For Financial Planning Greatness



Introduction

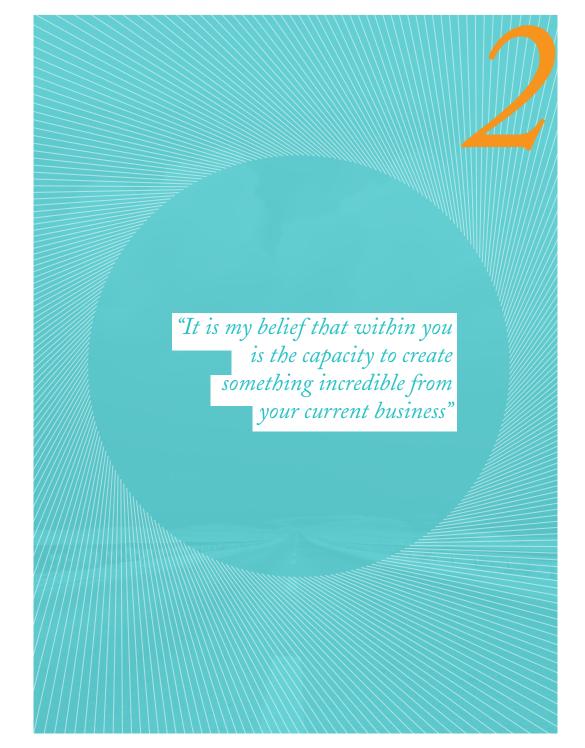
It is my belief that within you is the capacity to create something incredible from your current business. All that is necessary is the willingness to try.

- · You can achieve the incredible if you work smart
- You can achieve the incredible if you focus on the bigger vision (a goal more important than money
- · You can achieve the incredible if you improve; and there's always room for improvement

Below I have outlined the standards of performance that great businesses use as a starting point. I strongly encourage you to adopt as many of these standards as you can within your own business.

Along with this, I'd love you to go even further and create your own unique standards of performance with your own team.

Brett Davidson Founder, FP Advance





Standard 1 - Clarity

It all starts with clarity of your vision. If you don't know where you are headed then it may look like any path will take you there.

If you don't know where you are headed neither does your team nor those close to you. Any form of success is immeasurable, as it is impossible to know if an achieved outcome is in line with with your goals.

There are some fundamentals that you need to be sure of for success to occur.

- Why am I doing this?
- What do I want my life to look like? (what is my idea of work/life balance?)
 Why am I sacrificing myself for this project?
 What is the higher purpose? (A purpose bigger than money)
 What's worth doing even if I fail?

- What are our core values as an organisation?
- What do I want my business to look like?
- Who do we serve?
- What type of clients do I love working with?

The answers to these questions have the power to transform both your thinking and your business.

Standard 2 - Business Management

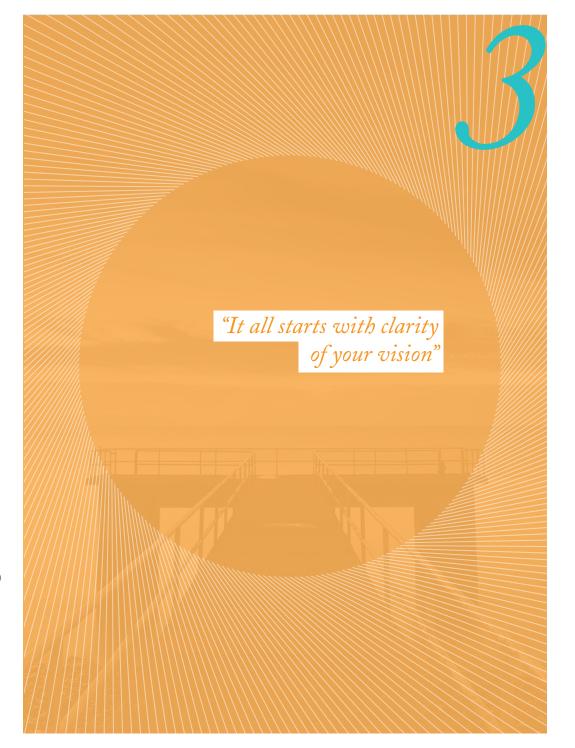
It's unlikely you started your business to become a manager. You joined the financial planning profession to help clients. However, if you can't manage your business effectively. you'll end up spending less and less time doing the client-facing work you love.

Here are some questions to consider:

- · Do you have the skills to solve your business challenges?
- Have you got what it takes to successfully manage your team?
- Are you able to move issues forward in baby steps, week after week after week?
- Are you focused on what you will do, but also able to keep in mind what you are not going to do right now?

To succeed, and have fun in your work and life outside work, you need to be a business management master. That means:

- Creating a credible, and inspiring business plan
- Holding weekly leadership team meetings
- Identifying and resolving the issues that hold you back
- Setting goals and reviewing progress in 90-day cycles
- Collecting, analysing and reacting to meaningful Management Information (MI)
- Communicating your vision to the team via guarterly State of the Nation meetings





Standard 3 - Weekly and Daily Personal Planning

Your personal and business success will depend on the seemingly small and insignificant choices you make each minute and hour of every day. It's easy to delude ourselves that it's the big decisions that make most of the difference.

It's not true.

There are no big or small decisions; merely decisions. The choices you make now determine your success in the future.

Recognising this is the first step to achieving your vision and unlocking your potential.

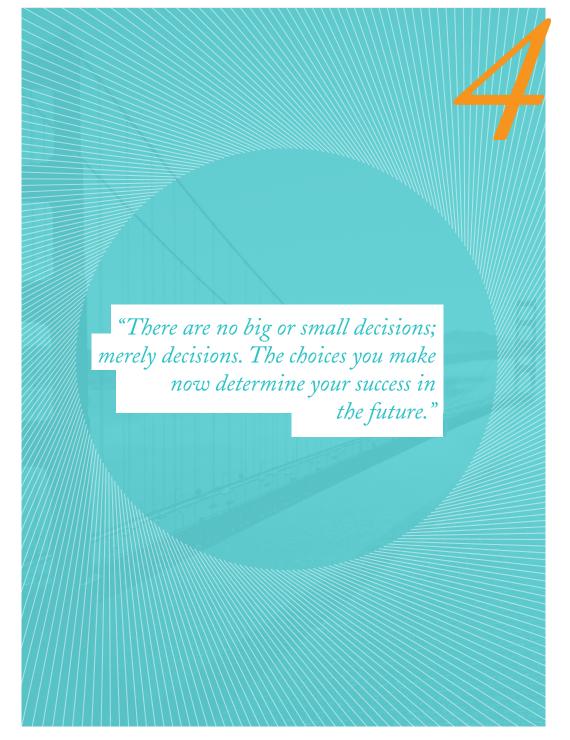
As a result, you need to:

- Plan every week in advance (choose a time to do this: Sunday night, Monday morning, or even last thing Friday). It should only take 20 minutes.
- Plan every day (choose a time to do this: first thing in the morning over a tea or coffee, or the evening before). This should take only 10-15 mins.
- You should have one to do list. Watch out for the 'four to-do lists' trap. Sometimes tasks get hidden in the following:
 - Your actual to do list
 - Your emails
 - Your diary
 - $^{\circ}$ To dos from your weekly meetings

Remember that success comes as a result of the choices you make in each moment.

Failure to plan your weeks and your days allows you to continue deluding yourself that you can 'get it all done'.

You can't get it all done. You have to choose what you will do and what you won't. Failure to choose is in itself a choice to remain overwhelmed and underachieving.





Standard 4 - How The Phone Is Answered

It seems like such a small thing, but how the phone is answered in your office becomes a key first impression for your business. Just take notice of the way other businesses you interact with answer their phone.

Do they convey an impression of:

- Being interested in you and your call?
- · Wanting to do business with you?
- Helpfulness and professionalism?
- Confidence and knowing their stuff?

Or do they send a message through their tone of voice, energy and words of:

- Being flustered and busy too busy to give you the time you need?
- Not wanting to do business at all?
- · Being totally unhelpful?
- Unprofessional or out of their depth?
- Just not keen enough to earn your business? (There are plenty of other alternative suppliers out there you could choose to work with)
- Incompetence and lacking professionalism in the way messages are communicated?

What message are you and your team sending to callers?

If someone calls for you and you are not available, what does your team say? Do they just take a message after informing the caller that you are unavailable? Or do they energetically ask if they can be of assistance (and mean it)?

There's a world of difference in the two approaches.

Standard 5 - How You Respond To Client Queries

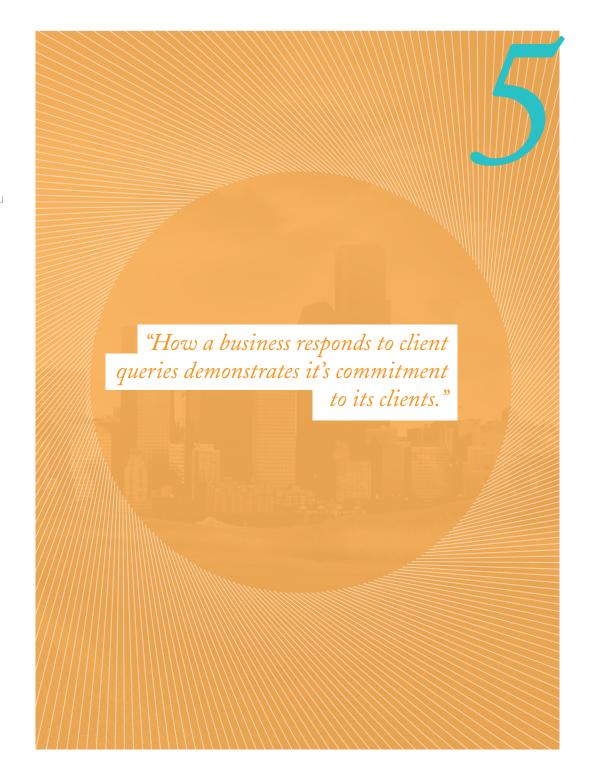
How a business responds to client queries demonstrates its commitment to its clients. There are two key components:

- Time frame (speed of response)
- Attitude (of those responding)

Clearly the attitude within your team needs to be one that is totally client centric and empathetic. The team needs to understand what it feels like to be a client, and to treat that feeling respectfully and helpfully.

Your business systems will also determine your speed of response time, as will client numbers. If your systems are poor, and/or you have too many clients, no amount of 'can do' attitude will compensate.

All client contact should be acknowledged within 24hrs.





Standard 6 - First Meeting Skills

The first meeting with a new client sets up the whole of the relationship. It's the best chance to:

- · Establish your credibility in the client's eyes
- · Challenge their views around the value of advice
- To set expectations around the value of your service

Get this right and you can charge a premium price for your work. It'll also mean you can manage the ensuing steps in the process (of which there are many).

Get this wrong and you might find yourself on the back foot and working cheaply (or for free initially), as you try to demonstrate that you are good value and win the client's trust.

It's all about the quality of the questions you ask, and your ability to just shut up and listen intently to the client's responses.

Most advisers talk too much, know they talk too much, and yet still refuse to address this vital issue. It keeps them pegged at a level of performance that is well below their potential.

Standard 7 - Client Review Meetings

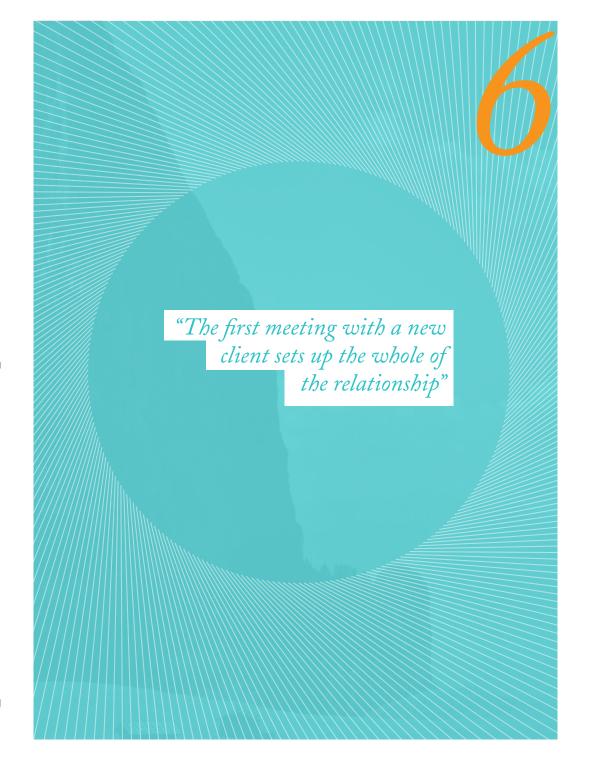
90% of the work most firms perform revolves around delivering annual reviews for their clients. Therefore it is imperative that the processes that support this process are as simple, and client friendly as possible.

That means doing the minimum to demonstrate:

- That everything is going to be alright (typically using a cashflow model)
- Reminding clients what you've done for them lately (showing your value in cash wherever this is possible)

In a lot of firms the review process is too investment focused and is overcomplicated. It doesn't take very much work to show people that everything is going to be alright.

Keeping things simple means that you and the team have plenty of time and space to help the small percentage of clients each year that do have significant changes occurring in their lives.





Standard 8 - Your Team

To achieve your life and business goals you must have an excellent team supporting you.

What types of staff do you need on the team in the core positions? They must posses the following characteristics:

- Positive attitude
- Excellent skill levels (they don't need to be told what to do, because they are experts in their role)
- Ability and desire to learn new skills
- Passion for their work
- Humility
- Initiative & self-motivation

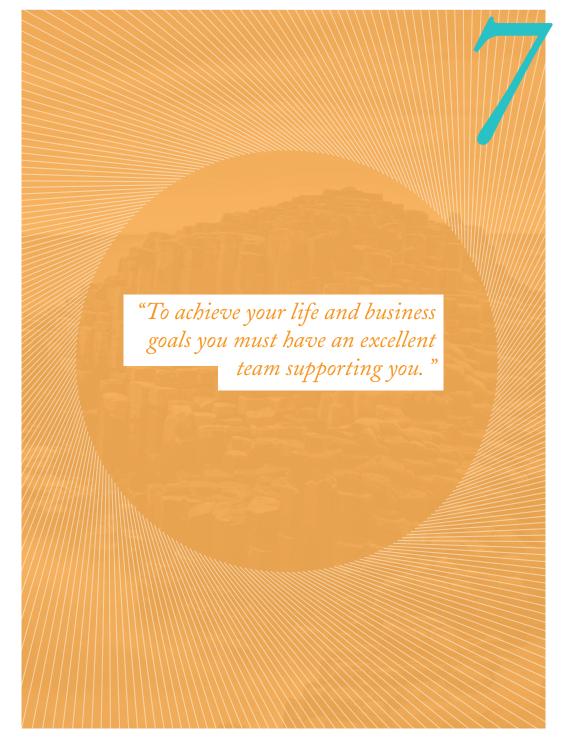
Remember 'The Parable of the Three Sons', who are sent off to work in the City. Six months later they are all on different pay packets and their father wants to know why. When he visits his friend who employed them and sees all three in action, he discovers:

- The first son doesn't do what he is told he's on the lowest pay packet
- The second son only does what he is told he's on the middle pay packet
- The third son doesn't need to be told he gets paid the big money

On your team you want people that don't need to be told because they are experts in their role.

You can't afford to be training people in key roles while you are small. Save that for when you are a larger business. Your most important hires must hit the ground running from minute one. When you pass work to them, they not only do what you ask, but they do two or three extra things because they know their onions.

These types of team members leverage your time exponentially.





Standard 9 - Perfect Processes

Perfect processes create scalability, build consistency of client experience and keep costs under control. They also allow your fantastic team to work to the top of their skillsets, delivering an amazing client service experience.

- You create great processes by identifying people's strengths and having them work to those strengths. Collaborate with you team when designing processes.
- You create great processes by mapping out 'what' (task), 'who' (job title), 'how' (tools) and 'when' (timeframes).

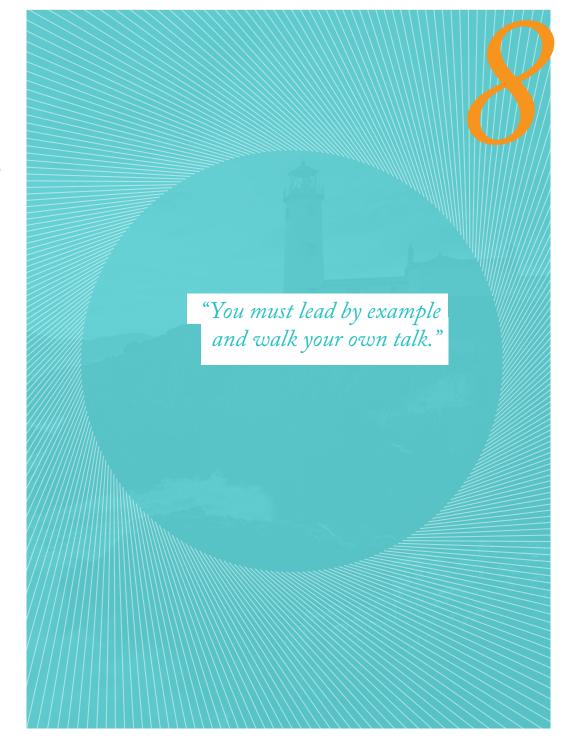
Recognise the strengths and limitations, as well as likes and dislikes of your existing team to ensure the process can be delivered.

At all times you must adhere to the processes you've created because it supports everyone on the team to do their job to the best of their ability and it leads to consistent, high quality client outcomes. *Exceptions create chaos!*

You must encourage each other (remind each other) to follow the processes and highlight examples where doing so, or not doing so, lead to a specific outcome.

Being the owner of the business doesn't get you a leave pass on any of these issues.

Quite the opposite; you must lead by example and walk your own talk.





Standard 10 - Understand Your Management Information (MI)

You must know and understand your numbers monthly and quarterly.

I'm sure you know that running a business isn't only about the numbers. There are many other areas to monitor that determine your overall success.

However, your numbers give you clues as to what's working and what's not. Any positive changes must eventually show up in the numbers and can act as confirmation of, or a challenge to, your current approach.

You need to know and understand your:

- Profitability ratios
- · Productivity ratios
- · Client Selection ratios

These are the three key levers that you can pull within your business to change performance.

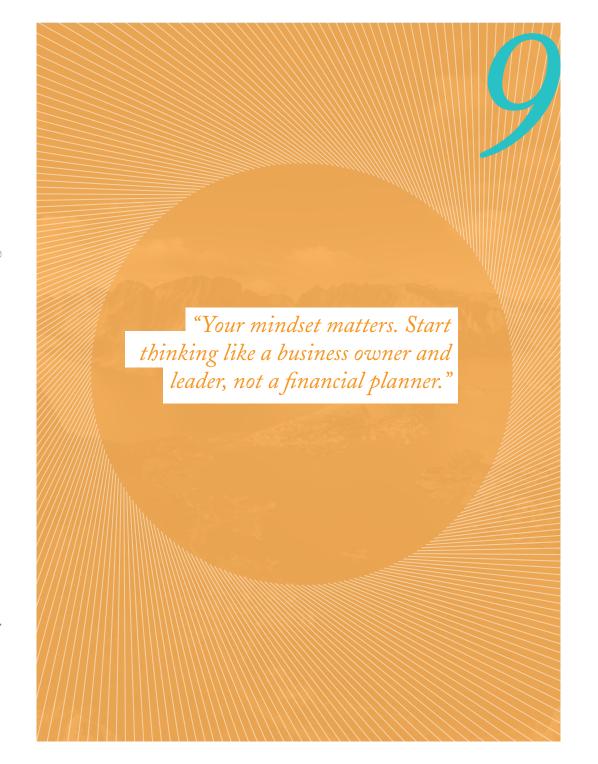
Standard 11 - Owner Mindset

Your mindset matters. Start thinking like a business owner and leader, not a financial planner. Financial Planner is merely your role within the business that you run.

It goes without saying that you have to provide vision, lead by example and create a business that people want to be part of (staff, clients and suppliers).

I like the following approach:

- Be clear about your vision
- Focus on your staff first because they deliver the client experience and are key to achieving success. Happy and fulfilled staff lead to happy and fulfilled clients
- Focus on your clients second happy clients willingly pay a premium price and refer other clients for the business to grow and expand
- Focus on profits/shareholders third clients that pay a premium and refer other clients generate the profits that adequately compensate owners for their risk





Standard 12 - Leadership

You can't delegate being the leader of your own business. Yet many small business owners want to pretend they are still just like the rest of their team.

Who should the team look to for leadership if it's not you?

Here are nine simple but important guidelines for leadership, taken from "Extreme Ownership - How US Navy SEALS Lean And Win":

1. Take extreme ownership

• If it's not working it's your fault.

2. No bad teams, only bad leaders

- It's important to acknowledge that leadership can make the difference between success and failure in any organisation.
- 3. When it comes to performance standards it's not what you preach it's what you tolerate
- It's the leaders who set the standards in a business.

4. You must be a true believer in the mission

• If you are not, take more time to get clarity around your vision.

5. Check your eqo

- Do this by asking yourself, "Was this person deliberately trying to sabotage me/the company/the mission?"
- If the answer is 'no', then calm down and talk with them about the problem.

6. Support each other - no silos in your team

7. Keep plans super simple

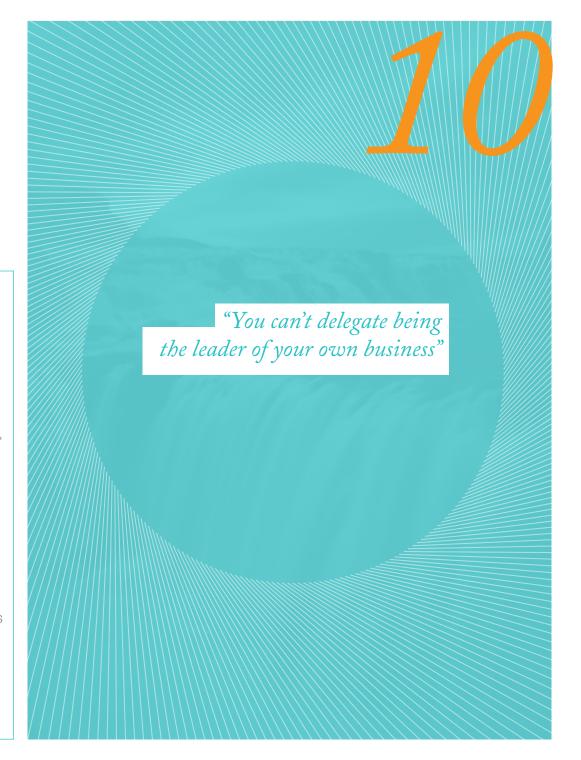
• Business is complicated enough. Keep things simple, otherwise when the pressure comes on, as it always does, things can go wrong and the complexity can escalate and overwhelm you.

8. Prioritise and execute

- · Seek input from your team in developing solutions.
- As the leader, make sure you are focusing all effort and resources toward solving the highest-priority task.
- Do the first thing first; 100%. Then do the next thing; 100%. Keep it super simple.

9. Decentralise command

- Teams should be a maximum of four to five operators only.
- Leaders of the teams must be clear on the overall mission and the goals of the mission the commander's intent. It's your job to ensure they are clear.
- The mission command model requires the leader to provide:
 - A clearly defined goal
 - The resources
 - The time frame
 - · A clear understanding of the leader's intention
- The rest is up to the individual in the field





Standard 13 - Dream Big

Sometimes business owners struggle with this one. My advice is to dream as big as you can for now. Each year as you grow personally and professionally, you are walking closer to the horizon of your vision. With each new step you can see a little further over that horizon.

There are some steps you can take to proactively stretch your thinking and help you dream bigger:

- Adopt a 'plus, minus, equals' mentoring strategy (a mentor who knows much more than you, a peer who is on a similar level to yourself, and someone you yourself mentor)
- · Attend US conferences all the best thinking in Financial Planning is happening in the US
- Read widely inside and outside our profession

Standard 14 - Celebrate Success

Create formal milestones and review dates to reflect on what's gone well and what you've achieved. It's all too easy to continually focus on what's not working. By establishing formal times for positive reflection you get to see and enjoy your progress.

Acknowledge and share success stories. It is easy to focus attention on things that go wrong but is there sufficient acknowledgement of your team's efforts that result in happy clients, further professional qualifications or other forms of success?

A culture of sharing positive outcomes will generate an uplifting atmosphere in your office and keep people motivated. You may also want to consider small rewards such as a lunch voucher, a box of chocolates or ad hoc Friday afternoon off.

Remember, incremental improvements will have a huge cumulative effect over time.

If you started doing 10 push ups three times each week and just added one extra push up to your sets each week, how many could you be doing in three years time?

Answer: 165 per set.

How many people do you know who can do 165 push ups?

How many people do you know who turnover £2M or £3M or £5M of annual revenue in their Financial Planning business?





Standard 15 - Be Kind To Yourself (and others)

Beating yourself up serves no purpose. If you are hard on yourself you will be hard on others too (and no one wants to work for someone like that - it's not cool).

So be kind to yourself and your team. That doesn't mean compromising on your standards, but you can encourage most people to reach them. Those that can't or won't reach them will probably prefer to work somewhere else.

Standard 16 - Get A Life Coach

Your business growth will never outstrip your personal growth. Therefore, it is impossible to get where you want to go without working on yourself.

Yes, it's uncomfortable. However, it is also hugely rewarding and the good news is you will reap rewards across all areas of your life; in your relationships, in your business, with your children, and in your community.

The best way to do this proactively and with accountability is to get a reputable life coach. Doing so accelerates the learning curve and creates mindset and behavioural change.

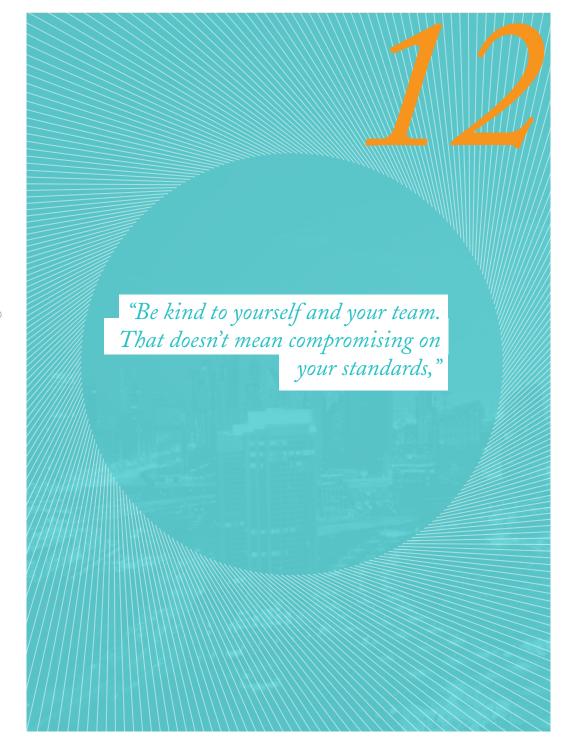
In every business I've ever worked with the handbrake on success is the owner.

Be the driver of your own personal development. Don't skimp in this area.

Standard 17 - Identify The Key Roles Required In Your Business

Once you know the key roles, create an Accountability Chart:

- · Define the top 5 priorities for each role
- Be specific on what the standard of performance is for each role
- Try to get your team working to their strengths even if this means redefining roles (within reason)
- Set metrics of competence for each individual
- Provide one number for them to focus on most roles can identify one key metric that accounts for 80% of performance





Standard 18 - Set Your Own Standards Of Performance

Be a business and a group of people that set their own standards of performance. Forget what others think is acceptable. Measure yourself against your own standards.

Set the businesses standards as a group exercise with you and your team. Discuss tricky areas and agree what good looks like.

Then hold yourself and your team accountable to these standards

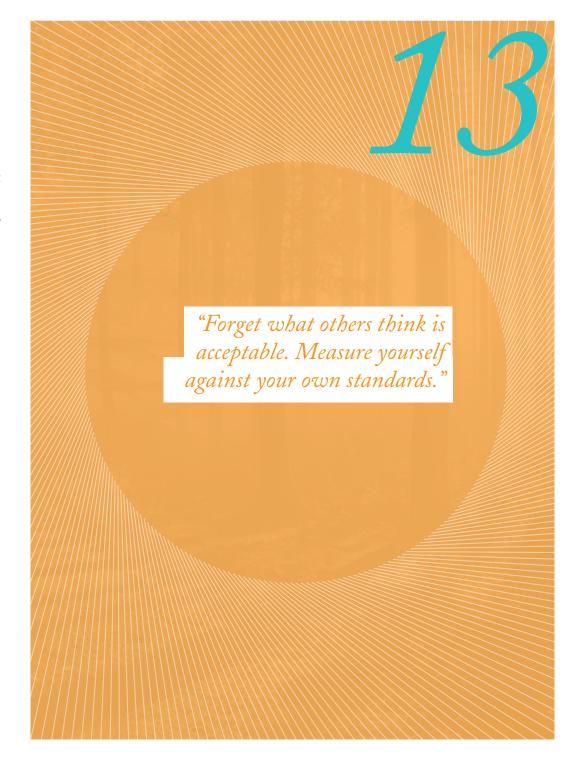
Standard 19 - Curiosity And Lifelong Learning

As one gets older it's easy to lose that sense of curiosity you had earlier in your life. You start to rest on your laurels. This is the death knell for performance and can also be a key contributor to feeling less enthused about your life and your business.

The brightest people on the planet are still researching and asking questions. The more they know the more they realise there is to know. Pretending we are certain is a defence mechanism to overcome our fear of the unknown. Because if we don't actually know the answers and can't control everything - then what? It's scary.

There are two simple strategies to combat any drop off in curiosity and learning capacity:

- Go and learn something new that is out of your comfort zone and your traditional sphere of knowledge. (This could be as simple as reading a book on a topic you know nothing about, or network with people where you are the least knowledgeable person. I kickstarted my curiosity by doing my ski instructor course age 48.)
- Hire young people in your business graduates and apprentices. Their new eyes on your old problems will get you re-enthused as you create new solutions together.





Standard 20 - Set Your Expectations

As the leader in your organisation it's your job to set everyone's expectations. Take time to work out what you want from your team and how to communicate this.

Push people beyond their comfort zone; not by bullying, but with positive leadership and encouragement.

Let everyone know that you expect them to possess (or be striving for) the highest level of skills and knowledge in their area of responsibility (their role). Let them know you will support them in their efforts.

Standard 21 - Nurture, Guide And Strengthen

Nurture, guide and strengthen your organisation continuously.

- Use some HR support to assist you
- Create development plans for every person within the firm and help them to grow every year

Ongoing learning and personal development should be central to your business

Standard 22 - Lead By Example

Lead by example - it starts with you and the team you hire and develop to support you.

"A fish stinks from the head down" as the phrase goes. Make sure you are walking the walk, as well as talking the talk.

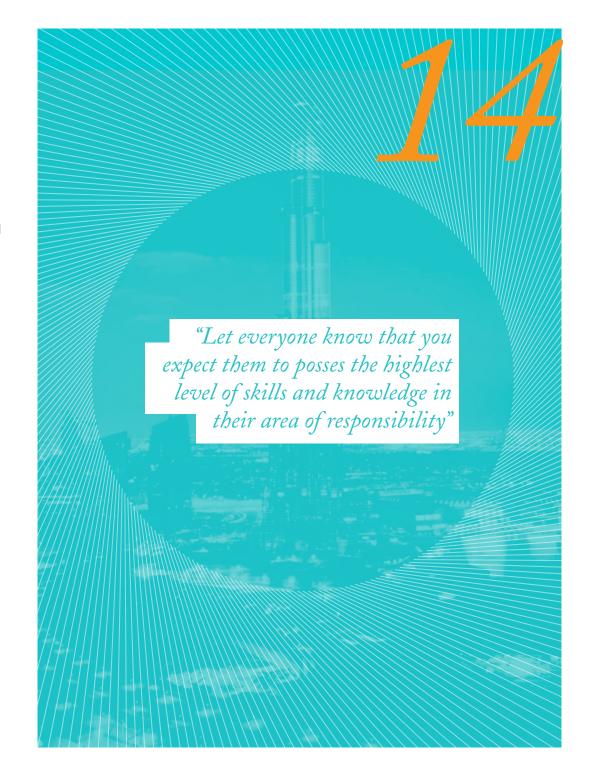
Standard 23 - Leave A Legacy

Is your life defined by a goal bigger than money?

If it is, then what are you doing that will leave a legacy after you finish your career?

How are you leaving the world a better place through your efforts?

By taking responsibility for more than profits, we tap into a collective vibrancy that is not only good for the world but good for business.





Standard 24 - Culture Precedes Positive Results

Create a business culture by design. Know your core values and live by them.

Culture shouldn't get tacked on as an afterthought, it should be the core of who you are as a business.

Champions behave like champions before they're champions - they have a winning standard of performance.

You should too.

Standard 25 - Planning Ahead Is Your Most Powerful Tool

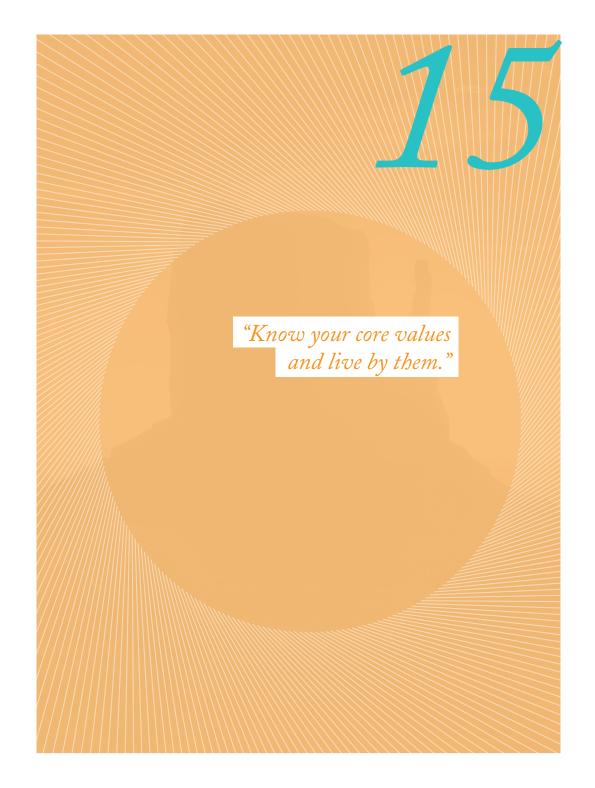
In American Football, coaches and Quarterbacks call plays and the team execute them. It was Bill Walsh, the legendary coach of the San Francisco 49'ers that started 'scripting' ahead of the game; initially working out the first four plays of the game and then expanding his 'playbook' to cover different situations the team might face during a game (e.g. trapped on their own line, attacking in the other team's half etc).

Where can you start 'scripting' and planning ahead? How can you be prepared 'four plays' ahead?

Some areas to consider scripting:

- Client screening calls
- Annual business planning
- Setting quarterly Rocks
- New client meetings
- Review meetings with existing clients
- Meetings with your team, with suppliers, with consultants, with anything.

Scripting (planning ahead) is your most powerful tool. Try it for your next client meeting and see what a difference it makes.





Standard 26 - Listen Before You Speak

We are often quick to jump to conclusions or form judgements. Attentive listening and reflection on what is being said is an important life skill. An ability to listen to your team before making decisions or forming judgments will make you an excellent leader. The same skill will ensure that your clients view you as their trusted advisor, who understands their needs and cares about their outcomes.

"Silence is a source of great strength."

- Lao Tzu

"Man's inability to communicate is a result of his failure to listen effectively."

- Carl Rogers

"If speaking is silver, then listening is gold."

- Turkish Proverb

"Creating your own Standards of Performance and institutionalising them within your business, which might be your life's work, gives you the opportunity to achieve the incredible. Not via pie-in-the-sky strategies or promises, but from simply focusing on excellence across your business.

I hope these standards inspire you to achieve your full potential. I also hope these standards inspire you to create a legacy, and to leave the world around you a little better than you found it."

Brett Davidson Founder, FP Advance

