Creating Synergies Between TPAs & Advisors
Workshop 10
Aaron Karr, QKA
Scott Ann Setzer

Synergy, Relationships, Networking...

- Networking, Relationships, & Synergy Matter - I feel like my soul is being stolen
- All relationships are not created equally – I am afraid to say no or be honest about relationships
  - I really don’t like people and I especially don’t like you
  - I really like you, but our business relationship brings me no value
  - I really don’t like you, but our business relationship brings me great value
- **Value**
  - I feel like I give more than I get from the relationship
  - I feel like I get more than I give
  - I don’t know how he/she feels about me

Synergy, Relationships, Networking...

- Networks are just a collection of friends, teammates, and professional and personal acquaintances.
- Good networks exist when relationships are balanced
  - People help each other equally and genuinely care about the well-being and success of each other.
- Successful relationships = referrals = business
  - An essential part of business success is having a strong network, building synergy
  - A Harvard study found that 85% of professional success comes from people skills which = forming relationship and keeping “valuable” relationships.
Survey says …..It Matters

• A survey taken by PSM Marketing of professionals in the legal and accounting fields reveals:
  • Over 52% of survey respondents give one referral per month; 32% give referrals once per
    week.
  • In order of importance, your referral sources are looking for:
    • A high level of expertise and reputation
    • Someone they can trust to take great care of their client
    • Having the right personality fit
    • Someone who has worked with them in the past.
  • Nearly 81% said you need to have experience in similar situations
  • You won’t make them look bad (55%)
  • You won’t steal their client (41%)
  • Others’ opinion of you (40%)
  • Number of years you have been in business (30%).

Survey says….It takes time to nurture a relationship

• Number of Meetings Before a Referral is Made
  • 50% of respondents said 2-4 meetings
  • 35% said 1-2 meetings
  • 16% said 5-6 meetings.
• What Builds Trust with Referral Sources
  • Honesty is at the top of the list (83%)
  • Producing results (77%)
  • Having years of experience (57%)
  • Sharing common contacts (42%)

Successful Relationships

• Are Built on Mutual Trust
  • If you want people to work with you, they need to trust you first.
  • You have to be able to offer something of value and expect nothing in return
    for a reasonable period of time.
  • Build up your network before you need it—people will smell if you’re only
    reaching out to get something.
Bigger is Not Necessarily Better

• When it comes to relationships more is not better
• Be selective about the associations you form
• Listen carefully for situations where you can add value and derive value
• Eliminate the rest – it’s OK to just say no
• Invest your time wisely with the right people

• Building Relationships isn’t about selling a service or product
• Too many people deliberately network in order to sell a specific product or service. Be a giver before being a taker.

Growth in the Right Direction

• Growing your network
  • Getting out of the office and out of your comfort zone
  • You will never know who you don’t know if you don’t get out and about
  • LinkedIn, Facebook, Social Media
  • Are you promiscuous on social media – create real relationships not just numbers
  • Amazing connections with people you barely know won’t get you anything
  • People don’t do business just because you are connected on LinkedIn
  • Most people do not respond to unsolicited “add” requests

Helping Build Synergy

The Need For Brand Clarity

• You Need Brand Clarity
  • What do you do and do best
  • Who do you help – best fit
  • What type of results do your clients and customers enjoy
  • Can you refer business – honesty is key
  • What type of clients do you want

• Your clarity = clarity for others
  • Others discover who would be a perfect fit for what you offer
  • Easy for them to identify potential benefits and solutions to their problems
Try it out- give it a spin...

- Don’t rush into a referral partnership with a commission structure or affiliate payout too fast. Create a trial period that lasts a certain amount of time or spans a certain number of projects first to make sure the referrals and leads you receive are:
  - High quality and a good fit
  - Clients you enjoy working with
  - Interesting projects aligned with your skill set
- It’s also important to use the trial period to review the relationship your referral source has with the person they are referring to you.

Synergy Breakdown – Now What

- What happens when trust is broken?
  - Work product inadequate
  - Service inadequate
  - New vendor enters the scene
- Who is disappointed?
  - Plan Sponsor
  - Internal Contact
  - New or Existing Contact
  - Participants
  - Other service vendors
- Managing the disappointment
  - One-off versus Systemic
  - Temporary versus Long term

Can a Broken Relationship Be Repaired

- Managing the disappointment
  - One off versus Systemic
  - Temporary versus Long term
  - Honesty is the best policy
  - Remember why the relationship exists
- When do you call it quits?
  - Just over that relationship
  - What about your common clients?
    - Take you clients and leave?
    - What about clients who still have synergy?
Being a connector of people

- The best type of activity you can do as a relationship seller is connect your buyer with someone else.
- The new connection is genuinely grateful.
- The person you introduced them to is flattered that you thought of them.
- Both parties remember you as the connector.

Best Practices for TPA’s

- Do what you say, say what you do
- Make it easy for the Advisor to work with you and the firm
- Make the Advisor look like the hero to the client
- Follow-up
- Build the trust (done through your actions above)
- Provide referrals when you can

Best Practices for Financial Advisors

- Make sure TPA’s know you’re in the retirement plan business.
- Be willing to help out by doing Start-Up plans.
- Join a local Retirement Plan professional organization and volunteer to be on the Board.
- Work with and treat the TPA as a professional business partner
- Don’t spreadsheet TPA’s
Thank You