

Who's got your back?



What we find with most clients who come to us is that nobody really has their back.

The biggest problem in the financial services industry is that most financial advisors are only “investment advisors,” “stock pickers,” or “money managers.” There are many other areas of a client’s financial life that have far more impact on whether or not they achieve their financial goals, and ultimately live their ideal life. Yet, most financial advisors are simply salespeople for products on which they make a commission. (To be excessively clear, “Assets Under Management” is a product on which they earn a commission.) These advisors lack a fiduciary standard. They have no process or infrastructure to deliver anything beyond investment management and there are often clear conflicts of interest with the investment management services they provide.

These advisors often use titles like “Wealth Management” or “Private Wealth” to make you think otherwise. Many people have a false sense of security because they feel they are working with some of the big brand-name financial institutions. They somehow feel that the brand provides an additional layer of security or protection. This couldn’t be farther from the truth. We believe there are four things every client should be entitled to in all their financial dealings:

Protection - My clients often describe their past financial advisors as having “sales breath.” They are constantly pushing products and investment ideas that generate commissions. These advisors are simply assets gatherers, who are paid to sell investments. When you get an investment recommendation, you should be asking yourself, “Is this good for me or only the advisor?” Remember that prescription before diagnosis is malpractice! Typical advisor meetings focus on uncontrollable variables like rates of return, the market or the economy. The advisor and you as an investor have no

control over these variables. As a result, client's judge whether or not they're doing well based on how they're doing against the market. This does not help them to know whether they are "on track" to achieving their personal financial goals like retirement, college funding or the purchase of a second home in accordance with their timelines. Advisors fail to help their clients design their vision for their ideal life. They also fail to create a client-centered overarching strategy that is reviewed continuously with constant course corrections being made to ensure success. Protection, for all aspects of risk is essential for success, yet most advisors deliver little if any protection at all. In fact, they often increase risk.

Attention - We frequently hear from our new clients, they were surprised to learn that they suddenly have a huge tax liability. So why is it a surprise? It's a surprise because their advisor is not paying attention, and proactively giving them notice when there is still time to do something about it. The vast majority of my clients have reactive versus proactive tax advisors. They simply file their tax return at the end of the fiscal period but never take the time to proactively complete a tax projection before year-end to provide an opportunity to mitigate the tax. As a result, no course corrections can be made in time.

Coordination - My clients tell me that, in the past, they received all sorts of conflicting advice from all of their well-meaning professionals. I call it advice in a silo since each advisor provides their recommendation based on their narrow field of finance, without considering the big picture. The insurance adviser says, it has to be this way because it maximizes the insurance benefit, the tax advisors says, no it has to be this way because it maximizes the tax benefit, then the lawyer says, no we need to maximize the estate. The client is left in the middle to navigate the conflicting advice and choose the wisest course since there is no coordinated overarching strategy or peer review of recommendations. You deserve and should expect coordination among all of your advisors so that you are given the best overall solution for your situation

Transparency - As I talked about it in my book – "Stop Paying Hidden Investment Fees!" consumers are completely unaware of the thousands, or tens of thousands of dollars in fees they are paying on their investments and financial products. Why is this? Because their financial advisor and the institutions they trust have made it an art form to hide or not disclose fees. In my interactions with savers and investors who seek my advice, I have yet to have anyone clearly articulate to me exactly what they're paying in investment fees and how they're compensating every single financial person in their life. Additionally, they have very little understanding of how these fees impact their rate of return which directly impacts their timelines and ability to actualize their goals to live a better life.

As I learned from my mentor Mark Little, there are four commitments that we make to our clients – We call it our client PACT™ (It stands for Protection, Attention, Coordination and Transparency)

I will **protect** you

1. I will protect your financial assets
2. I will protect your financial strategy
3. I will ensure you're always on-track to the goals you set or will be providing a proactive strategy to get you back on track.

I will pay **attention**

1. I will be proactive
2. I will get in front of every significant financial issue (proactively anticipating problems)

3. I will proactively spot the need for any course-corrections and will always recommend the action items required to remain-on track

I will **coordinate** your personal financial affairs in all areas

1. All the financial assets in your life
2. All the financial people in your life

I will ensure full **transparency**

1. I will regularly (clearly) report what you're paying for every one of your financial products and services
2. I'll regularly report how you're compensating every single financial person in your life (both directly and indirectly)
3. And, transparency goes **both ways**

These are big issues for Canadians and most of their advisors just aren't delivering, because the laws and the standards for service have been set very low. So, let me end the way I began. Who's got YOUR back?

Dean Kendall is a Financial Organizer in Calgary. His latest book is Stop Paying Hidden Investment Fees! Click here for more information <https://ideal-life-experience.ca/publications> In addition, Dean is a 3X Canadian National # 1 Amateur, a 5X Canadian National #1 Professional BMX rider, downhill mountain biker and an avid snowboarder. He is an expert at winning. Let him show you how to win the money game. You can reach Dean at dean@ideal-life-experience.ca or Phone 403 543 7226