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How accountants should refer clients to Financial Advisers

So, you have decided to refer some clients to a financial adviser. Congratulations. This is an important step forward in improving your firm's value proposition and helping your clients. Executed correctly, interacting with a compatible adviser will also add a thoroughly enjoyable dimension to your professional life.

Naturally, it's best to be prepared. Here are ten tips to help you maximise your outcomes from making such referrals.

PITFALLS

<u>Only referring clients that specifically ask for help</u>. Clients don't know what they don't know. They rely on you to tell them when something is amiss. If when preparing their financial statements you become aware they have inadequate insurance, don't have current wills or lack an investment strategy in their self super managed fund, they should be referred to an adviser without delay.

<u>Too busy to give this regular attention</u>. Client needs for financial planning assistance don't just happen at non-peak times in your tax lodgement program. Ensure that you regularly assess clients' situations with respect to additional service requirements. Prompters incorporated in your standard compliance checklists are excellent for this purpose.

<u>Copping out with a panel approach</u>. It's not enough to send your client off with a list of names to choose from. Clients are time poor and looking for leadership. Find an adviser you are happy with who handles similar clients and make specific referrals.

<u>Leaving it up to the client to take action</u>. It's not enough to provide clients with the business card of your preferred adviser. Clients tend not to follow through. Make the appointment for the client whilst he/she is with you. Better still, attend the first meeting to introduce your client to the adviser and explain what you are seeking to achieve for the client out of the referral.

<u>Duplication of information gathering</u>. Clients quickly tire of providing their information all over again. Adopt a standard form which will enable you to obtain their written authority for you to pass on their details to the adviser. This will make the process flow more smoothly for the client and help to ensure the adviser is properly briefed.

BENEFITS

<u>You control the process</u>. It's preferable for your clients to be dealing with financial advisers in whom you have confidence. Client outcomes benefit from the interaction which occurs

naturally with an adviser you are used to working with. Even better, develop strategies and processes which utilise the best of each discipline for the clients' benefit.

You work with advisers that know and trust to do the right thing by your clients. Collaborating with an adviser in whom you have confidence will prevent your client falling into the clutches of unscrupulous operators who do not operate in your clients' best interests.

Your client has a great experience and this reflects favourably upon you. How nice it is to receive accounting referrals based on the good job performed by the financial adviser!

Greater client loyalty. For all the right reasons, you build another fence around the client in the form of their relationship with the adviser. In addition, your adviser colleague can act as another point of client contact which enhances the overall experience.

It's enjoyable. There's something deeply satisfying about getting together with a client and your preferred adviser to talk about that client's objectives. Best conducted in a meeting room where there is a whiteboard present, invariably really good outcomes arise from the discussion which ensues.

Follow these suggestions and you are well on your way to a successful collaboration!

May 2011