

5 Effective Ways to Work with Your Financial Advisor

How to get the most out of your relationship.

Numerous studies have found that Canadians aren't shy about asking financial advisors for help. However, while many people have a professional they can turn to for money advice, a lot don't know how best to maximize the client–advisor relationship. While you can check in with your advisor once a year to see how you're doing financially, if you want to get the most out of the relationship, you can't only rely on them to reach out to you—you need to take some proactive steps, too.

With that said, here are five ways to work more effectively with your advisor.

Be honest and forthright

People are naturally reticent about their personal finances. Even if they have no concerns about being taken advantage of, they fear being judged, for a wide variety of reasons—from not understanding investing basics, to the price they just paid for a new home, or their choice to continue supporting an adult child. But without this knowledge, your financial advisor will be hampered from choosing an investment plan best suited to your circumstances and financial goals. They are trained professionals whose confidence is a judgment-free zone. [Once you've settled on an advisor](#), treat them as you would a confidant, like a doctor. In order to provide you the financial help you need, they need to be fully informed.

Ask your advisor questions

If you have concerns or reservations about how your money is being managed (anything from fees to something on your statement), raise



them early and often. Don't be afraid to ask for clarification when you don't understand something. In some cases, it can even be helpful to ask your advisor for supporting material or further reading (e.g., "Can you point me to an article that fully explains this topic so I can refer to it later?")

Engaging helps to clarify what you expect from your advisor, what your advisor can expect from you, and help you get what you need from the relationship.

Keep your advisor informed

Have you changed jobs? Gotten married or divorced? Had another child? These are all important developments with implications for your financial well-being. So, the next time your advisor checks in and asks how you're doing, don't just say, "Fine." List off any developments in your life that may better inform the advisor's choice of asset mix in your portfolio. Better yet, reach out to your advisor with a call or email as these things happen. Depending on how material the changes are, they may recommend meeting to determine if any adjustments to your plan are required.

Don't wait to reach out

If something about the market or your portfolio is worrying you, reach out to your advisor right

away. Maybe the latest market meltdown has got you reconsidering your asset allocation or you're wondering how to go about drawing down an RESP when a child enters university in the fall. Life is too short to waste it on worry. Call your advisor. That's what they're there for. Often, just having a conversation will clear up any anxieties, but if necessary, can also lead to the adjustments needed to make you feel better about your financial plan.

Use the information you get

Many advisors send out additional pieces of information, including articles, market commentary, email notes and statements over the course of the year and especially during volatile times. Consider reading what you receive, as the content can help assuage any investing-related fears, provide more context, while also enhancing your satisfaction with your advisor. Additionally, the information can also help with providing talking points and questions for your next conversation.

Like any relationship, the client-advisor one requires attention and works best when there's two-way communication. It's also important to have a rudimentary understanding about what's going on in your portfolio so you are better prepared and empowered to work more effectively with your financial advisor and achieve your financial goals.

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