How to re-engage clients who are holding back from dealing with their finances

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SPECIAL TO THE GLOBE AND MAIL
PUBLISHED FEBRUARY 15, 2022

Most clients' situations have likely changed to varying degrees over the past couple of years, and circumstances may spark concerns or warrant a change in their financial plan, one advisor says.KATERYNA ONYSHCHUK/ISTOCKPHOTO / GETTY IMAGES

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Checking in with advisors in recent months may not have been top of mind for some clients as they dealt with the uncertainty the COVID-19 pandemic brought on as well as more immediate concerns such as their health, jobs, or navigating busy schedules.

According to a recent Canadian Imperial Bank of Commerce poll, 70 per cent of participants say they haven't had a financial planning session with their advisor in the past year even though just slightly more than a quarter (27 per cent) expect their financial situation to improve this year.

While advisors say setting expectations with clients from the beginning about having the right frequency of communication that works for everyone is ideal, re-engaging clients who have been less eager to meet over the past year involves taking proactive steps to keep the lines of communication open. It's also important to ensure clients feel their advisors are there, eager and willing to help with financial concerns.

Noel D'Souza, certified financial planner and money coach at Money Coaches Canada Inc. in Toronto, says while no news from the client may seem like good news on the surface, the silence only represents a lack of information.

"With financial planning, we need good information to make good plans," he says. "If you haven't heard from clients for a while, you just don't have any information about their situation and you don't know if things are going well or not."

Mr. D'Souza says that busy schedules may be one factor keeping some clients from making an appointment with their financial planner, but pandemic-related stress or a feeling of helplessness in their daily lives is another.

For advisors who are used to reaching out to their clients proactively for regular updates, it's important to continue doing so, he says.

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Those advisors who have not heard from some clients may want to consider sending them e-mails with timely information, such as a newsletter, he says.

"That might bring the need for a check-in top of mind for [clients] – giving them reasons on why they should check-in [with their advisors] that they might not have consciously thought of before," he says.

Using customer relationship management software to trigger communication after not hearing from someone after a certain number of months may also be useful, Mr. D'Souza adds.

Ultimately, for some clients, re-engagement may be as simple as highlighting the fact you're still there and available to answer questions.

"In this period of uncertainty, there's a lot that we can't rely on or feel that we can't rely on, so if you can make clients understand that they can rely on you, that's tremendously valuable," Mr. D'Souza says.

Keep an open-door policy to encourage contact

Heather Holjevac, certified financial planner with Holjevac Financial Group in Mississauga, says having a plan for regular communication and ensuring clients know their advisor is always available as a resource goes a long way in keeping the advisor-client connection strong – even for those who are busy or don't feel they've made life changes worth discussing.

"If you're getting a mortgage or you're leveraging, sometimes you may not think that that's an important financial piece of information to tell your advisor because it's not about investing, but it does impact cash flow," she says.

"It's just being there as a sounding board for any decisions and making sure that your client knows that there's an open-door policy."

The regularity with which a client wants to connect will also boil down to individual style, Ms. Holjevac says. For example, some may prefer regular e-mails while others favour bi-annual reviews by phone or in person.

To avoid misunderstandings, it's important to understand a client's preference in terms of communication frequency and method, ensuring you're reaching out in the way that suits them best.

"Just because clients haven't contacted you or haven't responded or needed anything additional doesn't mean they're not engaged," she says. "It's just everyone has a different way of communicating and you have to find out what works for them."

How to prevent losing touch with clients

To best avoid having to "re-engage" a client in the first place, advisors and their clients should have responsibilities to each other on when to get in touch, says Kim Inglis, financial advisor and associate portfolio manager with Inglis Private Investment Counsel at Raymond James Ltd. in Toronto.

On the advisor side, that means scheduling regular meetings proactively, sending out indirect communication such as newsletters, as well as being available for ad hoc conversations or questions about the stock market.

"Some of the indirect touchpoints like newsletters open that [communication] and makes sure you stay top of mind so that you're the first person they think to call when they need anything," she says.

From the client's perspective, there should be an expectation that if their situation changes, they need to let their advisor know, Ms. Inglis says.

Ultimately, advisor-client check-ins should be considered akin to the responsibility many feel to booking regular medical check-ups or dental cleanings, for example. There should be a sense that there's flexibility and meetings can be postponed, but not cancelled.

"Your finances shouldn't be any different," she says. "What I try to do is, essentially, set that expectation, make it a routine and habit, so that people view it in those same lines."