

# HNW brokers risk relationships turning “transactional” due to workloads



Many high net worth brokers are failing to engage with clients as much as they should because they are over-stretched, lack confidence and time poor, creating relationships that are merely transactional. By **Jonathan Swift**

**T**hat was one of the conclusions of the panel ‘Hidden gaps: The underinsurance crisis in high net worth portfolios’ at *Insurance Age’s* High Net Worth Forum last Thursday (20 November) in London.

Darren Humphray, managing partner, private clients at Partners&, *pictured second left*, said: “Over the last couple of decades I must have interviewed some four or 500 candidates in the private client space who were looking at their options in terms of career progression and/or flexibility around work.

“And one of most common themes that client facing brokers tell me is that at their current place of work they have too many clients; and they cannot service them (properly) because they are not allowed out of the office to go visit them and deepen a relationship, so it becomes more transactional.”

### Proactive and empowered

He added: “There are lots of really good brokers who are proactive and want their clients to engage with them, but there are also still too many out there that don’t allow their people to be empowered to deliver that type of client relationship-based service.

“It takes strong [broker] leadership to not be short-term, and instead see the medium to long term benefits in making sure a client’s property is protected; but for us as a business we can deepen those relationships by offering a great service, reaping benefits in terms of retention.”

“We are a fourth-generation independent family broker and we are all about family-to-family, that is our mission statement. And we go out to the customers and visit them in their space because we believe that is really important.

Caroline Pullich, group head of private clients at TL Dallas

### Sweat the asset

Russell Sessions, managing director at Vizion Insurance Brokers, *second right*, continued: “There is a danger of businesses and brokers trying to sweat the asset with their staff; bringing too many clients in and then asking them to work too hard.

“As a result things fall off. And one of the first things that tends to drop off is the client visit. With them thinking: ‘Do I really need to visit the client or could I do it over the phone?’

“And then: ‘Do I need to do it over the phone, or could I send an email?’

“And before long you end up with a book of clients that is purely transactional. It is really important to be getting out and seeing those clients regularly; it is the only way they are going to trust you, and buy into you and your brand.”

The panel agreed one of the best ways to promote this is by getting people to shadow senior staff on client visits.

### Lacking confidence

Humphray said: “There are so many experienced people with great telephone manners, great letter writing skills, but very few who are confident and capable enough to go out and see clients in their home and take them through an appraisal; talk to them and highlight any issues.

“You tend to find, most insurance brokers invest at the front end and they have some very capable and highly experienced people that are comfortable in winning new clients; but in year two, three, four, five they never see them again; or they don’t give their brokers the opportunity to go and see them again. And that feeds into a trend that over the years things get missed and you get underinsurance.”

### Missing things

Caroline Pullich, group head of private clients at TL Dallas, *pictured third right*, added: “We are a fourth generation independent family broker and we are all about family-to-family, that is our mission statement. And we go out to the customers and visit them in their space because we believe that is really important.”

Nina Nash, divisional director, private clients at James Hallam, *pictured far right*, continued: “Knowing your customers and visting them at home means you can see their collections, what their interests are and which jewellery items they like.

“[Otherwise] they will miss things. I had a customer who when we went into their garden we discovered he’d just had a golf simulator built and he had forgotten to tell us about it.

“It is not until you are there in their physical space that you can actually see it and so it is important to chat and be interested in clients, to know what plans they have, to understand the next generation of the family and get to know their children. To build a picture and for them to understand what is important.”

### Removing admin

Zoe Watkins, head of broking and placement, PIB Insurance Brokers, *pictured third left*, concurred: “We definitely urge the client visit and it is part of our process that we expect our account executives to do it because until you meet them and see what they have got, sometimes you don’t fully understand what you are presenting to an insurance company.

“And we are taking a lot of the background stuff – the admin – away from [frontline] staff to free them up to spend time with clients

which is important, rather than it being the last thing they cross off because they don't have time.

"We want them to have time, and that admin support is there so they don't have to worry about missing the client visit."

### Survey attendance

James Hallam's Nash suggested as brokers another thing delegates should be doing is attending surveys.

"To give support to clients and assist the surveyor with the history of the client and the risk," she explained. "So that is another avenue in that we always [try to] attend surveys within reason and wherever possible. It gives us another chance to engage with those clients, to look around a property again."

Andrew Cheney, chief risk and valuation advisor at Hiscox, *pictured centre*, said: "I love when a broker is there but sadly I'll be honest with you all too often it is a case that they have something else that they have to attend to. Which personally I find disappointing, but in terms of the whole experience they are missing out totally."

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