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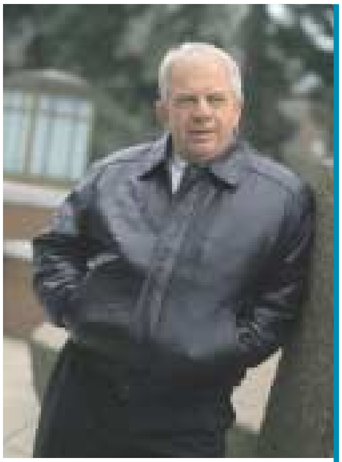

Emotional Strength Lifts Production

IF THERE WERE EVER RULES THAT financial advisors had to follow to excel, those rules have been changed. These new rules are a lot different than the ones we were taught when we entered the business. For example, we now know that after a certain level of product knowledge and sales skills have been learned, any additional training in those areas will only produce minimal increases in production at best. For example, would your income change if you attended a workshop on a new high tech fund?

However, research proves that psychological training produces significantly different results. Every time you participate in a 0psychological workshop you can expect to experience significant increases in your production. For example, increasing your self-confidence will produce a quantum leap in your income. What's more, attending a workshop on increasing self-confidence in six to 12 months will produce another, and larger, quantum leap in income. Even though you will continue to experience quantum leaps you will never approach your potential. Your income may jump from $600,000 to over $1 million the following year, from $1 million to $3 million the next, and the next from $3 to $10 million ad infinitum.

The size of the leap in your income will be in direct proportion to the increases in emotional strength that you develop during the year. Additional training in integrity, character, commitment and emotional maturity will continue to produce dramatic increases in income.

The concept of increasing emotional strength is no passing fad, nor is it another training nostrum whose promises evaporate the next year. The research that argues for taking it seriously is based on double-blind studies and personal interviews. The research distills with unprecedented precision that experienced financial advisors do not underachieve because they lack product knowledge or sales skills. Rather, they fail to approach their potential because they lack the emotional strength to do whatever is necessary to not only sustain, but to increase, their prospecting and client-building activities.

Psychological Training: The Key to Maximum Performance

THE HIGHER UP THE PRODUCTION LADDER YOU ARE DETERMINED TO GO, THE MORE VITAL ALL ASPECTS OF EMOTIONAL STRENGTH BECOME.

Historically, training programs have embraced an academic model, but this is a mistake. The academic method fails to produce more than one out of three successful financial advisors. Sixty-seven percent of all of those individuals who have entered the business with great expectations fail in less than three years. Few of them are in the business long enough for them to earn enough money to even cover the basic costs of recruiting, training, administration and management. Sadly, the personal costs of failure to the individual financial advisors are greater than the financial costs to the corporations. It would be laughable, if it were not so sad, to see so many organizations continuing to dump millions of dollars into poorly designed training programs.

What's needed is an entirely new way of thinking about what it takes to train financial advisors to increase emotional strength. Emotional strength means asserting yourself to someone who may have been avoiding a consequential truth. Second, emotional strength does not mean giving free rein to feelings; rather, it means eliminating self-defeating habits and replacing them with new powerful habits designed to generate quantum leaps in income.

More and more companies are now seeing that psychological training is a vital component of training experienced financial advisors. They're coming to the conclusion that they can no longer attempt to compete on products alone. They have to learn how to build stronger people and then create golden bonds that tie them to the organization.

Psychological training is even more important in a downsizing business climate. It's apparent that organizational changes will continue to be a part of the financial industry, which means emotional ties are being weakened and organizations have to learn new methods to create psychological bonds to tie the financial advisor to the company.

Individual financial advisors are being asked to change their way of conducting business. Often after decades of running a transaction business, they are asked to become financial planners. They are told to change their prospecting methods from cold calling to developing golden referrals from clients and centers of influence.

Technical innovations, global competition, banks and new players are changing the brokerage industry. Reliable old firms where financial advisors used to call corporate offices and speak to people they actually knew and had relationships with have suddenly disappeared. Now mega-organizations with initials for names have become corporate headquarters and million-dollar producers are told to identify themselves by their employee number.

One financial advisor said, "I work in a war zone. It's becoming more difficult to give and receive loyalty from a company." Financial advisors are experiencing emotional isolation and experiencing feelings of abandonment. Like it or not they are being forced to satisfy their own needs and few have ever been taught how to identify or to satisfy their psychological needs. So, they go spend their entire careers sabotaging themselves and underachieving because they never received psychological training. One financial advisor said after a downsizing, "It was terrible — so many people I've known for years were transferred or fired. It was hard for everybody, I still have my job, but I'll never feel the same about this place.

EVERY TIME YOU PARTICIPATE IN A **PSYCHOLOGICAL WORKSHOP** YOU CAN EXPECT TO EXPERIENCE **SIGNIFICANT INCREASES** IN YOUR PRODUCTION.

Core Emotional Competencies

A study of Harvard graduates in the fields of law, medicine and business found that scores on entrance exams — a surrogate for IQ — had zero or negative correlation with their eventual career success. When IQ test scores are correlated with how well high achievers perform in their careers, the highest estimate of how much difference IQ makes is about 25 percent. A careful analysis, though, suggests a more accurate figure may be 10 percent and perhaps as low as 4 percent. This means emotional strength determines somewhere between 75 percent and 96 percent of the degree of success that every financial advisor achieves. Doesn't it seem logical that more time, effort and dollars should be targeted to increasing emotional strength?

Our emotional strength determines our potential for learning the practical skills that are based on its five elements: self-awareness, motivation, self-regulation, empathy and adeptness in relationships. Our emotional competence shows how much of that potential we have translated into our career. For instance, being good at keeping clients is an emotional competence. Likewise, trustworthiness is a competence based on self-regulation, or handling impulses and emotions well. Both customer service and trustworthiness are competencies that can make financial advisors outstanding in their work.

Simply being high in emotional strength does not guarantee a financial advisor will have learned the emotional competencies that matter for work: It means only that they have the potential to learn. A financial advisor might be highly empathic, for example, and yet not have learned the skills based on empathy that translate into turning prospects into clients.

The underlying emotional strength capacities are vital if financial advisors are to learn the competencies necessary to change from a transaction-oriented broker to an advanced financial planner who may or may not charge a fee for his or her services. If an advisor is deficient in social skills, for instance, he will be inept at persuading prospects and clients. If he has little self-awareness, he will be oblivious to his own weaknesses and lack the self-confidence that comes from certainty about his strengths.

Knowing one's strengths and weaknesses is a good example of a competency found in virtually every star performer in a study of several hundred experienced, top producers. There is no doubt about it: Stars know themselves well.

Self-awareness in itself is an invaluable tool for change, especially if the need to change is in line with the financial advisor's goals, sense of mission or basic values — including the belief that self-growth is essential for maximizing long-term success.

Superior performers intentionally seek out feedback; they want to hear how others perceive them, realizing that this is valuable information. That may be part of the reason financial advisors who are self-aware are also better performers. Presumably their self-awareness helps them in a process of constant improvement.

Another example of core emotional competencies would be an advisor's social skills, i.e. his adeptness at inducing desirable responses in others. A critical difference between merely good producers and the industry's top 2 percent is the latter group's strong abilities to listen, to influence, to collaborate and to motivate prospects and clients to think clearly, to make decisions and to take immediate action. For managers, those competencies include, but are not limited to, motivating financial advisors to get along in the office and to reinforce one another.

There is no doubt about it: The first companies and advisors to jump into psychological training are going to separate themselves from the rest; their competitors may never recover. R

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