



Trust Me – I’m Your Financial Adviser

Regular readers may recall that over the last 6 months I have devoted several columns to the skills required to successfully build relationships, based on my contention that all relationships thrive when these four features are healthy: Understanding; Appreciation; Respect; and Trust.

With the focus of this edition on the professions it is time to consider what I think is the most difficult feature: Trust.

It’s a controversial topic for this profession because there are plenty of media reports that focus on the lack of trust that the public allegedly places in financial advisers. It’s also controversial because I have met many people who believe that trust cannot be built - “it’s just something that develops over time”. If that is your belief, I suggest that you stop reading now because the balance of this article discusses how trust can be deliberately fostered – in a lot less time than you may think.

Trust must be consciously built from the very first meeting with your client. A well-conducted discovery meeting is critical. If your quality questions, your careful listening and your professional empathy encourages your clients to share important, personal aspects of their life – including values, dreams and aspirations – then trust is present from the first 30 minutes of your relationship.

Here are some other ideas for how to deliberately build trust with your clients:

Transparency

“That’s one of our core values.” Is that so? Your terms of engagement letter is the acid test. How clear is the scope of your work? Will your client understand what you will not deliver as well as what you will deliver? Will your client really know what your advice will cost them – and what remuneration you will receive? Please don’t rely on the information conveyed in your FSG or FDS.

Keep Your Promises

“Sure, that’s easy.” Really? Is information on your website consistent with your current service delivery? How do you track your implementation steps against the timeframe that you committed to? How do you ensure that the communication that you promised will take place in practice? When you have delivered what you said, when you said, please seek confirmation from your client in case trust leaks from incorrect assumptions.



Tell the Truth

“We are always honest.” Always? I can’t count the number of times I have heard “honest” people use excuses rather than admit the real reasons. eg “Sorry, I’m late. The traffic is bad today” - when the real reason was that he stayed longer at lunch than he should have. And some people who are proud that they tell the truth often fail to tell the whole truth. As Andrew Horabin says in his book, “Bullshift”, leaving out important information is just user-friendly dishonesty.

Deliver Bad News – When It is Still News

“That’s not easy.” Yes, I agree. However, a powerful means of building trust is to get on the phone and inform your client as soon as something has fallen off the rails. Whether it’s your fault (“we’ve misplaced your application...”) or not (“there has been a significant change in the tax rules...”), immediately informing your clients will reinforce that you can be trusted – even if they think that you are a little disorganised.

Whilst it is open to debate how long it might take to build genuine trust, there is no doubt how long it can take to destroy trust: just minutes. I suggest that everyone in your business needs to be on their guard to ensure that your clients’ trust is not inadvertently damaged in any way.

These are the best of times to consciously and deliberately build trust with all of your clients – it won’t take years if you do it right.