

Calm the Storm: How to Soothe Anxious Clients

In times of great uncertainty, planners who help their clients gain perspective provide immense value

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THE POLITICAL CLIMATE OF 2024, fueled by constant news cycles and a polarized electorate, amplified stress nationwide. The American Psychological Association (APA) *Stress in America* study reveals just how stressed the nation feels about politics, the economy, and the media. Anxiety about the future of our nation was cited by 77 percent of people as a top source of stress, followed closely by the economy (73 percent). In addition, many are concerned about the media. Eighty-two percent of people are anxious about the influence of false narratives across the media landscape.¹ This concern is echoed in the recent Gallup *Trust in Media*

poll, which revealed an overwhelming distrust of today's news outlets. For the first time, 64 percent of Americans have little or no trust in the media.²

Moreover, there is a growing dissatisfaction with the government. The APA study found 72 percent think the government's checks and balances no longer work, and only 37 percent believe elected officials act in their best interests. Political strife has also torn the fabric of relationships. Nearly half of adults avoid dating those with opposing viewpoints. In addition, political tensions cause 50 percent of people to avoid socializing and provoke conflict in one-third of families.

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Given that legacy news outlets and social media stream a nonstop flood of alarm, it's no surprise people are overly anxious. As we move into 2025, this will impact your clients. When stress shows up, employ the following proven techniques to help clients vent their anxiety and move forward productively.

Vent it Out

When clients are distressed, their anxiety is disturbing for them and for us. Intuitively, we want to quickly move on. As a result, it's tempting to focus solely on the business at hand. Unfortunately, this tends to backfire. Attempts to avoid feelings are usually misinterpreted as uncaring, dismissive, or patronizing, which inflames the client more.

This makes sense when we understand the neuroscience of strong emotion. When someone is consumed with anxiety, the emotional limbic system takes over. Quite literally, the rational centers of the brain turn off while the limbic system is in charge. The rational pre-frontal cortex only comes back to life after emotion has waned. This is why moving too quickly doesn't work. Your clients are not being stubborn; they're stuck in feelings.

Although counterintuitive, the way to reason is to embrace the emotion. Instead of resisting the emotional flood, help clients release it in four steps:

1. **Listen with care and concern.** Pay close attention to your non-verbal messages. Any hint of impatience in your facial expression or verbal tone will agitate the client. The limbic system is highly skilled at reading body language, and the client will react to your vibe. Focusing on empathy for the client's discomfort is an ideal way to meet their emotional need.
2. **Acknowledge the client's concern.** Summarize the client's comments to demonstrate that you take their anxiety seriously. For example, you might say, "I hear that you're very worried about the economy and how this will impact your financial stability." Importantly, acknowledging feelings is not the same as agreeing with opinions. You can fully recognize their concerns without agreeing to any irrational declarations. Skillful acknowledging helps clients release their distress.

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3. **Find a spot of agreement.** People are more inclined to move forward if they feel validated. As the client vents, look for a sliver of truth to confirm. Even if you completely disagree with the client's opinions, you can likely agree that other people are concerned. You might say, "I know that you are deeply concerned about the economy and you're not alone. Many people are anxious." People crave social validation. Knowing others are concerned reduces anxiety and helps the client feel normal. This technique further reduces emotion and raises the client's ability to collaborate with you.
4. **Create a bridge to a productive discussion.** After connecting with some agreement, add a transition to move the conversation forward. For example, you might say, "I'm so glad you shared your worries. It's important I understand what's bothering you. It's my job to help you reach your goals and feel confident along the way. I want you to feel good about your finances. Are you ready for me to review things with you?" Asking if the client is ready to move on respectfully gauges their ability to shift focus. The client may sit up straight, lean forward, or physically shift to signal their readiness to move on. You will see when they're ready to take the next step.

If the client reverts to emotional venting, repeat the four steps. It may take a few cycles to clear the emotion but pushing a client before they're ready



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will only escalate their emotional resistance. Once the stress has diminished, it's time to engage the client in a reasoned discussion.

Empower Client Resilience

The reasoned review is a great opportunity to employ behavioral finance techniques to build the client's resilience. A recent Morningstar study found that behavioral biases are a better predictor of financial success than traditional predictors like education. The same study found 98 percent of people suffer present bias, 82 percent ignore likely probabilities, and 65 percent overly focus on losses.³

“Importantly, acknowledging feelings is not the same as agreeing with opinions. You can fully recognize their concerns without agreeing to any irrational declarations.”

The limbic system, which is the cause of client anxiety, is also the source of biases. When it's inflamed, both the emotions and the biases run amok. As a result, their perspective is narrowly focused on the present crisis and the urgent need to escape distress. The planning, judgement, and emotional regulation of the executive function is offline temporarily. However, after the emotional tension is released, you can guide the client to control their bias with three steps:

1. **Normalize client bias.** Talk openly about how natural human biases get in the way of feeling confident and in control. Explain

that multiple biases lead people to overly focus on distressing news and lose perspective. Assure the client that bias is normal and expected. This is a powerful technique to further calm the client, loosen the grip of bias, and activate reason.

2. **Explain your role as guide.** Reiterate that the client did the important step of sharing their concerns. Then discuss the power of using you as an expert guide and objective adviser. This is an ideal moment to commend your client for having the wisdom to work with a professional. This will reinforce their commitment to seek and follow your guidance.

3. **Empower the client to take back control.** Explain that taking a step back and reviewing the bigger picture is the path back to confidence. Then walk them through past successes, current steps, and the steps to future success. Encourage the client to take similar steps anytime they feel distress. This will empower your client to activate their executive function powers at any time. Every technique your clients practice will reduce their panic and increase their resilience.

You can wrap these three steps into a conversational transition that sets up the next steps in your review process. For example, you could say:

People are hard-wired with natural biases.

Everyone over-focuses on the present moment. In fact, there's a long list of natural biases that make it hard for people to stay confident and on track.

That's why our work together is so important.

I'm here to help you financially succeed and feel confident that you are on track. When we take a look at the big picture, you'll feel much more confident. Let's review all we've done, what we are doing now, and what it means for your future.

Offer Historical Perspective

Some clients may be more anxious about societal concerns than personal concerns. Presenting a wider perspective works for these fears as well. In the face of alarming headlines, people completely forget past challenges. Help them regain perspective with a wider historical view. I encourage you to share these and other historical perspectives that put today's concerns in a different light:

"Talk openly about how natural human biases get in the way of feeling confident and in control."

Social and Environmental Improvements

- The global poverty rate was 58 percent in 1950. It's now 9 percent.⁴
- The U.S. homeless population today⁵ is 70 percent less than during the Great Depression, when 2 million Americans were homeless.⁶
- Air quality is greatly improved. There is 65 percent less air pollution now than in 1970.⁷
- Water is vastly cleaner. Clean water technology has removed 700 billion pounds of pollutants since 1972.⁸

Economic Improvements

- Despite recent inflation, the cost of key household goods has gone down significantly since 1997. Among other things, computer products dropped 76 percent and televisions dropped 98 percent.⁹
- During the 20th century, the cost of food dropped from 44 percent of family income to 15 percent of family income. Full-time work

dropped from 60 hours a week to 40 hours per week.¹⁰

- Family wealth has increased significantly. Since 1971, real household incomes have increased up to 78 percent, and nearly half of all American households are now in an upper income bracket.¹¹

As I talk to advisers around the country, they report what you might expect based on the election results. Some people are hopeful, some are concerned, and a few are despondent. You've no doubt walked your clients through a number of personal and national crisis moments. Many remember the tech bubble, the Great Recession, and other challenges that rattled client confidence. The skills you employed then will work for today's challenge as well. I highlighted a few reliable techniques, but there are more. Use what has worked for you in the past and contact me if I can help you with additional strategies. Most importantly, your clients need your care, support, and thoughtful guidance. Your emotional and practical reassurance is the best medicine for their worries. Thank you for all you do! ■

Endnotes

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