

The Advisor List: A Powerful Tool for Client Care and Business Growth

Financial and legal planning often emphasize complex strategies that clients can use to manage their affairs. However, what about the simple, practical tools that can make a difference in our clients' lives?

One such tool is the advisor list, a centralized document of all the key players in a client's life. Having this information available in a single place and in an easily shareable format can help ensure smooth and efficient management of the client's affairs, whether it is a temporary situation or their ultimate passing. An advisor list can also be a valuable add-on product or service that strengthens client relationships and uncovers new business opportunities between advisors.

Why Clients Need an Advisor List

Lists are a powerful organizational tool. Neuroscience research demonstrates that the simple act of writing things down can help manage anxiety, improve memory, and boost our ability to focus.¹ List-making can also help clarify our thinking, prioritize what is important, spark creativity, and motivate us to take action.²

When a client faces a health crisis or passes away, their loved ones are left to navigate a maze of financial accounts, legal documents, and critical decisions. This is where an advisor list is invaluable. Having a centralized repository of who's who in the client's personal and professional lives can save the family time and money when managing and winding down their affairs.

In addition to the estate planning scenarios of incapacity and death, there are also situations in which a client may need ready access to an advisor list. For example, if a client must travel unexpectedly, gets caught in a natural disaster, faces a legal dispute, loses their smartphone or internet access, or is forced to deal with a family crisis, they might need to reach out to people on the list who can act on their behalf or otherwise provide assistance.

What to Include on an Advisor List

While clients may have important documents filed away with their advisors' names on them, they might be scattered and difficult to locate in a time of need. A centralized list is more efficient and accessible.

This list should include financial, legal, and medical professionals; close friends and trusted family members; agents under powers of attorney; and the client's executor and trustees.

For each contact, provide the following information:

- Full name
- Area of expertise or relationship to client (e.g., long-term care insurance agent, son, etc.)
- Contact Information (phone number, email address, mailing address)

¹ Justin Bariso, *Neuroscience Says 1 Simple Habit Will Help You Build Brainpower and Emotional Intelligence. Here's How to Do It*, Inc. (June 28, 2024), <https://www.inc.com/justin-bariso/neuroscience-says-1-simple-habit-will-help-you-build-brainpower-emotional-intelligence-heres-how-to-do-it.html>.

² *Id.*

- Account or policy numbers for any assets that are under a professional's management (where applicable)
- Any authority that has been granted to the person (agent under a power of attorney and, if so, the type(s) of power granted, such as financial, medical, general, or springing)

Some financial institutions may have forms that must be completed if the client wants to name someone to manage an asset on their behalf. Although a financial power of attorney drafted by an attorney would likely cover this specific asset, sometimes the financial institution's form will be more easily accepted. Ideally, clients should have both prepared and ensure that they have executed any other necessary authorizing documents. A client filling out an institution's form also needs to ensure that the person they are naming to act on their behalf matches the rest of their estate plan, if that is their wish. If you do not already have a financial power of attorney on file for your client or a power of attorney document specific to their institution, this may be an area to address with your client soon.

Here are some other ways to engage with clients regarding advisor lists:

- **Stress the importance of keeping the list updated.** Life changes and advisors change. Check that the list is accurate and up to date during your regularly scheduled client meetings or schedule a time to review the list.
- **Provide tips on storage and access.** The list needs to make it into the right hands when it is needed most. Suggest a secure, centralized location for the advisor list, such as an encrypted digital file, and ways to share access with advisors and trusted decision-makers. Clients may also want to include a copy of the list with other important documents, such as their estate plan, so that designated individuals such as their executor or trustee can refer to it.
- **Highlight the benefits for the client and their family.** The advisor list can benefit the client now and their family later. Talk about how the list fits into their planning goals of increasing peace of mind, reducing stress during difficult times, and potentially avoiding costly mistakes or delays. Give examples that relate to concerns the client has expressed.
- **Make a template or checklist.** Offer a resource to help clients create their advisor list. This can be part of your new client onboarding process or a complimentary service for existing clients.

Finding Opportunities in Planning Gaps

The advisor list is an underutilized aspect of financial and estate planning that can pay dividends for clients and advisors alike.

Clients may assume that their loved ones know whom to contact or that this information is readily available. They also may not view making an advisor list as a necessary or urgent task compared with bigger actions such as drafting a will, making investments, or completing their taxes. As advisors, we may also fail to stress the practical importance of simple organizational tools such as an advisor list.

This list is not just about names and numbers. It gives clients another way to prepare for the future and provides a resource for their loved ones to navigate challenging times.

List-making is a way to brainstorm and visualize the big picture. The process of creating the list may reveal gaps in the client's financial or legal plan, leading to opportunities for you to offer additional services and foster collaboration with fellow professionals on the list.

To discuss cross-selling and value-add ideas involving client advisor lists, schedule a time to talk with us.