

How would you like that served?

Effective communication means you need to know what your client wants to hear, says Martin Mulcare

I had an interesting experience a few months ago when attending a University Open Day with my son.

"Hi, we'd like to speak to someone about the Advanced Science Program".

"OK, here is a brochure that describes the program".

We mumbled a reluctant "thanks" as the "helpful" staff member turned on her heel and left us.

"Dad, I don't think she was listening."

This episode got me thinking. It wasn't just that she wasn't listening. She had locked into one mode of communication (reading) and failed to appreciate that we had another mode in mind - an old-fashioned conversation. Then I started to reflect on some client experiences that financial advisers had shared with me.

On one occasion an adviser's team had prepared a very detailed financial plan for a client with a complex financial life. He was very proud of the document, the recommendations and the great solutions that he and his team had come up with. After presenting the plan to the client the adviser was very disappointed with the client's response. Instead of the admiration he was expecting he received a neutral acknowledgement. What had gone wrong?

When we pursued the meeting in more depth I asked the adviser what the client had said when he first introduced the plan. Apparently his client had said something like: "Just take me through your recommendations."

And what had the adviser done? He admitted that he had taken the client through the issues and the rationale for the advice before he presented the recommendations. Why did he ignore (deliberately or otherwise) his client's request to start with the recommendations?

"Well, we always walk them through the plan and, besides, my team had done a great job with that document." I believe we are now getting closer to the problem.

The adviser was so intent on his communica-

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tion plan that he had ignored his client's clearly stated preference. He had not adjusted his delivery, partly because he wasn't really listening and partly because he was keen to persist with his standard approach and to praise his team's good work. That's not a bad thing but clearly, in hindsight, it wasn't the optimum forum. The lesson is that we should consider the most suitable mode of communication for our client.

The mode of communication is not just a choice between a summary of the recommendations or walking through the full plan. There are many variations on the choice. Some clients may like tables of numbers and supporting detail. If so, highlight those pages and allow them to digest the information. Some clients may prefer to start with "the big picture". If so, present a mind map of their financial life and illustrate your advice with graphs and diagrams. Some people are just not comfortable with financial terminology and making decisions about money. If so, stay away from jargon and provide reassurance that you have it all under control. It would be very effective to remind them of their values and aspirations at this point, providing them with confidence that they will achieve them if they follow your road map.

The client may be explicit in his or her preferences (as in the example above) or we may have to look for clues. What is the best time to seek to understand your client's communication preferences?

At your very first meeting. Take note of what your client does when you are talking to them, particularly if you are equipped with brochures or sample documents or when you are reviewing the financial records they bring. If another member of your team is present, ask them to write down their observations. Did the client listen attentively or were their eyes drawn to your diagrams? Did they linger over the written words or were they checking the figures? Did they start drumming their fingers and checking their watch when you started to explain your investment process? Did they speak slowly or quickly? Did they use big words, small words (or swear words)?

And if you don't pick up these subtle (or not so subtle) clues, why not ask before you rush into your standard plan presentation? Try a simple question like: "How would you like me to take you through this?" It could save you time and save them some annoyance. At a minimum, they may feel that at least you have considered their preference!

Other sources of information about their communication preferences may come from other people. When thanking your existing client for the referral of the new client (presuming we do ask for referrals) it could be a good time to obtain some background on your new client, including their style. Similarly, if the new client came from a friendly accountant, he or she may be able to help build a picture of the person.

At a time when people are nervous about the financial outlook and suspicious of standard approaches, it is even more important to practise flexibility in your communication. These are the best of times to really understand your clients and their personal preferences. ■

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