

Transparency, extra effort key in developing clients' trust

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Transparency and full disclosure are keys to establishing trust in any business, according to executives from a variety of industries who were speaking at a recent *Daily Transcript* roundtable.

Even if the news isn't necessarily good, being honest and upfront with a client or customer will engender loyalty and possibly lead to a longtime relationship.

"It's human nature to want to give good news," said San Diego attorney Michael Gibson, a partner with **Higgs Fletcher & Mack**. "You want to give your clients sunshine, and the stars and the moon. But they're coming to a professional to get advice and guidance. They don't want it sugarcoated. They want to know how bad is this going to hurt, what are the options."

Trust is achieved by providing as much information as necessary, so the client can make an informed decision.

"It's (about) educating individuals into their options, creating opportunities where efficiencies are generated through a business plan," said retired Navy Rear Admiral Len Hering, the former Navy mayor who is now executive director for the California Center of Sustainable Energy. "People need to know what the difference is so they can make the right choice when it comes to installation and energy efficiencies model."

Putting the client first is another way to display your trustworthiness.

"When you're working with a client, I think it's important to look at what they're trying to accomplish at that moment in time," said John Galaxidas, president and CEO of **Synergy Real Estate Group**. "Realizing we're all here to do business, and we want to make money for our firms, but it's a balancing act. You want to make sure the needs of your client come first. That's how you gain their trust -- fulfilling their needs."

Clinton Curtright, business development director for the independent wealth management firm **Callan Capital**, said an easy way to ensure that you put the needs of your client first is by imagining they're a member of your family.

"If this was someone I was really close with, how would I treat that person?" he said. "That attitude and that worldview ultimately comes out, and people will naturally trust you as a result if they know you're looking out for their best interests."

In the real estate industry, trust is important because dual representation -- where one company works for both parties in a transaction -- is not uncommon.

There are specific disclosure requirements for real estate agents dealing with residential properties, but the same restrictions don't apply for brokers of commercial properties. It's up to the individual broker to share his or her status as a dual representative -- or not.

Nick Psyllos, senior management director of the mortgage banking firm **Holliday Fenoglio Fowler** (NYSE: HF), said it's about having personal integrity.

"You know the difference between right and wrong," he said. "It's all about disclosure and doing the right thing."

Scot Ginsburg, senior vice president for the commercial real estate firm **Hughes Marino**, agreed. While he's not obligated to inform his clients when he's representing both parties, he does so, anyway.

"It's really just being open and honest," he said.

"You have to be fair with your clients and really look out for their interests," Synergy's Galaxidas added. "It's all about reputation."

Going beyond the call of duty also ingratiates trust, according to the roundtable participants.

"If that client really knows that you did more than expected, then that client is really going to look to you," Galaxidas said, "and will have that trust in you that you really went out of your way to meet that need.

"It's just going to that 'nth' degree to provide the client one additional thing that they might not have seen to really satisfy their needs."

Curtright said it's important to know your limitations as a company and make sure you don't take on more than you can handle. When you have a fairly high staff-to-client ratio, it's easier to provide added service.

You want to treat every client with the same amount of respect, as well.

"Our philosophy is whether you're representing a 2,000-square-foot company or a 100,000-square-foot company, it doesn't matter," Ginsburg said. "We're all consumers. We all started out small, doing one thing, and you've got to treat people right."

Another key is to manage the expectations of a client, according to Psyllos of Holliday Fenoglio Fowler.

That can be accomplished by letting the client know your skill set, including your weaknesses as well as your strengths.

William Super, president of the North County Estate Planning Council-San Diego and owner of **William Super CPAs & Consultants**, said clients want to know if their advisers "know what they need to know, do they know what they don't know and do they know where to go to find the right person."

Higgs Fletcher & Mack attorney Gibson, as a litigator, said he believes it's best for the client if you can identify the risk in a lawsuit before it occurs. If you can identify it and try to mitigate it beforehand, that will go a long way toward gaining trust.

He also said it's about building a personal relationship.

"We're living in a global economy, but all of our businesses are still personal relationships," Gibson said. "It's the connections we develop and continue to nurture. It may not pay off tomorrow or next week, but through time that relationship builds and grows."

San Diego is a small town, the panelists said, so a person's reputation will become widely known in a short amount of time. Lawyers routinely face off against the same opposing counsel and get assigned the same judge multiple times.

"You have to work really hard to have a good, solid reputation in this community, because if you want to live here and stay in America's Finest City, then you'd better behave appropriately," Psyllos said.

Roundtable Participants

Clinton Curtright, Business Development Director, *Callan Capital*

John Galaxidas, CEO/President, *Synergy Real Estate Group*

Michael Gibson, Partner, *Higgs Fletcher & Mack*

Scot Ginsburg, Senior Vice President, *Hughes Marino*

Len Hering, Executive Director, *California Center for Sustainable Energy*

Nick Psyllos, Senior Management Director, *Holliday Fenoglio Fowler*

Bob Reck, First Vice President of Business Services, *North Island Credit Union*

William Super, President, *North County Estate Planning Council-San Diego*

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