

# **Becoming a Behavioral Advisor; Delivering Superior Portfolio Performance for Your Clients**

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## **Overview**

Behavioral finance/advice has existed for several years, working in conjunction with the field of traditional finance.

In brief, financial advice is based primarily on Nobel Prize-winning, modern portfolio theory. All learnings related to asset allocation, efficient frontier and modern portfolios remain important. However, all are based on the premise that investors and consumers make rational decisions without bias and essentially will trade-off decisions based on risk and reward potential.

Behavioral advice involves the integration of traditional finance, behavioral finance and neuroscience. While conventional theory predicts that people behave rationally, research has proven that people frequently behave irrationally. Irrational behaviors are often stimulated by extreme emotions, either positive or negative.

With a focus on behavioral advice, this workshop will help financial advisors understand that people often behave in an irrational, biased-manner.

More specifically, this workshop will point out that people are more averse to loss than originally thought, and that loss tolerance is dynamic, not static. As a result, more time should be spent focusing on loss tolerance than risk tolerance.

This session will enhance the effectiveness of financial planning advice by more explicitly adding the concepts of behavioral advice. This workshop will train, develop and improve the moral and emotional competencies necessary to help advisors and clients make better decisions throughout the financial planning process.

Behavioral advice does not replace financial planning. It simply increases the effective usage of the financial plan by improving decision-making behavior.

Through this workshop, the Lennick Aberman Group will deliver Behavioral Advice Services to you so you can deliver outstanding service to your clients!

## **Client Testimonials**

We can no longer differentiate ourselves with tools, products or expertise in the traditional areas of finance, but we can differentiate ourselves by becoming better coaches and trainers of our clients.

From our early experiences, we are getting outstanding feedback from the consumer, whether it's from client advisory board meetings, or simply on the ground, in the trenches conversations that we are having with clients, they feel that this behavioral advice content is leading edge material.

We have several situations where we can point to specific clients who are giving feedback to the advisor that they reason they chose to work with that particular advisor was because of the differentiators that they observed in the area of behavioral finance.

Jeff Marshall  
Senior Financial Advisor, ChFC®  
Ameriprise Financial

Over 28 years in the business, I've attended many professional development opportunities. Doug Lennick's Behavioral Advisor Workshop was the best investment I've made. He gave me the tools to better manage client emotions, beginning with my own.

Client appointments are more productive and positive. They are taking a longer view and making reasoned, more values-based decisions. I feel my relationship with clients, while always good, are getting stronger.

If you are a conceptual thinker, I highly recommend the Lennick Aberman Group's Behavioral Advice Workshop Series.

Michael E. Smith, CFP®, MSFS  
Senior Financial Advisor  
Ameriprise Financial