

Are you asking your investment advisor the right questions?

Investing can be daunting to someone who isn't immersed in the field on a day-to-day basis. This is why advisors are here: to ease your worries and provide you with information that can be helpful for your next investment. But are you asking the right questions?

The first question you should ask yourself before establishing a relationship with an advisor is, "what type of help am I looking for?" This is important because it will give you an idea of how involved you would like to be throughout the investment process. If you simply want to have your advisor reach out on a need-be basis while you allow them to manage your finances for you, then you need to make that clear with your advisor upfront. If you want, on the other hand, to have personalized financial advice and be in-the-know on a frequent basis, as well as have in-depth knowledge of each investment purchase and what its impact is, this needs to be stated. Each investor will have their own methodologies, so you should never assume anything.

Yet often clients may feel as though they are bothering their advisors with questions, but it's important to have a good relationship with your money and you should feel comfortable discussing anything and everything with your advisor. Asking questions can prepare you for a long and successful relationship with your advisor—which is our advisor's goal.

Three important questions to consider when establishing this relationship with your advisor are:

1. What are your qualifications/credentials?

This question should be first, as it gives you an idea of their background in the finance industry which can ease your worries around lack of financial literacy. Financial professionals can also have a lot of initials behind their names which can be confusing – it's important to know what those mean, as your advisor could have specific training in an area that is appealing for you to invest in.

When it comes to Impact Investing, this is a doubly important question, as not all financial advisors have experience in this type of socially responsible investing. Some follow-up questions you can ask to ensure they're the right impact investor for you, are:

a. What is your experience with Impact Investing?

You should be wary of investment advisors that have no experience with Impact Investing. The vast majority of advisors are aware of the benefits of Impact Investing, and they should have plenty of experience diversifying their client's portfolios.

b. What is your investment motto?

The right Impact Investing advisor will have a motto that's similar to yours. If, for example, you're interested in investing in companies that take workplace safety seriously, you should look for an advisor who can tell you which companies have shown a commitment to workers' rights.

c. What standards do you use to vet Impact Investment opportunities?

This may be one of the most important questions you ask, as any Impact Investing advisor who cannot answer this question satisfactorily should not be taken seriously. You need to know if your advisor can

spot greenwashing or other tricks that ethically bankrupt companies utilize to trick investors. So ask them what standards they use and consider them thoroughly before choosing.

2. Initial costs/fees?

Let's talk money. If you are about to make some large investment purchases, you should be aware of all costs and fees prior to committing so that you can decide what the best option is for you. Advisors are ready to outline these costs for you and tailor it to what you can afford depending on your financial situation.

3. How will our relationship work?

This goes back to establishing your relationship with your advisor based on your needs and goals. Depending on what you want out of your investments, and what you strive to achieve, your advisor is ready to work for you.

It's important to have these questions for your advisor when committing to Impact Investing, it will form the foundation of the type of financial journey you are looking for with your advisor alongside you ready to make it all happen. Whether you want to learn everything there is to know about your investments or if you want someone to completely manage it, that is ultimately up to you. Planning your financial future shouldn't be difficult when you have trained professionals ready to assist you.