

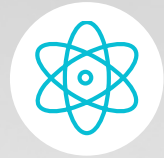
# Building a better practice

*Adapt and accelerate*

“Adaptability is about the powerful difference between adapting to *cope* and adapting to *win*.”

— *Dr. Max McKeown, Author, Strategist*

# Navigating a new reality



## Client engagement is evolving

- *Personalized experience*
- *Digital acceleration*



## Industry pressures are increasing

- *Fee compression*
- *Fiduciary focus*



**Objectively assess  
your value**

# Defining your value | Why do your clients work with you?



## STRENGTHS

- *What do you do better than most?*
- *Why do your clients work with you?*
- *What would your competitors say about you?*

# Defining your value | Why do your clients work with you?



## STRENGTHS

- *What do you do better than most?*
- *Why do your clients work with you?*
- *What would your competitors say about you?*



## OPPORTUNITIES

- *Are you engaged with technological advances?*
- *Are you leveraging COIs?*
- *Do you have a referral network?*
- *Can you create efficiencies?*

# Defining your value | Why do your clients work with you?



## STRENGTHS

- *What do you do better than most?*
- *Why do your clients work with you?*
- *What would your competitors say about you?*



## OPPORTUNITIES

- *Are you engaged with technological advances?*
- *Are you leveraging COIs?*
- *Do you have a referral network?*
- *Can you create efficiencies?*



## WEAKNESSES

- *Is your prospecting working?*
- *Where do your competitors win?*
- *Do you have the right team in place?*

# Defining your value | Why do your clients work with you?



## STRENGTHS

- *What do you do better than most?*
- *Why do your clients work with you?*
- *What would your competitors say about you?*



## OPPORTUNITIES

- *Are you engaged with technological advances?*
- *Are you leveraging COIs?*
- *Do you have a referral network?*
- *Can you create efficiencies?*



## WEAKNESSES

- *Is your prospecting working?*
- *Where do your competitors win?*
- *Do you have the right team in place?*



## THREATS

- *Is the competition increasing?*
- *Are you challenged with revenue growth?*
- *Are the demands for specialization high?*
- *Do you have capital management problems?*
- *Are your clients heavily concentrated?*



# What drives client satisfaction?

## All affluent households

Trustworthiness
Responsive/quick service
Advice
Problem resolution
Communication quality/frequency

Investment performance
Convenience/accessibility
Ease of doing business with
Reputation
Personalization

Cerulli U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023

# What drives client satisfaction?

## All affluent households

Trustworthiness	28%
Responsiveness/speed of service	7%
Advice	18%
Problem resolution	6%
Communication quality/frequency	4%

Investment performance	16%
Convenience/accessibility	3%
Ease of doing business with	6%
Reputation	37%
Personalization	4%

Cerulli U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023

# What drives client satisfaction?

## Households with > \$5M

Trustworthiness
Responsive/quick service
Advice
Problem resolution
Communication quality/frequency

Investment performance
Convenience/accessibility
Ease of doing business with
Reputation
Personalization

Cerulli U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023

# What drives client satisfaction?

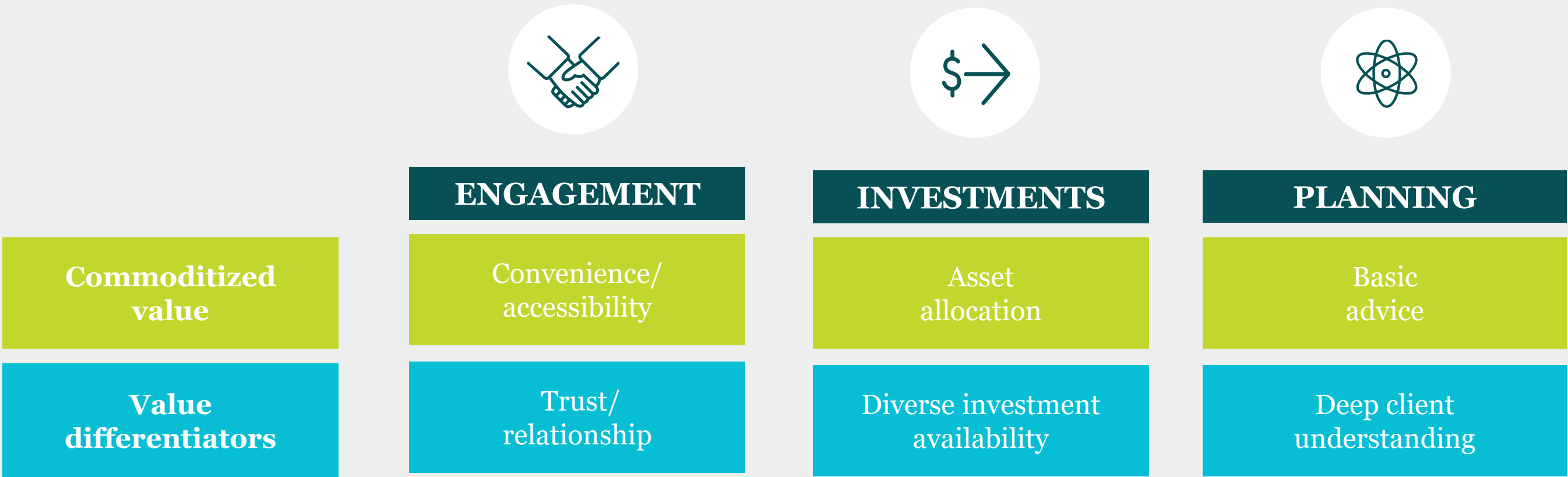
## Households with > \$5M

Trustworthiness	17%
Responsive/quick service	5%
Advice	22%
Problem resolution	8%
Communication quality/frequency	2%

Investment performance	19%
Convenience/accessibility	9%
Ease of doing business with	5%
Reputation	28%
Personalization	3%

Cerulli U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2023

# Your value differentiators



# Focus on client values and ‘the purpose’ of their money

**81%** “It’s important for my advisor to talk to me **about my personal values**”

**83%** Discussing **my values** ” with my advisor can help me **trust** their advice more

1 Nuveen 6th Annual Responsible Investing Survey, 2021

# What are your clients paying for?

## ROBO

- Investment performance
- Convenience/accessibility
- Ease of doing business with

# What are your clients paying for?

ROBO	HYBRID
<ul style="list-style-type: none"><li>• Investment performance</li><li>• Convenience/accessibility</li><li>• Ease of doing business with</li></ul>	<ul style="list-style-type: none"><li>• <b>Reputation</b></li><li>• <b>Trustworthiness</b></li><li>• <b>Advice</b></li><li>• Investment performance</li><li>• Responsiveness/speed of service</li><li>• Problem resolution</li><li>• Convenience/accessibility</li></ul>



# What are your clients paying for?

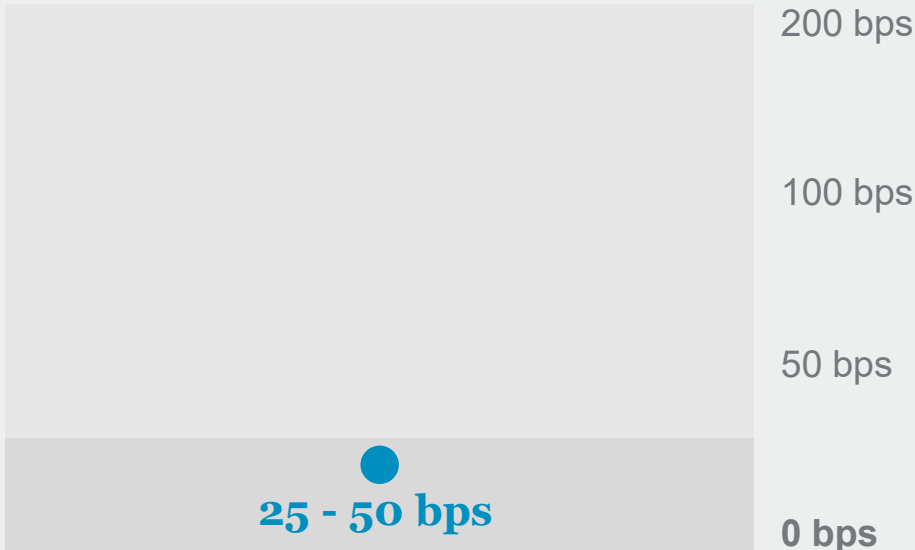
ROBO	HYBRID	FINANCIAL PROFESSIONAL
<ul style="list-style-type: none"><li>• Investment performance</li><li>• Convenience/accessibility</li><li>• Ease of doing business with</li></ul>	<ul style="list-style-type: none"><li>• Reputation</li><li>• Trustworthiness</li><li>• Advice</li><li>• Investment performance</li><li>• Responsiveness/speed of service</li><li>• Problem resolution</li><li>• Convenience/accessibility</li></ul>	<ul style="list-style-type: none"><li>• Reputation</li><li>• Advice</li><li>• Trustworthiness</li><li>• Investment performance</li><li>• Convenience/accessibility</li><li>• Problem resolution</li><li>• Responsiveness/speed of service</li><li>• Convenience/accessibility</li></ul>

# What are your clients paying for?

● *Average*

## ROBO

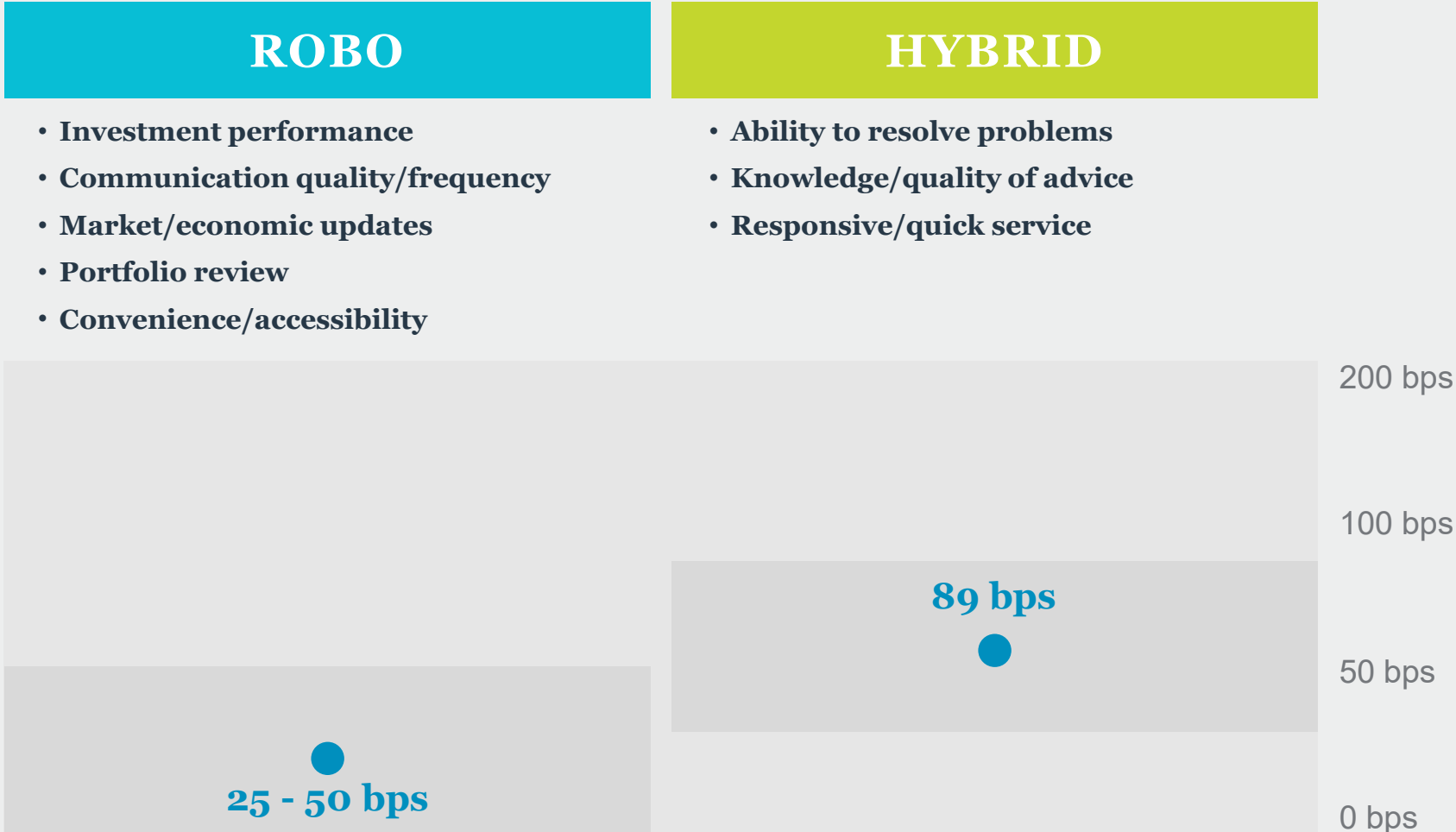
- **Cost effective**
- **Variety of investment models available**
- **Convenience/accessibility**
- **Technology-forward**



<https://www.nerdwallet.com/article/investing/how-much-does-a-financial-advisor-cost> April 2024

# What are your clients paying for?

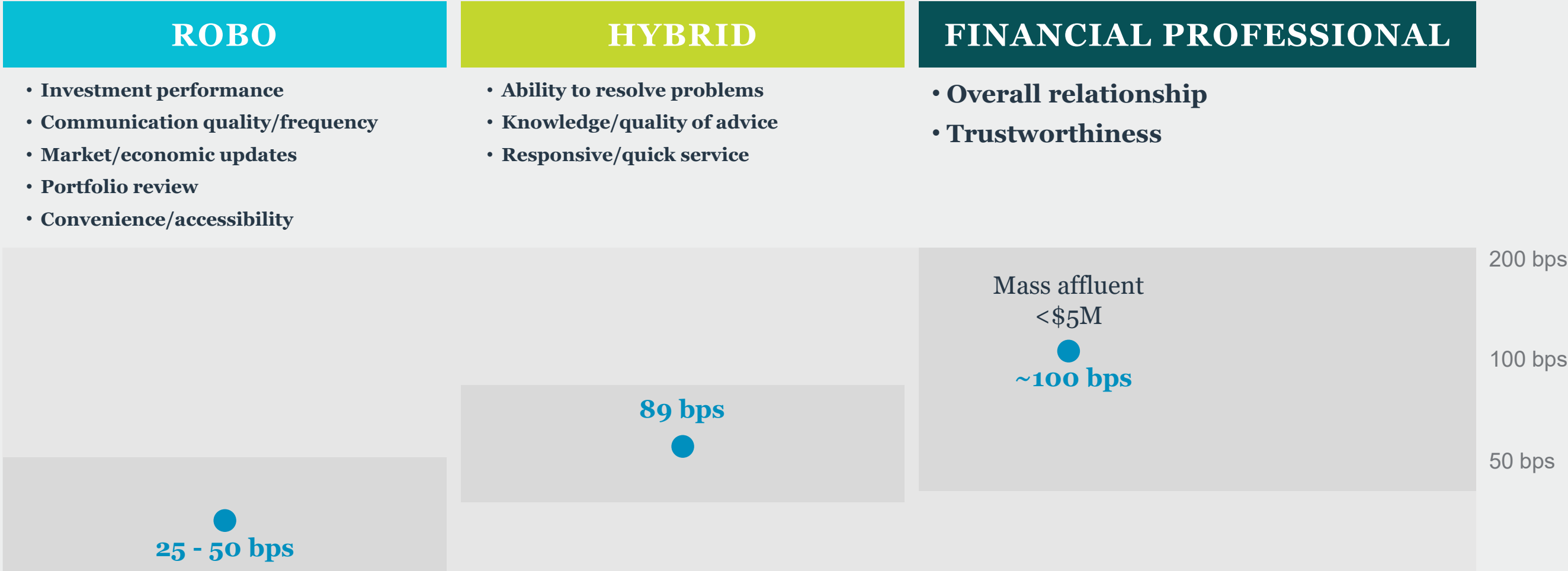
● *Average*



<https://www.nerdwallet.com/article/investing/how-much-does-a-financial-advisor-cost> April 2024

# What are your clients paying for?

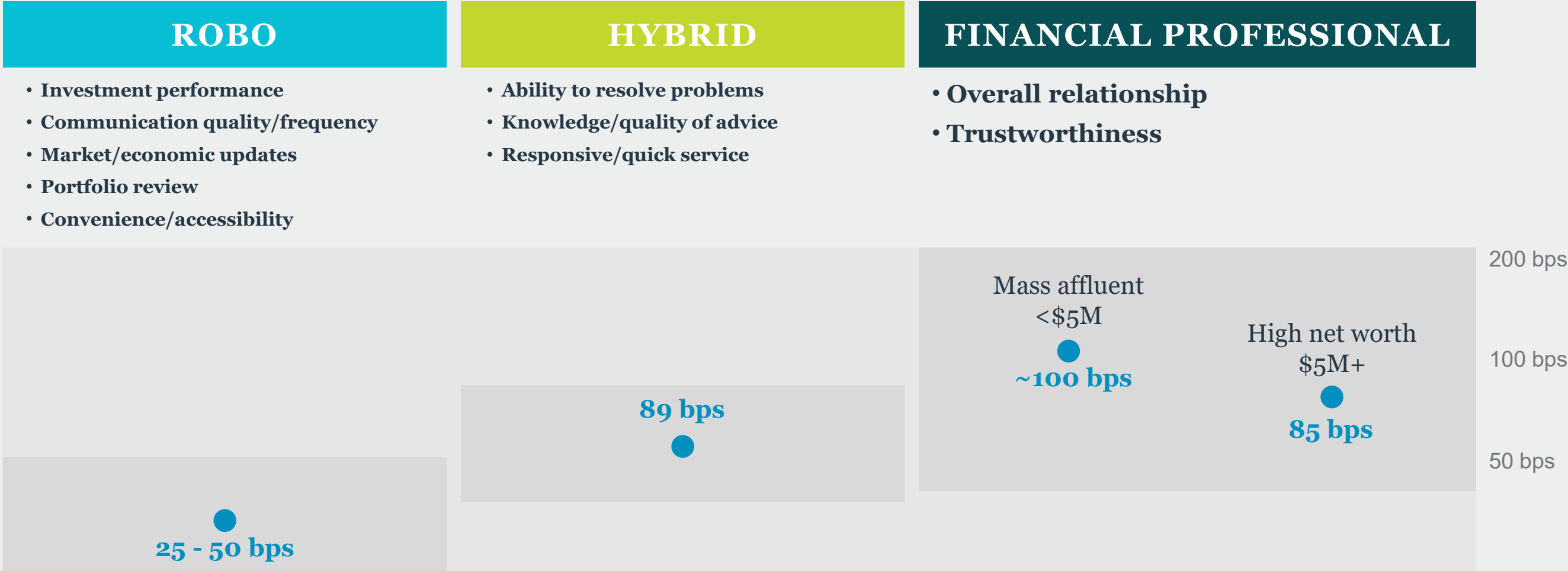
● *Average*



<https://www.nerdwallet.com/article/investing/how-much-does-a-financial-advisor-cost> April 2024

# What are your clients paying for?

● *Average*



<https://www.nerdwallet.com/article/investing/how-much-does-a-financial-advisor-cost> April 2024; High net worth fees: <https://retirable.com/advice/lifestyle/financial-advisor-fees>, February 2023

# Objectively assess your value

- ✓ Complete your SWOT analysis
- ✓ Consider your value differentiators





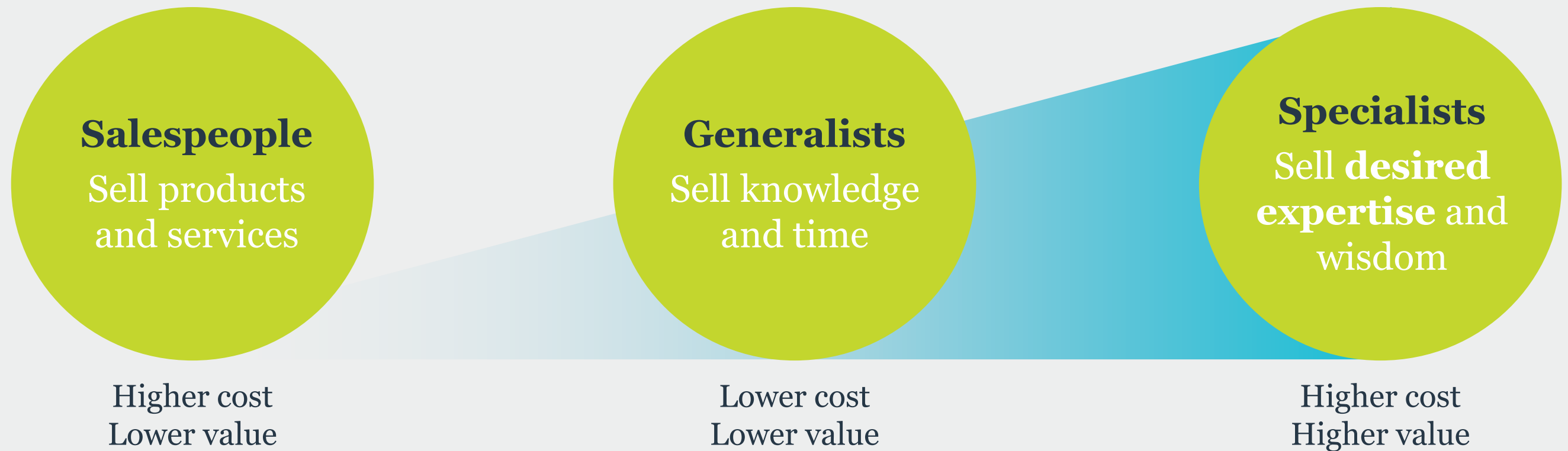
# 2

## Focus your practice



# Price is what you pay. Value is what you get.

## Financial professionals continuum







**It's time to  
rethink your  
target market**

# What does your ideal client look like?

Common characteristics from most profitable clients?

Divorced women  
Millennials  
Entrepreneurs  
Physicians  
Responsible investing  
**Business owners**  
High net worth  
Public or service employees  
Occupations  
Retirees  
Life transitions  
Family businesses  
Foundations and endowments  
Entrepreneurs  
Couples with no kids

Where can your strengths shine?

What is the opportunity set?

# Reaching your target

## Strategy

---

- Define your ideal client.
- What services do you need to offer or skills do you need to acquire or to best serve this market?  
*(Learn, Hire, Outsource)*

**Strategy**

**Positioning**

**Implementation**

## Positioning

---

- What is your current value proposition? Does it speak to your ideal client?

## ✓ Objectively assess your value

### Focus your practice

- ✓ Determine your ideal client profile
- ✓ Refine and evolve your value proposition





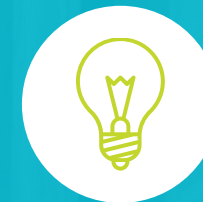
# 3

*Align your service model*





**What are the desired services of the clientele that you want to attract?**



*Client advisory board*

# Create a plan to allocate resources

## Physical team



*Junior advisor*

*Administrative support*

## Virtual team



***Traditional***

*Attorney*

*Accountant*

*Insurance broker*

***Non-traditional***

*Real estate agent*

*Investment wholesaler*

*Travel consultant*

# Create a plan to allocate resources

	Self	Delegate	Outsource
Core	<i>Ex. Financial plan development</i>		
Non-Core			





**Time is money**

*What could 50 more meetings do for your practice?*



# Greatest productivity killers

Serving too many non-ideal clients



# Reassess your existing business



# Greatest productivity killers

Serving too many non-ideal clients

Ineffective delegation to staff



# The value of your time



**Time spent** x  
**average hourly rate**

**= *Estimate cost to perform service***

***ADVISOR HOURLY RATE  
ASSUMPTIONS***

***\$150 - \$350/ hr***

*\*Depending on experience,  
expertise and competition*

Hypothetical example for illustrative purposes only

# Create a plan to allocate resources

	Self	Delegate	Outsource
Core		<i>Ex. Financial plan development</i>	
Non-Core			

# Greatest productivity killers

Serving too many non-ideal clients

Ineffective delegation to staff

**Lack of process and documentation**



# Leverage process and documentation to articulate value



**Client service  
agreement**



**Quarterly  
review**



**CRM  
system**



# Greatest productivity killers

Serving too many non-ideal clients

Ineffective delegation to staff

Lack of process and documentation

**Inability to effectively leverage technology**

Scaling services offerings across client segments





# Digitize your client engagement



# Greatest productivity killers

Serving too many non-ideal clients

Ineffective delegation to staff

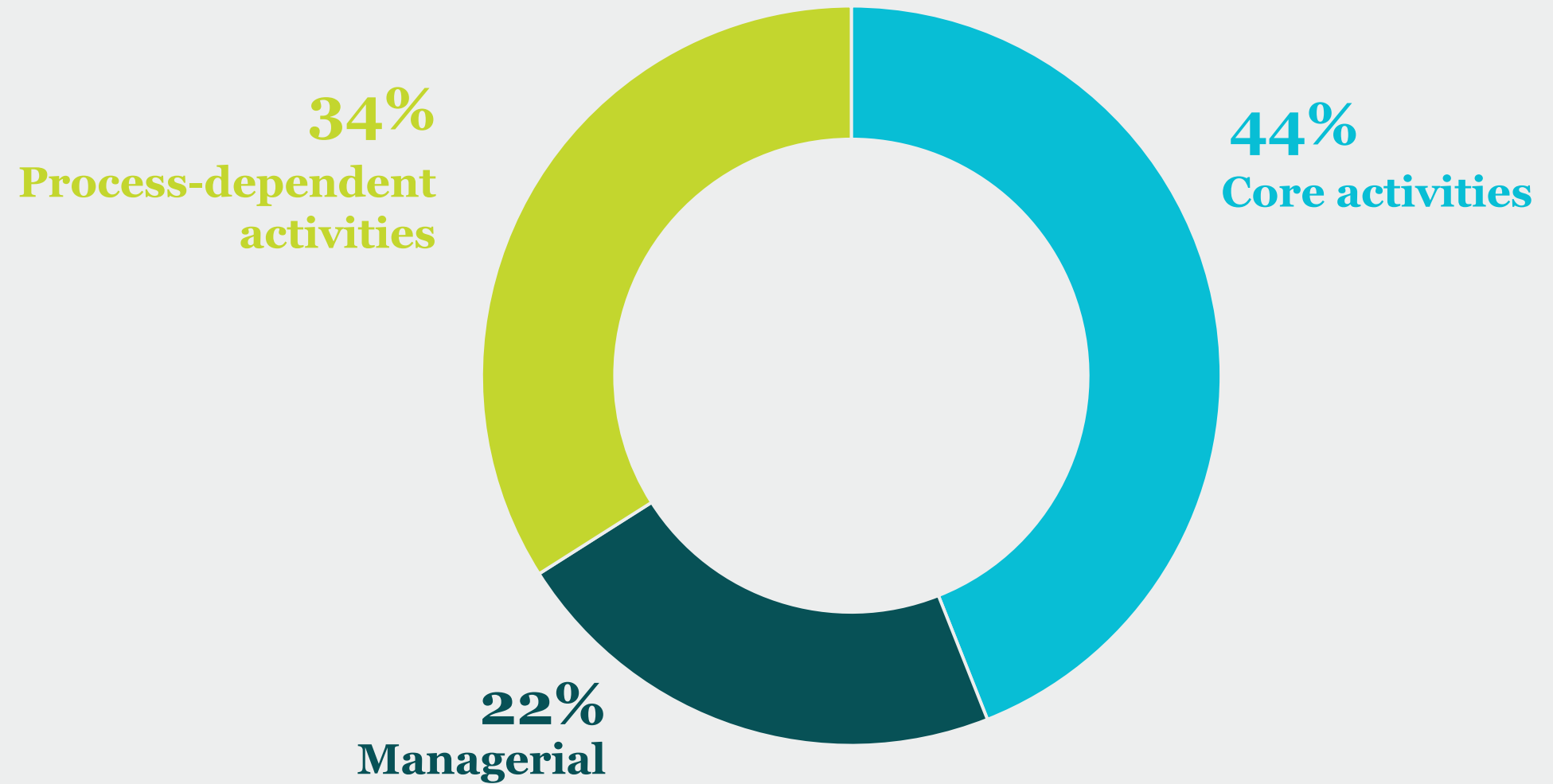
Lack of process and documentation

Inability to effectively leverage technology

Scaling services offerings across client segments



# Are you focused on the right things?



Cerulli Associates | Subtract, Add, Multiply – The Formula to Efficiency, 2019

# Are you focused on the right things?

## 34% Process-dependent activities

- 17% Investment research and trading
- 9% Financial plan creation
- 7% Client service problems



Cerulli Associates | Subtract, Add, Multiply – The Formula to Efficiency, 2019

# Consider models to streamline your process



**Business scalability**



**Leveraging investment manager experts**



**Focusing efforts on client building and retention**



**Better addressing compliance and regulation**

*Third-party model portfolios offer advisors an opportunity to outsource some, or all, of their investment management responsibilities. This allows advisors to dedicate more time to other client needs and on growing their practices\**

\*Morningstar, U.S. Model Portfolio Landscape 2023 in Review

# Find the right structure for your practice

## Buy

Leverage home  
office or third-party  
models

## Blend

Start with off the shelf  
model and alter as  
necessary

## Build

Construct your  
own models

- ✓ Objectively assess your value
- ✓ Focus your practice

## Align your service model

- ✓ Determine any additional services that you need to offer to attract your ideal client
- ✓ Create a plan to allocate resources
- ✓ Reassess your existing business
- ✓ Consider ways to streamline your processes



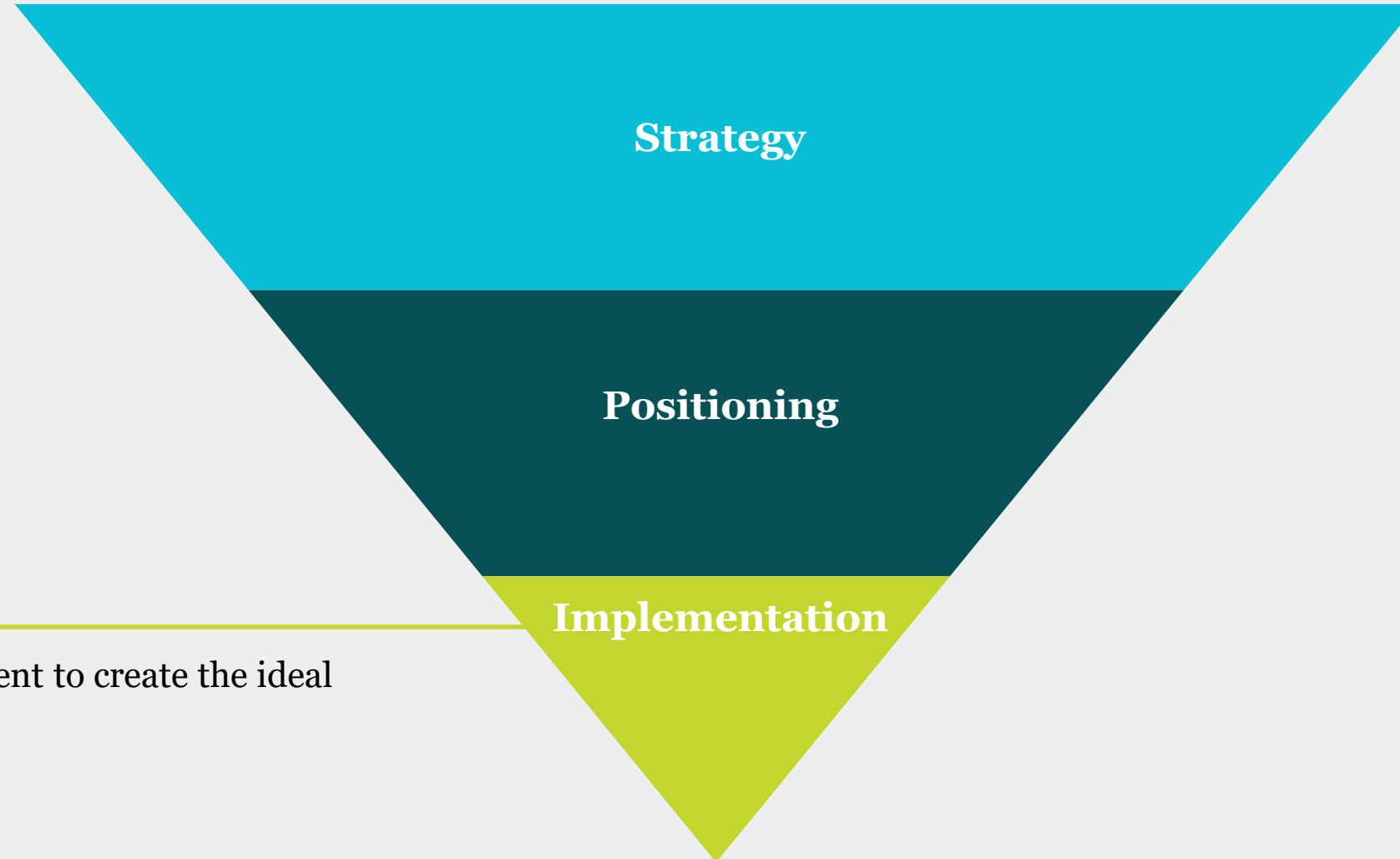




# 4

## Own your client experience

# Reaching your target



## Execution

- How will you implement to create the ideal client experience?

# Mapping your client journey

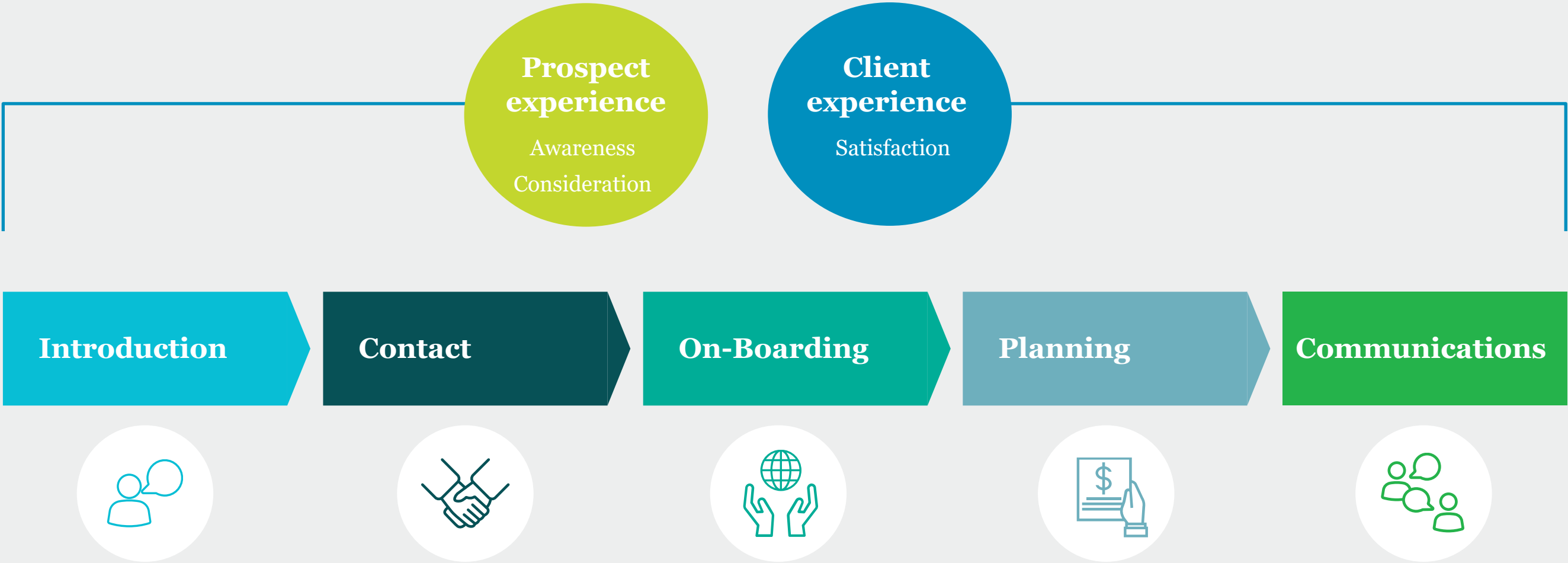




# Digitize your client engagement



# Defining your client journey



- ✓ Objectively assess your value
- ✓ Focus your practice
- ✓ Align your service model

## Own your client experience

- ✓ Develop a customer journey map
- ✓ Consistently reinforce your distinct client value proposition



**1**

**Objectively assess  
your value**

**3**

**Align your  
service model**

**2**

**Focus your  
practice**

**4**

**Own your client  
experience**

# Resources for building a better practice



*Building a better  
practice workbook*



*The digitally  
engaged financial  
professional guide*



*On-demand  
seminar*



*Advisor consultant/  
accountability partner*



*Nuveen.com/advisoreducation*



**One thing discussed today that  
could improve your business**

# Disclosures

Investing involves risk; principal loss is possible.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Financial professionals should independently evaluate the risks associated with products or services and exercise independent judgment with respect to their clients.

This material is for educational purposes. There is no guarantee that utilization of any of this content will result in increased business.

Nuveen, LLC provides investment solutions through its investment specialists.