

## **Keys to working with a Financial Professional**

It is difficult to open a newspaper or turn on the news lately without hearing of yet another financial scandal; smart people losing their hard earned money to con artists posing as experienced and successful financial professionals. In fact, there is now a name for this type of crime - Crimes of Persuasion. And sadly, Christians are falling victim just as often as others to this type of crime. Why is that? Don't we receive teaching on these life issues? Doesn't the bible speak to the issue of money management and investing?

Certainly within the context of the church, most of us can expect to hear some teaching on the area of giving – but what about the rest of financial management arena? How are we to invest? Should we invest? One could make a case that sometimes the bible appears to give contradictory advice. On the one hand Jesus counsels his followers not to accumulate treasure on earth (Matthew 6:19); and elsewhere the bible recommends prudent foresight and responsible management of accumulated possessions.

One thing we do know for certain though is that there are some consistent and overarching themes in the bible when it comes to the issue of money and possessions – stewardship, contentment and God's provision. (Genesis 1:28; 2:15; Matthew 25:14-30; Luke 16:1-9; 19:11-27; Genesis 1:28; 2:15; Matthew 25:14-30; Luke 16:1-9; 19:11-27 and Proverbs 30:3-6; Ecclesiastes 5:18, 19; Philippians 4:11, 12; 1 Timothy 6:6-8 to name a few) It is these principles that should be our light and guide in all activity.

But how can we know if the person claiming to know more than we do, claiming trustworthiness and experience can really be trusted to give us counsel and advice in the finance area. To reduce the possibility of becoming a victim of a crime of persuasion, ask these 5 questions to anyone offering to give you financial advice and be sure they are answered in a way that not only is easy to understand but can be verified.

***Five Questions You Should Always Ask (from Advocis, the oldest and largest voluntary professional membership association of financial advisors in Canada)***

1. How will you work with me to ensure that the advice, planning, products and services you recommend or provide are suitable for my unique needs and goals?
2. Do you have designations, recognized in the financial services industry, which give evidence of your proficiency in financial advice-giving and planning?
3. Are you engaged in an annual program of continuing education to ensure your skills and knowledge are current?
4. Are you a member of an industry association that enforces standards of ethics, practice and codes of conduct and, if so, who?
5. Suppose there's a problem, like an error or omission on your part: am I properly protected by you having sufficient liability insurance?

You should expect your financial advisor to:

- Make clear and specific recommendations;
- Explain the reasons for those recommendations;
- Point out the strengths and weaknesses of a strategy;
- Provide references upon your request;
- Disclose compensation related to any product sale;
- Maintain reasonable contact with you;
- Ask many questions about your financial situation before making any recommendations, because it's required by their supervising body;
- Clearly outline any risks involved with any strategy brought forward;
- Always act in your best interest – not theirs.

You should not expect your advisor to:

- Predict the performance of the markets with any certainty;
- Recommend investments that are always profitable;
- Act without your authorization, or buy and sell on general instructions;
- Encourage the use of debt for an investment strategy;
- Meet unrealistic goals and expectations of quick profit.

As a client, in addition to qualified technical advice in the area of money and investment, here is an additional list of qualities you may want to look for in a Christian financial professional – those principles and philosophies that can bring deeper meaning to your money and your life.

### **Professional Competency**

A Christian financial professional should have obtained the proper education, training and or designation to prepare him or her to perform comprehensive financial services for his or her client while always striving to improve his competence to practice. The professional should also have experience in handling the issues that the client needs.

### **Biblical Worldview - God as the Ultimate Authority**

A Christian financial professional should first and foremost acknowledge God as his/her ultimate authority and the bible as his Word given to mankind to guide and direct all behavior. In so doing, the professional should operate within a higher standard established by God and should adhere to biblical principles. A Christian financial professional should seek to incorporate and practice biblical principles and wisdom into the advice they give to their clients.

## **Emphasis on Stewardship**

A Christian financial professional should understand that God owns everything and that we are only managers. (Psalm 24:1). He/She should see that every spending decision is a spiritual decision. The financial professional should also see themselves as a steward over the relationship they have with the client.

## **Eternal Perspective on Money**

The professional should have an eternal perspective on life and the use of money. A Christian financial professional should help the client set a biblical world-view of their financial future as opposed to a "secular" worldview - funding God's Kingdom as a focal point instead of accumulating money for the client's use only. A biblical world-view focuses on preservation and steady growth (Proverbs 28:20) instead of "get rich quick programs."

## **Responsible Spending**

A Christian financial professional should see the need to set long-term financial goals (Proverbs 16:9)-- seeing time as a tool not an enemy (Proverbs 6:6-8). This includes focusing on avoiding a consumptive lifestyle by living within one's means, spending less than one earns (Proverbs 13:11), saving and investing (Ecclesiastes 5:10). The professional should view the use of debt as something that should be avoided whenever possible. (Proverbs 22:7).

## **Integrity**

A Christian financial professional should maintain the highest level of professional integrity by maintaining confidential relationships with their clients and by having a firm commitment to operate within the law. The professional should use all the legal tools available to serve the client and help the client be the best stewards possible of the resources entrusted to them by God.

A Christian financial professional should demonstrate objectiveness when working with the client. This includes the ability to listen carefully to the client as the professional seeks to discern the person's objectives. When dealing with a married couple, the professional should weigh both people's goals and interests equally. The professional should also put the client's best interest above their own.

## **A Good Reputation**

The professional should work honestly with clients, other associated professionals and government officials. Proverbs tells us that, "a good name is more desirable than great riches," and "to be esteemed is better than silver or gold." A Christian financial professional should be held in high regard by his/her peers and clients, and he/she should be considered a leader in the community and church in which they belong.

Ken Blanchard in speaking to the issue of Servant Leadership said,

*“Not only are people looking for a deeper purpose and meaning when they must meet the challenges of today's changing world; they are also looking for principles and philosophies that actually work.”*

*Credit goes to the **Kingdom Advisors** organization in the USA for the above list of qualities for a Christian Financial Professional.*