

Title: Run Better First Meetings (Audio File)

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David Richman: Hello. I'm David Richman, Managing Director of the Advisor Institute.

The mushy pipeline syndrome is a devastating disease in our industry. What's a mushy pipeline? It is a list of prospective clients you've met where you thought the first meetings went really well, yet somehow, they're no longer returning your phone calls. The seeds of a mushy pipeline are sown in your very first meeting. Imagine you were to run your first meeting the same way every time. What might happen?

First, you would get really good at first meetings, and second, you'd become skilled at focusing all of your energy on listening to the spoken and unspoken words, instead of expending energy thinking about where to go next. As a result, you'd be avoiding the mushy pipeline syndrome. Whether a first meeting occurs virtually or in person, the same fundamentals apply for running purposeful, coordinated, and conclusive first meetings. We see it as a five-step process.

First: Small talk. Small talk should begin a conversation, not become a conversation. How long should you let small talk continue? We think five minutes feels right.

Next, segue to purpose, or in other words, why are we here? This should only take a minute or two. During this time, you and the prospective clients must agree to what will be accomplished in the next hour. Here's what that might sound like: "The purpose of our meeting today is to determine whether we might be a good fit for one another. You will likely want to assess whether the things that you might be looking for in an advisory relationship align with our approach, and in turn, we will be considering whether you would be a likely good fit for our practice. At the end of our hour today together, let's decide whether it makes sense for us to take a next step or it does not. Does that make sense to you?" Setting the purpose in this way has two powerful implications. First, there needs to be a mutual fit. This is a two-way interview. Second, you have agreed that the meeting will end with a decision.

Step three is the client interview, the heart of your first meeting, and should take about 40 minutes. By the end of the client interview, you should have developed a historical perspective and strong insights into how the prospect or clients' lives and money intersect in terms of their past, their present, and their future.

What comes next? **Step four comes next. It's what we call why us.** We're recommending here presenting why us or why me after the client interview as it allows you to articulate what makes you or your team special, why people do business with you and what you could do for their family. You paint them a picture of what it would be like to be your client. You're able to, by having it come after the client interview, spring your value to life within the context of all you learned about what matters most to them. You can share your ideology or your guiding principles on investments and financial planning. Keep it simple. The why us step of the meeting should take no more than about five minutes.

Now, we're down to our last step. **Are we a fit?** Assuming you have decided you would like to convert them from prospective clients to a real client, this is the time to say, "I think that we could be a wonderful fit together. We're eager to roll up our sleeves and get to work on your behalf and on behalf of your family. How do you feel about taking a next step?" We purposely suggest using a phrase like, "How do you feel about taking the next step?" Asking people how they feel is far different than asking, "Well, what do you think?" If their response is wishy-washy, try to diagnose what might be holding them back with some open-ended questions. It's not going to get any better than this moment to deal with some underlying objections or reservations the prospective clients may have.

Step back, reflect upon this five-step approach:

Step One: Small Talk

Step Two: Purpose

Step Three: The Client Interview

Step Four: Why Us

Step Five: Should we take next steps? Go or no go?

If you have a mushy pipeline, consider how this five-step approach might help you run more purposeful, coordinated, and conclusive first meetings.

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