Forging a Client–Advisor Relationship

By Michael Siersema, Managing Partner Phoenix2000 Group

Today's business world is a tough environment. Executives have seen all the tricks in the sales playbook more than once. Nobody has all the answers. You need advice and guidance from a wide variety of people and resources in order to accomplish your goals. It really doesn't matter which side of the table you're on, because everyone benefits from a working, productive client–advisor relationship.

Getting to that level of relationship can be difficult. A productive client–advisor relationship requires trust, and trust in business today is in short supply. Executives are somewhere between suspicious and cynical of vendors; the concept of "trust-based selling" sounds like an oxymoron. Even in a long-standing customer–vendor relationship, the customer may perceive the vendor as having an axe to grind. The vendor has a vested interest in developing a sales transaction for their solution.

What is a Trusted Advisor?

We all aspire to be trusted advisors to others, and to have a network of trusted advisors whose expertise we can draw from. Becoming one requires three basic skills:

1. Earning trust
2. Effectively giving advice
3. Building relationships

> "Master Mind" – meaning a mind that is developed through the harmonious co-operation of two or more people who ally themselves for the purpose of accomplishing any given task.
>
> Napoleon Hill – "The Law of Success: Lesson One 'The Master Mind'"

The first stage in earning trust is by starting a working relationship in performing a specific task or service utilizing special skills or knowledge. This is the subject matter or process expert phase.

The second stage is when the client perceives that we have capabilities outside our original area of expertise. We are able to help solve more general problems requiring more than our technical knowledge to address. We are still fundamentally a subject matter expert (SME), but more valuable with broader knowledge of the client's business to complement our SME knowledge.

The third stage of client–advisor relationship is when the advisor becomes a valued resource. We are asked to consult on broad strategy issues related to our specific expertise but not necessarily limited to our technical knowledge. We are perceived to put issues and problems into context and provide perspective. We begin to offer advice proactively and identify issues in their organizational context.

The trusted advisor is the apex of the client-advisor relationship. This is where the client discusses all types of issues facing them in their lives. This includes professional and personal issues open for discussion. The trusted advisor is the person the client turns to when an issue first arises, often in times of great urgency, a crisis, change, triumph or overcoming adversity.

The new way of doing business is through relationships. Building relationships requires an increasing level of trust as one moves through the four stages of a business relationship. What defines the difference between these relationships is the human dimension, the recognition of the interpersonal, individual aspects of the relationship – the integrity of the individuals involved. At all levels, though, trust is built upon caring for someone else. Someone else is relying on your integrity to help them solve problems.

In a mature trusted advisor relationship, the trusted advisor becomes a sounding board, a confessor, a mentor and sometime the jester/fool. The trusted advisor focuses on the needs of the client. The role sometimes blurs between the professional and the personal needs of the client.

> "It's important to have someone who you totally trust, who is totally committed, who shares your vision, and yet who has a little bit different set of skills and who also acts as something of a check on you. Some of the ideas you run by him, you know he's going to say, "Hey, wait a minute, have you thought about this and that?" The benefit of sparking off somebody who's got that kind of brilliance is that it not only makes business more fun, but it really leads to a lot of success."
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> - Bill Gates, conversation with Warren Buffet

Characteristics of Relationship Levels

	Focus Is On	Energy Spent On	Client Receives	Indicators of Success
Service-Based	Answers, facts, expertise, input	Explaining	Basic Information	Timely, high quality data
Needs-Based	Business problem	Tactical problem solving	Solutions	Problems resolved
Relationship-Based	Client organization	Providing insights	Ideas, approaches, improvement methods	Improved performance metrics; repeat business
Trust-Based	Client as an individual, within an organization	Understanding the client's entire world	Safe haven for hard issues	Steady business; client personal success; frequent contacts in areas external to relationship

Trusted Advisors in Business

Business leaders also look to hire the best person for leading functional areas of their companies. They look for individuals that have it 'all'. The CEO of a company does not know everything about running a company – they look to lawyers, bankers, investors, board members for advice and guidance. The CFO looks to the accountant, CPA or audit firm for guidance. The executive responsible for technology looks for advice and guidance but what they find are sales people from vendors. They seek a source for true independent advice, one that has no solution to sell them except unbiased assistance.

The executive technologist in a firm is tasked to employ technology to create a competitive advantage in the marketplace. Quite often this is looked upon as a means to automate a process, data collection, movement of information (voice or data) and improve the productivity of workers. This is the basic organizational need to work faster, less expensively, and more effectively than the competition. This is a fundamental tenet of all executives, not just the technology executive.

However, organizations need to go beyond better, faster, cheaper. What is overlooked quite often is the strategic value technology can bring the organization in creating new wealth. How can technology be employed to create new markets for products and services? Where can we create a technological edge ahead of the competition? How can we better align our technology directions to the business strategy? Why is it that organizations that have board level IT Audit Committees out performing all competitors year after year? Is that the common denominator between Wal-Mart, Southwest Airlines and Dell Computer?

Gaining Trust

There are many ways to gain and build a trusted advisor relationship. Here are a few ways to move quickly through the stages and gain the trust of someone else.

1. Listen to everything—if you're not 100% focused on communicating, you risk missing an important nuance of what you're being told.
2. Empathize—imagine yourself in the same situation. How would you handle the situation? This is the kind of advice they are seeking.
3. Note what they are feeling—try to relate to their joy, sadness, anger, frustration, anxiety, or whatever other emotion they are experiencing at the time.
4. Build that shared agenda— build the relationship from the common ground between your client's agenda and yours.
5. Take a point of view—it can be risky but extremely useful to articulate a point of view. This inspires conversation and crystallizes issues.

6. Ask about a related area—similar problems from different industries or functions might have similar solutions. Notice and point out areas of improvement beyond the issue being discussed.
7. Ask great questions—the sincere-but-naïve question "why does it work this way" often gets to the heart of the matter.
8. Give away ideas—untested ideas are a dime a dozen. But if they provide your client with fresh insights on his problem, they will be very valuable to him.
9. Return calls unbelievably fast—act as though your client's problem is the most important issue you are facing (because it probably is).
10. Relax your mind—don't put pressure on yourself to come up with the instant genius solution. Recognize that your client's problem is difficult, or it would have already been solved and you would not be hearing about it. Your insights and unique perspective on the problem are more likely to help than specific solutions.

Moving Up the Advisor Value Chain

Ultimately, client-advisor relationships are always a two-way street. Advisors and clients must both benefit from the relationship for it to grow. Your client relationships can only move to the higher levels to the extent that you can instill trust in each other. Getting there requires giving (and receiving) useful information and advice over a long period of time. This does not mean that service-based or needs-based relationships are of limited value, as much business is transacted every day through those. It does mean, however, that constant care and attention to the relationships are needed to keep them productive and to move up the chain. By doing do, you will contribute greatly to the success of your clients—and ultimately to your own success as well.

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