



ANAHEIM
2009

The Annual Conference of the Financial Planning Community

TRACK:	<i>SUPER SESSION</i>
SESSION: 979076	WHY PEOPLE DO WHAT THEY DO WITH THEIR MONEY
	MONDAY, OCTOBER 12, 2009
	2:00 PM - 3:00 PM
PRESENTER:	Douglas A. Lennick, CFP®
	Ameriprise Financial
	2406 Ameriprise Financial Center
	Minneapolis, MN 55474

Doug Lennick is the managing partner of the Lennick Aberman Group. He is legendary for his innovative approaches to developing high performance in individuals and organizations. Numerous Fortune 500 executives, most notably American Express CEO, Ken Chenault and Ameriprise Financial CEO Jim Cracchiolo, rely on Doug for his insights on enhancing leadership and organizational performance. Before founding the Lennick Aberman Group, Doug was Executive Vice President-Advice and Retail Distribution for American Express Financial Advisors (AEFA). In that capacity, he led an organization of 17,000 field and corporate associates to unprecedented success. During Doug's prior positions, first as district manager in Minneapolis and then manager of the St. Paul division, he helped his organizations set and then break national sales records. Doug is co-author of the highly regarded book, *Moral Intelligence: Enhancing Business Performance and Leadership Success* (2005), and co-author of two earlier books, *The Simple Genius (You)* and *How to Get What You Want and Remain True to Yourself*. Doug is in high demand as a keynote speaker and guest lecturer for organizations including Motorola and the Federal Bureau of Investigation (FBI). He has been a frequent talk show guest and has been often quoted in publications such as *Fast Company*, *Fortune*, *The New York Times* and *The Wall Street Journal*. Doug also has established himself as a leader in the emerging field of behavioral finance and behavioral advice. While traditional financial advice is based on the premise that investors and consumers make rational decisions without bias, behavioral finance points out that people frequently make irrational decisions, often stimulated by extreme emotions, positive or negative. By working extensively with managers and advisors in the financial services field, Doug enhances the effectiveness of financial planning advice by more explicitly adding the concepts of behavioral advice. The Lennick Aberman Group trains, develops and improves the moral and emotional competencies necessary for advisors to deliver superior portfolio performance. In conjunction with this effort, Doug coordinated a breakthrough research study at Ameriprise Financial in 2007 that examined the differentiating competencies among financial advisors who delivered superior portfolio performance for their clients. The study revealed that six competencies, most notably Integrity, predicted the best results. The findings were highlighted in news publications such as *Investors Business Daily*, *Investment News* and *Twin Cities Business*. In November 2000, Doug was honored by Columbia University's Center for Social and Emotional Education. Doug is currently a member of the prestigious Consortium for Research on Emotional Intelligence in Organizations. His work on people development was featured in Daniel Goleman's seminal book *Working with Emotional Intelligence*. Doug resides with his family in Edina, MN.

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► **National FPA Conference**
Doug Lennick, CFP®
October 12, 2009


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“Why Do People Do What They Do With
Their Money”
Presented by
Doug Lennick

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Agenda


- Two Questions
- Behavioral Advice Services is a two-sided coin
- What you can and should know
- What you can't know
- What you can do with what you know and don't know


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Two Questions 

- ▶ Why Do People Do What They Do With Their Money?
- ▶ Is it possible advisors and their clients could become better decision makers with and about money in the presence of competing and difficult to deal with emotions?


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Behavioral Advice Services and the Two-sided Coin 



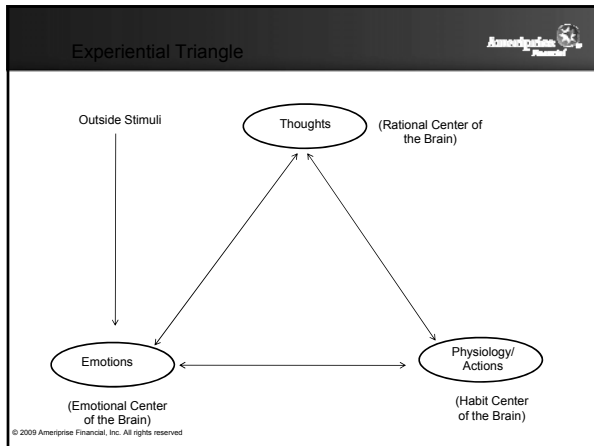
"Behavioral Advice Services integrates traditional finance, behavioral finance, and neuroscience."

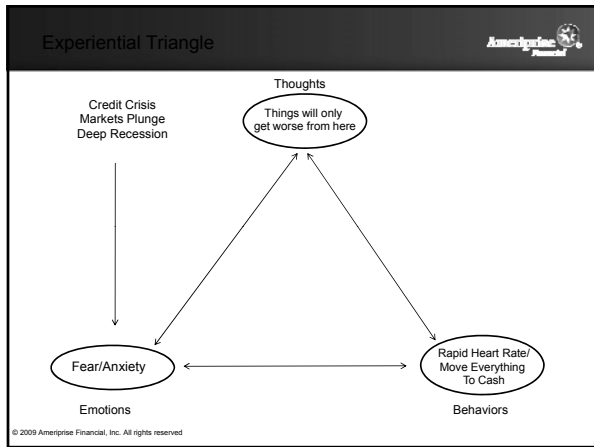
Doug Lennick
Lennick Aberman Group

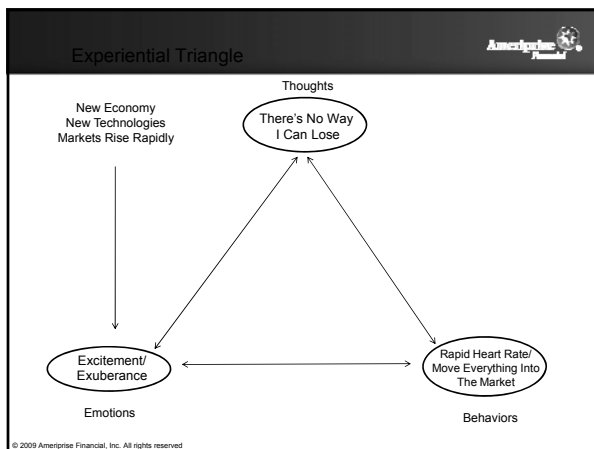
You can know 


- ... that emotions, psychology, and overconfidence in personal opinion drive financial decision making of your clients and the quality and effectiveness of your advice.
- ... that when one's experience of thoughts, emotions and actions is stimulated from the outside in one will be stimulated emotionally first.
- ... that the emotional brain sacrifices accuracy for speed.

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You can know . . . 


. . . that goal achievement is simple but not easy.

. . . that people who plan to achieve their goals do better than those who don't.

. . . that people who have a written plan do better than those who have a mental map.


. . . that people who share their written plan with someone who can support their planning process do best of all.

Lennick Abemem Group White Paper Study – Morally and emotionally competent financial advisors deliver superior portfolio performance
Financial Planning Association (FPA) and Ameriprise Value of Financial Planning Study: Consumer Attitudes and Behaviors in a Changing Economy study, which was conducted online in the United States by Harris Interactive between June 27 and July 15, 2008 among 3,022 adults with greater than \$50,000 in annual income or investable assets.
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You can know . . . 

. . . that people who reflect on their values (what matters most to them) before making financial decisions make better decisions.

Lennick Abemem Group White Paper Study – Morally and emotionally competent financial advisors deliver superior portfolio performance
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You can know . . . 

. . . the advisor competencies that research proves matter most to clients relative to portfolio performance and their experience.

- integrity
- client service orientation
- concern for order and quality
- teamwork
- self-confidence

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You can't know . . .



- . . . what's going to happen with the economy or stock or bond or real estate markets.
- . . . when life or family circumstance will be materially altered by death or health problems.
- . . . when or how much one's stream of income will change.

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You can . . .



- . . . prepare yourself and your clients for the certainty of uncertainty.
- . . . make sure that you know and reflect on your own values and you do the same for and with your clients.

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You can . . .



- . . . develop your own differentiating competencies and help your clients do the same.
 - recognize
 - reflect
 - reframe
 - respond

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THANK YOU!!!

Doug Lennick, CFP®

(612) 333-8791

dlennick@lennickaberman.com

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