

Guidelines for Having Conversations With “Difficult Clients”

Most advisors have clients that are unwilling or unable to give up control over financial decision-making. These “difficult” clients are often over 60 years old, and usually male. In some cases these are clients who have reached an age where they are mentally slipping a bit but cannot acknowledge that fact or grasp its impact on their lives.

While “difficult” clients may shun your offers of assistance, they are often the ones most in need of help. These clients can be prone to overconfidence, excessive risk taking, or just plain stubbornness. By improving your ability to communicate with them, you may help prevent them from making tragically poor financial decisions.

So how do you convince them to accept help? This will take time and patience, and you still may not be successful in getting him to allow others to help. Here are some tips to move the needle forward.

Key principles and practices when dealing with “difficult” clients

In addition to the points covered in General Guidelines — showing respect, listening, having curiosity, showing empathy, and creating an alliance, consider these other tools.

Edge in on areas of conflict. Once you have an alliance, you can edge into the difficult territory you know he’s resisted in the past. Don’t put him on the spot, but use open-ended questions or statements like, “How do you know no one is taking advantage of you financially?”, or “Financial life is so complicated these days, it’s really great if you have someone you trust to bounce ideas off of,”.

Get them to tell you their stories. Everyone has stories to tell. By hearing their story, you will not only learn more about them, but you will give them a chance to reflect on their own views and opinions and possibly lower their defenses.

Go slowly. Don’t expect to take care of this in one session. You are laying the groundwork. Expect the process to take months so be patient. Feel free to go off track. Older people love to tell stories and reminisce. This is time well spent!

Have backup. Have an outside consultant on call, like a psychiatrist or psychologist for when it’s not working out, when you feel stuck, or when the client seems impossibly obstinate or foolish. Never worry alone. Have an expert you can worry with for yourself and for those you are helping in the future.

Questions

Did anyone in your life make mistakes with money as they got older that you want to be sure to avoid?

How do you know no one is taking advantage of you financially?

Have you ever seen someone you love refuse help you knew they needed?

What do you think of people who won't go to a doctor because they want to avoid any bad news?

Have you seen people get into trouble around money simply because they refused expert advice?

Financial life is so complicated these days, it's really great if you have someone you trust to bounce ideas off of.

Wouldn't it be a relief if you knew for sure your money was being well taken care of?