

BUILD YOUR DREAM TEAM

PILLAR 1: Create Synergy & Success



Strategy 7 Client Realignment Process

"Times of transition are strenuous, but I love them. They are an opportunity to purge, rethink priorities, and be intentional about new habits. We can make our new normal any way we want."

Kristin Armstrong

Client Realignment Process

WHY is this Important?

Over the span of virtually every Advisor's career, there WILL be a time when clients are realigned.

Here are some of the most common reasons for Client Realignment:

- Advisors want to focus on their top clients to grow the practice and therefore, they realign small and mid-sized clients.
- Advisors want to create more personal time for themselves by reducing their client base.
- Advisors are preparing to retire and want a well-thought-out client transition plan.
- An Advisor leaves the team or is asked to leave the team, and clients need to be reassigned.

Regardless of why the Client Realignment is being initiated, it is important to have a well-defined, professional process to manage the client shift, so everyone involved in the process is on the same page and feels good about it. The reason why they are being aligned will also likely affect the specific Client Realignment approach and timeline required.

By the end of this best practice, you will have identified the Client Realignment approach that is the best fit for your specific situation.

WHAT You Can Expect from this Best Practice

- Have a well-defined process to successfully transition clients to another advisor
- Understand how to adapt the process to be the best fit for your clients based on the circumstances
- Ensure the New Advisor has all the information necessary to make a great connection with the clients they are receiving
- Create a positive experience for the clients being realigned
- Feel great about the professional process you are initiating to shift your clients
- Understand the administrative CRM clean up associated with Client Realignment



How to Get Started

To get started, please review [Client Realignment – One Size Doesn't Fit All](#). This resource will provide you with a better understanding of the various situations where clients are realigned and how they may impact the Client Realignment process.

PART 1 – ALIGN CLIENTS TO AN ADVISOR ON YOUR TEAM

Identify Clients for Realignment

1. Identify who on the team will coordinate the [Client Realignment Process – Within the Team](#), as they will be responsible for leading and managing this process.
2. Advisor(s) to identify clients suitable for realignment to New Advisor.
3. Identify a manageable number of clients for realignment each month:
 - a. Choose a target based on the total number of clients to be realigned, the target time frame for completion, and capacity of New Advisor.
 - b. Alignment of 5-15 clients per month may be a reasonable starting point.
4. Confirm the list of clients to be realigned each month.
5. Ensure all information on file and contained within the CRM is complete and ready for realignment to the New Advisor.
6. Provide the confirmed list of clients to be realigned each month to New FA.
7. Coordinator will update the Advisors at the Weekly Team Meeting.

Initiate the Client Realignment

1. Carefully review the [Client Realignment Process](#) to customize steps to reflect the best approach based on your specific Client Realignment situation.
2. Schedule the **Review Meeting** with the client according to your standard process, making sure:
 - An email confirmation is sent out same day; and
 - Another phone or email confirmation is sent the day before the meeting.
3. Depending on the situation, you may want to provide advance notice to the client so they know what to expect at this meeting in terms of the Client Realignment – this again will depend on the circumstances. We never want to catch our clients off guard. If you need to provide advance notice, you can engage in any number of or all the following activities:
 - Phone the client ahead of time to inform them
 - Send out the appropriate [Client Realignment Letter](#) by mail or email
 - Client Realignment Letter/Email – Existing Advisor on Team
 - Client Realignment Letter/Email – New Advisor on Team
 - Mail a copy of the updated Introduction Kit with the formal announcement

4. Conduct the first meeting using a **Client Transition Agenda**. Depending on the situation, this may be a dual meeting where both Advisors are present for a warm hand-off.
 - If both Advisors are there, identify who will discuss which item on the Agenda.
 - If the client has not received the updated Introduction Kit, this is the place to provide it.
 - There may be circumstances where this is a meeting to introduce the New Advisor, and the Existing Advisor would still like to participate in the next meeting to have a more comprehensive realignment process. If this is the case, you would want to follow up the remaining follow up activities accordingly, so it makes sense based on the overall realignment timeframe.
5. The day of, or after, the meeting, the New Advisor sends the **Realignment Follow Up Email**.
6. New FA sends a **Handwritten Card** to thank the client for coming in and letting them know it was a pleasure meeting them.
7. New FA makes a **30-day Follow Up & Care Call**
8. All future incoming calls & inquiries from these clients are directed to New FA.
9. For situations where an Advisor is retiring, please see the **Retired Advisor Follow Up Process**.
10. You may also wish to automate the Client Realignment Process using the CRM.

Administrative Follow Up

We also want to identify all administrative, systems, and behind the scenes steps required to make this realignment complete and compliant.

1. Change client to appropriate FA code on firm reporting as appropriate.
2. Change lead FA code on the CRM to reflect New FA
3. Ensure all future Service Matrix activities managed and implemented by the FA are realigned appropriately from Former FA to New FA.
4. Update any distribution lists, etc. resulting from this realignment.
5. Ensure the Know Your Client, and any other compliance material required, is appropriately managed.
6. Make any other changes related to physical files (i.e., filing cabinet location, labeling, etc.) required to reflect this change.
7. Take care of any other administrative tasks based on team-specific systems and deliverables.

PART 2 – SHIFT CLIENTS OUT OF YOUR ADVISORY PRACTICE

Identify Clients for Realignment

1. Identify the clients for realignment and identify where they are being sent:
 - Firm House Account – Follow their defined process.
 - Virtual Platform – Follow the process of the virtual provider; or
 - To an Advisor outside of your team.
2. Determine the start date and timeframe for the Client Realignment:
 - It may be progressively done over time.
 - It may be done all at once.
2. Initiate the Client Realignment.

Initiate Realignment to an External Advisor

1. Have an agreement in place with respect to the number and type of clients being shifted, as well as time frame and related compensation (if any).
2. Share all client-specific information contained within physical files, digital files, and your CRM, to the Advisor taking over these relationships.
3. You can send out the Client Transfer Letter – To External Advisor when ready to initiate the process.
 - We recommend you include a biography of the New Advisor if possible.
4. Have someone managing the process to shift the IA code to the other Advisor so they have access to the client's information, and so they are paid on this client account from here on out.
5. The New Advisor can use the Client Transfer Call – External Advisor about one week after the letter has been received by the clients being realigned.
6. From here, the New Advisor will set a meeting with the client, update all paperwork, and proceed to completely service all aspects of the client relationship.
7. Change the contact record on your CRM to 'Former Client.'
8. Update any of your distribution lists on email, newsletters, etc. resulting from this realignment.

Client Realignment – One Size Doesn't Fit All

The purpose of the Client Realignment Process is to ensure all clients on the receiving end perceive it as professional and positive.

There are many factors that determine the most suitable approach for each advisory team.

WHY Are These Clients Being Realigned?

There are several main reasons for initiating Client Realignment:

- To **create more capacity and time** for specific Advisors to focus on their top client group and/or have more time to engage in other activities – professional or personal
- To help an **Advisor prepare for their upcoming retirement** by implementing a well thought out and progressive transition
- To ensure clients are taken care of in the event an **Advisor suddenly leaves or is asked to leave**
- To **completely remove a group of clients** the Advisor no longer wants as part of their advisory practice



The reason for the transition will impact the timeframe associated with the client realignment and may help determine who is best suited to look after these client relationships going forward.

WHICH Client Are We Realigning?

If an Advisor is shifting top tier clients, a lot of time and energy needs to be taken to realign those clients properly. This is where we implement a longer timeline and have many steps along the way to reinforce to the client that this is in their best interest. It's important we don't rush this process and risk eroding trust and having large clients leave.

The other end of the spectrum occurs when an Advisor is shifting small clients, which requires the least amount of time and effort. A streamlined process is recommended here, otherwise the Advisor's time and attention is being pulled away from high value clients to manage this process. This is especially true if these clients are being realigned right out of the advisory practice.

The middle-tier clients are a hybrid. Here, we want to invest the right amount of time and effort into the transition because they are important enough to want to keep and they are generally shifted to someone else within the team. Again, the Advisor must be careful not to divert too much attention here, for it can take time and energy away from the top client group.

WHO Will Be Looking After These Clients?

Another important consideration is WHERE are these clients going? There are several options for realigning clients within and outside your team, and again, what you decide for each set of clients being transitioned will impact the best approach for the Client Realignment.



Keeping Clients in Your Advisory Practice

To an Existing Advisor

To a Team Member Recently Promoted to Advisor

To a Brand-New Advisor Recently Added



To the 'House Account'

To a Virtual Platform

To Another Advisor

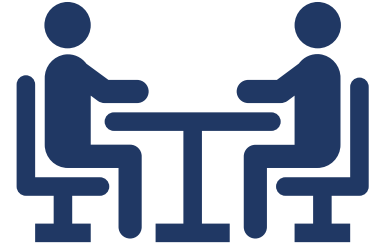
Transitioning Clients Outside of Your Advisory Practice

Generally, it takes more time and attention to shift clients within your practice than it does to initiate a transfer out from your team. Often, this is because clients being shifted out of the advisory practice are not typically top tier clients, but small ones. The consequences of not perfecting a process for them is a lot less impactful – though it should still be done professionally and respectfully.

WHAT Is the Pre-Existing Relationship of the New Advisor – If any?

Are you realigning to someone on the team who clients already know? Or are you realigning to a Brand-New Advisor on the team? If clients are being aligned with someone they already know, trust and have worked with in some capacity, the process will be much easier for everyone.

If this is a Brand-New Advisor, make sure you have followed the steps in the **New Hire Onboarding** best practice. This will ensure they have been added to your Introduction Kit, Website, and have all the branding items needed to synchronize with your team. In addition, it's best to have previously notified your clients of the New Advisor through conversations, social media, and email.



Client Realignment Process – Within the Team

These are the client-facing activities in the transition process for any clients aligned to the NEW Lead FA.

CLIENT MEETINGS

Depending on how long the New FA has been on the team, and the relationship he has with those he will be working with, this process may be expanded to accommodate an ‘introduction & warm up’ period. This could include the Current FA introducing the New FA at the next meeting and then following this process to formally pass them over at the subsequent meeting.

The Current FA is welcome to drop in for a quick ‘Hello’ on all future meetings but should not be expected to attend and/or prepare to discuss any of the client’s wealth management needs in that meeting.

Step	Activity	Person Responsible	Completed on:
1	Call to Set Up Review Meeting with FA & New FA	CSA	
2	Review Meeting Initial Confirmation Email	CSA	Same day Mtg booked.
3	Review Meeting Day Before Confirmation Email	CSA	1 Day Prior to Meeting
5	CLIENT TRANSITION MEETING with Agenda	FA & New FA	Meeting Day
6	Send Client Realignment Follow Up Email	New FA	Day after the Meeting
6	Review Meeting Follow Up Email	New FA	Within 2 Days of Meeting
7	Change Lead FA on CRM & Launch Soft Land	CSA	Within 2 Days of Meeting
8	Review Meeting Follow Up Activities	New FA	Varies – as appropriate
9	Handwritten Card	New FA	1 Week After Meeting
10	Follow Up & Care Call	New FA	1 Month After Meeting
11	All Incoming Portfolio Account Phone Calls	New FA	Ongoing
12	All Future Review Meetings	New FA	Ongoing
13	All other FA-related Client Service Activities (Calls, etc.)	New FA	Ongoing

Client Realignment Letter/Email – Existing FA

Date

Name

Address

Address

Dear [Client Salutation]:

We are delighted to share that we have made important enhancements to our practice as it relates to our approach to wealth and investment management for our clients. The purpose of these enhancements is to ensure our clients are receiving the **highest quality of care** as well as, **prompt, professional and more personalized financial guidance**.

Due to our passionate commitment to meaningfully helping our clients, it was becoming clear that to properly manage all our clients, we had to enlist the support of an exceptional Advisor who will ensure our clients continue to be serviced in the manner in which we **know they deserve to be**.

We have carefully reviewed all our clients based on their current investment and wealth management needs to align them with the Advisor on our team best suited to meet their needs. I'm delighted to let you know that **New FA** is going to be joining us at our next Review Meeting and they are looking forward to working with you.

I realize **New FA** needs no introduction as you are already aware of who he/she is and have already worked with them in many capacities. Nevertheless, we have included a biography so you can see that his/her education and experience are well-aligned with your needs. We know he/she will take exceptional care of you and your family going forward. They will be your first point of contact for anything related to your investment and wealth management needs.

We continue to work collaboratively as Advisors, and I remain the overseer as it relates to our core investment and wealth management philosophies for all clients. If **New FA** is ever away on holidays or for any other reason, and you are in need of guidance related to your investment or wealth management, I will be more than happy to assist you.

New FA is looking forward to working with you and is committed to proactively helping you achieve your wealth and lifestyle goals.

Yours truly,

[Former Advisor]

Encl.

Client Realignment Letter/Email – New FA

Date

Name

Address

Address

Dear [Client Salutation]:

We are delighted to share with you that we have made important enhancements to our practice as it relates to our overall approach to wealth and investment management for our clients. The purpose of these enhancements is to ensure our clients are receiving the **highest quality of care** as well as, **prompt, professional and more personalized financial guidance**.

Due to our passionate commitment to meaningfully helping our clients, it was becoming clear that in order to properly manage all our clients, we had to enlist the support of an exceptional Advisor who will ensure our clients continue to be serviced in the manner in which we **know they deserve to be**.

We have carefully reviewed all our clients based on their current investment and wealth management needs to align them with the Advisor on our team best suited to meet their needs. I'm delighted to let you know that **Brand New FA** is going to be joining us at our next Review Meeting and they are looking forward to working with you.

As you are aware, **Brand-New FA** recently joined our team, and you may have already had some interactions with him/her. We have included a biography so you can see their education and experience are well-aligned with your needs. We know he/she will take exceptional care of you and your family going forward. They will be your first point of contact for anything related to your investment and wealth management needs.

We continue to work collaboratively as Advisors, and I remain the overseer as it relates to our core investment and wealth management philosophies for all clients. If **Brand New FA** is ever away on holidays or for any other reason, and you are in need of guidance related to your investment or wealth management, I will be more than happy to assist you.

Brand New FA is looking forward to working with you and is committed to proactively helping you achieve your wealth and lifestyle goals.

Yours truly,

[Former Advisor]

Encl.

Client Transition Agenda

Wealth Management Planning Session

[Client Name]

[Date]

[Time]

Items to be discussed:

- **Meeting Overview**
- **Our Wealth Management Approach**
 - An Update on Our People, Purpose & Process
- **Wealth Management Review**
 - What's Important to You – An Overview of Your Goals
 - Your Wealth Management Plan
 - Investment Management Review
 - Review of other important areas:
 - Cash Flow Planning
 - Tax Planning
 - Caring for Others – Education, Special Needs, Aging Parents
 - Insurance Solutions
 - Estate Planning
- **Account Administration**
 - Know Your Client Updates
 - Other Account Administration, Documents or Updates
- **Meeting Wrap Up**
 - Do you have any questions?
 - Next Steps

Realignment Follow-Up Email

*Target timeframe for delivery is **Same Day or Next Day** after the Transition Meeting to solidify the realignment.*

Refer to the sample template below.

This email is sent by the New Advisor.

Dear [Client Salutation]:

Thank you for taking the time recently to meet with us – it was great to meet/see you.

As you know, we have made enhancements to ensure our clients are receiving the **highest quality of care** as well as, **prompt, professional and more personalized financial guidance**, which means I now have the pleasure of working closely with you.

I am looking forward to taking exceptional care of you and your family going forward and I will be your first point of contact for anything related to your investment and wealth management needs.

As always, if you have any questions, please feel free to contact me.

P.S. 'Add something meaningful related to family, occupation, recreation if appropriate.'

Yours truly,

[New Advisor]

Handwritten Card

Target timeframe for delivery is **Week 1** after the Transition Meeting to build trust and rapport.

Handwrite the note. Use a stunning, memorable card. Refer to the sample below.

This card is sent by the New Advisor.



Dear Client,

Just a quick note to let you know how much I really enjoyed our meeting last week.

I have been working closely with [name of former advisor] and I look forward to working in partnership with you.

Feel free to contact me anytime.

[Insert personal note based on Client Profile information]

Sincerely,

New Advisor's Signature

Follow Up & Care Call

*Target timeframe for delivery is **1 Month** after the Transition Meeting to build even more trust!*

Refer to the sample script below. You can also leave a Voice Message based on this script.

This call is made by the New Advisor.

- [Client] please?
- Hi [Client], this is [New Advisor] calling from [Firm]. Do you have a couple of minutes?
- I'm calling to follow up the meeting we had together last month.
- We covered a lot of things, and I am following up to make sure we are all on the same page – it is important to us that we are on top of what matters most to you and address any questions you may have.
 - *Be prepared to list off the specific items covered in the meeting if they ask you to remind them or go over them again.*
- Do you have any questions about any of these items or is there anything new we can help you with?
 - *If yes, answer their questions, discuss as appropriate and set another meeting if needed*
 - *If no, proceed with the script.*
- I really appreciate your time today [Client].
- Should anything else comes up or you have other questions, feel free to contact me any time – I'm happy to assist.
- Have a great day!

Retired Advisor Follow Up Process

This is a list of pre- and post-retirement client-facing and administrative activities you may want to implement when an Advisor on your team retires.

Prior to this, there is an assumption the Client Realignment Process is well under way and the pending retirement is common knowledge with clients.

Pre-Retirement

- **3 Months Prior**
 - Send a Positive & Lighthearted Announcement about the Upcoming Retirement via Mail/Email to all clients
- **2 Months Prior**
 - Positively discuss Retirement in Calls, Emails & Newsletters as and where appropriate
- **1 Month Prior**
 - Retiring Advisor calls all top clients to thank them and reinforce they are in good hands
- **2 Weeks Prior**
 - Retirement Celebration Party with Advisory Team and/or Top Clients
- **1 Week Prior**
 - Retiring Advisor sends hand-written cards to top clients
- **RETIREMENT IS OFFICIAL!**

Post- Retirement

- **Immediately**
 - Retiring Advisor's email address forwarded automatically to New Advisor
 - Statements updated with Advisor Name
- **Within 1 Week of Retirement**
 - Send Retirement Announcement to all clients
 - Celebrate & Congratulate the Retiring Advisor on LinkedIn
- **Within 2 Weeks of Retirement**
 - Website Updates
 - Introduction Kit Updates
 - Newsletter Updates
 - Distribution List Updates
- **Within 3 Weeks of Retirement**
 - New Advisor calls top clients

Client Transfer Letter – To External Advisor

Use this Transfer Letter for clients being realigned to a Financial Advisor outside of your team.

Date

Name

Address

Address

Address

Dear [Client Salutation]:

Recently, we have made some changes to our practice as it relates to our overall approach to financial planning and wealth management. In making these changes, we recognize our new approach is not well suited for some of our existing clients. Therefore, after careful consideration, we have determined you will be better served by a Financial Advisor whose approach is more suited to your specific investment needs.

Please know that we don't make these types of changes without careful consideration of how it will impact our practice and our clients. To ensure you have uninterrupted access to a qualified financial professional, we have transferred your account to [New Financial Advisor].

We are confident [New Financial Advisor] will be a valuable resource to assist you in achieving your goals. We have enclosed a copy of [New Advisor]'s biography and business card as a preliminary introduction to them.

[New Financial Advisor] will be calling you shortly to introduce him/herself, set up an appointment to meet with you and discuss any questions that you may have.

We thank you for your trust and confidence over the years and wish you the very best.

Yours truly,

[Your Name]

[Your Title]

Client Transfer Call – External Advisor

This script can be used by the New Advisor as a follow up to the Client Transfer Letter sent.

- [Transferred Client], please?
- Hello, this is [New Advisor] calling from [company].
- You should have received a letter from [Former Advisor].
- Did you receive it?

If YES:

- In that letter, [Former Advisor] mentioned I would be calling you.
- I am looking forward to establishing a good working relationship with you, so I can help you achieve your financial and lifestyle goals.
- Most of my other clients are in similar situations to you, so I will be in tune with your needs and objectives.
- Furthermore, like [Former Advisor] I too work with [company], so you will continue to have access to all the resources of the company that you are used to.
- [Former Advisor] has sent me your files and I would like to meet you in person so we can get to know one another, and so that we can discuss your current financial situation and your goals.
- Is it convenient for you to meet the week of [2 weeks from date of call]?
- We have availability at [give one time].
 - *If not convenient look for alternatives.*
- As you know, we are located at [your location]. My office is (explain where in relation to Former Advisor's office).
- Thank you for your time, we look forward to meeting you on [date] at [time].

If NO:

- OK. In that case can I please confirm that your address is:
- This is a little awkward, but the letter is going to tell you [Former Advisor] has been reviewing their clientele, and in light of recent changes made to the practice, thinks we are better suited to work together. In other words, [Former Advisor] believes I am better suited to meet your investment financial planning needs.
- I'm going to have [Former Advisor] send you another copy of the letter and I will call you again later to schedule the meeting.

Note: Keep this call short and to the point. The goal for the call is to get them into your office so you can establish a relationship with them.

My Action Items & Notes
