



COVID-19 CHALLENGES & OPPORTUNITIES



By Ellen Bessner

HOW TO PIVOT?

Resource: Ellen's Positive Notes: <https://www.babinbessnerspry.com/people/ellen-bessner>

1. WORKING FROM HOME (PRIVACY)

Resource: Interview of Ellen by Bruce Sellery:

(<https://soundcloud.com/user-882223937-105175427/working-and-leading-from-home>)

- Locked door and cabinets
- Telephone calls behind closed doors
- Locked drawer/cabinet for paper files
- Data and all emails on secure dealer site
- Scams and schemes – be aware (cybersecurity)
- Close computer when not at desk – password protected
- Nosey people around? Explain breach of privacy implications to your career: lose licence/job/reputational damage

2. CALLING CLIENTS – THE PERSONAL TOUCH

- Opportunity to really get to know clients
- Provide support
- Clients fearful and anxious
- Triage your clients
- Don't shy away from getting personal
- Determine what is keeping each client up at night
- Be a Calm Master
- Share how you are doing and coping
- Understand your client's "Personal Story" (see Communication Risk)
- 5C's of Note taking: Correct, Complete, Current, Consistent, Contemporaneous

3. LISTENING

BECOME YOUR CLIENTS' TRUSTED ADVISOR:

- Hear what they experience
- Hear their unique challenges
- Hear how they are coping, or not
- Don't impose your views and experiences on clients

HOW TO LISTEN?

- Engross yourself in what client says
- Devote full attention to client's journey
- Do not simultaneously think about a response
- Do not allow your thoughts to distract you
- Digest and remember
- Silence is golden after client stops talking
- Do not interrupt
- Don't rush client to finish

LISTEN FOR CLUES OF:

- Stress
- Dementia
- Health scare
- Mental health concerns
- What concerns them about their investments
- What concerns them about their current risk

END RESULT:

- ✓ Improved relationships
- ✓ Suitable investments
- ✓ Paper trail

What if client expresses concerns about account or markets?

SAME PRINCIPLES:

- Don't judge or interrupt
- Take notes
- Digest
- Play back to client to ensure understood

AFTER CLIENT EXPRESSES CONCERN:

- Consider KYC and suitability
- Check with compliance if unsure about what advice to provide, especially during pandemic
- Make adjustments to KYC and account if required
- Explain to client if not recommending adjustments and why

Do NOT:

- Make any promises or guarantees
- Offer to pay client anything
- Admit any infraction or mistake (even if you feel badly)
- Try to resolve client complaint without compliance manager (this is an infraction)

ALWAYS REMEMBER:

Definition of Complaint – BROAD

MFDA/IIROC/security commission/internal policies – (written or verbal)

4. EMAILS

Effective emails:

- ✓ Build Trust
- ✓ Make clients smile
- ✓ Informative

Group Emails do not replace:

- Personal emails
- Direct verbal contact
- Keep them short and to the point

Email content:

- Not technical
- Conversational/In your own voice

- Professional with good grammar/spelling
- Add personal touch

Follow through with any action promised

- If you say you will reach out to the client by phone or set up virtual meeting, do it!
- Be consistent if group emails are to be sent weekly then do it! Or don't promise

5. CLIENT NEEDS

Client Focused Reforms... KYC digs deeper

“Reasonable steps to determine” client’s financial circumstances:

- Beyond what is in account with you
- All types of assets and liabilities
- Deposits and securities
- Liquidity needs

CLIENT GOALS:

- Capital preservation
- Income generation
- Capital growth
- Speculation

Consider unpacking goals in non-technical terms

To Determine Goals, clients to answer in their own words:

“Saving for retirement – need \$X”

“Saving for a rainy day”

“To be able to afford... which I need \$X”

“Increase my wealth by \$Y by (certain age)”

Know Your Client UPDATES

- Need to know client at every stage of relationship
- Listening skills key
- Listen for clues
- Consider need to change KYC
- Learning material change necessitates update

INVESTMENT KNOWLEDGE

- Stock market
- Relative risk of different products
- How level of risk impacts returns

RISK PROFILE

Need a PROCESS to assess:

- i. Risk Tolerance – Client willingness to accept risk
- ii. Risk Capacity – Ability to endure potential financial loss*
- iii. Interpreting client answers with proper weight
- iv. Consider clients that may only be suited to cash deposits or GICs due to unable or unwilling to lose any capital (some seniors and other vulnerable clients)

** need to know client’s financial circumstances, liquidity needs, debt, income and assets and time horizon and life cycle (seniors); also the lower of i. or ii.*

CONFLICTS

Consider conflicts between:

- Risk Need and Risk Capacity
- Risk Need and Risk Profile
- Time Horizon short/Risk Tolerance low and Spending excessive
- Return Expectation and Reality, given low risk profile

Consider need to tell client to curtail spending

TIME HORIZON

- Determine risk and product choice given client time horizon
- Short? Less risk
- Senior? Likely less risk
- Client’s other assets and other sources of income important

6. CLIENT SOLUTIONS

Only after meaningful KYC does Advisor earn the right and ability to recommend solutions

Consider:

- Investment solutions that fit each client's needs
- Complexities of joint accounts
- The next generation

Ensure all advice:

- ✓ Transparency in all solutions offered
- ✓ Clear communication
- ✓ Authenticity
- ✓ Consistency – among team members
- ✓ Put clients FIRST

Result: earn trust with each client – success will follow

SUMMARY

- Privacy issues when working from home – protect client data
- Communication – phone, emails, listening is key
- Understand Client Focused Reforms new KYC details expected – much more prescriptive
- Proper listening will lead to protecting dealer and yourself to ensure solutions are suitable for each client
- Paper trail to cover yourself
- Build your business with consistency with all communication from each team member
- Earn trust with every client and success will follow

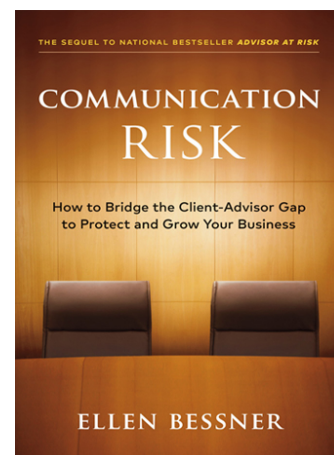
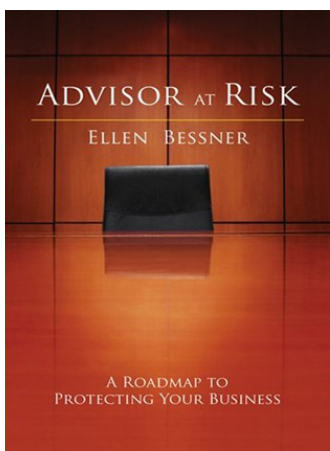
Subscribe to my ealerts: kmcpeake@babinbessnerspry.com

ELLEN BESSNER'S TOOLS FOR YOU

Advisor at Risk, A Roadmap To Protecting Your Business

Communication Risk, How to Bridge the Client-Advisor Gap to Protect Your Business

www.babinbessnerspry.com/book.html



BESSNER'S FREE TOOLS

Free e-alerts

Email: kmcpeake@babinbessnerspry.com
(*"Ellen's Positive Notes"*)

Free Cheat Sheets

babinbessnerspry.com – Ellen Bessner –
Publications & Tools



Tel: 416.408.3999

Email: ebessner@babinbessnerspry.com

or contact Kim McPeake: kmcpeake@babinbessnerspry.com