

SERVICE MODEL TRANSITIONS

GUIDEBOOK

*Resources for Transitioning
Clients to a New Service Offering*



Service Model Transitions

The resources below are designed to help you create the trust and confidence needed to transition clients to a new service level. Use these resources along with the Communicating Changes Workbook to develop the process and materials needed in your specific situation. Items in blue are designed to be customized, though you can customize any portion of these resources.

BASIC TRANSITION PROCESS

1. Prepare for the process (see the Communicating Changes Workbook). Below are important strategic decisions to consider:
 - Determine which clients will be impacted by your new service model / offering
 - Determine if you will share the change via a letter, call or meeting
 - Determine if you will provide exceptions or grandfather any clients (not our recommendation)
 - Determine what the clients' options are if they do not want to continue at the new service level
2. Prepare for the discussion thoroughly
3. Share the change with the client
 - If communicating via mail, send the letter and appropriate paperwork
 - If communicating via call or meeting, have the appropriate paperwork prepared
 - Plan in advance for questions clients may raise
4. If clients do not complete the paperwork on time, schedule a follow-up to get the finalized documents

FRAMING PARAMETERS

- Clients need to understand that we are not adjusting your service level simply to increase revenue or the number of meetings they attend. Instead, we are protecting the longevity and ongoing investment in the firm, as well as the standard of service that we believe will best help them achieve their financial goals.
- Clients also need to feel confident and reassured that, regardless of this change, we are working in their best interests to help them achieve their goals.
- We should convey the reasons behind the change: "We need to align our services with the value delivered." "Our clients keep opting out of meetings, and the firm wants to place energy in better serving clients between meetings." "The firm has invested in improvements and services that simply were not available previously."
- Make sure clients know we are touched by their confidence and will do our best to support them regardless of their service level.
- Additionally, communicate that we will assist our clients in their transition if continuing with our firm is not the right fit.



Sample Service Transition Letter

Dear <Existing Client>,

We're writing today to share some important improvements we're making in response to changes in the financial regulatory environment. As always, we remain committed to staying at the forefront of our profession.

With this letter, our goal is to clarify the role that our firm plays in our ongoing work together with you. With the securities industry experiencing a changing and challenging regulatory environment, we are taking steps to adapt and improve how we help you meet your financial goals. We'd like to share those improvements with you and coordinate a time to discuss these changes, our goals for serving you at a higher level and any questions you have regarding your situation.

As part of our improvements, we are implementing defined service models in our practice that we believe will best support and serve our clients:

- Investment clients: those clients who engage us solely for investment-management services
- Financial-planning or wealth-management clients: those clients with increased wealth, complexity or special needs, for whom we manage assets and provide comprehensive financial-planning support
- Collaborator clients: clients for whom we have served a specific need on a situational basis but with whom we have no ongoing engagement, such as clients we have provided with life insurance in the past

Attached you will find a Client Services Overview, which highlights the goals, services and fees for our new service offering.

As a/n (insert client type), you will not experience any material changes in your services. However, you may notice that we will be reaching out regularly and proactively to ensure that we are engaging with you in a meaningful way.

OR

As a/n (insert client type), you will continue to receive high-quality investment services and advice. As we are dedicated to delivering a comprehensive suite of services to fully support your financial life, we welcome the opportunity to talk with you about our financial-planning services; we believe you may find them a valuable resource on the path to achieving your financial goals.

We would welcome a call from you to discuss these changes personally. Please contact NAME to schedule a 15-minute call by calling NUMBER or emailing EMAIL.

OR

NAME will be reaching out to you in the next week to schedule a quick 20-minute call to share and discuss these improvements (and our recommendations) with you. We continue to be touched by the confidence you place in us and look forward to our discussion.

Sincerely,

ADVISER NAME

