

# best **practice** review

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## data **gathering**

One of the elements of the AdviserLink best **practice** review is an assessment of the client files in the area of data gathering. Overall the adequacy of information gathered in respect of 26 items is assessed. Generally four clients files are investigated, giving 104 checks. Across advisers who have requested a review the average failure rate on the data gathering checks is 56%, with a worst score of 88% failure rate.

The following are some of the areas you might like to consider for a review in your data gathering. This is a sample of the areas where there are commonly failings.

**I have a structure to my data gathering**

I gather all client information in the same format every time. I use a paper or computer based data form to ensure I do not accidentally omit anything.

How do you rate?  
 Pass  Fail

**I record the scope of service**

My data form specifies the areas in which the client requires advice. Where advice is not required I have a "Sign off" to this effect in which the client acknowledges that any action taken is their own decision.

Pass  Fail

**Client objectives are Quantified**

Although objectives might initially be expressed in general terms, by the time the form is completed all client objectives are expressed with dollar amounts and time frames.

Pass  Fail

**Income and expenditure are recorded**

I have enough information recorded about income and expenditure to know (or work out) how much my client can spend on my recommendations.

Pass  Fail

**Assets and liabilities are recorded**

I have enough information recorded on assets and liabilities to know my client's net worth. I also know what assets are "lifestyle" and what are available for financial purposes.

Pass  Fail

**Dependants and family situation is recorded**

I know the ages of children and how long they will be financially dependent. I know about elderly parents and whether there might be support costs to meet or bequests to be received. I know about any "blending family" issues that might need to be taken into account.

Pass  Fail

**I have sufficient notes about Wills, Trusts and EPAs**

I know whether or not the client has a recent and up to date EPA and Will and I understand its terms enough to know if they might have an impact on my recommendations. If there is a Trust I know enough about it as well.

Pass  Fail

**My data gathering form has been signed off by the client**

The form has been signed off by the client where indicated. By doing so they have confirmed accuracy and completeness, receipt of my Disclosure Statement and acceptance of the privacy statement including the authority to let others see their file for the purposes of a practice audit.

Pass  Fail



Many advisers and adviser groups are looking ahead to the new financial services reform environment knowing that increased levels of rigour around client engagement is inevitable.

What we have found from interviewing our clients, is that the greatest potential damage to an organisation is not the cost of (client) compensation should something go wrong, it is the market damage caused to a brand's reputation that is the most costly.

To help meet the challenges of a changing and complex marketplace, Adviserlink has designed a financial advisory workplace assessment service called 'Best Practice Review'.

### We're here to help you through the change

An Adviserlink Best Practice Review allows organisations to 'stress test' their client engagement process with a view of developing robust processes and systems in line with best practice standards.

Our review covers practice issues such as disclosure, business relationships with providers and promotional material, and client files. Depending on circumstances these are reviewed against a checklist of up to 130 items, the relevance of which is determined by the situation of the client.

The review is based on a questionnaire approach that is typically undertaken over 3 hours on-site. The base questionnaire is very comprehensive with the additional facility to customise questions that relate to the client's specific environment.

At the conclusion of this diagnostic review we discuss our findings in summary followed by a comprehensive report with conclusions and recommendations for change where appropriate.

In all cases, we subscribe to the dealer group managing the communication of the Best Practice Review findings in order to maintain control of the process.

### Future-proof your business today

The cost for a Best Practice Review is \$600 + GST, plus any travel and accommodation costs.

**Note** - If you cancel or seek to reschedule a review within 14 working days a cancellation and administration charge of 50% of the relevant fee will apply. If you cancel or seek to reschedule a review within 1 working day a cancellation and administration charge of 75% of the relevant fee will apply.

### Applicant's Details:

Mr. Mrs. Ms Miss full name \_\_\_\_\_

address \_\_\_\_\_

postcode \_\_\_\_\_

phone \_\_\_\_\_

fax \_\_\_\_\_

email \_\_\_\_\_

### Confirmation:

I have an overall understanding of what is involved in a Best Practice Review and wish to arrange such a review for my practice.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

### Payment Details:

Cheque made payable to Adviserlink Learning Limited  Invoice Company  Mastercard  Visa

Card Number:         Expiry Date:  /

Total Payment:\$

**Name of Cardholder:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

Office Use Only

Date Received		Invoice Number	
Initial Date Booked		Date Invoice Paid	