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The client whisperer

Ben, a tan-coloured Lhasa Apso, routinely strained against his leash when confronting strangers, making erratic lunges and growling menacingly. He was out of control, one day being affectionate, another, moody and unwilling to engage socially. He hid under the couch, stole food from the dinner table, urinated on every pair of shoes to enter the home and barked crazily at children.

If you have ever seen an episode of "The Dog Whisperer," starring Cesar Millan, you will recognize a pattern. It starts with a badly messed-up dog, then the dog-psychology-savant host Cesar comes in and fixes everything, and the owners leave with a transformed pet. The parallel with human psychotherapy is that you start at a bad place and you want to get to a better place. And empathy and respect are key ingredients.

Moving out of therapy into the arena of normal human frustration and fear is the relationship between advisors and clients. Clients will praise you when their financial fortunes improve and blame you when they decline or stagnate. And with rollercoaster equity markets, there has been more than enough blame to go around. How do you become a Client Whisperer, so to speak? How can you, figuratively speaking, coax your clients out from under the furniture and encourage them to do the things necessary to reach their retirement goals? That's the million-dollar question and, chances are, you're already doing some of it.

5 steps to becoming a client whisperer

1. **Set the stage**
2. **Recognize that clients' thoughts and fears are self-reinforcing**
3. **Ask**
4. **Listen**
5. **Acknowledge, validate and challenge**

1. Set the stage

This is a financial discussion, so frame it in that way.

Consider leading off with either of these questions: "What's your top concern right now regarding your financial well being? or "What's changed in your life since we last met?"

2. Recognize that clients' thoughts and fears are self-reinforcing

Prospect Theory research by Nobel laureate Prize-winning psychologist Daniel Kahneman and the late Amos Tversky, shows that people are twice as sensitive to losses as they are motivated by gains. So it's entirely predictable that very difficult market periods make people over-adjust on the conservative side. The challenge is to engage clients so that they can articulate both their goals and their fears.

3. Ask

It is likely that your clients have not articulated their fears about their investments and their future, so give them the opportunity.

Consider your own variations on the following questions, in this order:

- When you think about your current financial situation, how does it make you feel?
- What thoughts come to mind?
- And if these thoughts were true, then what would that mean?

4. Listen

Take notes. Avoid the urge to talk. By listening closely, you can tap into the thoughts that create negative emotions and lead to a cycle of "safety behaviours," such as avoidance, procrastination and worry.

5. Acknowledge, validate and challenge

When you take the time to listen to your clients' concerns, you will be in a position to challenge the negative thoughts by creating exposure. Here is a mock conversation that is meant to provide a model, rather than a script. Practice your own dialogue with staff or a family member before using it in real life.

Advisor: **"I hear you when you tell me you are feeling (nervous, anxious, fearful) and that you are thinking about (losing money, recession, job loss, bills). I understand now why you are worried and why you would choose to remain on the sidelines right now. What would you say if I were to show you a solution that would provide you with an experience that would cause you to think differently and decrease your feelings of anxiety and nervousness about the market?"**

Client: **"Tell me more."**

Advisor: **"The solutions I am recommending will take downside risk concerns very seriously with the potential for increased returns. Here's an example."**

Cycle of client concern

Situation
Market and economic volatility

Automatic thoughts
What if this happens, then it will mean this, or I will feel this

Automatic thoughts create emotions

Emotions
Fear, nervousness, dread

Emotions create behaviours

Safety behaviours
Procrastination, avoidance, worry

Behaviours reinforce automatic thoughts

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