

# Beware the prospectors:



**RONA  
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*Finance*

## Avoid falling victim to predatory advisers

*Physicians are sought-after clients in the financial services industry*

**I**f you can get your hands on a directory of doctors, you'll be made." Believe it or not, this was part of my training as a rookie financial adviser over 20 years ago when cold-calling, door-knocking and investment seminars were the primary methods of finding new clients. The pressure to bring in new assets was intense, so focusing prospecting efforts on the perceived wealthy was an obvious route.

You probably know that you are a target, not just of the financial services industry, but of others as well, most notably the pharmaceutical industry.

The method of getting your attention and creating doubt about your current service providers may have changed over the years, but you are still more heavily prospected than almost any other demographic.

A quick Internet search generated the following gems:

- "Power Prospecting - Get in front of Physician Prospects in 28 days!"
- Investopedia lists physician salaries by specialty to make the case that you are worth prospecting.
- From a Canadian industry magazine, on why one adviser prospects younger doctors: "It's better to catch them before they have their own lawyers and accountants. A physician in her 50s, for instance, probably has a solid relationship with an adviser, and she'll only move if something market- or service-related breaks that relationship."
- "7 Ways to Prospect Doctors"
- In a list of the top six niches financial advisers should target, "occupations" is number two, and the author specifically recommends doctors.

### Extra vigilance

OK, so I've hopefully made the case that you are a hot commodity. So why does it matter?

I think it means you need to be extra vigilant when being approached by someone from the financial industry (even if that person was me!). Anecdotally, doctors are generalized as being unsophisticated investors, interested in "creative" tax reduction schemes and products exclusive to the "high net worth" individual. Appeal to their ego, I've been told many times. Show them something not widely available to get their attention.

Sigh. I'm sorry to tell you that extra vigilance takes energy. But it takes a lot more energy to unwind a strategy or relationship that wasn't well-suited to begin with. What does vigilance look like?

- Do not respond to product-only pitches. This is the sign of a salesperson, not an adviser.
- If you meet with an adviser and their product idea is compelling, run it past trusted sources such as your accountant, lawyer and financial planner if you have one.
- Seek advice from independent sources not recommending proprietary solutions. These solutions may not be in your best interest and are rather a way for salespeople to maximize their income and the financial institution's profit margins.
- Trust your gut. If it seems too good to be true, or just doesn't feel right, avoid it.

### Process not product

Now, here is why I happen to enjoy working with physicians of all stripes.

They're busy. They're tired. They just want to spend more time with their family. They want to know that one day, all the hard work will pay off with some degree of financial security. It's not just physicians who want these things, though.

It's everyone.

It's important for you to know that the panacea is not a product. It is a process. A journey, not unlike the one you take with your patients. The essence of the process looks like this:

1. Understand your uniqueness and history.
2. Flesh out how you define financial health/success.
3. Develop a well thought out, evidence-based plan to get you there.
4. Support and encourage you on your journey.
5. Repeat annually, more frequently as necessary, forever.

So really, for some of us in the industry, we're not that different from you. Apply the vigilance I recommend to finding those kindred spirits. You'll be wealthier as a result.

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