

1-Edit

Publication: Asheville Citizen-Times
Day: MONDAY
Section: W
Page: 5
Keyword: COLUMNS

Date: 11/28/2005
Edition: FINAL
Sectionname: WNC Business
Byline: BY WARREN W. WALL

Choosing among financial service firms is a matter of trust

Choosing among financial service firms is a matter of trust

W

What's most important to you when it comes to choosing a financial services provider?

According to the results of an investor survey (Oct. 25, 2004, Standard & Poors, Financial News This Week), trust was named as the most important factor when evaluating financial services providers; outranking customer service, performance, and range of products.

But how do you judge trustworthiness? Some financial service firms might present their experience and assets under management to convey their commitment to building trust with potential clients. But long histories and billion-dollar portfolios do not necessarily translate into a trustworthy relationship.

The recent scandals in the mutual fund industry exposed some illegal and unethical practices that were going on behind the scenes at some of the biggest and oldest financial services firms in the country. While some of these firms righted their wrongs, the lingering effects of the scandal still lead many investors to ask, "Who can I trust with my money?"

When evaluating financial institutions, such as insurance companies and mutual funds, there are several questions that can help determine whether the firm is worthy of your trust:

How do you communicate to clients?

Firms that discuss successes and failures, good performance as well as poor performance, understand that open and honest communication is one of the foundations for developing a trustworthy relationship.

How long have your money managers been in the business?

The answer will give you an idea of whether the managers have survived a full market cycle.

What was your money manager's reaction to a market crash? How did your manager do during the recent bear market downturn? Did they use defensive strategies to protect your investments?

Remember too, that getting a second opinion often helps you make the best decision for your own personal situation. That is one of the roles your financial adviser should play.

Warren W. Wall CFP, CSA is a local financial author and advisor with W. Wall & Company, Inc. a Registered Investment Advisor. For contact information, visit www.Wallco.com or call 651-9617.

Choosing among financial service firms is a matter of trust

DC4 Report

Department: WNC BUSINESS
Docnumber: 1103726
Source: STORY
Wordcount: 346

Docname: wnc biz_wall on street choosing services 1128
Pubdate: 11/28/2005
Typist: Jason Sandford

1-Edit

Author: Jason Sandford
Status: Sent

Datatype: Text