



What Financial Advisors Can Learn From Doctors

Recently I have been reading the fascinating bestseller *Blink* by Malcolm Gladwell. In this book he shares an interesting story about studies on doctors who are at high risk for a malpractice claim. He comments that the risk of being sued for malpractice has very little to do with the technical skill and the number of mistakes that a doctor makes. Analysis of malpractice lawsuits shows that there are many doctors who are highly skilled, competent doctors who are sued more frequently than doctors who are not as specialized.

According to Gladwell's book, the overwhelming majority of people who suffer an injury due to negligence or malpractice never file a suit. They clearly state that most of the time patients will not file a lawsuit simply because of improper medical care. The correlation seems to be much more closely related to the treatment on a *personal level* by the doctor. Gladwell quotes leading malpractice lawyer Alyce Berkin. She says, "People just don't sue doctors they like, and all the years I have been in this business I have never had a potential client walk in and say, 'I really like this doctor, and I feel terrible about doing it, but I want to sue him.'" Berkin goes on to illustrate that oftentimes the patient is advised that the actual malpractice was committed by their primary doctor — not the specialist. The client will say, "I don't care what she did. I love her, and I'm not suing her." What they have discovered is that the most likely propensity to sue a doctor is whether the patients have been treated with a condescending tone or one of concern. This relationship between the doctor and his or her patient is the highest predictor of malpractice in a physician's practice.

Experts can watch a 30-second dialogue between doctor and patient and categorize them quickly into a high-risk pool or a low-risk pool simply by the patient's interaction. They have discovered that the high-risk doctors spend an average of 15 minutes with their client during the consultation, and the low-risk doctors spend an average of 18 minutes per consultation. Moreover, they also noted that the high-risk doctors tend to use a condescending tone with their patient, while the low-risk doctors use an attitude of concern with their patients.

What does that mean to us as financial advisors? **Simply the way we treat our people, the time we spend with them, and the concern we show them will impact our relationships and our ability to weather the tough storms of down financial markets.** It is vital that we actively listen and **stay in contact** with our clients. **The number one complaint against financial advisors is that our clients do not hear from us enough.** We all know that they buy *us* and not just the products that we sell. If we sell them and then forget them, they are at high risk to be alienated and more litigious if they feel that we did not deliver on the service that we promised. Great contact not only leads to higher client satisfaction and increased sales, but it also makes us less likely to be sued. Remember, people generally do not sue someone that they like.

In our next article we will visit a 14 customer contact program designed to improve your client relationships and minimize your risk of being sued.

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