

# Earning and Sustaining Relevance as a Fiduciary Advisor



2022 Trust Advisor Forum





# Headline

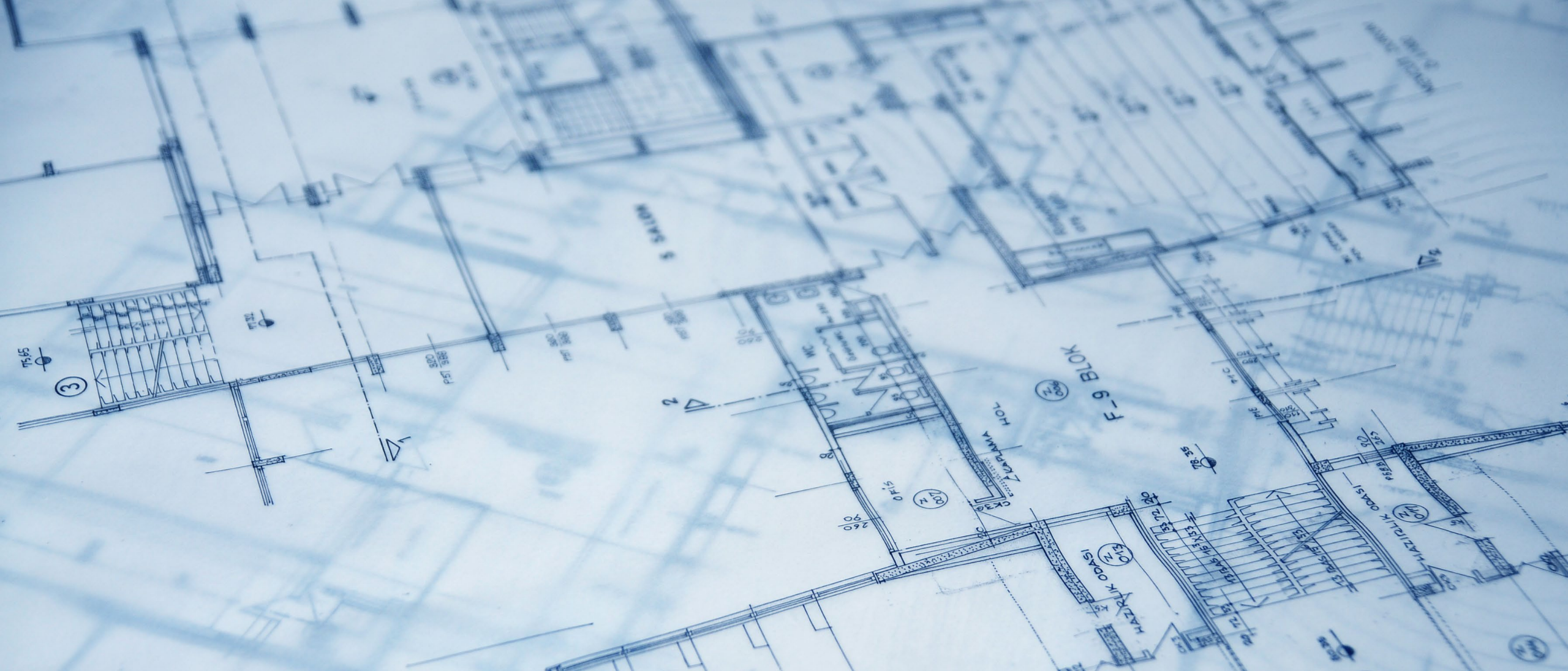
Success as an advisor comes from earning and sustaining relevance with clients

# What is *relevance* with clients?

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- Pertinence, meaningfulness, importance a business earns
- Finite shelf life, continually re-earned
- Perpetual motion in business is norm; speed can vary
- Must continually reinvent, evolve business practices

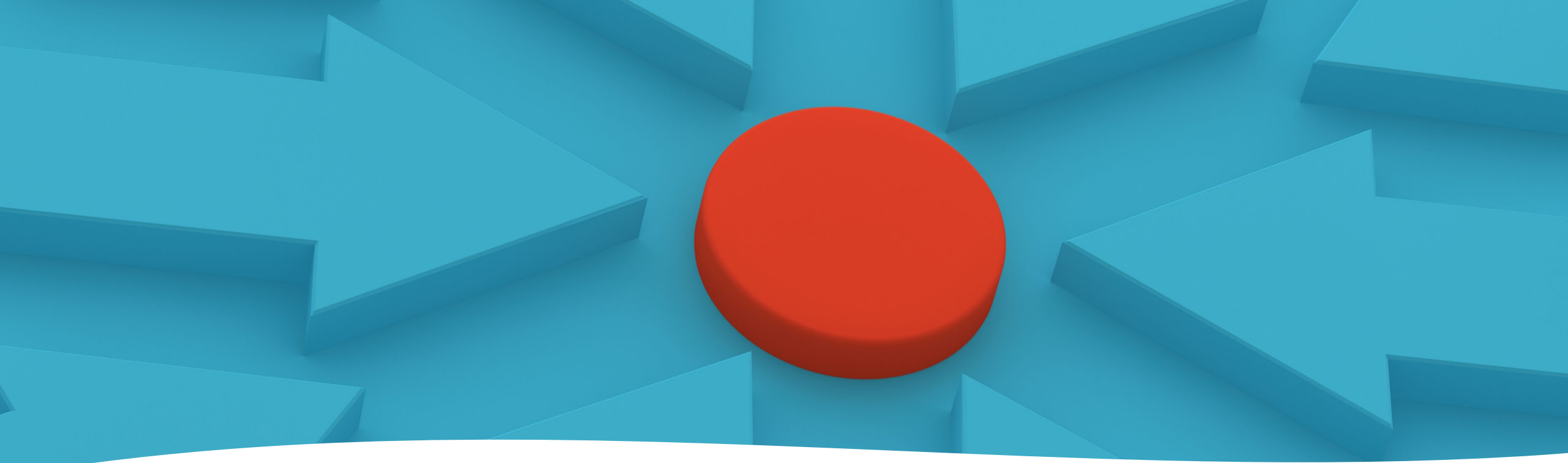




Today's actions create tomorrow's relevance

Q: Two years from now, wealth client expectations of financial services providers will be...

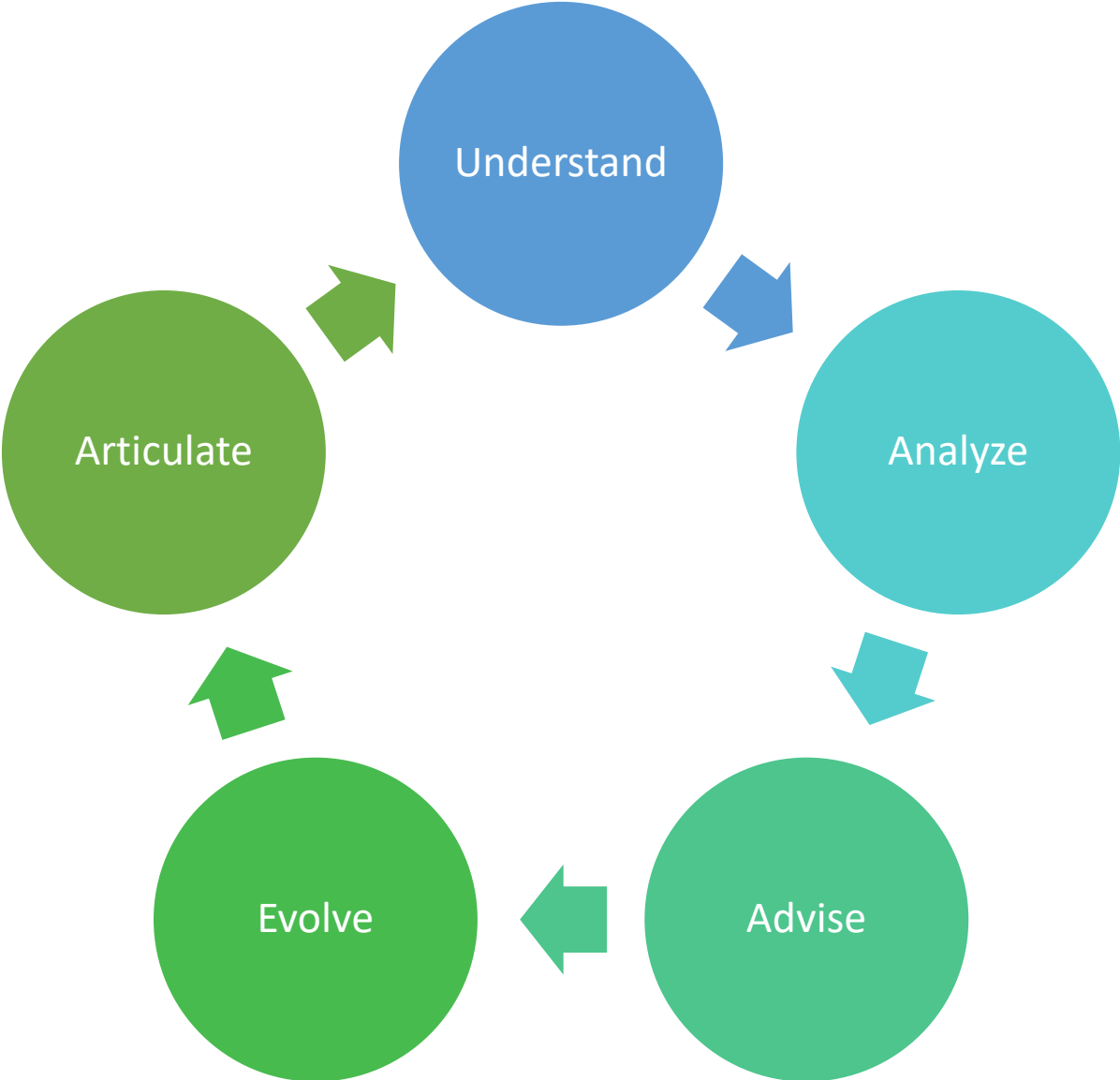
- A. **Much lower** than today (advice, engagement, service level, technology, products)
- B. **Lower** than today
- C. **About the same** as today
- D. **Greater** than today
- E. **Much greater** than today



## What's an advisor to do?

- Define your role
- Master the art of inquiry
- Anticipate what's next
- Act on reality
- Practice agility

Define your role





# What we know about wealth clients

- Growing cultural, generational, gender diversity
- Expectations for advice, engagement, individualization
- Expanding definition of value
- Best access to services, products, wealthtech
- Complex ecosystems
- Aggressively pursued by service providers

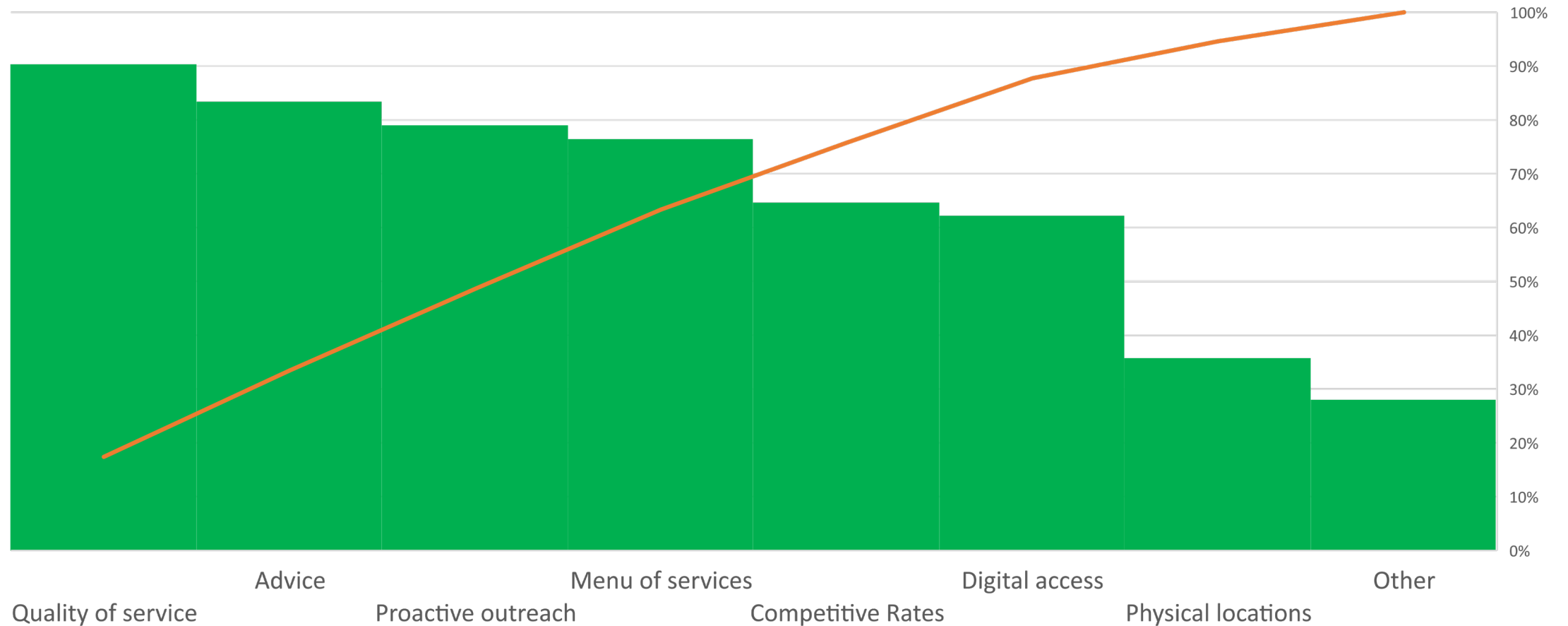


# What clients expect from advisors



- Know them
- Understand them
- Anticipate needs
- Help them see beyond their line of sight
- Deliver

# Factors most meaningful in earning and sustaining relevance with clients...



# Perspectives on Advisor Relevance

Topic/Issue	Clients' View (agreement)	Advisors' View (agreement)
Open to discussing what clients value most in life	50%	87%
Provide recommendations based on client's personal goals, needs, priorities	49%	90%
Communicates importance of considering all areas of life when creating a plan	47%	81%
Contacts clients on a regular basis to see what changes in life may affect their financial plan	39%	85%

# Mastering the Art of Inquiry

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- Grounded in authentic curiosity
- Curiosity leads to questions
- Meaningful questions guide discovery, learning

# Effectiveness in Learning About Clients

Topic/Issue	Clients' View (agreement)	Advisors' View (agreement)
Cultural values	41%	68%
Personality type, traits	38%	73%
Attitudes, beliefs about money	53%	80%
Family history, values	53%	67%

# Inquiry approach

- Comfort asking meaningful, relevant questions
- Natural, conversational, empathic manner, even with difficult topics
- Let responses guide subsequent questions



# Understanding priorities



Save for retirement



Vacation home



Philanthropic giving



Education



Legacy



Travel



Support family members



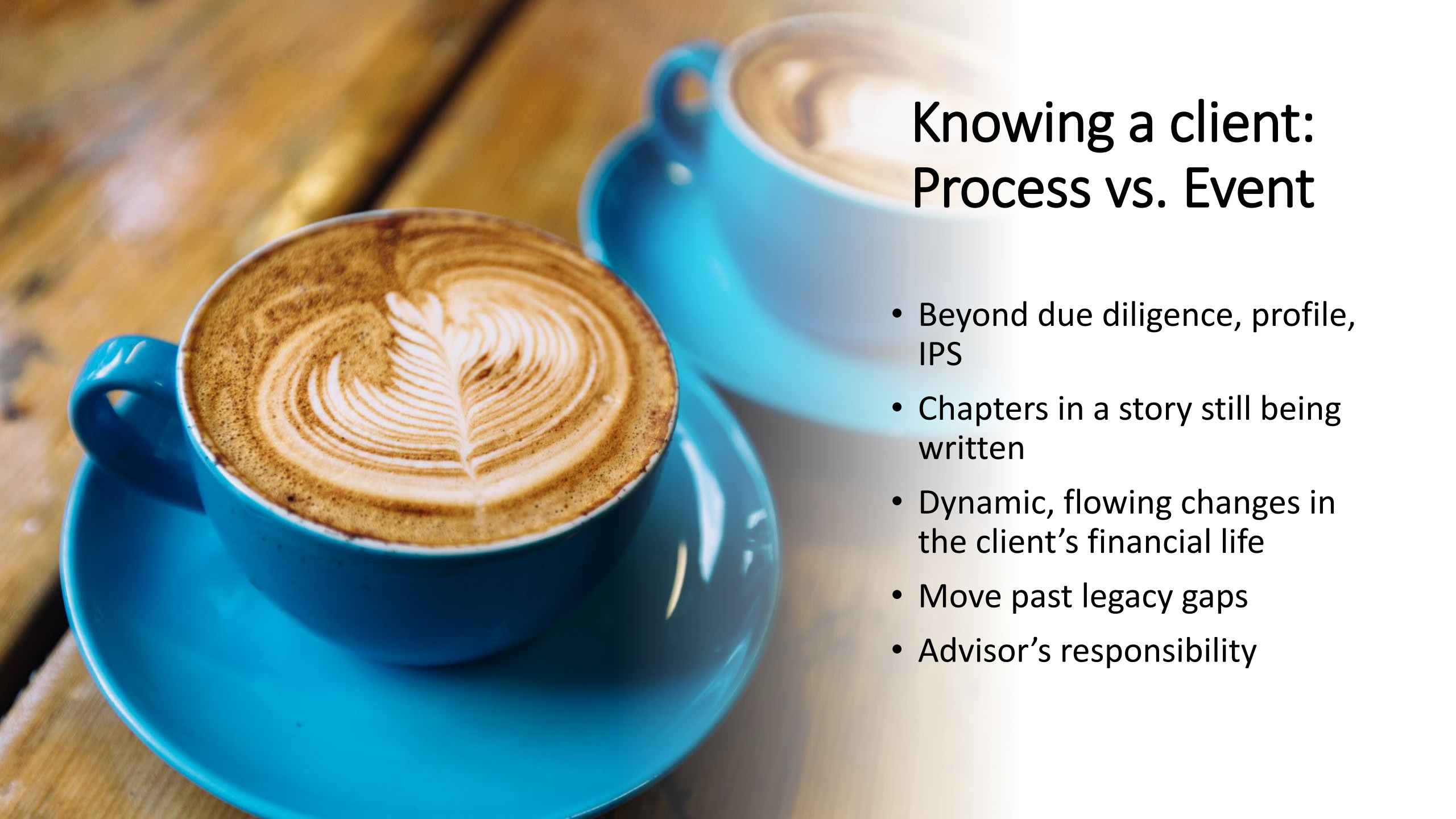
Protect assets



Wealth transition



Next venture

A photograph of two blue ceramic coffee cups filled with latte, featuring intricate latte art designs. The cups are set on matching blue saucers and are placed on a light-colored wooden surface. The lighting is warm and soft, creating a cozy atmosphere.

## Knowing a client: Process vs. Event

- Beyond due diligence, profile, IPS
- Chapters in a story still being written
- Dynamic, flowing changes in the client's financial life
- Move past legacy gaps
- Advisor's responsibility



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# Steps to mastering the Art of Inquiry

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- Recognize how curiosity creates a pathway
- Build a repertoire of open-ended, purposeful questions
- Frame questions around points of curiosity
- Listen for invitations for follow-on questions
- Develop confidence in diplomatically asking *why* questions

Q: Over the next 2 years, I expect to generate most of my new business from...

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- A. Direct outreach to qualified prospects
  - B. Centers of influence
  - C. Referrals from existing clients
  - D. Introductions from partners within my firm
  - E. Prospects contacting the firm seeking services
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# Anticipating what's next

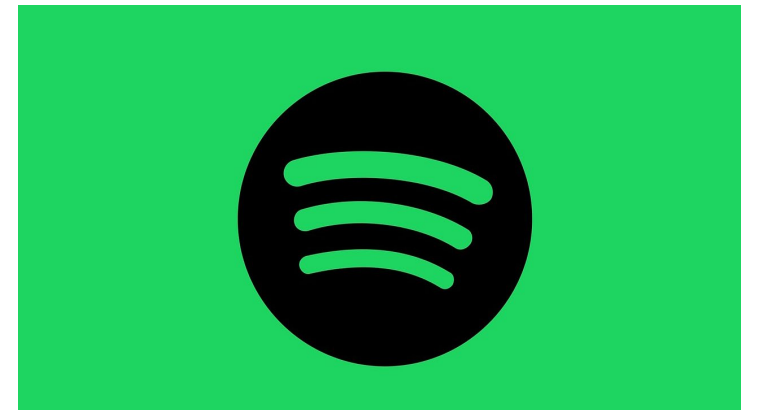
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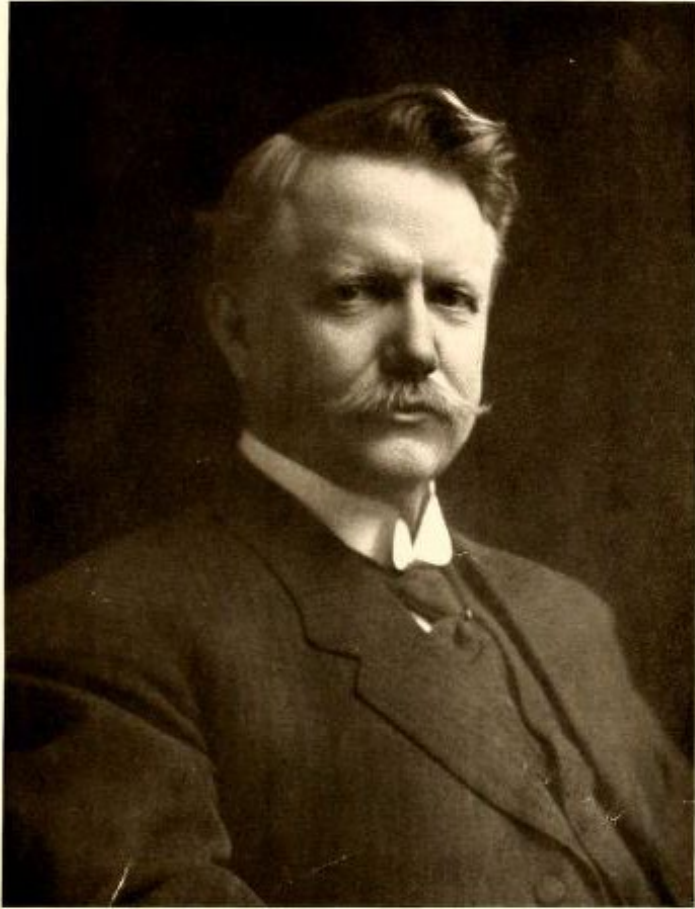
an·tic·i·pate | \ an-'ti-sə-, pāt

- *to give advance thought, discussion, or treatment to*
- *to foresee and deal with in advance*
- *to act before another so as to prepare*

If this, then  
that...

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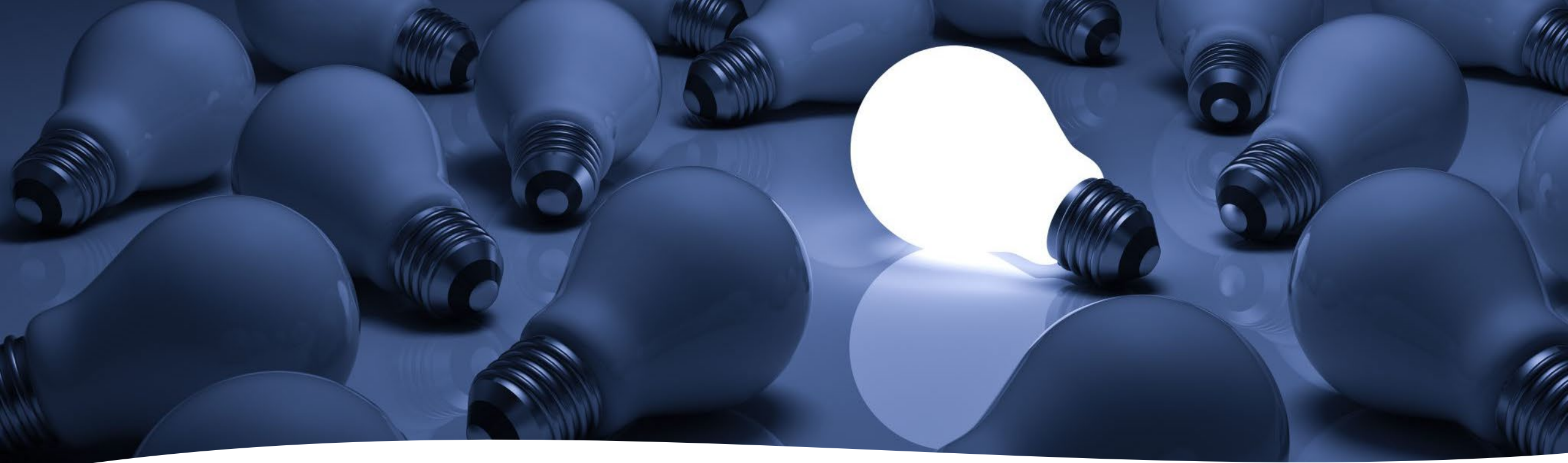




F. H. Fries

Roots in relevance...

...the trust company must ***handle money matters of the accounts it manages*** and ***anticipate financial needs*** of the estate for the future



We don't know  
what we don't  
know; neither  
do they

- Financial lives in perpetual motion
- Advisors bring economies of experience, knowledge
- Anticipate needs
- Your ordinary is their extraordinary
- Unprecedented wealth transfer doesn't mean surprises



## Acting on reality

- All relationships are dynamic
- Life changes - financial life corollary
- Unanticipated twists and turns trigger need for new advice
- Understand, Analyze, Advise, Evolve
- Earned relevance positions you as a first call



Successful  
advisors...

- Identify life changes affecting their clients' financial lives
- Provide advice to navigate expected and unexpected changes
- See fulfilling their role as a dynamic process



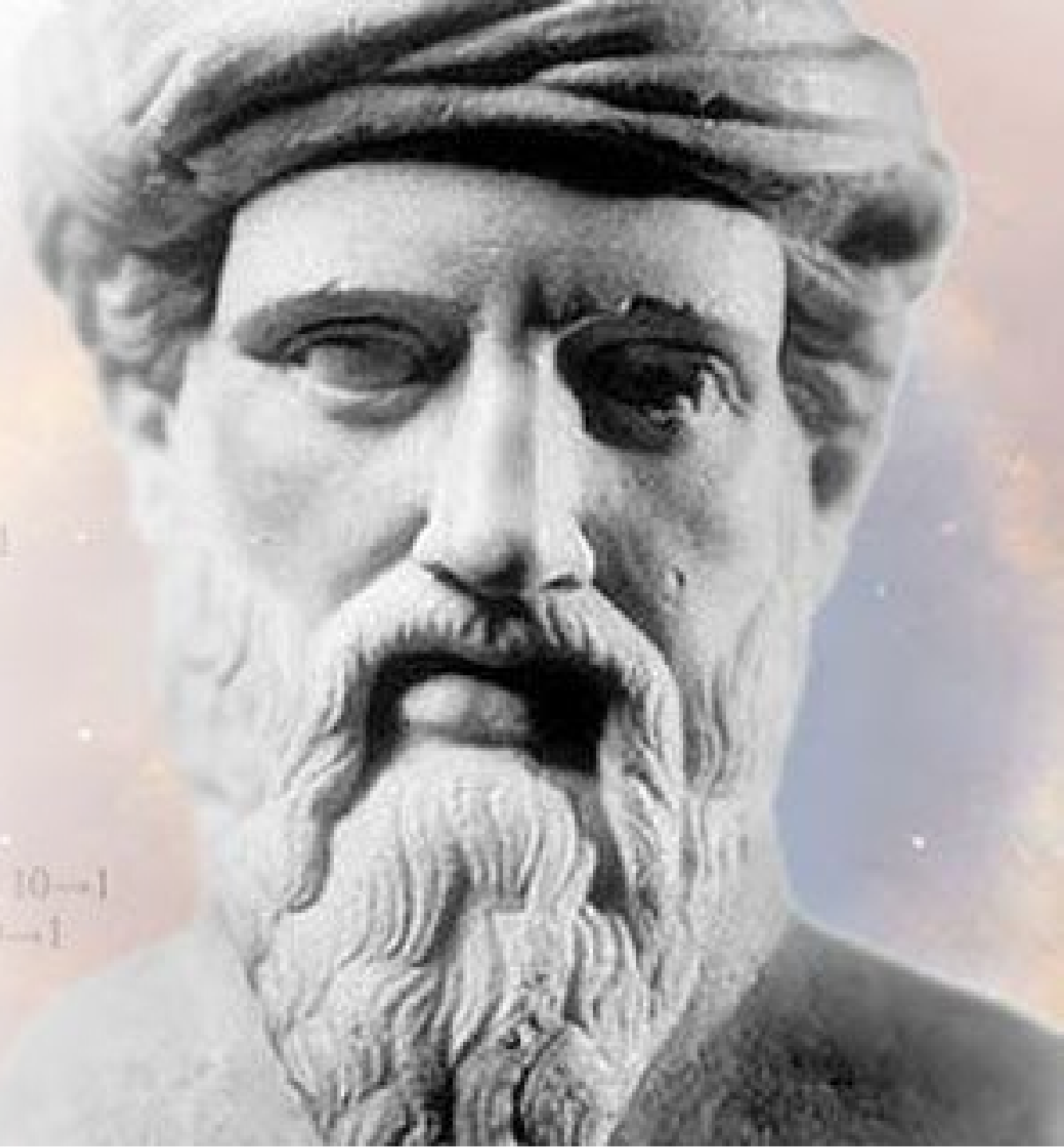
Q: What is the most important characteristic in selecting an advisor?

- A. Location of the firm
- B. Investment offering
- C. Digital capabilities
- D. Firm's reputation
- E. Advisor's reputation



# Practicing agility

- All is flux - Heraclitus
- Normal is not a destination;  
it is in continual redefinition
- What is the next version of  
your practice model?



# Adaptive Disruption



# Focus on advisor agility

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- Operating models have a shelf-life
  - Who, how, when, where will look different
  - When we don't ride elevators, the pitch may not fit
  - Meeting expectations doesn't differentiate
  - Pre-emptive adjustment meets stable and trusted
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# Differentiating yourself as an advisor

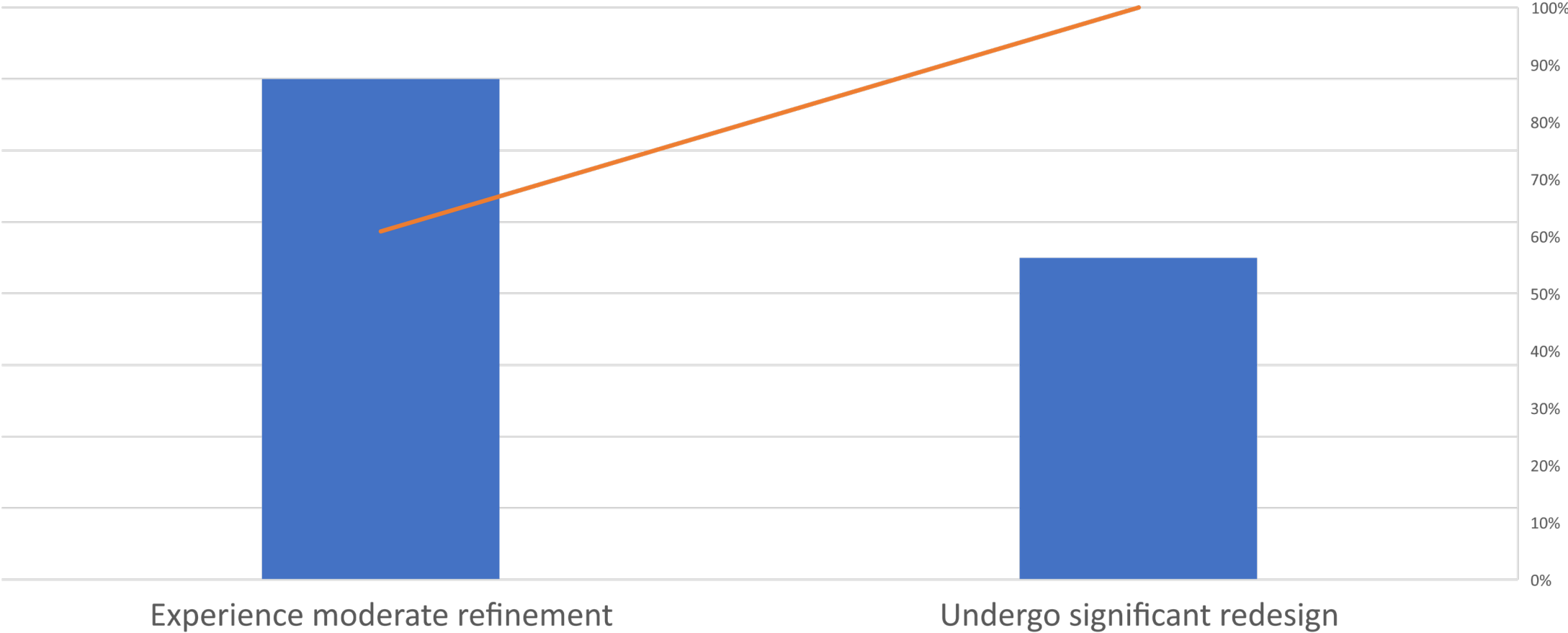
- Why you?
- Why your firm?
- How will you earn, sustain relevance?



Q: Over the next 2 years, greatest threat to relationship retention is...

- A. Clients passing away
- B. Intensity of competitors
- C. New, nontraditional competitors
- D. Terms of a trust
- E. Fees

To sustain relevance with clients, over the next 2 years, your business operating model will:





# Questions of relevance

- How does your firm define relevance with clients?
- How are clients' financial lives different today than 2 years ago or 2 years out?
- What do we need to do to earn relevance in our clients' financial lives tomorrow?



Overlooking  
Relevance?



# Today's actions for tomorrow's relevance...

- Define your role
- Master the art of inquiry
- Anticipate what's next
- Act on reality
- Practice agility



Thank You

**Dave Coffaro**

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