



Berkshire

DIVIDEND STRATEGY

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Practice Management Insights

After Client Meetings: Invigorated or Exhausted. You Choose.

Let's paint a hypothetical picture (it could be you). It is quarterly review time. You are running from meeting to meeting. You just spent a ton of time putting together a comprehensive presentation about the economy, China, volatility, oil prices, performance, alpha, beta, etc. You may be stressing over a few under-performing investments, even though the rest of the portfolio seems fine.

You spend an hour and a half (or more) with the client. At the end of the meeting you are not really sure whether or not you were on target. Your client seemed a little quiet, almost uneasy. You felt like you were on the defensive. You never found the right opportunity to talk about the big account they have elsewhere or to ask them for an introduction to their super wealthy doctor friend.

You feel exhausted.

You have another meeting in 15 minutes.

Here is my simple template to a tighter, more pleasant, and more focused client meeting that help you get the information you really need from clients.

Before each client meeting, take 10 minutes to formulate this game plan.

In plain English, (not investment verbiage) write down three or four priorities you feel are the most important to the client. If you can't nail this step with some ease, you may want to reconsider the foundation of your client relationship!

Begin the meeting by saying "In our past meetings, you indicated these three (or four) things were highly important to you. Is that still correct?" Take notes. Clarify. Help them prioritize. Ask follow up questions like: Why is that important? How do you define success? You'd be amazed what one well timed clarifying question can do.

Depending on the answer, you can ask "Is there anything else that should be on the list?" Or ask: "What keeps you up at night?" This is an IMPORTANT question.

As you get into the heart of the meeting, focus on how the overall plan is still on track to meet those objectives. Don't tell. Demonstrate. If need be, this is the time to suggest potential changes. You are now on offense, suggesting improvements, not defending individual investments. The client is probably now more engaged, which may give you more credibility. You are advising, not selling. For example, if the portfolio isn't going to meet cash flow needs in an inflationary environment, now may be the time to suggest a dividend growth strategy (I happen to know a fantastic manager!).

Since about 80% of spouses fire advisors after the death of their spouse and a similar percentage of heirs do the same, you could now ask "Is there anyone else, like your spouse or your children who should be informed about what goes on at our meetings?" In addition to locking down the relationship, you might find a large account or a daughter running a successful law practice who needs your help.

Every advisor self-help book says "Communicate with your client." We all know that! But what should we communicate? How should we communicate it? I don't guess. I ask "How would you like me to communicate future developments - email, phone, text, in person etc? "What type of information will you find most useful?" "How frequently?" I even customize further, based on whether my client likes details or high-level bullets or lengthy prose.

Make a pact with your client. Ask them to speak up if they are not happy about something. I ask "While I try to be proactive and strive for perfect service, if something comes up that makes you unhappy, or there is something I am not addressing, can you agree to share it with me sooner rather than later? Usually I can fix it, but I can't fix it if I don't know. Is that fair?" So far, I've never

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Dividend Highlights

- Dividend growth can often provide transparent insight into a company's fundamentals and vitality.
- Dividend growth can provide an attractive stream of increasing cash flow to satisfy many financial objectives.

had anyone say “No. Be a mind reader.”

So now you are probably an hour or so into the meeting. A few things have probably happened:

- You are listening and not talking (always a plus).
- You are not defending underperforming investments or individual stocks.
- You are focused on solving big problems. Remember, SOLVING BIG PROBLEMS, which potentially means GETTING BIG ASSETS. (Hat tip to Dan Richards!)
- You are positioning yourself with other stakeholders of the money.
- The client is opening up and seeking solutions from you.

For more information on Berkshire Dividend Growth Strategy, please contact us.

Best Regards,
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All information provided is supplemental to its attached GIPS compliant presentation

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