

The Perfect RIA, Episode 85: I Screwed Up. Now What?

“Matthew, I'm really hesitant to mention this. I don't want to take this wrong way. I think that you and Micah made a mistake”

Action Items:

1. **Get online and sign up for August 19th webinar.** Coleen and Victoria will be talking about what's it like to run the Perfect RIA practice and how is it when Micah and Matt are not around. Mark your calendar, make sure you attend it and take your team with you because there will be a lot of useful information there.
2. **Create an emergency plan.** If you make a mistake, what do you do? How do you fix it? What if your client is angry with you? Think ahead and prepare for those situations. You can write down a list of gifts you might be able to send such as flowers, bottle of wine, gift card etc.
3. **Have a system.** Have a culture of fixing internal system breakdowns. It is especially important on things that create criminal liability, trade errors, cashiering errors etc. These things are never pleasant, but they happen, so you have to have a system in place on how to proceed if that ever happens to you.
4. **Give us five stars on iTunes reviews.** You can do it multiple times. Share it with your family and friends, let us grow our Nation even bigger. Hit the share button, send it to a couple of advisor buddies so they can help us build the Perfect RIA.

In this episode, our hosts, Matt and Micah, will be talking about mistakes. They are giving us a lot of stories about many useful things but there is never enough time to talk about being wrong. Making mistakes is in human's nature, we all make them. Matt and Micah also make mistakes and now they want to share them with us.

Sometimes Matt will have people letting him know that he made a mistake on the podcast and he is thankful for that. He will go look into it and make sure that this will not happen again. He will definitely not be angry or in need for apology for the fact that someone pointed it out to him. Sometimes members of the Backstage Pass would talk about correcting some mistakes that they found during podcast and Micah loves it! It is very important to know how to behave and how to receive the idea that you've made a mistake. And what if you know that the mistake was made by someone else? Are you going to blame or attack them? This is an easy trap to fall into, so you need to be very careful about it. This is an extreme ownership angle which gives you a question of "What can you learn here?"

Sometimes Micah has a meeting with HR specialists, people who work with OPM and he calls it "a guided discovery with benefit officers". He knows he can learn from them as well so he would always let them know that he can be wrong about something and it would be amazing if they can walk him through.

Matt has similar approach when having meetings with his clients. Once he gets through the agreement, he will let them know that all the miscellaneous clauses at the end means that he is just a human. He will make a mistake and if he does, he will call them, let them know about it and fix it. If they find a mistake, Matt is expecting them to call him and let him know. Setting that expectation of open communication with your clients is a crucial thing because what do we usually do? We cover our mistakes up, we blame other people, we deny it. Even if it's clear for you that you will let your clients know about the mistake, they don't know that so that's why you need to reassure them about it. We are all going to screw up, but the thing is to man up and take the responsibility for it.

Some of the advisors Matthew works with are wondering why they're not getting any referrals. If they say "I don't make mistakes" then the answer is obvious. You need to have a

referable moment, something that will show people you can fix mistakes whether they are yours or not.

You also need to remember that every time you make mistake, there is a risk that your client will file a complaint if you don't get it right. You don't want to pay a fee, do you? Same thing when the client leaves, which doesn't happen that often, but it still does. Matthew gives back the full prior quarters fee. He doesn't want the money; he wants to be the best professional they ever met, and he wants them to tell that to everybody else. That's what you should be aiming for.