

Managing Client Expectations

Behaviour in Finance

Presented By

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Crotty & Company

Helping Business Grow – Helping People Prosper



Managing Client Expectations

Behaviour in Finance

- Discovering & (re)setting Expectations
- Managing the Expectation Gap
- Improve Client Relationship & Compliance

What is an EXPECTATION ?

What is Expectation Management ?

EXPECTATION: A strong belief that something will happen

MANAGING EXPECTATIONS: (manage someone's expectations) Seek to prevent disappointment by establishing in advance what can realistically be achieved or delivered by a project, undertaking, or course of action, etc.

e.g. as the government tries to paint a good economic picture, they are also trying to manage expectations

Inside the mind of the client



Inside the mind of the client

Attitude

Sub Set – Motivations

Sub Set - Objectives



Formation of Expectations

Attitude

Attitude

ATTITUDE: the way that you think and feel about somebody/something; the way that you behave towards somebody/something that shows how you think and feel

Fact or Fiction



Complexity to Simplicity

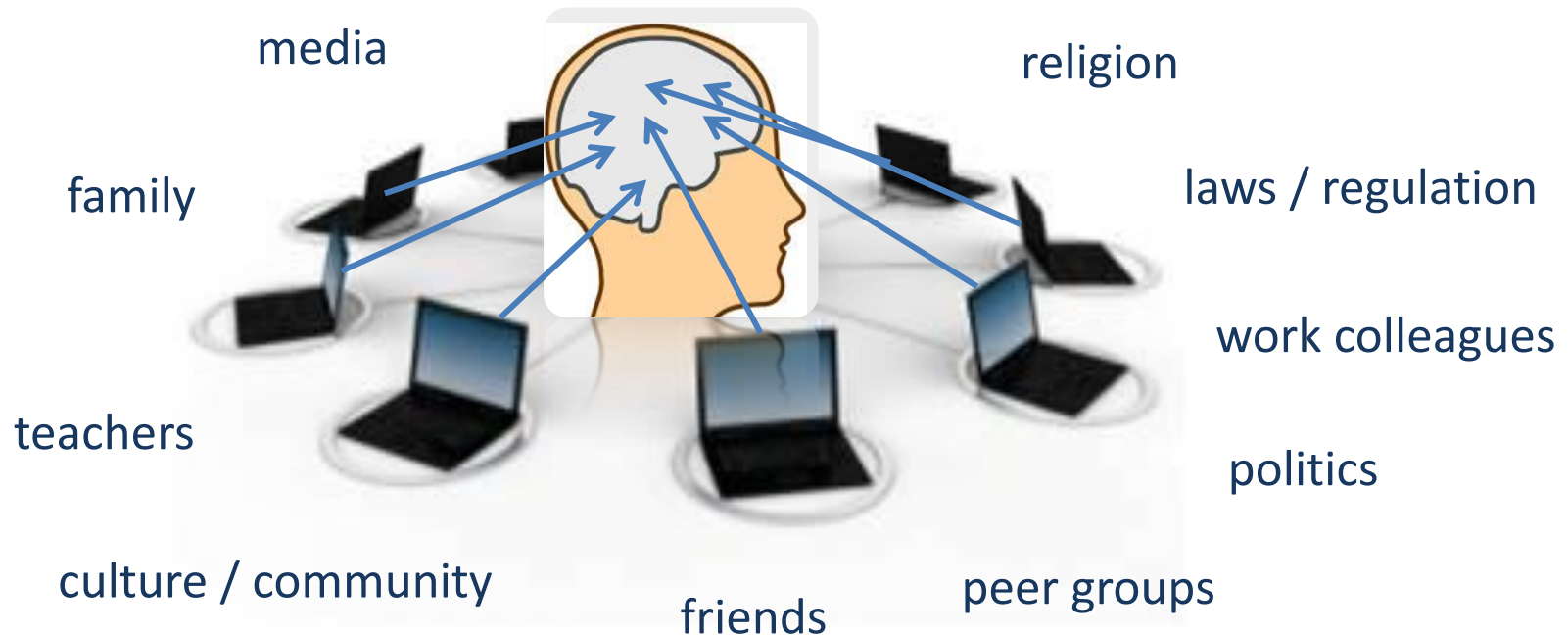
$$\frac{\text{Knowledge} + \text{Imagination}}{\text{Time}} = \text{Attitude}$$

$$\begin{array}{r} K + I \\ \hline T \end{array} = A$$

Understand Attitudes

The KITA[©] Principal

Conditioned Thinking



Conditioned Thinking

*“Most people are other people, their thoughts are someone else’s opinions.
Their lives a mimicry”*

Oscar Wilde

“Men often become what they believe themselves to be. If I believe I cannot do something, it makes me incapable of doing it. But when I believe I can, then I acquire the ability to do it even if I didn’t have it in the beginning”

Mahatma Gandhi

*“We are what we believe we are. We become what we believe.
If you believe then it will happen”*

Henry Ford

*“It is most unwise to rely solely on the wisdom of others....
....It impedes original thinking”*

My Son - Emmet Crotty (exam student)

Re-Conditioned Thinking

How ?

What you need to know....

A diagram consisting of two overlapping speech bubbles. The top bubble is light blue with a blue border and contains the text 'The Principles & Methods'. The bottom bubble is also light blue with a blue border and contains the text 'The Outcomes'. A larger, darker blue speech bubble shape is visible behind them, pointing downwards.

The Principles
& Methods

The Outcomes

The Principles will discuss....

The Principles
& Methods

The Outcomes

The Principles

There are 3 Basic Principles....

The 3C'sTM

3C's™ (Principles)

1. Create

the Expectation

Do not allow client to make assumptions –
(imagination)

2. Control

the Expectations

Do not neglect communication. – (proactive reality
check)

3. Continue

the Process

Do not stop –
(ongoing evaluation & re-balancing)

Re-create

The Methods

... and there are 3 Basic Methods

The 3A'sTM

3A's[™] - Methods

1. - Agreement

2. - Assessment

3. - Adjustment

3A's™ - Methods

1. - Agreement

the want

is...

... Know the clients Values & Beliefs

... Moods & Temperament

... Debt of knowledge & experience

☐ Agree the Key Performance Indicators - KPI's

... Time / Cost / ROI / Risk Level / etc.

☐ Agreement must be written...

...for example...

Service Level Agreement (SLA)

Letter of Engagement / etc.

3A's™ - Methods

1. - Agreement

2. - **Assessment**

3. - Adjustment

3A's™ - Methods

2. - Assessment

sure

- ☐ Regular Communication....
 - ... Keep up to date with changes in ..,
 - ... your world / the clients world / the world...
- ☐ Ask the right questions
 - ... Open for understanding/ Closed for Clarification
- ☐ Listen to the Client...
 - ... Active listening means hearing what the client wants...
 - ... not just what he/she is saying.

3A's[™] - Methods

1. - Agreement

2. - Assessment

3. - **Adjustment**

3A's™ - Methods

3. - Adjustment

FROM the client

- ☐ Be Honest in Your Promise....
 - ... Say what you can & cannot achieve
 -do not promise if you cannot deliver

- ☐ Educate the Client...
 - ... explain issues in jargon free language

- ☐ Be Open Minded...
 - ... sometimes it is the advisor that has to change

Mind the Gap ... Reality & Expectations ?

So if.... Reality = r and Expectations = e

... then

Contrary: ($r < e$) = Dissatisfaction (**Anger**)

Inline: ($r = e$) = Satisfaction (**Indifference**)

Exceed: ($r > e$) = Elation (**Happiness**)

... and (3c + 3a) = Managed Expectations

What you need to know....

The Outcomes

The Principles &
Methods

The Outcomes

The Outcomes



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The Outcomes

The Good....

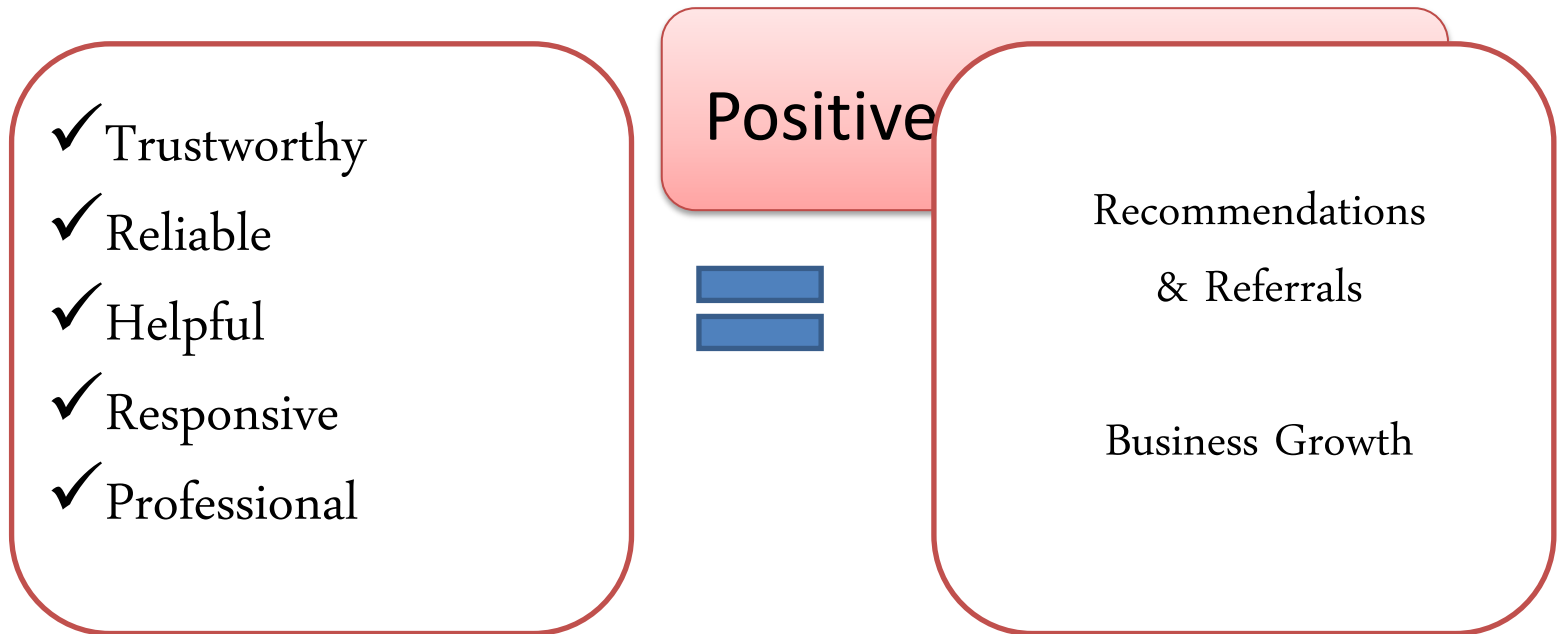
Positive Reputation

The Bad....

Negative Reputation

And The Ugly....

Penalties & Fines



The Outcomes

The Good....

Positive Reputation

The Bad....

Negative Reputation

And The Ugly....

Penalties & Fines

✗ Poor Service

✗ Dissatisfied

✗ Inattentive

✗ Uncaring

✗ Amateur

Negativ



Disappointment
& Lack of Trust

Business Decline

The Outcomes

The Good....

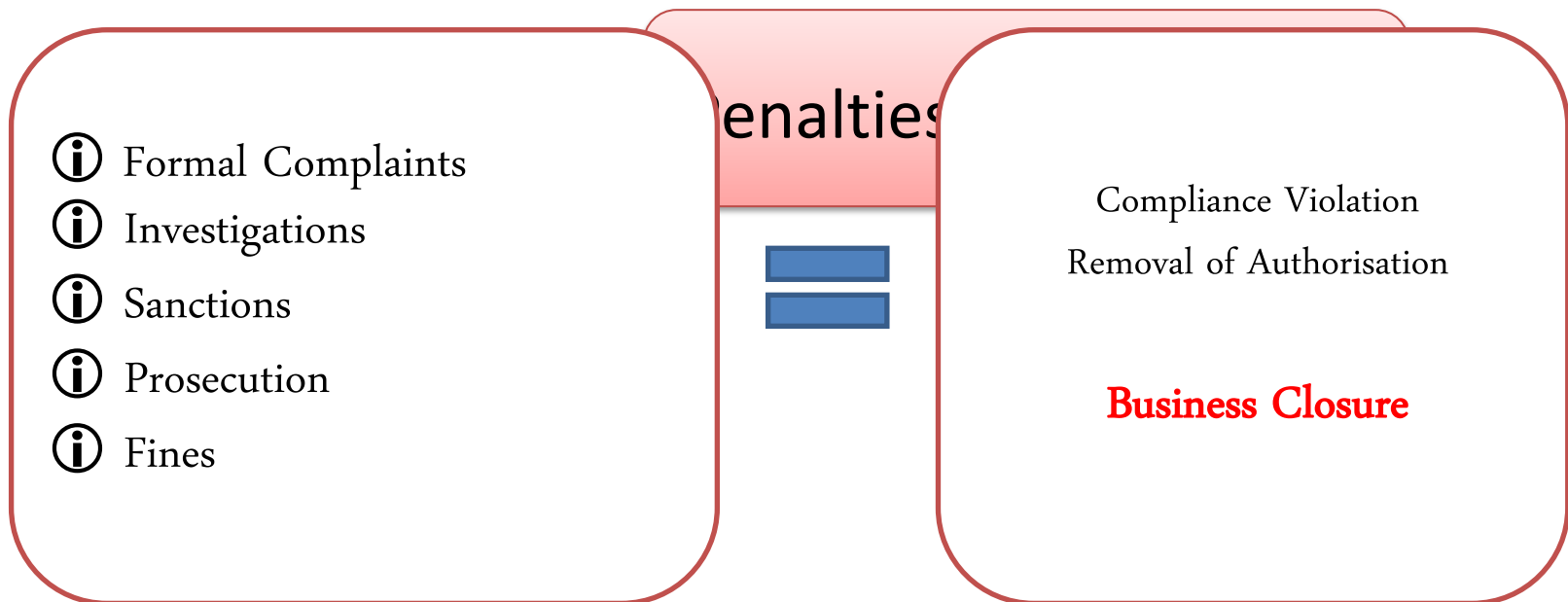
Positive Reputation

The Bad....

Negative Reputation

And The Ugly....

Penalties & Fines



In Summary.....

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- ✓ **Understand factors influencing Attitude**

The KITA[®] Principle

$$\frac{\text{Knowledge} + \text{Imagination}}{\text{Time}} = \text{Attitude}$$

- ✓ **Understand Conditioned Thinking**
- ✓ **Know how to Re-Condition Thinking**

In Summary.....

✓ **Adopt the Principles**

3C's = Create / Control / Continue

✓ **Implement the Methods**

3A's = Agreement / Assessment / Adjustment

✓ **Know the REALITY v EXPECTATION relationship**

$r < e$ = Dissatisfaction

$r = e$ = Satisfaction

$r > e$ = Illation

✓ **Achieve / Avoid the Outcomes**

Positive (*Business Growth*)

Negative (*Business Decline*)

Penalties (*Business Closure*)



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Merci - Thank You