



Leo Pusateri

The Value Master

by Sydney LeBlanc

Veteran trainer Leo Pusateri is the industry's 'man behind the curtain'. But you don't have to follow the yellow brick road to find him. He's the one offering advisors a journey up the Value Ladder...

Imagine you are on the Tonight Show with Jay Leno. If Jay asked you to explain who you were, what you did, and why you did it—all in 50 words or less—could you? And could you do it without grasping for the right words, or without winging it as most people do?”

Those are just a few of the questions that value master and veteran industry trainer Leo Pusateri asks financial advisors in his popular workshops, “Discovering and Delivering Your Value.” Pusateri, a 25-year industry veteran and president of New York-based Pusateri Consulting and Training, pulls no punches when it comes to asking advisors to “look into their mirror of introspection” and ask themselves the seven most important questions their prospects want to know:

- 1) Who are you?
- 2) What do you do?
- 3) Why do you do what you do?
- 4) How do you do what you do?
- 5) Who do you do it for?
- 6) What makes you different?
- 7) Why should I do business with you?

Being able to answer these questions with “confidence, passion, and speed” is his well-known mantra. “Advisors need to be able to understand their value before they can articulate it,” says Pusateri. “They also need to be able to articulate it without hesitation in order to deliver it with confidence. Then, they must have the passion to deliver it with conviction so clients will

believe, and ultimately, trust and relate to them.”

He continues “Many financial professionals who provide immense value to their clients wind up competing on price with discount providers because, simply put, they do not know their value.”

Why are these seven questions so important?

According to Pusateri, the seven questions— as outlined in his book, “*Mirror, Mirror on the Wall: Am I the Most Valued of Them All?*”— compose the Value Ladder™. Created seven years ago, the Value Ladder helps advisors begin the discovery process of differentiating their value from that of the competition.

Pusateri says that one of his early influences in developing the Ladder was author Mack Hanan and his book, *Competing on Value*. “I studied his concept of, ‘Before you can sell your value you have to know it,’ he says. “It made a lot of sense to me. After more research and some early practical applications, I decided to develop a value process for myself and my own business, which I later began teaching to others.”

Leo’s dual background in sales and sales training and “carrying a bag” for a money management firm helps him relate to the challenge of the modern-day financial advisor. From his early days at Xerox Learning Center, to the trenches of the financial services industry, he got a foothold in the advisory world as vice president of marketing for Elias Asset Management. In 1992, he launched his own training firm after he realized that competition from banks and insurance companies was encroaching upon the securities industry. He saw a niche in helping financial services professionals define their differentiation and discover their value in order to effectively compete in an increasingly crowded marketplace.

Pusateri’s workshops and presentations take the participants on an “introspective journey” of learning who they are and how to better connect with prospects and clients on a higher level. He says, “It is vital to remember that business is first a meeting of hearts, and only then is it a meeting of the minds. Once an advisor understands this, and learns to master his or her own unique value proposition and communicates it properly with passion and confidence, the advisor is on his or her way to delivering ‘real’ value to the client. There is a subtle difference between the words value and real value, but the difference is extremely significant. Real value is the *actual application* in the real world. It’s not their *claim* of value or something proposed. Ultimately, delivering ‘real value’ translates into what I call, ‘clients of a lifetime.’”

During his training sessions, advisors also learn how to be flexible, in the moment and, at the same time, in control and quick on their feet during sales presentations. The Value Ladder is immediately applicable in helping cultivate and maintain new high net worth relationships and in capturing more assets from current clients.

Let’s take a look at the seven questions—or steps—on the Value Ladder that Leo Pusateri says will help make an advisor a world-class financial entrepreneur.

First Step: Who Are You?

Pusateri says his answer to this first question always is: “I’m Leo Pusateri, the president of Pusateri Consulting and Training. We are a sales consulting and training organization headquartered in beautiful Buffalo, New York, and we specialize and partner with financial service organizations and financial entrepreneurs to help them compete more effectively on the philosophies of value.” In mere seconds, he has identified himself and his organization—all with confidence and without hesitation. (Leo calls this “speed.”)

It is important to stick to the facts and not to get into selling mode when introducing yourself, Leo says. “People don’t want to do business with an advisor until they know just ‘who it is’ they are speaking with. Many advisors jump right into the answer to ‘what they do.’ It’s important to keep these as separate points. Advisors need to take time to present their background, the self-actualizing experiences they’ve had, in order to really be speaking from the heart.”

Second Step: What Do You Do?

The answer to “What Do You Do” is a concise statement that clearly captures the essence of what is unique about the advisor and his or her team members. Pusateri calls this the Unique Value Proposition (UVP). With a powerful UVP an advisor can give a customized answer to anyone—a retiree, widow, small-business owner, doctor or anyone else who asks, “What do you do?” A good Unique Value Proposition should position an advisor as being professional and prepared, and should prompt further questions and dialogue. It should set the advisor immediately apart from those who merely wing answers.

Pusateri tells about a successful advisor who discovered how important it is to be consistent and articulate with her answer to “what do you do?” Says Leo, “While on a cross-country flight, she sat next to a senior executive affiliated with a major sports organization. When the executive asked, “What do you do?” she was really caught off guard. It amazed her to think

how challenging it still was, after investing so many dollars developing her brand, to answer basic questions about her own distinction with clarity and confidence.”

Third Step: Why Do You Do What You Do?

This question represents an advisor’s business beliefs which tell the compelling story of his or her business. Business beliefs support the unique value proposition (UVP). They give a sense of the vision and ethics that drive the advisor. Good business beliefs give a sense of how an advisor looks at the world – at investing, at client service, and at running a business. As with the UVP, Leo notes, every word in business belief counts. An advisor should be able to speak to or defend any key word or phrase.

For instance, he says if a client asks an advisor why he or she believes in asset allocation, the advisor should be able to give concrete answers and to also cite studies that statistically show the investment performance attribution assigned to asset allocation. “Can you see how this kind of top-gun preparedness would distinguish you from your competition?” asks Leo of those in his audience.

This third question can also be asked in these ways, “Why do you feel so strongly about that?” or “Why do you do things this way?” Leo says the correct answer to this question should reflect *why* they do what they do, not *how much they care* for their clients. “That’s an appropriate response, but it’s more appropriately positioned later in the Value Ladder,” he says. Enthusiasm alone is not enough to distinguish an advisor; wisdom and vision are key.

Fourth Step: How Do You Do What You Do?

This step focuses on “process.” Impressed with the advisor’s UVP and business beliefs, a prospect may want to know how this individual would work with him or her. They want to visualize the future. What are the next steps? Does this financial advisor have a professional, considered plan for helping them to reach their goals? Or are they winging it? A good process reduces the sense of uncertainty about the future and thereby creates trust.

In his presentations Leo asks if participants can illustrate their process to their clients on a flip chart. “Can you make the buying decision a memorable experience for them?” he asks. “By being able to expertly illustrate the process, the advisor creates a relationship that feels good. The clients from that type of relationship become advocates.”

Pusateri says to his audience, “They are buying YOU. You are the value. You are the process. And they want to share that value and your process with their friends and colleagues.”

Fifth Step: Who Have You Done It For?

No matter how tight an advisor’s proposition of unique value is, his or her business beliefs and even the process for working with someone, a client will want to know that this individual has helped others like them. No one wants to be the first in line. Hence, the need to ‘think out’ client successes: what emotional issues did the client have? What solutions were offered in response? And what real value was provided?

The strategic implications of question five, of course, allow advisors to focus on the client. It helps them consider who are their clients, what are their clients’ priorities, and how they are changing. It forces advisors to think about their own specialization(s) and whether or not it is well-suited to their current client base.

Sixth Step: What Makes You Different?

Visualize an umbrella. The top of the umbrella represents the advisor’s company or the team—the canopy of protection under which the advisor and client can thrive. The metal spokes holding up the cloth represent solutions. The handle, the most important part, is the individual advisor. “The most important person/thing for you to distinguish is YOU,” stresses Pusateri to the advisors in the audience, “the person holding the umbrella.”

“What do you stand for? What can a prospect expect from working with you? What are your standards? What is your code of ethics? What are your values?” These are the questions that Leo forces advisors to think about in distinguishing their value.

Of course, before an advisor can completely answer all of the questions about what makes them stand out from the crowd, he or she needs to know who is the competition and a little bit about them. Pusateri insists that advisors need to be “conversationally proficient.” Says Pusateri, “What I mean is that an advisor can look at their prospect eye-to-eye and answer at such a level of expertise about any of their core competitors

Seventh Step: Why Should I Do Business With You?

On the last step of the Value Ladder, Pusateri says that prospects are now at the point where they want the advisor to give them a summary of the presentation, a concise reason why they should do business with that individual. “This is a good opportunity for the advisor to

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connect back to them, based on what they have shared.” It also can be a confirmation of the real value the prospect stands to gain from the relationship.

In Summary

The Value Ladder is all about helping advisors discover and deliver their value. Strategic questioning and answering is a core part of the process—a significant distinction among other training concepts and methods that needs to be understood.

When financial advisors become world-class in answering these questions, they find their level of questioning, and the confidence they express takes them to higher levels of client dialogue. The seven steps of the Value Ladder will help advisors build—and retain—world-class, lifetime relationships with clients. And that’s real value! ♦