AUM Partners Workshops for Investment Professionals

Best Practices in Client Communications

CFA Society of Montreal

May 13, 2014

Jamie Ziegler

Founder and Partner
AUMPartners, LLC

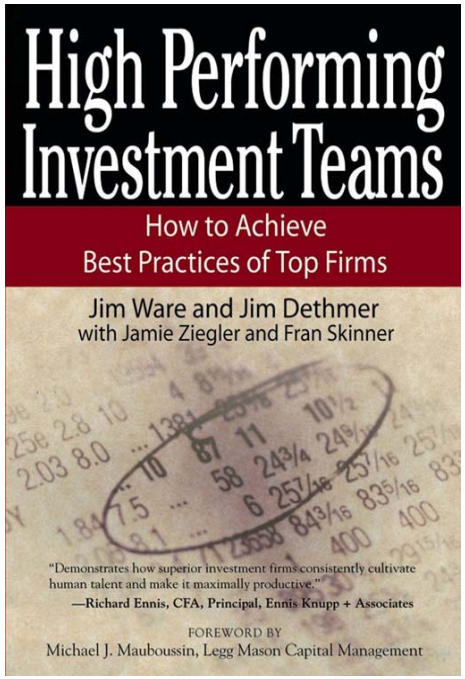
Co-Author of "*High Performing Investment Teams*" (Wiley, 2006)

AUMPARTNERS
www.aumpartnersllc.com

Maximize Your Greatest Assets. Your People

Your coach: Jamie Ziegler, AUMPartners

- Co-founder, AUMPartners
- 10 years consulting for investment firms
- 20 years in senior marketing roles for investment firms
- Guest lecturer at Northwestern University Kellogg School of Management
- CFA Institute Retained Speaker
- Co-Author, High Performing Investment Teams (Wiley, 2006)



The Art of Building Trust

Lean in

Listen

foLlow through

Lean In Quiz: Question #1

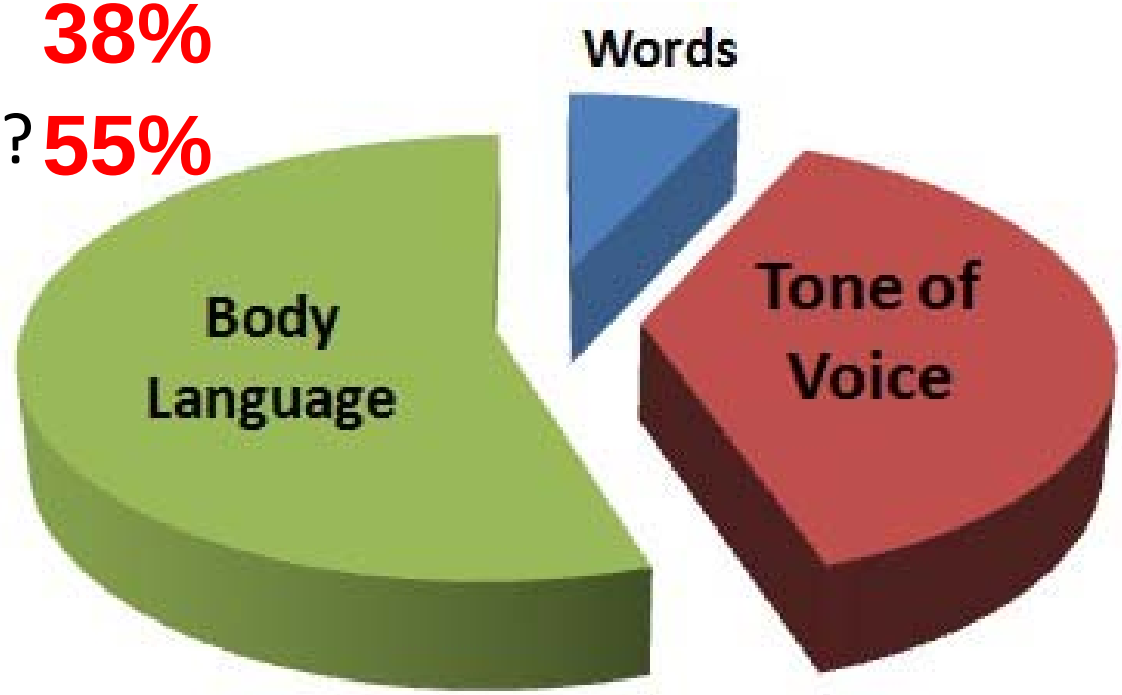
How quickly do we make our first impression?

1/10 of a second

Lean In Quiz: Question #2

How much information do we absorb through

- Words? **7%**
- Tone of voice? **38%**
- Body language? **55%**



Exercise: What's your current level of energy?

5. Very High
4. Above-average
3. Average
2. Low
1. Comatose

Energy Exercise

- Write down your current level of energy

  5 = Very high, 1 = comatose

- Select a partner, and take turns discussing your favorite activity. Two minutes each. You will be told when to switch (to let the other person talk)

Now, what's your current level of energy?

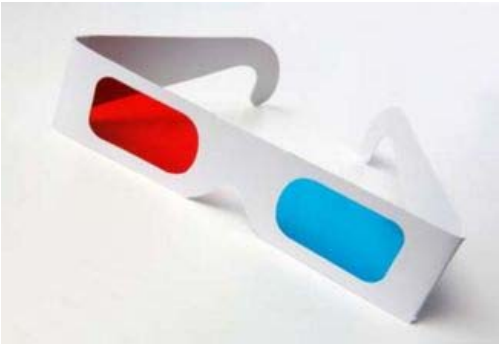
5. Very High
4. Above-average
3. Average
2. Low
1. Comatose

What do you see?

Where you place your attention affects how you see the world.

Our filters create meaning…and bring out emotions

- We each see the world through our own filter
- Our filters create meaning out of sensory data, and meanings stir emotions (fear, anger, sadness, happiness) *although we may be largely unaware of the process*



Your filters drive your motivations. Can you identify your most important ones?

1. The need to be right
2. The need for approval
3. The need to win
4. The need to be seen as unique
5. The need for ever-increasing knowledge
6. The need to be safe/secure
7. The need for excitement
8. The need to have control
9. The need for harmony

Think of an important client. Which needs are most important to that person?

1. The need to be right
2. The need for approval
3. The need to win
4. The need to be seen as unique
5. The need for ever-increasing knowledge
6. The need to be safe/secure
7. The need for excitement
8. The need to have control
9. The need for harmony

Speaking of emotions…
WSJ: *"Investor, Know Yourself"* April 20, 2013

"Want to be a better investor? Get in touch with your feelings…

Even if we think we're being analytical, emotions are working under the surface in ways we can't escape – and often don't understand."

Dr. Meir Statman, Prof. Finance, Santa Clara University

Trust builder #1

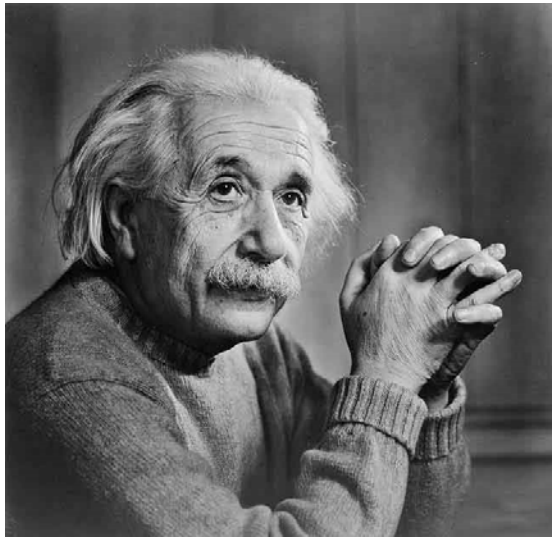
Lean In:

Be approachable, and tune into your client's passions and points of view

According to the Center for Creative Leadership, what is the TOP predictor of executive success?

Curiosity is the top predictor of success

- Curiosity = openness and responsiveness in the face of feedback
- Curiosity is also known as learning agility, or adaptability
- The driver is the desire to learn, rather than to be right
- The opposite state is defensiveness



"I have no special *talent*. I am only passionately curious."

The Art of Building Trust

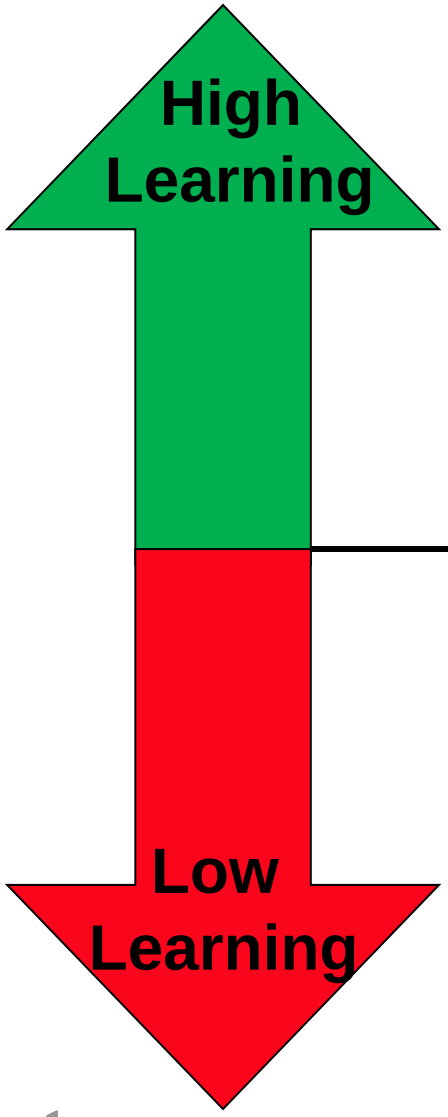
Lean In

Listen

...and Learn!

foLlow through

Above the line/below the line: Where are you right now?



Above the line: Curious and Open

?

Asking/
listening

"I want to learn."

!

Telling/
not listening

"I want to be right!"

Below the line: Defensive and Closed

AUMPARTNERS

Maximize Your Greatest Assets. Your People

Three Shades of Defensiveness

RED (Direct)

Moves against the other

Behaviors:

- Ask sharply about the other's intentions
- Provide a long-winded explanation
- Criticize
- Interrupt
- Raise the voice

GREEN (Indirect)

Moves away from the other

Behaviors:

- Show polite interest while tuning out
- Withdraw
- Withhold information
- Indicate agreement, while having no intention of following through
- Gossip

BLUE (Accommodative)

Moves toward the other

Behaviors:

- Blame oneself
- Give in quickly
- Worry excessively about consequences
- Become fearful of rejection
- Seek reassurance

Exercise: Your common defensiveness path

When your defensiveness is triggered at work, which shade of defensiveness do you typically go to first?

1. Red
2. Green
3. Blue

Exercise: Think of an important client. Can you identify his/her most common defensiveness path?

1. Red
2. Green
3. Blue

Use the IDEAS model to help an upset client

- **I**nquire
- **D**escribe
- **E**mpathize
- **A**dd another perspective
- **S**uggest an alternative

Trust builder #2

LISTEN

Understand your client better by asking great questions and then really listening

The Art of Building Trust

Lean In

Listen

foLlow through

Making and keeping clear agreements

The lasting impact of broken agreements

It can take years to build a trusting relationship, but only minutes to destroy it.

Pay close attention to ALL your agreements with clients…and everyone else.

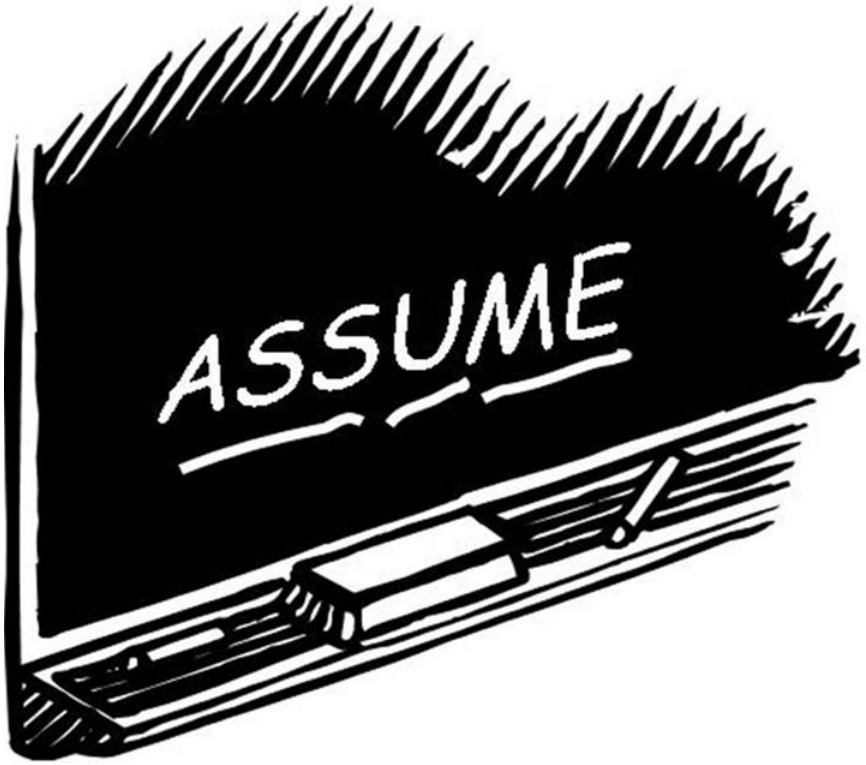
Broken agreements drain your energy, too

Making and keeping clear agreements

Three parts:

- **Who**
- **will do What**
- **by When?**

"I'll try" or "That's my goal" is not an agreement!!!



Thinking or saying "assume" will lead to disappointment

Record your agreements…then KEEP them. Big and small!

WHO will do **WHAT** by **WHEN**

How to Make Good Agreements

- Three parts: **Who will do What by When?**
- Did everyone say “yes”?
- Only make agreements you feel committed to and have control over
- Record your agreements
- Keep all of your agreements, big and small
- Renegotiate agreements immediately upon seeing a need for a change
  - Less than 10% of agreements should need to be renegotiated

WHO will do WHAT by WHEN

Trust builder #3

FOLLOW THROUGH
Make and keep all your agreements – big and small

The Art of Building Trust

1. Lean In

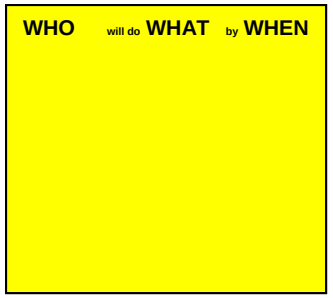
   Tune into your client's passions and points of view

2. Listen and Learn

   Understand your client better by asking great questions and then really listening

3. foLlow through

   Make and keep all your agreements – big and small



Additional Trust Building Resources

Contact me to discuss a
customized trust-building program for your team

Jamie Ziegler, Partner
AUM Partners, LLC
jziegler@aumpartnersllc.com
847-853-8251