

How to Profit from a Top Client Advisory Council

Part I

By Ron Carson

Recently I attended a presentation by a well-known author and he made a comment that really struck a nerve with me. He said, "no one of us is as strong as all of us." As I reflected on that, it made me realize that I wasn't really leveraging one of my best resources – my top clients. They represent a treasure trove of wisdom and experience yet all I was doing was asking them for referrals. That's when I realized that by setting up an Advisory Council, I could create a win-win situation that would benefit all of us.

An Advisory Council is a small group of top clients who meet periodically in an effort to help you improve your business. These are clients who have a sincere interest in helping you grow and who enjoy being a sounding board, mentor, and referral source.

Initially, I was concerned about asking our A+ clients to take a half day out of their busy schedules. But, instead of resistance, I found they were flattered that we asked. Now that we've had a few meetings, several members have commented that they get just as much out of the meetings as they give. For example, several members said they plan to improve their customer service by implementing some ideas from our Love-Affair Marketing discussion. Also, several members plan on implementing our productivity enhancing idea called The 6 Most Important. This simple idea has dramatically improved our productivity by requiring our staff to write down their 6 Most Important activities each day in order of priority. Following this list keeps our staff efficient and focused.

Although it's relatively new, our Advisory Council has already delivered numerous benefits. For example, the door to a Fortune 500 company opened when one of our council members lined up a brown bag speaking engagement for us. We had been trying on our own for months with no success. Another council member gave us a referral that resulted in a \$1 million rollover just two weeks after our first meeting.

Our Advisory Council has also become a valuable medium for exchanging ideas and testing them before we make a mistake or spend money in an area that's not going to give us results. They're not shy about sharing their opinions either. When we floated the idea of having a Salvation Army kettle at our Holiday Brunch, they shot it down. They felt that guests might feel pressured to make a contribution when all they wanted to do was exchange Holiday greetings and have a nice meal.

As you consider establishing your own Advisory Council, here are a few thoughts to keep in mind.

First, we've found the most productive size is about six to eight members. This is large enough to give us a good cross-section of our clients yet small enough to ensure a healthy dialogue.

Second, we limit our council members to a 24-month term. This ensures that we have a continual stream of new members who bring fresh perspectives and additional referral opportunities. It also allows us to get even more of our top clients involved.

Third, we have a diverse mix of members. Our Advisory Council includes three men and three women and they're a mix of young and old entrepreneurs, corporate executives, dot com winners, and wealthy retirees. They're representative of our client base and it's really exciting to see the interplay among these highly successful people who come from different backgrounds and different generations.

And fourth, our key employees are members of the council. I was pleasantly surprised at how creative they became once they stepped out of their day-to-day routine and into the electric atmosphere of our council meetings.

It's important to set ground rules for the meetings. Here are the three keys ones that we discussed early in our initial meeting. First, every idea and comment is valid. Second, what is said here, stays here, and third, there are no taboo topics. The "no taboo topics" rule is the most important. I told the Council we wanted them to be brutally honest because it's their feedback that will help us get better.

In Part II, we'll describe the logistics of setting up and running the meetings and review topics we discussed at our initial meetings.

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Part II

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In Part I, we discussed the benefits of starting an Advisory Council and shared a few ideas with you on how to maximize your results. Today, we'll describe the logistics of setting up and running the meetings and review topics we discussed at our initial meetings.

To foster camaraderie and open dialogue, we start each half-day meeting with a casual lunch and end with cocktails and dinner. The first meeting is also a good time to share information about each other and get to know each other on a more personal level.

Our meetings, while first class, are not very expensive. They're held at our plush office with a catered lunch, which runs about \$18 per person. Cocktails and dinner are held at a local restaurant and that runs about \$45 per person. Our Advisory Council members represent about \$30 - \$35 million in assets under management so it's important that we treat them to a first class experience.

Before each semi-annual Advisory Council meeting, we send our members the agenda and give them some prep work to get them thinking about the topics. Here are some of our recent agenda items:

1. **A review of our mission and vision statements.** We asked our members if these statements expressed the strength, dedication, and clarity of a company they want to do business with.
2. **What makes our firm unique?** We got some great feedback on why our top clients chose to do business with us.
3. **Brainstorming for creative ideas.** We ended up with some new ideas that would lower costs, improve service, and enhance communication. For example, to lower costs, the Council said we should stop mailing our client surveys and instead, have each client complete it when they come in for a review. Also, whenever we make changes to our model portfolios, the Council said we could significantly improve communication if we e-mailed them a brief description of the change and why we made it. Based on their feedback, we also revised our client newsletter by making it shorter, adding call-out boxes for important information, and giving clients the option of receiving it by e-mail.
4. **A review of next year's proposed client events.** This caused us to add a wine tasting social event, which our members felt would be very appealing to existing clients, as well as A+ prospects.
5. **How can we grow our business?** This is where we let the members know we are looking for more people just like them. We also asked if there were any opportunities for us to speak in front of groups they're affiliated with – and there were!

6. A review of our existing service offerings. We discovered that three of our council members did not know we offered tax services. As a result, we added a system to call all of our A+, A, and B clients whenever we add a new service and we added a "services offered" section to our quarterly client newsletter.

When we get to the end of our meetings, we carve out 15–30 minutes to summarize what was discussed. We then develop an action plan with timelines and communicate the progress through periodic e-mails. At the next meeting, we close the loop by reviewing the status of each item.

We wrap up the meeting by telling the members to call or e-mail any new ideas, thoughts, or comments they may have instead of waiting until the next meeting. We conclude by thanking them, giving them a small gift like a leather portfolio, and then adjourning for cocktails and dinner.

Creating an Advisory Council has been a real winner for all involved. We benefit by having a sounding board for new ideas, a source for new referrals, and a partner in helping us develop a more effective and profitable business. Our clients benefit by sharing their wisdom and experiences with us and by having a direct impact on the quality and type of services we deliver to them. And, together, we benefit from the enhanced fellowship and camaraderie.

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