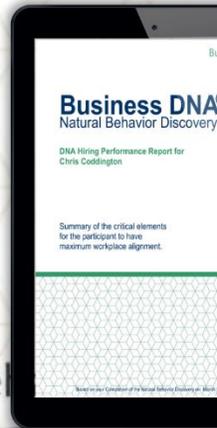
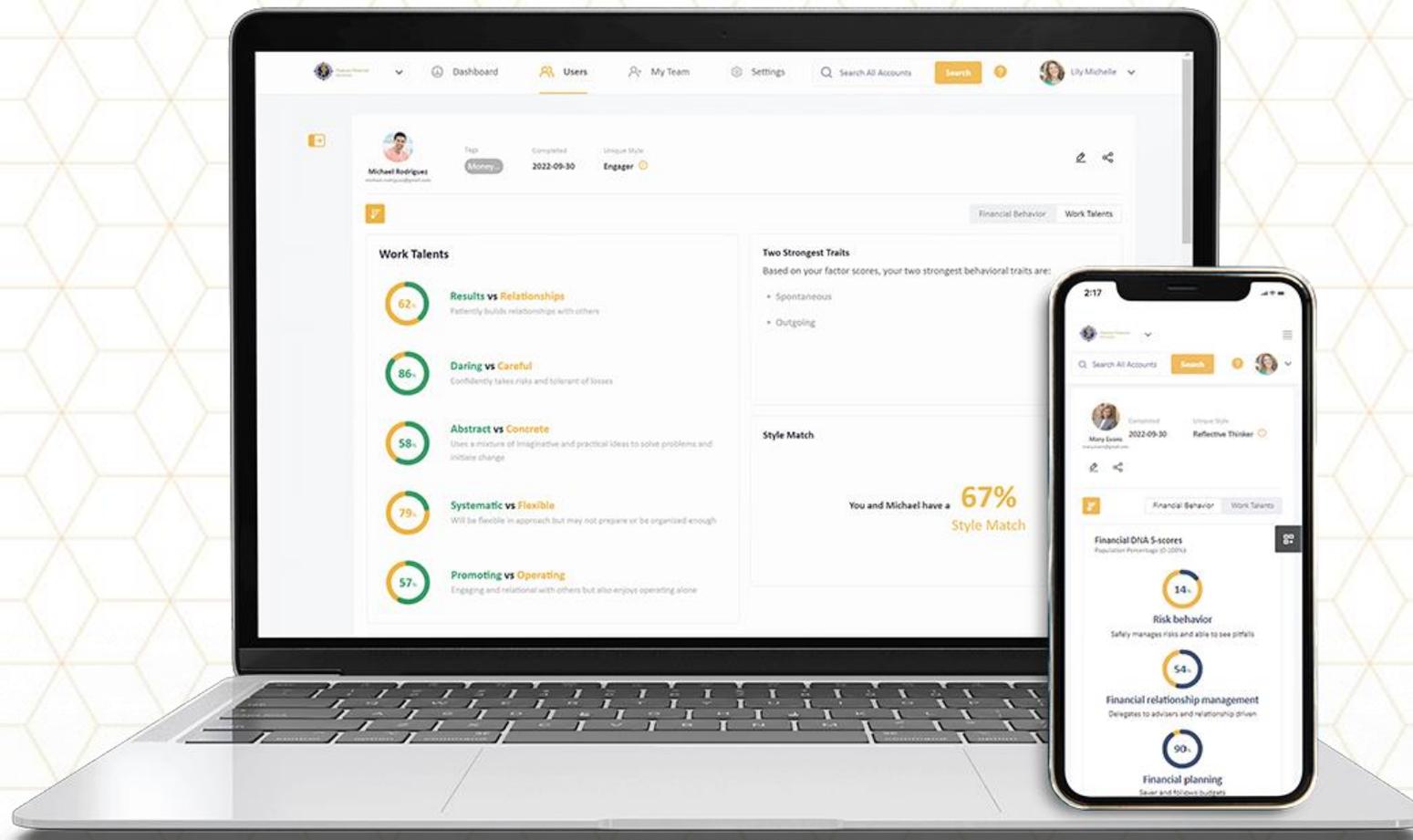


# DNA Behavior<sup>®</sup>

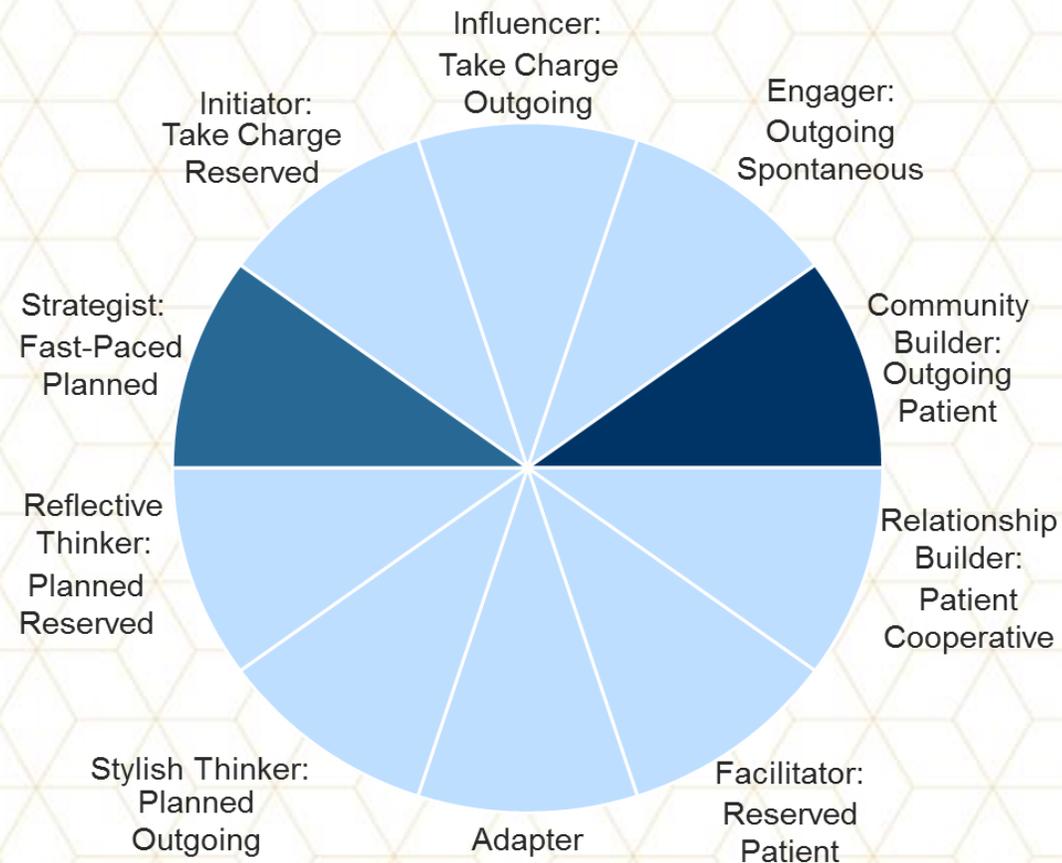
The Behavior and Money Insights Company





# Advisor Succession Planning

# Advisor Business Problem – Navigating the Human Differences



# The Ultimate Objective of Succession Planning

1. Achieve a high but fair business valuation
2. Ongoing Quality Life for the Owner

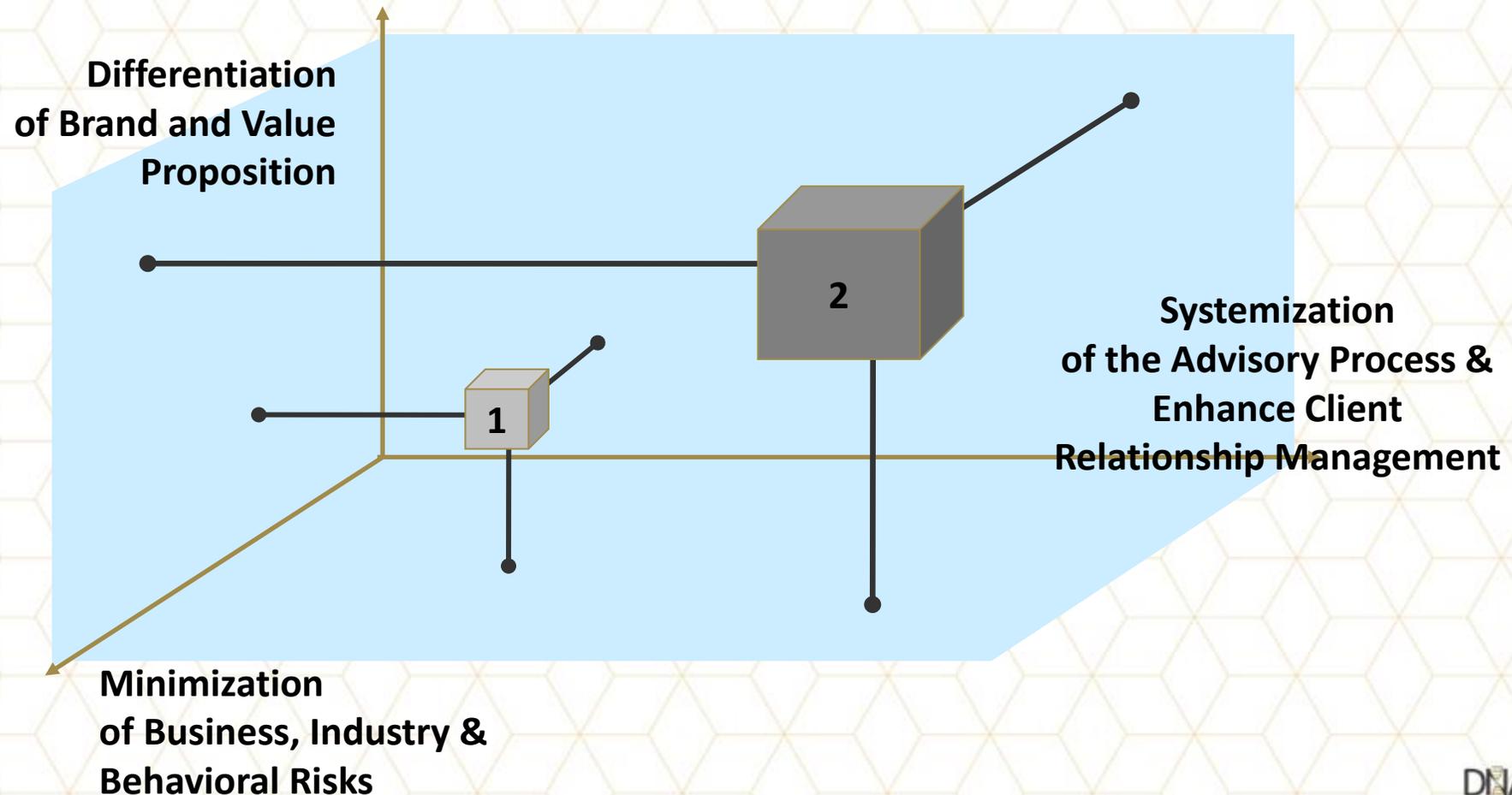
## Succession Planning Risks:

1. Relationships are lost
2. Clients are not served well
3. The advisory team becomes disengaged
4. Revenue sustainability drops below 90% of pre-succession levels



# Start Pre-Transaction Business Renovation 3 to 5 Yrs Ahead

Improve the Sustainability of Business Value Creation



# Some of the Key Issues to be Addressed

1. Does the owner want to retire or rehire?
2. What is the desire of the owner to build a sustainable business or create a lifestyle?
3. Is the owner a leader or a great planner?
4. Does the team have “round pegs in round” holes?
5. Is there a healthy business relationship between partners?
6. Is there a management succession plan in place?
7. What are the levels of client engagement with the current team and service being delivered?
8. Will the clients stay if the owner leaves or steps back?



# Industry Issues to be Addressed in Building Your Strategy

1. Client engagement begins earlier and more is required
2. Commoditization of the industry
3. Pressure on transaction and AUM Fees
4. Building retainer revenue
5. Greater need for service differentiation
6. Technology changing business models
7. Regulatory compliance and heavy fines
8. Behavioral finance is emerging
9. Community becoming “Meaning” based
10. Client directed not advisor directed



# Behavior is the Primary Cause of Succession Planning Challenges



Source: Stanford University 1999

# Adopt a Behavioral Management Approach

## Lack of Behavioral Insight



Advisory Team



Default Communication Styles  
Accuracy = 1 in 4



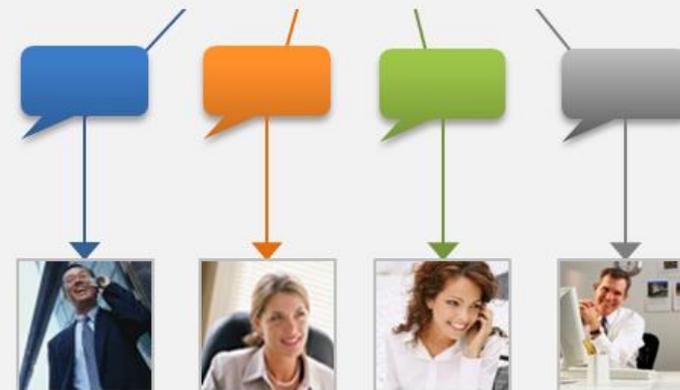
## Power of Behavioral Insight



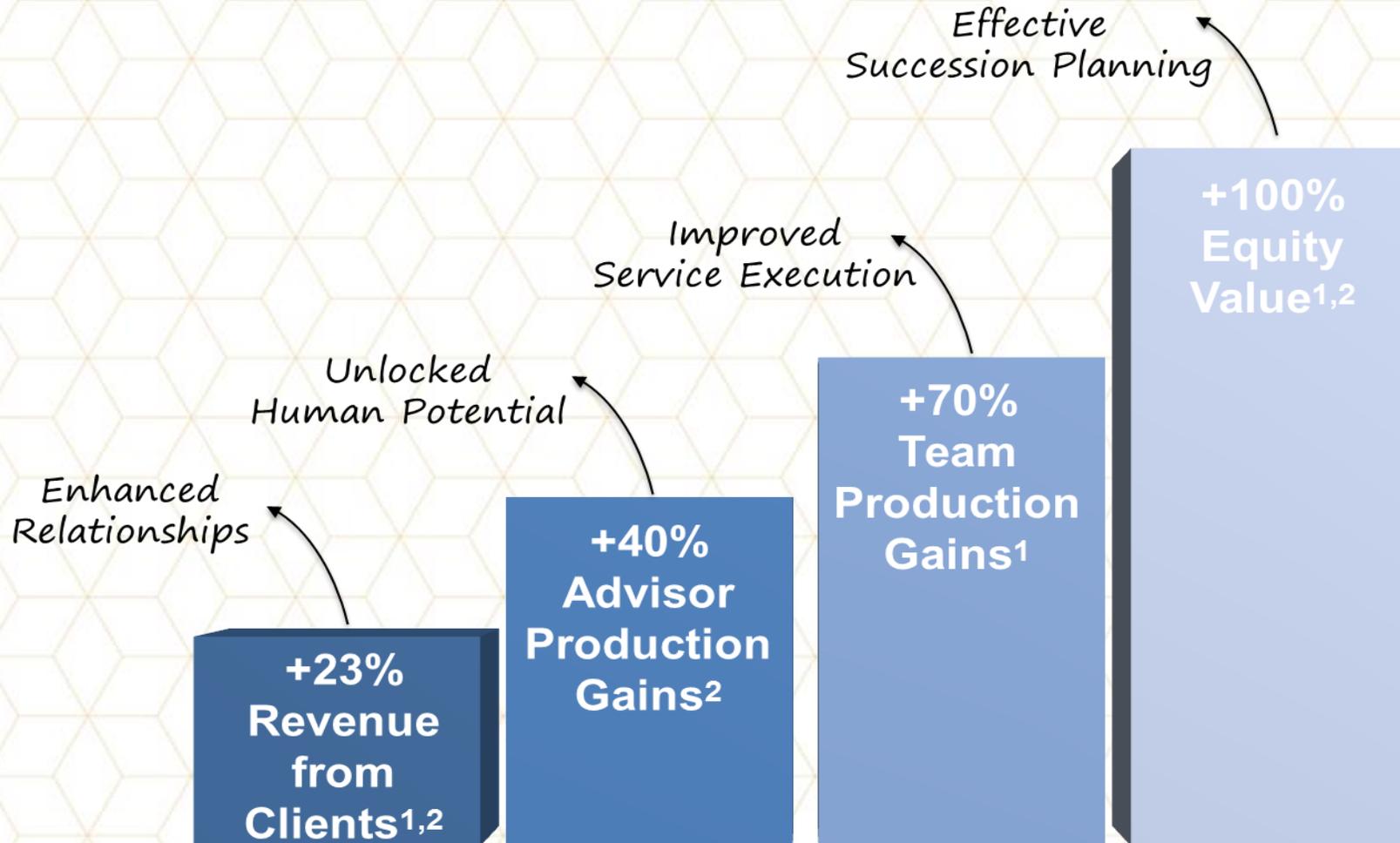
Advisory Team



Communicate With and Serve Clients  
on Their Terms 1:1



# Sustainable Benefits from a Behavioral Management Approach



Source:

1. Gallup Research 2010
2. DNA Behavior International Research 2001-2014

# DNA Behavior Succession Planning Program

Phase 1: Establish role and future of the owner(s)

Phase 2: Initial review of the current team

Phase 3: Build a data base of client styles for matching team to clients

Phase 4: Adopt a behavioral management approach to planning process

Phase 5: Ongoing development of team engagement and leadership

## Financial DNA for Financial Personality Management (Phases 1,4)

Discover the owners  
financial personality,  
their relationship to  
money, and needs  
for a Quality Life.  
Client decision-making

## Business DNA for Human Capital Management (Phases 2,5)

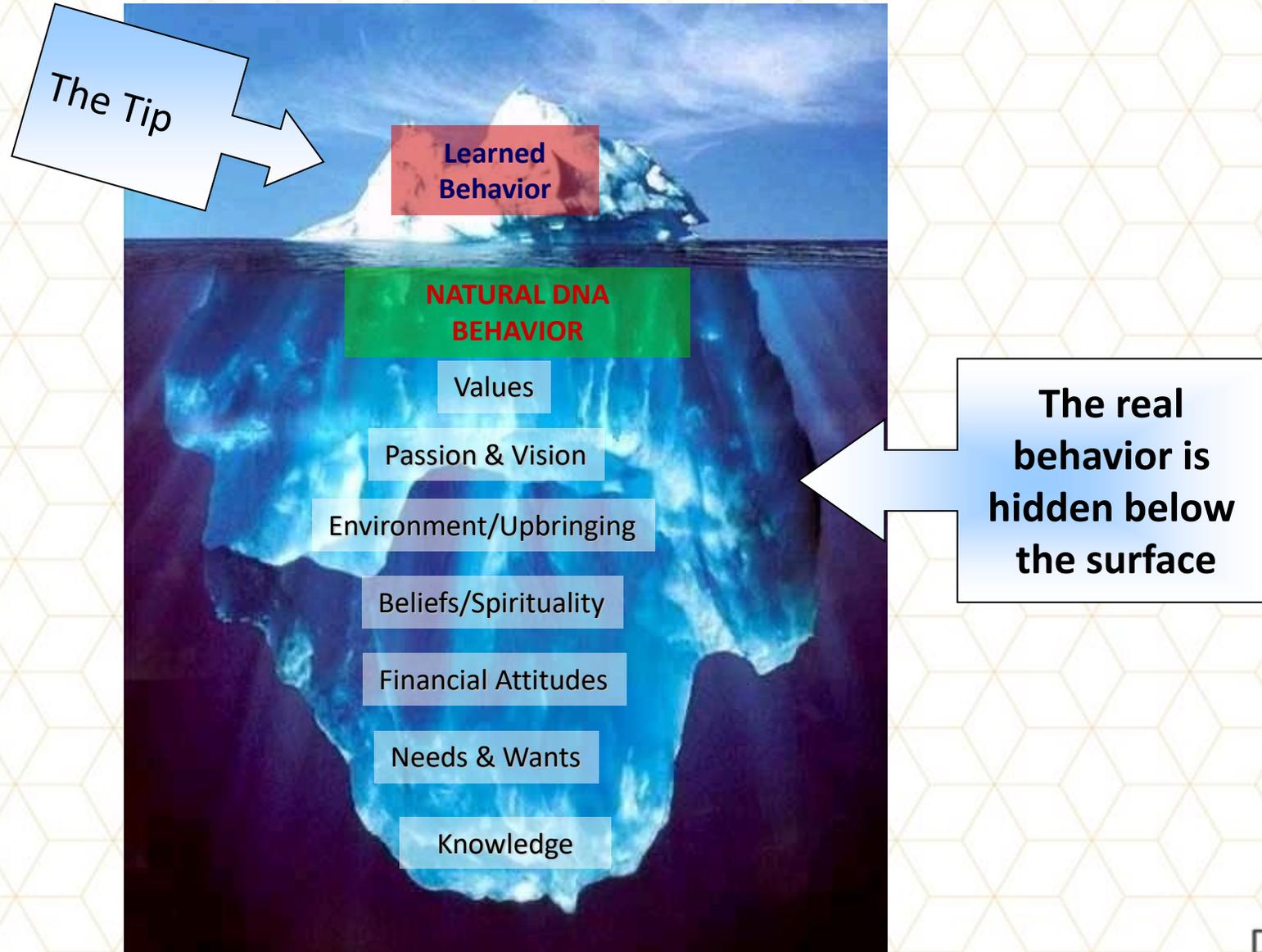
Partner compatibility  
Team talent review  
Hiring new talent  
Team development  
Leadership development

## Communication DNA for Client Experience Management (Phase 3)

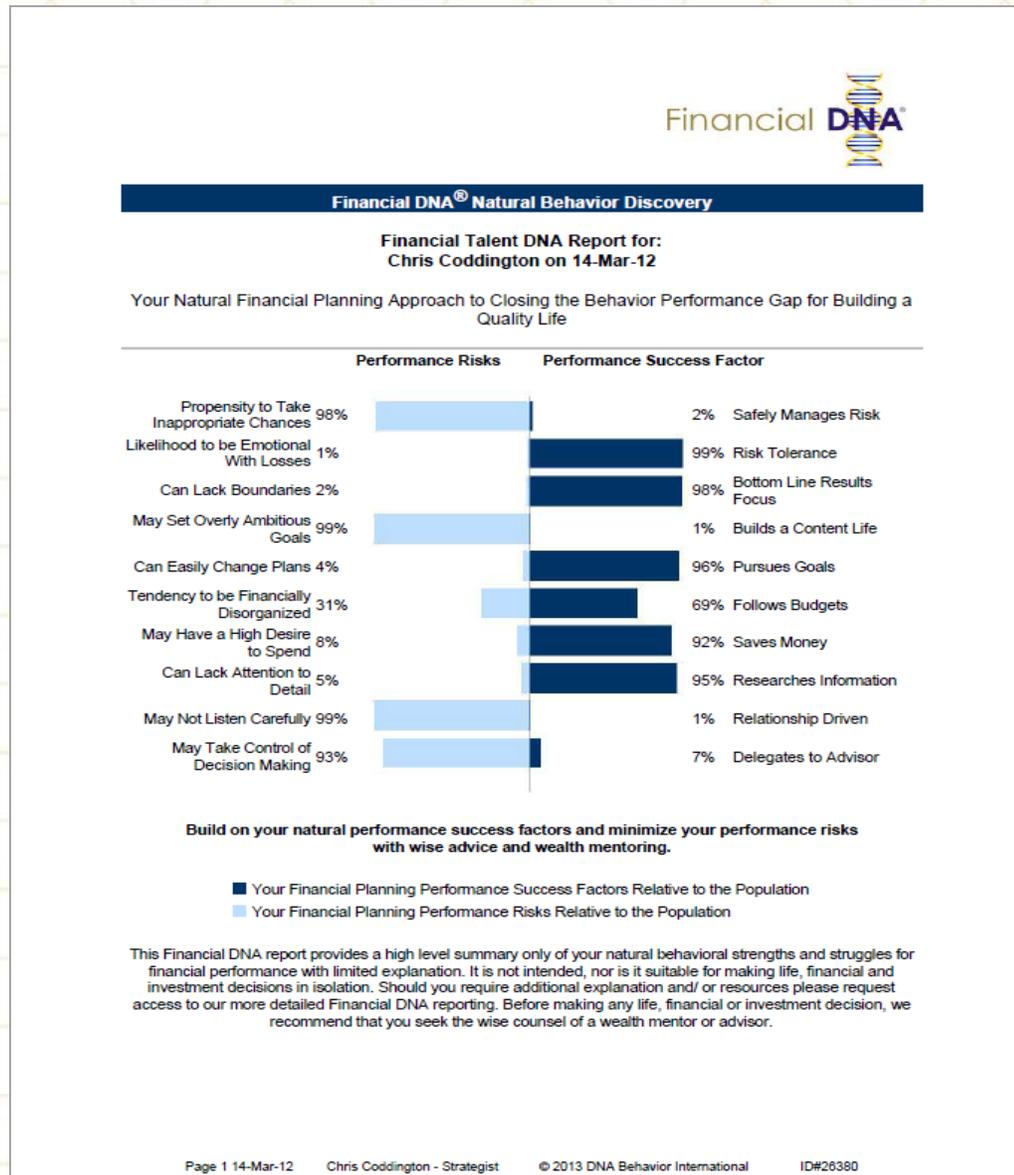
Advisor client  
communication and  
matching  
Behavioral management  
of clients  
Corporate memory bank

Solution: DNA Behavior Discovery Processes on a Single Platform

# Do You Need a Quicker and More Reliable Method to Predict How The Advisory Team and Clients Will React to Transition and Market Events?

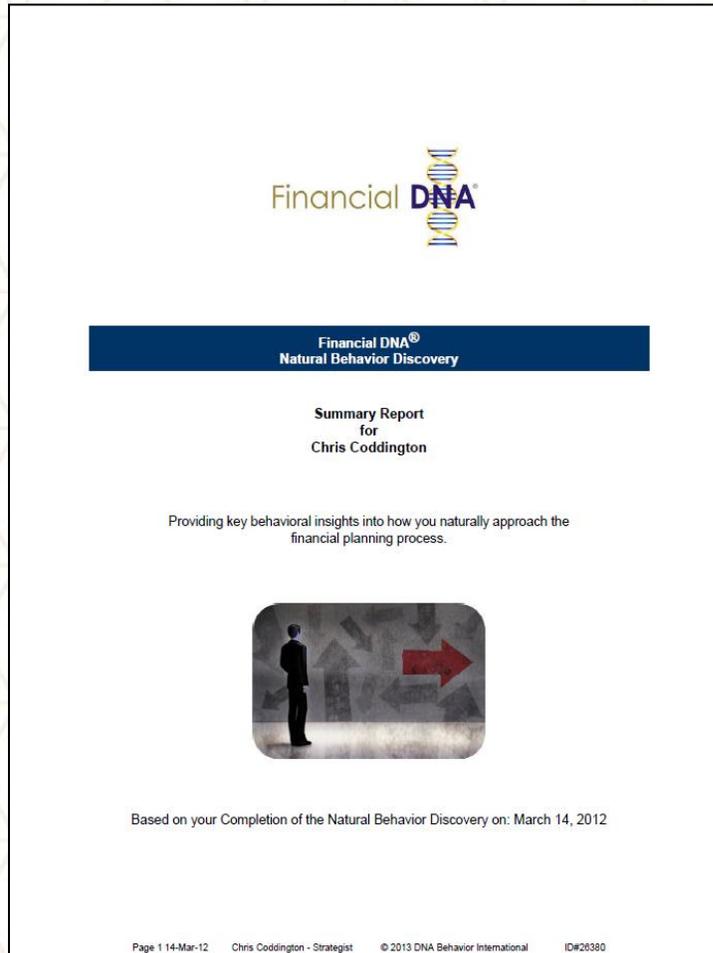


# Phase 1: Financial Personality Management of the Owner



**Step 1. Financial DNA Natural Behavior Discovery (46 Questions, 15 to 20 mins) to uncover the owner's instinctive behaviors and talents**

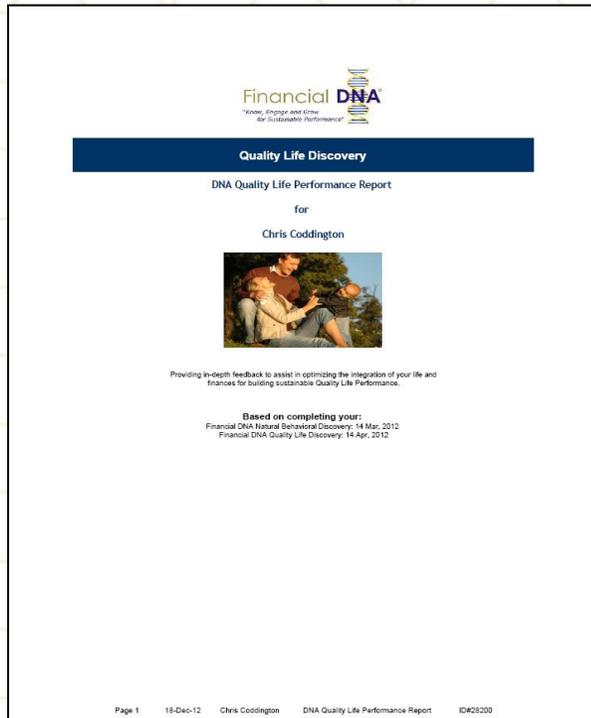
# Financial DNA Natural Behavior Summary Report



1. Natural Behavior Style (Page 2)
2. Financial Behavior Biases (Page 2)
3. Performance Strengths, Struggles and Environment Keys (Page 3)
4. Quality Life Attitudes (Page 4)
5. Financial Planning Insights, including Risk Behavior (Page 4)
6. Investment Portfolio Grouping (Page 4)
7. Advisor-Client Compatibility (Page 5)
8. Powerful Questions (Page 5)

# Quality Life Review of the Owner

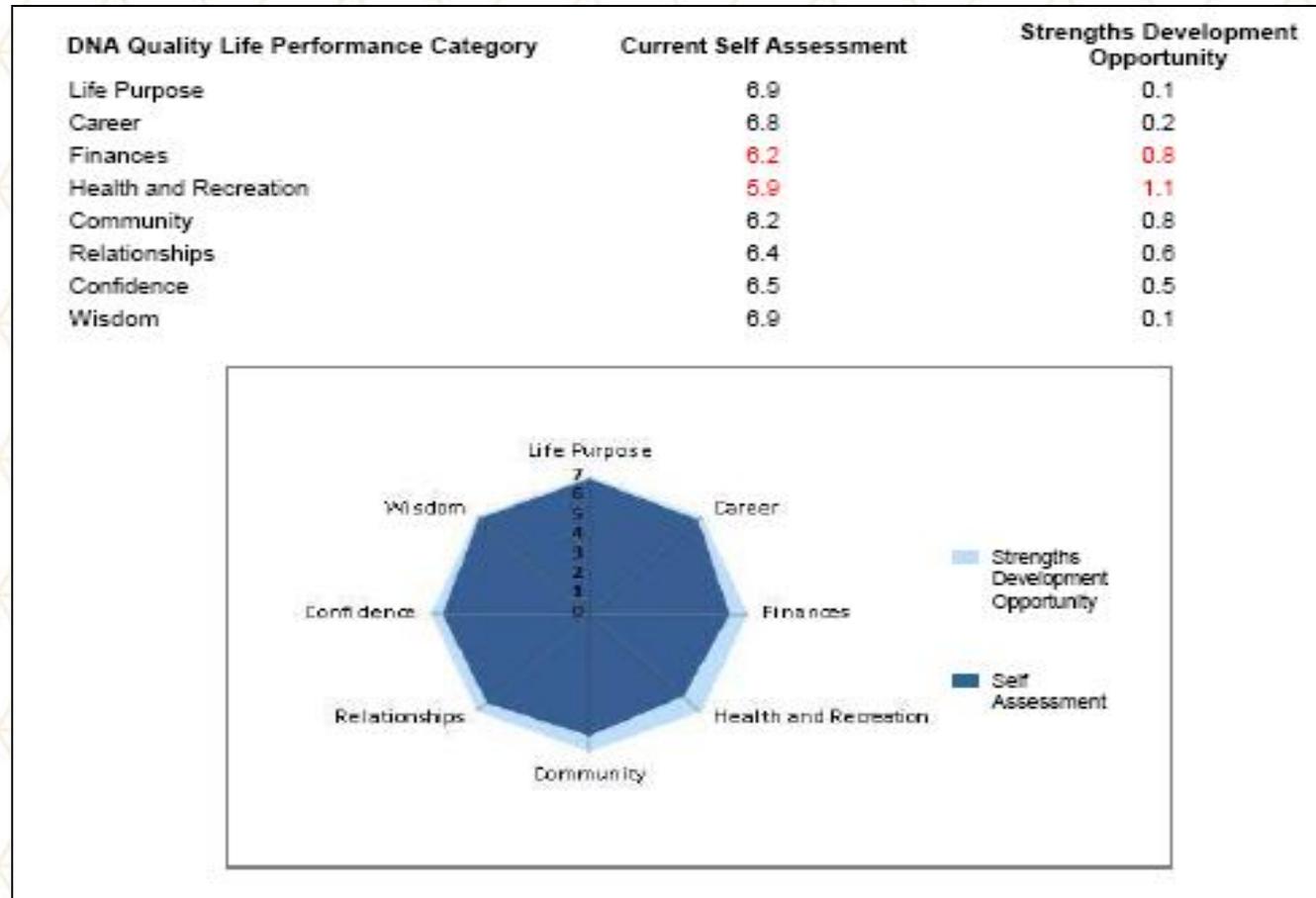
**Step 2. Financial DNA Quality Life Discovery (80 Items, 20 to 30 mins) to uncover the owner's current life balance and priorities**



Quality Life Performance Report

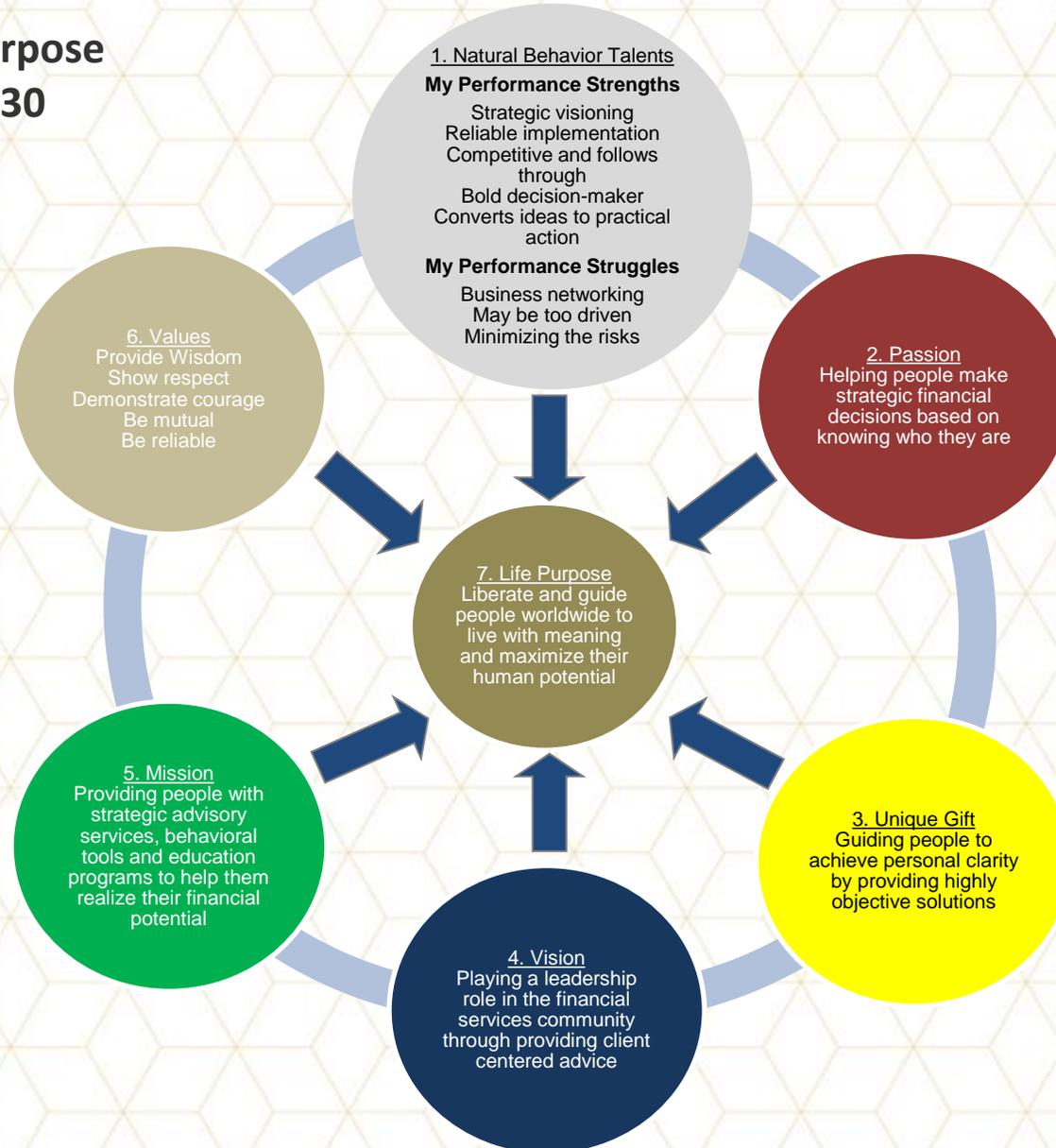
1. Measurement of your Quality Life Performance, identifying strengths and struggles
2. Provides a framework for behavioral change, including financial behaviors
3. Basis to identify your life purpose
4. Uncovers the influences of your life and financial decision-making in 8 key areas:
  - Life Purpose
  - Career
  - Relationships
  - Health
  - Recreation
  - Community
  - Finances
  - Confidence
  - Wisdom

# Snapshot Analysis of Owners Quality Life Performance Balance



# Life Purpose Discovery for Owner

## Step 3: Life Purpose Inventory (20-30 minutes)

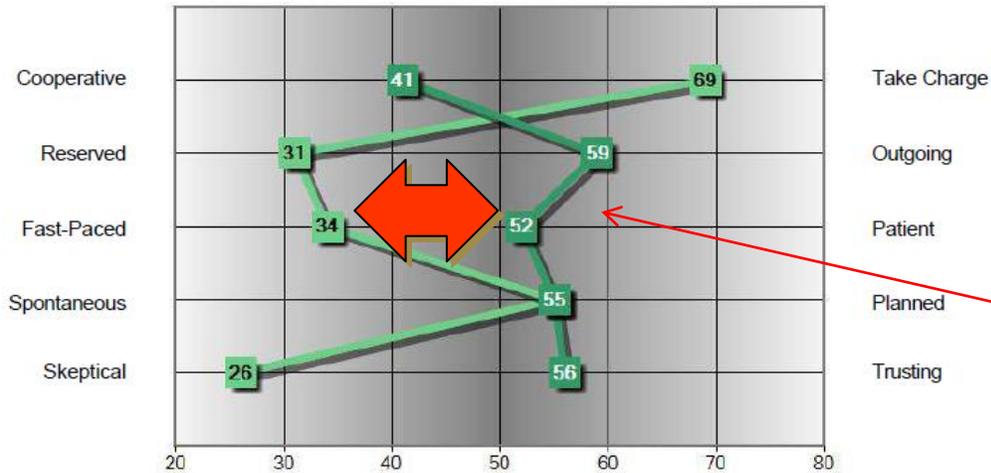


# Phase 2: Initial Human Capital Management Review

**Chris**  
Strategist

**John**  
Stylish Thinker

## Core Work Life Drivers

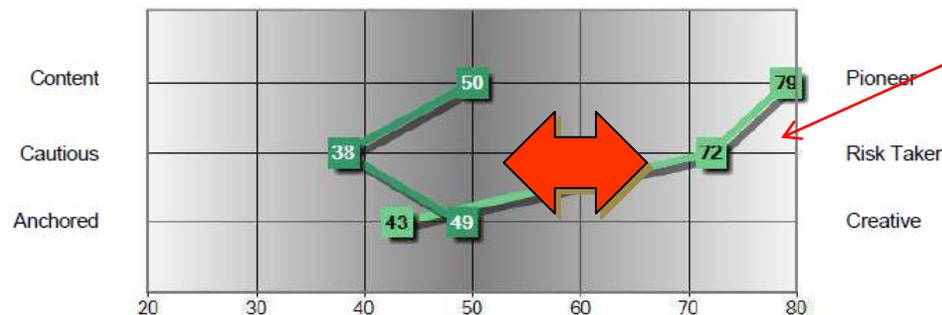


## Partner Compatibility - Business DNA Comparison Report

Many Behavioral Differences to Navigate:

Chris may not provide John with the personal engagement he needs

## Work Life Planning Drivers



John could be far more content and cautious than Chris's pushy goal driven style

# Business DNA Team Report to Show Different Talents and Gaps

	Take Charge/ Cooperative	LMR	Authoritative/ Consensus Seeking	LMR	Self-Reliant / Group Oriented	LMR	Frank / Diplomatic	LMR
Chris Coddington	63	right	60	right	65	right	52	mid
John Smith	47	mid	45	mid	49	mid	47	mid
Alan Eckhardt	43	left	41	left	39	left	48	mid
Carol Benjamin	38	left	36	left	37	left	37	left
Tom Smart	40	left	43	left	49	mid	47	mid
Melanie Hilton	49	mid	52	mid	46	mid	55	mid
Bobble Jones	53	mid	53	mid	53	mid	51	mid
Doug Roberts	51	mid	51	mid	56	right	48	mid
Matt Woods	55	mid	56	right	53	mid	52	mid
<b>AVERAGE</b>	<b>49</b>	<b>mid</b>	<b>49</b>	<b>mid</b>	<b>50</b>	<b>mid</b>	<b>49</b>	<b>mid</b>

- Left
- Mid-Range
- Right

**Left: Cooperative Behavior**

**Strengths:** Motivated to be practical, diplomatic

**Struggles:** Can be too hesitant, passive

**Right: Take Charge Behavior**

**Strengths:** Motivated to be visionary, decisive

**Struggles:** Can be too forceful, blunt

# Phase 3: Client Experience Management

## Enhancing Depth & Scope of Client Relationships

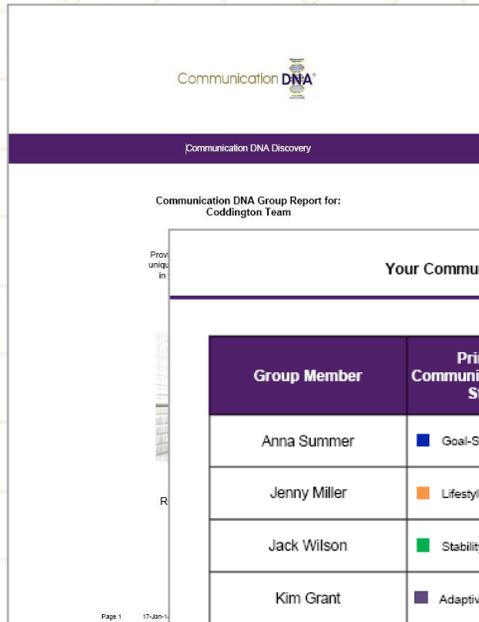


- Data basing of all behavioral styles
- Instant communication information
- Understanding of decision-making drivers

**Increasing Embedded Growth Potential From Knowing, Engaging and Growing Existing Clients**

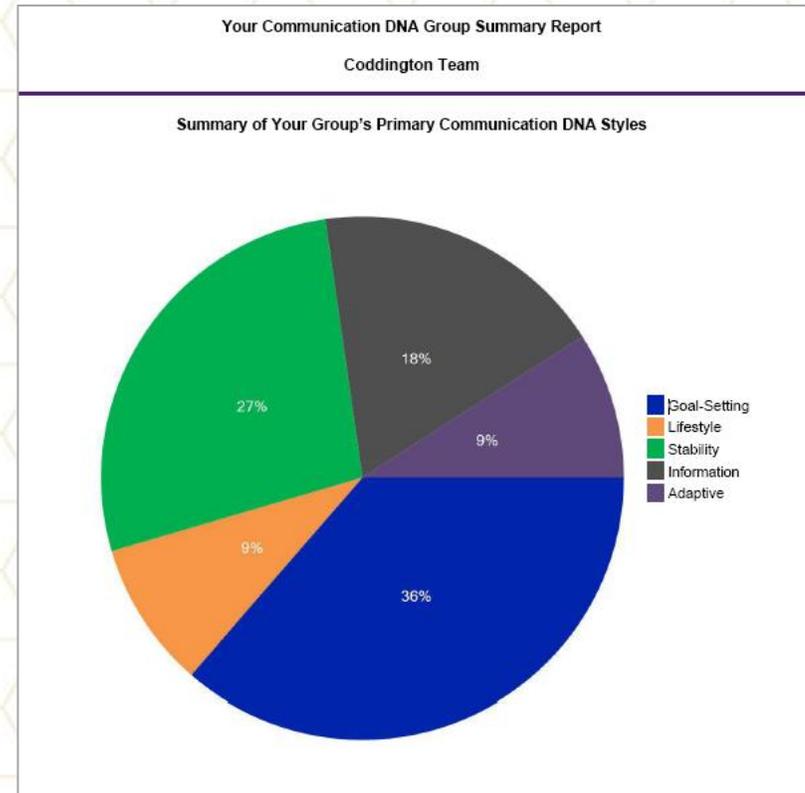
# Phase 3: Communication DNA Group Report for an Advisor/ Firm

All Clients to Complete Communication Discovery (12 Questions, 2-5 mins)



Your Communication DNA Group Summary Report

Group Member	Primary Communication DNA Style	Secondary Communication DNA Style	Communication Keys
Anna Summer	Goal-Setting	Lifestyle	<ul style="list-style-type: none"> <li>Provide options</li> <li>Get to the bottom line</li> <li>Openly express views</li> </ul>
Jenny Miller	Lifestyle	Goal-Setting	<ul style="list-style-type: none"> <li>Openly express views</li> <li>Verbalize</li> <li>Provide options</li> </ul>
Jack Wilson	Stability	Information	<ul style="list-style-type: none"> <li>Keep it relaxed</li> <li>Speak softly</li> <li>Provide facts</li> </ul>
Kim Grant	Adaptive	N/A	<ul style="list-style-type: none"> <li>Keep it relaxed</li> <li>Provide specifics</li> <li>Be courteous</li> </ul>
Joshua Connor	Information	N/A	<ul style="list-style-type: none"> <li>Provide facts</li> <li>Provide specifics</li> <li>Demonstrate transparency</li> </ul>
Craig Moon	Stability	N/A	<ul style="list-style-type: none"> <li>Keep it relaxed</li> <li>Speak softly</li> <li>Share your feelings</li> </ul>
Mary Winter	Information	Stability	<ul style="list-style-type: none"> <li>Provide facts</li> <li>Provide specifics</li> <li>Keep it relaxed</li> </ul>
Jack Sun	Goal-Setting	N/A	<ul style="list-style-type: none"> <li>Provide options</li> <li>Get to the bottom line</li> <li>Present opportunities</li> </ul>
Max Speed	Goal-Setting	Information	<ul style="list-style-type: none"> <li>Provide options</li> <li>Get to the bottom line</li> <li>Provide facts</li> </ul>
Michael Johnson	Stability	Lifestyle	<ul style="list-style-type: none"> <li>Keep it relaxed</li> <li>Speak softly</li> <li>Openly express views</li> </ul>
Frank Butler	Goal-Setting	N/A	<ul style="list-style-type: none"> <li>Provide options</li> <li>Get to the bottom line</li> <li>Present opportunities</li> </ul>



# DNA Advisor-Client-Solutions Matching Methodology



# Communication DNA/ Financial DNA App for CRM (eg Salesforce)

The image shows a CRM profile for Chris Coddington. The profile includes contact information, communication history, and financial DNA analysis. A mobile app interface is overlaid on the right, showing event details for a meeting with Chris Coddington on Feb 28, 2014. The app displays behavioral highlights and risk profile information.

**Contact Detail**

Contact Owner	Sachin Shelare [Change]	Phone	
Name	Chris Coddington	Home Phone	
Account Name		Mobile	
Title		Other Phone	
Department		Fax	
Birthdate		Email	chris.coddington@dnabehavior.com
Reports To	[View Org Chart]		

**Communication DNA**

**Financial DNA**

Financial DNA Natural Behavior Discovery			
Behavioral style	Strategist	Risk Profile and Decision Making Group	Group 7
2 Strongest behavioral factors	Pioneer, Skeptical	Risk Profile and Decision Making Score (0-100)	98%
<a href="#">View Details</a>		FDNA Completion Date	3/14/2012

**Financial DNA Natural Behavior Discovery Reports**

- [Financial DNA Talent Report](#)
- [Financial DNA Summary Report](#)

**Mobile App Event Details:**

Meeting with Chris Coddington  
123 Main Street, Atlanta GA 30309  
Friday, Feb 28, 2014  
from 4:30 PM to 5:30 PM

Calendar

Notes

Behavioral Highlights for: Chris Coddington  
Natural Behavior:  
Behavioral style: "Strategist"  
2 Strongest behavioral factors: Pioneer, Skeptical

- Risk Profile and Decision Making Group: [Group 7]
- Risk Profile and Decision Making Score (0-100): 98%

*Putting behavior at the fingertips of advisors*

# Phase 4: Financial Personality Management of Clients

Financial DNA

**Financial DNA®**

**Chris Coddington**  
**Your DNA Behavioral Management Guide for:**  
**Don Spring**

Providing insights to assist in tailoring the meeting structure, style and content to guide your client based on their unique natural behavior.



Based on Don Spring's Completion of Financial DNA Natural Behavior Discovery on:  
July 10, 2013

**Objective: All new clients should complete the Financial DNA Natural Behavior Discovery Process (46 Questions, 15 to 20 mins) and existing clients at Reviews over 1 to 3 years**

The Behavior Management Guide report is produced from the Financial DNA Natural Behavior Discovery Process to help the advisor behaviorally manage the client for enhancing relationships and unlocking human potential

# Transform the Financial Advisor Role to Certified Wealth Mentor



## Become a Certified Wealth Mentor

“Wealth Mentoring” is a relational process that involves guiding others with wisdom to self-discover who they are and their priorities for a Quality Life through a mutual sharing of their life journey.

# DNA Wealth Mentoring Meeting Guide



## Financial DNA® DNA Wealth Mentoring Guide



Increase planning retainer fees on an ongoing basis by adopting a structured client discovery and facilitation approach that is highly tangible using powerful user-friendly tools

# Phase 5: Human Capital Management Development



# DNA Hiring Performance

The DNA Hiring Performance Report identifies the critical natural behavioral talents and motivations for a candidate to have maximum workplace alignment.



The hiring report provides insights in priority of importance based on the relative strength of the candidate's natural behavioral traits in the following 4 key areas:

- 10 Desired Tasks – activities –(out of 40 possible items)
- 5 Desired Team Roles –position (out of 20 possible items)
- 5 Desired Work Environment Features - what is important (out of 25 possible items)
- 5 Desired Work Rewards - work motivations (out of 20 possible items)

<b>1. Desired Tasks based on Talents</b>	<b>2. Desired Team Roles</b>
Priority of Tasks	Priority of Roles
1 Taking bold action	1 Outside sales
2 Handling objections	2 Product development
3 Questioning	3 Strategic Planning
4 Action orientated	4 Recruiting
5 Confidence in new situations	5 Project manager
6 Making quick decisions	
7 Setting goals	
8 Self managing	
9 Follows through	
10 Thinking globally	
<b>3. Desired Work Environment</b>	<b>4. Desired Work Rewards</b>
Priority of Environments	Priority of Rewards
1 New Experiences	1 Personal growth
2 Risk taking	2 Sense of achievement
3 Competition	3 Opportunities to travel
4 Challenges	4 Career progression
5 Freedom	5 Leadership position

# DNA Leadership Performance



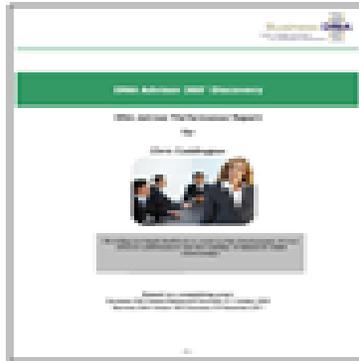
The Leadership 360° Discovery Process provides in-depth feedback to assist in the development of your leadership performance and the building of workplace relationships. This process takes 30 minutes to complete 75 individual items across 7 key areas related to leadership.

The DNA Leadership Performance Report highlights your top 10 leadership strengths and struggles, uncovering 75 items relating to your leadership performance in 7 distinct areas:

- Communication
- Results
- Relationships
- Trust
- Emotional Intelligence
- Values
- Competence

	Leadership Attribute	Category	Your Strengths Development Opportunity
1	30. Makes the workplace happy and fun	Relationship Building	2.4
2	4. Gives ongoing feedback	Effective Communication	2.1
3	49. Shares emotions and feelings	Trust	2.0
4	39. Recognizes and responds appropriately to the emotions of others	Leader EQ	1.9
5	8. Invites others to engage in conversation	Effective Communication	1.9
6	70. Simplifies complex concepts	Job Competence	1.8
7	40. Manages negative emotions well when disappointed	Leader EQ	1.8
8	53. Willing to trust others	Trust	1.8
9	22. Provides regular encouragement to others	Relationship Building	1.8
10	37. Forgives others when he/she is wronged	Leader EQ	1.8

# DNA Advisor Performance



**DNA Advisor  
Performance 360°  
Report**

The Advisor 360° Discovery Process provides in-depth feedback to assist in the development of your advisory performance and the building of client relationships. This process takes 30 minutes to complete 75 individual items across 7 key areas related to building advisor client relationships.

The DNA Advisor Performance Report highlights your top 10 advisory strengths and struggles, uncovering 75 items relating to your advisory performance in 7 distinct areas:

- Communication
- Results
- Relationships
- Emotional Intelligence
- Trust
- Values
- Competence

Advisor EQ Attributes	Self Assessment (A)	Other's Avg Rating (B)	Self Perception Opportunity (A minus B)	Strengths Development Opportunity (Max score of 7 minus B)
31. Acknowledges how clients feel	6.0	5.00	1.00	2.00
32. Allows others to be open about frustrations without becoming defensive	4.0	5.00	-1.00	1.40
33. Not overly protective of prior decisions	4.0	5.20	-1.20	1.80
34. Comfortable listening openly to others feedback about his/her performance	6.0	5.40	0.60	1.00
35. Confident and secure	5.0	4.00	0.40	2.40
36. Takes personal responsibility	5.0	5.20	-0.20	1.80
37. Comfortable when solutions challenged	4.0	5.20	-1.20	1.60
38. Allows fees to be questioned	5.0	5.00	0.00	2.00
39. Reacts appropriately to market volatility	6.0	6.00	0.00	1.00
40. Demonstrates investment discipline	5.0	5.00	-0.00	1.40
41. Recognizes and responds appropriately to the emotions of others	4.0	5.80	-1.80	1.20
42. Displays sound judgement	4.0	5.20	-1.20	1.80
43. Avoids trivializing the feelings of clients	6.0	5.20	0.80	1.80
44. Willing to compromise	4.0	5.80	-1.80	1.20
45. Manages ego and self-promotion	5.0	5.80	-0.80	1.20

# DNA Behavior Succession Planning Program Fees

Initial Participation:  
Certified Wealth Mentor Training  
(2 days in classroom, 3 webinars, Unlimited Year 1  
CDNA, FDNA Discovery \$3500)

**Financial DNA for  
Financial Personality  
Management  
(Phases 1,4)**

Year 2: Unlimited  
Financial DNA Discovery  
\$1250 to \$2500/Primary  
Advisor

**Business DNA for  
Human Capital  
Management  
(Phases 2,5)**

Year 1++: Business DNA  
Discovery \$2500 (with  
consulting support)

**Communication DNA  
for Client Experience  
Management  
(Phase 3)**

Year 2++: Unlimited  
Communication DNA  
Discovery of  
\$500/Primary Advisor

Additional Coaching and Consulting Can Be Provided

# DNA Behavior<sup>®</sup>

## Contact Us

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For more information about DNA Behavior:

**Contact:**

DNA Behavior  
Atlanta, GA  
(866) 791-8992

✉ [inquiries@dnabehavior.com](mailto:inquiries@dnabehavior.com)

🌐 [www.dnabehavior.com](http://www.dnabehavior.com)