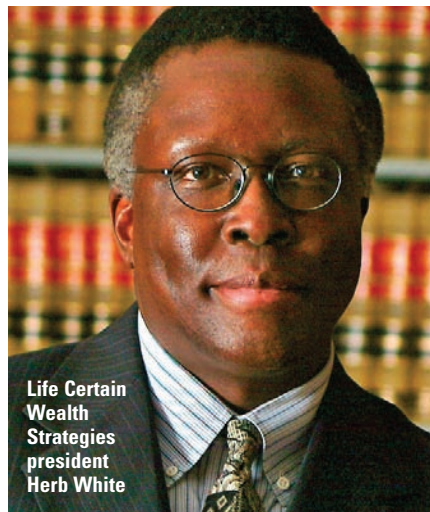
Many investors will focus on how investments can benefit their family, while others are focused on garnering material possessions and independence. Understanding what the client wants to achieve puts the advisor in a better position to share financial philosophies in a manner that connects with the potential client.

### **When you think about your money, what concerns and needs immediately come to mind?**

It's important to truly understand what motivates the client. If an investor is concerned with the act of accumulating financial wealth because of the power it gives them, the advisor is in a better position to recommend certain financial strategies and programs.

### **How involved do you want to be in the investment process?**

Clients who rely on advisors to provide financial planning guidance aren't always interested in being involved in the process, and may find it intimidating. Still other investors are intrigued with the thrill of investing and wish to take an active role. Knowing their degree of involvement assists the advisor in gauging the frequency and technical depth of communications.



### **How confidential do you want your financial affairs to remain?**

Some clients are concerned about confidentiality and security of their information. It's important the financial advisor shares the many security measures place to keep client information protected.

### **Have you worked with a financial advisor in the past, and what was that experience like?**

It's important to find out whether prior experience with advisors was positive or negative.

What did he like or dislike? This valuable information can assist in finding the right balance when working with the client to ensure a positive and productive relationship.

I can remember meeting with prospects and explaining my investment philosophy in technical terms in the attempt to impress them with my financial acumen. Often, I thought that it was a good meeting, only have calls to the prospect unanswered.

This methodology is effective because it has less to do with the actual questions and more to do with truly learning to listen to prospects' answers.

This method allows me to determine what is most important to the prospect, whether it's taking care of their family, personal freedom, confidentiality or social recognition.

I no longer try to impress the client with my financial planning expertise. Instead, I explain my investment philosophy in a way that strongly connects with the prospect. Customizing my presentation enables me to communicate far more effectively with the client. As a result, my business has experienced phenomenal growth.

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