

## Invest in relationship with your adviser

In times of bubble growth and bubble bursts, the volatility of the mortgage market and an impending economic slowdown, are you and your financial adviser still feeling the love?

As the baby-boomer population nears retirement and their kids, the baby-boomers are starting families and looking to buy their first homes, and more people are turning their savings and future financial plans over to financial professionals.

According to the Financial Industry Regulatory Authority, the number of brokerage-affiliated advisers rose 38 percent between 2005 and 2007 and the number of registered investment advisers rose 26 percent during that time.

With multiple advisers to choose from and more professionals entering the industry every day, choosing an adviser who gets your needs and has your best interest at the core are more important than ever.

In short, do you want a good adviser? Be a good client.

The best client-adviser relationships are personal and accountable. With knowledge of the client's lifestyle, his/her current financial picture and future plans, the adviser must lead and guide the client.

The onus is on the adviser to advise for action, share in decision-making, clarify reporting and re-



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OPINION

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sponsibility, provide accountability, communicate frequently and balance the power grid.

The best clients, work hand-in-hand with their advisers by keeping up with current affairs and watching for economic and sociological trends that may affect market growth. Clients may not come into investing with the industry

knowledge that professional financial advisers bring to the table, but understanding big-picture trends can lead to smart long-term investment strategies.

There is no magic formula for growing investments. The economy has taken a hit and the traditional path of asset allocation, where clients are urged to "get serious" and load up on stocks, bonds and mutual funds, is not producing the returns it has in the past. Tried-and-true investment vehicles such as 401(k)s and money market accounts are now accumulating very low, even pitiful, returns.

Additionally, traditional asset allocation is often presented as a panacea for all financial ills because it happens to be the basis for how most advisers are paid. However, the best financial advisers utilize the knowledge and expertise of their clients and demand that they share in the decision-making process.

Many financial advisers are

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switching over to an independent model of financial services. Such independent advisers are not told what assets to sell their clients, nor are there pre-fitted or prescribed investment solutions. The financial adviser researches, advises and implements investment plans, but the originator of such a customized investment program is ultimately the client.

Slices of the economic pie are large enough that both the financial adviser and the client providing the investment funds can leave the table satisfied. Look for financial advisers with rosters full of long-time clients who focus on shared decision-making and transparent investing. It may be the best investment you may ever make.

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