



Crisis? What crisis?

Columnist: Gary Jenkins, Elixir Consulting executive consultant

When was the last year that your business had 30 per cent of its gross revenue in new income? Not new money from passive growth in funds under management, platform deals or unusually high levels of risk business, but genuine new revenue from new work from new and existing clients.

We've been hearing disturbing reports from advisers and dealer groups that many businesses are suffering from a lack of new clients – that advisers are just not writing a lot of new business right now. We hear myriad reasons why this is so, almost always blaming outside factors – for example, advisers are too caught up with dealing with the Future of Financial Advice reforms, the media scrutiny thought about by industry superannuation funds means clients are not seeking advice, and the global financial crisis affected clients so badly that no-one wants to invest.

Interestingly, this has not been the experience of advisers we coach. In contrast, let me briefly tell you about three businesses we work with that look at things differently. They are operating in the same so-called tough environment and yet they each experienced an increase of over 35 per cent total revenue growth last year. Two of them received in excess of 100 new client referrals in that same year.

So, are they so different to many other practices? In the advice space, no. Between them they are giving similar-styled advice as many practices around the country. They are not in the first five years of their existence, they are not tapping into some 'special' group of potential clients. So what are they doing that makes a difference? To be blunt, they have chosen not to be victims of circumstances beyond their control. They have chosen to take affirmative action in their business and not get distracted by matters that are outside their realm of influence. Specifically, there are

three common denominators that can be observed in all three businesses:

1. They all chose to engage an external, unbiased business coach, and in their cases, it was us. None of these practices engaged us to help them in the advice space. Rather, they engaged us to take a third-party look at the structure, behaviours and operating processes in their business to help them determine a course of action, and equally important, to help them stay accountable to that course of action.
2. With our help, they recognised the advice and client space they were most comfortable and effective in and then focused on that. Our role was to help them put in place a set of disciplines that helped to keep them focused on who and what they were and where they got their most 'bang for buck'.
3. They kept their focus on the actions that delivered success and consistently applied those actions, regardless of what was happening outside their doors.

The result is the type of client they deal with and the type of advice they dispense have not changed from the good times through the so-called tough times. Further, the number of existing and potential new clients they see has not dropped either. They continue to enjoy excellent levels of the right referrals.

None of these businesspeople are superhuman or immune from making mistakes, neither are their staff. Further, they have different advice propositions from each other, different operating models from each other and very different methods of determining the fees for their work. Although they all engaged us, they are far from clones of each other. Their individuality is critical to their success. Our role was to help them harness their strengths to their best advantage.

What these businesses do have is strong disciplines and consistency in everything they do. They recognise the external factors

they cannot control and strive to identify and work on the internal factors they can control. They have a strong belief system, they consistently invest in their business, themselves and their staff by engaging outside viewpoints and experience, and they recognise they benefit from having an 'unreasonable friend' in their corner.

What will 2011 look like for your business? Take affirmative action now to determine what are the things that need to get done in your business come rain, hail or shine, and do not get distracted by issues you cannot control. There are clients out there who need your advice and are prepared to pay for it. You do not have to sit back and wait for them to find you while you're busy trying to prepare your business for the legislative changes heading our way. Multi-task and keep the business discipline to do what needs to be done to achieve what you want from your business. «



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