



Moving Clients to Action in a Chaotic Economy

By: Kevin Quinn



Many clients are paralyzed by the current financial crisis. They desire to protect what they currently have while simultaneously taking advantage of opportunities presented by this unique financial crisis.

Some entrepreneurial clients may wish to take advantage of low real estate or securities prices to purchase valuable assets at bargain prices. Others may be thinking about the new markets created by the stimulus package such as the green energy industry.

These clients recognize important opportunities, but may not act because of the desire to protect what they have, preserve past gains, and add stability to their current holdings. Some will perceive action as limiting future opportunity or increasing current risk. Ultimately, those who fail to act may end up losing the opportunity both to protect what they have and the opportunity to exploit the advantages of this market.

In order to help clients move beyond paralysis, the trusted advisor must start with her listening skills. This is not easy, as advisors are naturally analytical. Whether you are an attorney, an accountant, an insurance professional or a certified financial planner, a majority of your day is spent analyzing options and making choices.

Advisors are also naturally caring. We express our care by action; doing for others, recommending for others, showing them the way. Our analytical and action-oriented nature causes us to become frustrated by clients who do not listen to our advice and fail to act.

This author recommends that before you meet with a client, particularly a client that you know to be in turmoil, spend five minutes “emptying your glass.” Turn off your natural analytical skills, discard presumptions and open yourself to accept new information. Do not begin the meeting with an end in mind. Begin with the intent of listening for what the

client is feeling. Allow the client to ramble if necessary. Allow the client to release their emotional energy. Clients cannot listen to you in a highly emotional state. Be active in your listening. Repeat back the important phrases and key emotions that you hear. Pay attention to whether the client’s strongest emphasis is on the need to protect what they have, or, whether their strongest desire is to exploit opportunities of the market.

This is where you begin to allow your analytical self to re-enter the conversation. You have many tools to help clients to either protect or to exploit opportunities and in many cases the same tool will do both. As a simple example, gifting depreciated assets into a trust for the benefit the client’s spouse and children may simultaneously protect those assets from an unforeseen future creditor or bankruptcy, while allowing the future appreciation of those assets to benefit the spouse and heirs without gift or estate taxes. Before meeting with the client, take time to look at the full extent of tools that you have at your disposal. Again, do not presume which is right for the client before you listen to their emotional state.

Once the client has exhausted their need to relieve emotion, find something, anything that is positive. As an example, many of my clients have little or no debt. In a financial “crisis”, being free of debt is enormously important. Help your client to take some action, almost any action around their primary emotion; transfer a parcel of real estate into an LLC, make a gift to an educational trust for a grandchild, increase available cash to give the client confidence that they can weather this current crisis. Even making a referral regarding a problem that is not your particular area of competence will allow the client to grab control and take some responsibility for their financial well-being.

Throughout the process, look for solutions with which the client can both protect current needs and exploit opportunities. Explain in plain language how both goals have been achieved, showing the client that they can protect and

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exploit at the same time. By following this approach, you demonstrate the breadth of your capabilities to this client and, more importantly, you demonstrate your caring by giving them the tools to take action.

Clients who remain in a state of paralysis give up control to whatever happens next. It is the trusted advisor's role to help those clients take action. By moving from knee jerk, analytical, standard answers to an active listening mode, we can hear what is important, and present solutions that will address the client's strongest emotional drive. From this, we can help clients take action to both preserve what they have and exploit the opportunities of this unique market.

Kevin Quinn is the founder and president of Legacy Counsellors, P.C., an estate and business planning law firm, serving successful individuals and families throughout the country from offices in Easthampton, Massachusetts and Bloomfield, Connecticut. He is admitted to the bars of the Commonwealth of Massachusetts and the State of Connecticut. Attorney Quinn also is a Contributing Authority to a number of publications including "GIVING for Everyone" and "STRICTLY BUSINESS".