

## Resilient thinking in trying times

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How can you maintain your energy, optimism and belief in the good work that you do? How do you help clients do the same? Consider the theories of Stanford University professor Albert Bandura, one of the world's leading researchers in the area of self-efficacy theory – one's belief in his or her capabilities. By following Bandura's advice, you can exert greater control over your motivation, way of thinking, emotional well-being, and accomplishments.

### DEVELOP A RESILIENT BELIEF SYSTEM

Of all the contributing factors to your success, none is more important than your belief system. Without the belief that you can help clients achieve their financial goals and make a reasonable living, you have little incentive to act and persevere in the face of extreme challenges. Your well being and accomplishments hinge on an optimistic and resilient belief in yourself. It is this resilient belief system that enables you to overcome current market challenges and build deeper, longer-lasting and more meaningful relationships with clients and colleagues.

To overcome the challenges in these changing times for financial advisers, you must focus on what is within your control and view the present situation in a broader time horizon. Instead of dwelling on what is not personally manageable, focus on what you can control. You can control your level of proactivity, how you engage clients, ways you build your business, your continuing professional development and how you streamline processes and systems in your office..

### BUILD SELF-EFFICACY

The best way to improve your belief in yourself is through what Bandura calls "mastery experience." Exerting significant effort that leads to positive performance builds your self-efficacy. Acquiring referrals and new clients through a high-touch service model to your current clients is a brilliant example of how to improve your self-efficacy. It takes hard work to exceed client expectations. New opportunities that stem from this effort improve your belief in yourself and your team. Simply stumbling upon new clients or achieving significant success with minimal effort doesn't lead to increased self-efficacy and leads you to expect quick results. When you don't succeed, you are discouraged and more likely to give up.

The second way to build your efficacy is through social modeling. Seeing others who are similar to you succeed through significant effort raises your belief in your ability. It's as simple as, "if he/she can do it, then I can do it." Peer modeling is especially valuable in this business. Seek out those who are having success. Why are they successful? Can you do the same?

The third way to improve efficacy is through social persuasion. When you persuade your clients, colleagues or employees that they can overcome obstacles, they will exert more effort. Build confidence in others by encouraging them and avoid placing them in situations where they will likely fail. This increases their chance of success and their belief in themselves.

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Building your self-efficacy also requires that you learn how to manage failure. When a client moves to a cash position against your advice or when you lose in a competitive situation, you should view these failures as informative instead of demoralising. What can you learn from the setback or failure? What will you do better next time?

#### CHANGE HOW YOU THINK

Bandura clearly addresses how self-efficacy impacts your mental state. This is most often revealed when you are faced with difficult circumstances. Advisers with high self-efficacy think about success scenarios and ways to overcome their challenges. They think about new ways to build their business and acquire new clients of significant size. Advisers with low self-efficacy focus on what can go wrong, negatively impacting their motivation and performance.

In addition to how you think, your view of intelligence affects how you manage your success as well as your failures. When you view intelligence and ability as acquirable skills, you regard mistakes as instructive as opposed to threatening, keeping you calm in difficult times. On the other hand, when you view intelligence and ability as inborn aptitude, you view mistakes as threatening, implying a lack of basic intelligence. This is a debilitating outlook.

#### MOTIVATE YOURSELF BY FOCUSING ON YOUR GOALS' REWARDS

Goals by themselves don't motivate. Motivation comes from personal investment in the goal and the rewards of achieving your goals. For example, advising on £20 million of client assets isn't motivating in itself. It is the reality of what can be accomplished for clients, the team and the advisor upon achieving growth goals. Take a moment to draw a clear connection between your goals and the rewards for achieving those goals.

Challenging but realistic goals provide energy, a target for course correction, and persistence. To see your team benefit, set meaningful goals and track your monthly progress towards them. Meeting goals is a powerful form of the mastery experience.

The goal setting exercise is only half of the equation. Regular and ongoing feedback on your progress is paramount. Frame goal feedback positively (80% progress towards a goal) to increase energy and self-efficacy. Feedback framed negatively (20% behind the target) diminishes its impact and limits the value of goal setting. Once you have a goal in place, establish a rigorous tracking mechanism. The energy of the goal setting exercise is lost without feedback. Setting and subsequently tracking challenging and realistic goals (for revenue, revenue per client, profitability and efficiency) can equip you to make different business decisions.

#### DON'T BE YOUR OWN WORST ENEMY

Self-defeating behavior is all too common. By improving your belief in your own abilities, you will likely take the natural steps to act on your highest purpose.

Procrastination and failure to prioritise tasks are two of the most defeating behaviors. In addition to procrastination, most people are easily overwhelmed by large, complex projects or tasks. Accomplish overwhelming projects by breaking them down into manageable steps. Take your long-term goals and create short-term sub-goals. Take a project to reconstruct your service model and begin by delivering the improved model to just one client. Mastery of sub goals builds efficacy, interest and increased satisfaction in the work you do.

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Our thoughts are largely our own making. Limit the amount of mental energy you spend on frustrations, failures, and setbacks.

#### TAKE THE FIRST STEP TO IMPROVE YOUR BELIEF SYSTEM

Maintaining or improving your belief in your abilities is the first step to prepare to win. Mental toughness is vital in these challenging times. There is no doubt that advisers with a resilient self-efficacy and a positive outlook will emerge from the uncertainty surrounding RDR and the many other challenges facing advisers with greater momentum. Knowing that you can influence and shape your thoughts offers you a powerful edge.

You won't solve all your problems by changing your belief system, but it is a vital first step. If these tips seem overwhelming, follow Bandura's advice and pick one. Master it. In doing so, you have taken the first step, and improved your belief that you can master them all.

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