

THE ART OF CONVERSATION



PERPETUAL PRIVATE INSIGHTS
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You've inherited money, acquired a big house (and a bigger mortgage) or are starting to think about retirement. Someone suggests, "You should talk to a financial adviser." But what does that actually mean?

The American architect Robert Stern once said, "The dialogue between client and architect is about as intimate as any conversation you can have, because when you're talking about building a house, you're talking about dreams."

It's no different with financial planning. While a retirement strategy may be less exciting than the garden of your dream home, the result is the same – a life more full of the things that make you happy.

GETTING TO YOUR DREAM

There are many elements to a good financial plan – setting goals, financial strategies and products, regular reviews and much more. But according to Perpetual Private's State Manager (NSW, Queensland, ACT), Fotini Mastrogianni, the most important element is the conversations an adviser has with their client.

"Unless you understand a client, you can't help a client," says Fotini. "We put a lot of effort into those early meetings because if we get them right the rest of the process – the strategy, the products, the results for the client – flow naturally."

So what are the elements of a good client/adviser conversation?

SPACE AND TIME

“My clients are smart, highly-educated people,” says Perpetual’s NSW Advice Manager Daniel Walsh. “They’re business owners, executives, financially successful professionals. But they don’t spend all day looking at markets and tax legislation and super strategies. So one of the things we do is make sure we meet just the right amount of times - often enough to really explain and cover the issues. Not so often that we eat into their lives.”

Many clients come to Perpetual because they have complex financial situations. Sometimes it’s a mix of business and personal finances, at other times it’s advice that spans generations or involves multiple family members.

The ability to put expert teams at the service of clients – tax, trust and estate planning, insurance etc – means a Perpetual adviser can address complex financial issues quickly and effectively.

TWO VOICES

Good advisers pride themselves on their listening skills (“Two ears, one mouth, used in that proportion”, says Daniel Walsh). At the same time clients come to an adviser looking for help. And every now and then, that means being very clear on what a client should do.

“I had one client who was a senior partner at a Big Four accounting firm,” says Fotini. “He was a high earner, super-ambitious and came to us for help only because he was going through a divorce and wanted to do the right thing by his kids.

He didn’t even want to think about his own insurances but I insisted and in the underwriting process the insurers we recommended to him discovered a potentially serious health issue.

He got on top of it early and he’s fine now. But it’s something I always think about when I see an important issue a client might like to ignore. Sometimes your duty to the client includes telling them difficult truths.”

FAMILY DYNAMICS

Daniel and Fotini both have clients who are the fifth generation of a single family to get financial advice from Perpetual. That’s not just because of Perpetual’s 129 year history.

It’s because advisers are trained to understand and work with families. “We often have wife, husband and adult children in a room,” says Fotini. “There’s a real art to making sure all points of view are heard and everyone’s wants and needs are addressed.”

KEEP ON TALKING

The other element of a conversation with a Perpetual adviser is that it changes over time. The Perpetual advice relationship always includes a regular annual or six-monthly review and allows for constant catch-ups if there are questions or issues a client needs to discuss.

Over time those conversations change. “At the beginning of my journey with a client, we’re often talking about a financial conundrum triggered by a life event,” says Daniel. “It could be an insurance need, an inheritance, a business decision etc. But over the longer term, those conversations focus more on people – on children and grandchildren and helping people through philanthropy. It’s one of the things I love most about my job.”

"I often quote myself. It adds spice to my conversation."

Irish playwright, George Bernard Shaw