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Asking Open-Ended Discovery Questions in First Meetings

By: Eaton Vance | June 19, 2024

The client interview is at the heart of our [5 steps to better first meetings](#), because it is an opportunity to ask discovery questions to help provide insight into how life and money intersect for each prospective client. As you prepare for a first meeting with a prospective client, it's important to ask questions that can help uncover the source of their wealth and any biases they may have when it comes to their portfolios.

Let's imagine you're planning for a meeting with a corporate executive referred to you by their CPA. Here are four questions to consider asking.

1. **"Tell me how you built such substantial wealth?"** Most people love this question. In effect, you're getting their story. Let's assume you discover their wealth was amassed through a large concentration of employer stock received as incentive compensation. As you know, concentrated positions can pose huge risks for clients and wreak havoc on their financial goals.
2. **"How do you feel about your employer stock?"** Uncover any biases before you open the door to a diversification discussion. For example, overconfidence is a bias particularly common with senior corporate executives who feel their contributions to the company will ensure its lasting success.
3. **"What do you hope to accomplish with your wealth? How does your employer stock fit in?"** Understanding a prospective client's purpose will inform the type of guidance you give. For many ultra-high-net-worth investors, that purpose can include long-term financial independence as well as leaving a legacy.
4. **"Suppose the stock doesn't perform as you expect it to; how might a different outcome impact your legacy plans?"** Neglecting to manage risk properly is one of the biggest disruptors of family wealth. Asking a question like this can help you determine if they're open to a discussion about the risks of concentrated positions.

Bottom Line: Ask open-ended questions during first meetings to help uncover prospective clients' goals as well as any factors, such as emotional biases, that could jeopardize those goals.

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