Human-Centric Investing Podcast

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Episode 13 – Fill Your Prospecting Pipeline

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Featured Guest: Jill Slomski, president of Niche Team, LLC

This is the Human-centric Investing Podcast with John Diehl where we look at the world of investing through the eyes of our clients. Take it away, John.

John Diehl: Hello, financial advisers. This is John Diehl, Senior Vice President of Strategic Markets at Hartford Funds. Welcome to Episode 13 of the Human-centric Investing Podcast. Joining me today is Jill Slomski, President of Niche Team. Welcome back to the podcast, Jill.

Jill Slomski: Thank you, John. It's nice to be here.

John Diehl: Today, we're going to discuss a method that Jill is using with advisors to grow their practices, and it's working. She calls it client analysis and filling your funnel. Also, Jill's provided us with a worksheet that you can get in the show notes from today's episode. So with that, let's get started.

Jill, it sounds like we're talking about two separate concepts here, client analysis and filling your funnel. What do you mean by each and how are they related?

Jill Slomski: Well, the client analysis, we encourage our clients to go through and pull up their top 25 clients' assets under care. And we do an in-depth analysis as far as gender, age, marital status, where do they live, how did you acquire them, do they have children and so forth.

After we have a handle on where you're making most of your money, we then say, "OK, well, let's make sure that we have continuous business in the branch and keep momentum going and good activity."

And so we have a—many advisors call it a pipeline. We call it a funnel. We try to get the advisors to picture this big opportunity like the top of a funnel, and then one by one, we take care of these clients who have money in motion, take care of their needs in an orderly fashion.

After doing this for years and years, we find that if you can keep 20 people on this list of this funnel on a regular basis where you and your team and the office can focus your efforts on making sure that we're getting their needs taken care of and backfilling it to maintain that number of 20. Momentum and consistent business is always present in your branch or in your office.

John Diehl: So why, as you think about the framing, Jill, I think that's what's important because a lot of advisors look at their books and just say, "Well, we constantly look at who has needs," and that kind of thing. But, you know, your specific process around client analysis and this concept of filling the funnel, why is it important to advisors?

Jill Slomski: Well, it's interesting because no matter how long a particular advisor has been in the field, we don't look at a calendar and say, "OK, today is Tuesday and so, you know, (Ellen) and (David) are coming in for an appointment," we don't have a number attached to their head.

We take care of the clients on a need-by-need basis, you know, doing their regular annual review or however the financial advisor does it. But you have to look at how your office is aging. So when we do this client analysis, no matter how long someone's been in the business, people have aha moments.

We've had clients who have 24 out of 25 of their top clients are married. We've had some people have some unsettling moments when they realize that their book of business, the top clients in the book of business are in their upper 70s to mid-90s and they realize that they're going to way outlive their book of business, and they need to be in touch with the children or whoever will inheriting those funds or making sure that we're filling the rest of our business, our client profiles with people who are younger, 40s, 50s, 60s.

John Diehl: So it sounds like it's a process almost of kind of taking a step back in looking at the overall picture and trying to discern if there are trends or things that you ought to be thinking about in your business. Is that right?

Jill Slomski: John, that's exactly right. And what we tell people after we do this analysis and—we tell people, "These are the folks that you resonate with." If you've been in business for several years and it's not a matter of you having taken over an office or inherited clients necessarily, but you've attracted clients who you resonate with, you have a really good picture of who your ideal client is or who you resonate with.

And then you can go back to those great words that Hartford Funds use, as in go find where those people educate, congregate, recreate, and donate so that you can find more. That helps us then in turn fill that funnel. But it's really interesting to me that, you know, we have a particular client who realized that most of the people in their top 25 were single women.

They were either single, widowed, divorced and they realized that their main focus or their ideal client was women in transition. And so they then changed their marketing efforts and how they spent their time and now, they have become the go-to advisor for women in transition. And they get tremendous referrals.

So taking a good look at these demographics and then making sure of course that we have a relationship with the children no matter if they're out of town, out of state, or whatever, you know, there's always WebExes, that you have a solid future, it gives you a lot of confidence in knowing where your money is coming from.

It's about the relationship, but you still -- you know, comes down to dollars also. But then in turn, you can -- you then go to the funnel and fill that with 20 people from the client analysis. Now, part of this connection is this. When we do the last phase of this client analysis is we color code them, this top 25, and I go back to the beginning and I'll say, "OK, let's talk about Client Number One. Have they ever referred you?"

If they have referred you, we color code them green. If they have not but could, we color code them yellow. And if they couldn't because they're not in a situation to do so or sometimes you don't want any more clients similar to that, we code them red.

And we explain to the clients that out of your top 25, there's a good sales team for you. They're either referring you so remind them that you appreciate that and please continue that effort. Or yellow, give them the words to refer you or to simply say you want to have a conversation if anyone that they know of needs a financial advisor. So the two work hand-in-hand very, very well.

John Diehl: That makes sense, Jill. So let me take a step back because you mentioned, you know, coding people in terms of referral sources but if we start at the very beginning, an advisor says, "OK, this sounds like a pretty good idea." Let's start with client analysis. How do advisors actually do a client analysis?

Jill Slomski: Well, go to the worksheet that you've attached to this particular podcast and you will see that it -- we fill in the names and then gender and age. And then we write down are they local or are we doing a lot of traveling or a lot of WebEx. Occupation, because it's very interesting to see that some financial advisors resonate with a particular type of occupation.

Certainly it bears on your geographic location. Are you in a university town, are you in -- big into agriculture or gas or something like that. But occupation, what do they do because it affects how their clients listen. And then how did you acquire that client?

And then do they have children? And if they have children, do you have a relationship with them yet? So you fill out this 25. Now, we say 25, but then we ask, you know, if there are a few people who you truly enjoy working with but they're not in your top 25 assets under care yet, put them down there because those are the people who you enjoy working with.

So you do this analysis, you take a good look and you determine, are you dealing with a lot of married people, are you dealing with a lot of singles? It affects what events you have to gather them together and how you talk to them.

Do you have a relationship with those children yet? As, you know, as we transition wealth from one generation to another, you know, do we need to reach out in a very caring and methodical way to meet the next generation of those families.

So building that worksheet is a strategic way of understanding how it is that you are making the money in your office, but also who is attracted to you and then in turn, have you in fact grown the business by asking these people to mention to the people who they're related to or interact with to please send them your way.

John Diehl: So that referral step, Jill, is that like looking at people in terms of sourcing and have they sourced other clients to you, is that part of the client analysis step or does that ...

Jill Slomski: Yes, it is.

John Diehl: OK.

Jill Slomski: It's the final step, John, because it's the nuts and bolts of the demographics, and then you get to the point where people will say, you know, I had -- things are a little bit slow. Well, it's very difficult -- we will say -- I can say, "John, so you went out to a great restaurant last night, how was the restaurant," or, "How are your kids doing," or, "I hear you went on a really nice vacation." But people on a daily basis don't say, "So how is your money? Because my financial advisor is wonderful."

John Diehl: Right.

Jill Slomski: So we have to find ways to open up conversations and simply say, "Oh, thank you for sending your brother," write that thank-you note, or say, you know, "We really enjoy having you as a client. You're fabulous. You're so wonderful to work with. I feel like we have a great strategy. If you know of anyone else who needs to have a good conversation about their finances, just send them our way."

John Diehl: And maybe if your referral business seems to be slowing, maybe if you went back and took a look at it, it might be because some of the people that you've been, you know, kind of starting to fill the funnel with have largely been people who haven't been able to or haven't ever referred anyone to you. And so maybe mixing in someone from that other category may kind of jumpstart the process.

Jill Slomski: And, John, that's exactly right. And when I go through this with my clients and I'll say, OK -- their homework is oftentimes, I want you to go back to these people who have never referred you, but we know that they're blissfully happy with the services that you're providing to them, you need to go contact X amount of people for our next meeting.

And the conversation that I have on the phone on our next call is often like, my gosh, they said, well, sure, I'll refer you. But, you know, we can see if a restaurant is busy based on how many people are sitting in there. We have no concept as clients of financial advisors, are you busy enough, are you taking new clients, how does that really happen.

You know, it's not transparent to a client when they're coming in to an FA's office, we just figure they're qualified, wonderful, they take good care of me, they take good care of my family, and I know they're smarter than heck.

But as far as business growth, it needs to be mentioned by that financial advisor keeping in mind that that financial advising title is oftentimes intimidating. You know, clients don't understand exactly how you're doing but they're thrilled that you are doing it.

But if you say, "We'll take care of anyone." You know, one way -- I just talked with someone who was struggling with the ask. I said, "Look at your top 25, who's green, who's yellow." And they were helping someone with a rollover.

And I said, "You know, you turn to your friends and say 'If any of your friends are going through this situation and need our help, we do it every day,'" and just make it sound very casual. So why we always say, when looking at that top 25 of your client analysis, if we can code those folks green or yellow, that's your sales team. So you can become a referral engine if you just find the language that can motivate them.

John Diehl: That makes sense, Jill. And I think -- you know, I know I've run into advisors who -- you mentioned that the advisor with a rollover, perhaps that's a rollover from a certain firm in a certain occupation or whatever for the advisor to be able to sharpen their skills in whatever retirement plans that firm has or how their process flows or maybe even people in the HR Department to refer people to.

You get that much closer to business because you took a step back, you've analyzed, wow, it seems we're doing a lot of business with these kind of people, maybe there are some things I can do in that area to make my service even more appealing. It makes all the sense in the world. And how do I go from that analysis step, Jill, to actually putting people in this funnel that you've mentioned? What does that look like?

Jill Slomski: Well, you know, taking that step back and looking at the -- at your book of business, the top of your book of business. You know, you're now in a situation where you're going to be proactive instead of reactive. You're not simply pulling up your weekly schedule and saying, "OK, I have X amount of appointments this week and this is what I said I was going to talk to them about."

And so, OK, and you're kind of like a catcher in a baseball game. No, this is far more proactive. So you're saying, OK, this is my clients, I'm looking at my top 25. And I'm going to build a funnel, and the magic number is 20. Certainly, John, you can have more than that, but by the time you get to this funnel or pipeline and you have 30 on it, it becomes far too large to strategically manage.

Twenty is the key, that's working for our clients and has worked for our clients for years. And so you want to consider this. Write down the people on your funnel. You write down their name and you write down the situation that they're in that's causing money in motion. The key is money in motion.

And so for those people, a few are retiring, doing a rollover, inheriting money, selling a home, whatever. They need a life insurance policy. They've indicated to you that they need a life insurance policy. You write down from 1 to 20, I put funnel at the top, funnel, pipeline, just as long as it's not a fire hose, I'm really, really happy for my clients.

And you write down these 20 names. Simply the name, the situation, the amount of money, and the timing. So, you know, if you are sitting in the month of January and you can say, OK, this money should come in by the end of the month January or you can say next month, February, March, or whatever month you're starting this analysis so there's structure of your funnel, then you can -- once you get out to about five months, you're almost out too far.

We like to see this funnel or pipeline be about out four months at the most. All right. So when it comes time to develop this funnel, we know that the magic number is 20. And the 20 on this list are either current clients or prospective clients but you know for a fact that they are going to have money in motion for some reason, 401(k's), rollovers, retirements in the not so distant future, they're inheriting money, selling property, selling a business, they need life insurance.

And so you make this number 20 because 20 is something that we can focus on and strategize, it's not an urgency but it's an emphasis. Certainly 20, 25 is OK. After you go over 25, you're really making a laundry list of activity and that's not the purpose of this particular tool.

We want to have 20 on their that you as the financial advisor and your team can be very aware that this is a focus because these clients or prospective clients have indicated that they're going to have a financial need and you're going to hold them fiscally responsible for what they said that they wanted to do.

It's so frustrating when we have the client and they say that they want to get something done and then struggling to get them in the office. So keeping this funnel, this list of 20 either on your desk or on, you know, on your computer where you can see it often and certainly a copy with your team, with your staff, so that in staff meetings you're reviewing the people on here and saying that, you know, these are things that we're going to be processing and you're anticipating a workflow.

And strategically this is wonderful because you don't have fabulous months and then have nothing, because you are, as best you can then, backfilling -- as people pop off of this funnel because you finished a life insurance policy, you invested the funds from an inheritance, but then you're keeping in mind as a strategy to backfill with opportunity.

So you have you and your team focused on this funnel of 20. You know that they become a priority but at the same time, your routine is to identify who's next and it's wonderful. It's working for financial advisors in growing the business and maintaining momentum, and that momentum is always positive and it replicates that well-oiled machine that we all want, that efficiency and strategy. So both the client analysis and the funnel are very proactive tools that financial advisors can use in managing and strategizing their businesses.

John Diehl: So, Jill, let's say I'm confident -- the team and I are confident about how we've filled our funnel. We think we've got a good mix of people that have money in motion. What's the next step? So once I've established what the funnel is, do I start calling people or where do I go from there?

Jill Slomski: You call them and you get them in the office or you get to -- if you go on site and visit with them. You remind them that you heard them say that this was happening, the advantage of getting in the office and getting this taken care of now. For example, someone says that they're going to retirement in the next six months and you say, we want to get this all started to make a smooth transition into retirement, we want to -- don't want to be doing a lot of things at the last minute.

So you become their concierge of transitioning in some cases, but you're also reminding people that they need to do this. I have financial advisors who are really hesitant to push. And I'll say, you're not pushing, you're reminding them that you heard them, that this is a priority, that you're the person to take care of it and that you're going to make this easier for them and it works. So it's contact, contact all the time. And it's not pestering. You're simply reminding people that you heard them and that you're going to take care of it for them and reduce their angst.

John Diehl: Do you ever, Jill, get to a point in the process -- I mean it's great if it goes all the way through the funnel and we sell that life policy or we seal that rollover or whatever it would be. But do you ever get to a point where you have to boot somebody out of the funnel? And how do you determine what the timing is on that?

Jill Slomski: If someone has sat in the funnel for over six months, we put them down at the bottom for -- we call it -- at the bottom, I'll put something called radar. And, you know, and it's one of those things where those names kind of wake you up in the middle of the night, you think, "Oh, I got to remember that so and so is going to do this," or if you're driving, you're taking a shower.

And so we just put them at the bottom of the list so that they don't fall off completely. You don't think, "Oh, yes, that person was about 18 months ago." But if they've sat on there for about six months to nine months, it's time to move them because they shouldn't be a priority.

It takes up space, number one. But it also can take away the momentum and the positive impact that this tool has on both the financial advisor and their team, that we don't want this to become some sort of an old grocery list of some sort or, you know, the infamous to-do list of things you're going to do around your house.

You want this to be vital, you want this to be positive, proactive. And so if someone indicated that perhaps they're retiring and they changed their mind, OK, take them off the funnel for a while. I put them on my infamous radar list, but it's just a place so that I don't forget things or financial advisors don't forget. And that was a great question, John.

John Diehl: Yes. And it sounds like that's probably one of the mistakes that an advisor might make, is allowing the -- maybe the funnel to become too crowded, if you will, so it almost starts to clog up. But I mean what are the common mistakes or are there mistakes that you see advisors make when they begin to implement these approaches, what should people be on the lookout for?

Jill Slomski: First one is attitude. A person will say I can't do 20. And I sat down with a financial advisor that said, I started and I only have four. By the end of the call, we had 27. And I finally had to say, "We need to prioritize, 27 is too much."

So it's concern. It's kind of like taking that first step off of a diving board. The concern is that they don't have 20. Once they really dig in, they realize that the funnel is built out of conversations that they're having with clients on a regular basis. It's simply helping them to prioritize their actions and to make sure that, you know, things don't fall off of their list of to-dos because the client wasn't interactive enough. So number one is thinking that they can't do it. Absolutely they can.

The second mistake that I see oftentimes is people will go into their system and say, "Well, I have to-dos or money-dos in my system and I'm going to fill my funnel based on that." And they'll say, "So and so is bringing in $2,000," I'll say, "Well, no, that's just in your client notes. We're talking about larger amounts of money in motion."

And so it's not your to-do list. It's a focus of people who are going through life events that are going to cause you to act differently or spend more time with them based on their particular need or experience.

Then the third common mistake is people blowing this out of the water and saying, "I have 36 people in my funnel," and me saying, "Even if you have a huge team in your office, that's not a priority." We want to keep this going and make sure that we, as financial advisors, dot our Is, cross our Ts and keep this going. So 20 after all these years and advisors from new to 30 years in the business, 20 is the sweet spot, hands down.

John Diehl: So as you think about those are kind of a great awareness of mistakes that people often make, but do you ever get objections from advisors other than them saying, I don't think I have 20? Are there other objections that you ever hear from advisors when they consider implementing a method like this?

Jill Slomski: No, I really don't.

John Diehl: Really? OK.

Jill Slomski: Because they understand that this funnel, this pipeline feeds their business. And if they can't prioritize 20 people who are going to need them in the next, you know, next day to four months, then we've got bigger issues than filling a pipeline.

John Diehl: Well, yes.

Jill Slomski: So they understand that this is really -- this is just a great way for them to prioritize the multitudes of households or clients that they have. And so they see it as a really positive message to them that, "Yes, my business is doing well. This is what I need to do and I'm going to keep doing it." And then the client feedback is always positive. Thank you so much for partnering on this and you made it really easy. Thank you. So no, I've never had pushback.

John Diehl: It sounds like a great process for, you know, with all the distractions that we face every day. A great process for reminding myself to stay focused on the things that are really important for driving my business long term.

And thinking about that, Jill, I know we're just about out of time for this podcast. But what's one thing that advisors should do today to get started if they think they need this kind of help and process in their practice?

Jill Slomski: I'll tell you, John, the thing to do is don't hesitate, don't over think it. Financial advisors are fabulous but they're analysts. Get this worksheet that's attached to this podcast for the client analysis and fill it in. Do yourself a favor and if there is an aha moment where you say, oh my goodness, I didn't realize that, you know, my book of business was aging or that half of my people were widowed.

Whatever it is. Don't beat yourself up because you're a good financial advisor. You don't have numbers on people's foreheads. You know, but do that client analysis. It's a present to you. There's an aha moment about who you resonate with and then start filling that funnel because the funnel is nothing but positivity for a financial advisor and their business.

All it does is help you prioritize. And, John, you're exactly right. You know, that means when you get in to the office the next day, here begins your to-do list. And it's a positive reinforcement to I serve these people, they need me, this is where I need to focus. I need to take that phone call, I need to remind them. And it's all proactive and strategic. And it reaps great rewards for the clients and for the financial advisors.

John Diehl: Well, Jill, thanks again for joining us to share your insight. Really appreciate having you back.

Jill Slomski: Well, thank you, John, I really appreciate the time.

John Diehl: And for all of those listening, from all of us at Hartford Funds, we wanted to say thanks. And we will talk to you again soon on our next episode of the Human-centric Investing Podcast.

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