

## Maintaining the trust dividend

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Trust – unarguably the most sought-after currency traded between a client and an investment manager – is also a somewhat nebulous concept because it is so difficult to evidence or quantify.

Without trust, however, clients will be reluctant to hand over their hard-earned money for safekeeping, nor are they likely to remain invested with you through all the vagaries of the financial markets. COVID has introduced a host of new risks and challenges, making it even harder to build and maintain trust.

**“It is critical to help clients avoid making investment decisions that are motivated by fear and anxiety by supporting them in making the best strategic decisions.”**

The four elements traditionally considered most important in earning the trust of clients are competence, reliability, integrity and communication. For investment managers, it ultimately comes down to generating the performance clients expect to achieve – and communicating quickly and transparently about any challenges that may stand in the way of delivering on the client mandate.

When you add COVID to the mix, these are extraordinary times and thus they call for extraordinary measures. The first step is recognising that people are experiencing high stress levels and anxiety, plus fears are elevated. People who are still lucky enough to be working are facing hugely increased workloads and hours. They are also adapting to new ways of operating and communicating via digital means, as well as working from home, balancing family commitments, and caring for children at home.

### **Social distancing as a result of COVID has resulted in a profound change in the way we communicate with our clients, with video conferencing or virtual interactions now the norm.**

Providing a comfortable and professional environment that fosters engagement requires that you follow certain protocols. Here are the ones we would emphasise:

- Choose your background carefully.
- Ensure the lighting is right.
- Check the angle of the camera.
- Don't walk around holding a phone because it can be uncomfortable for the person participating in the meeting.
- Keep your camera on during the meeting.
- Bear in mind that the way you present and keep people's attention virtually is different to being physically present.
- Consider professional training to adjust to this new way of interacting and presenting.

### **Supporting clients**

Some of the ways businesses can address these challenges and engender trust during these unpredictable and testing times include:

1. Communicating clearly, openly and honestly with clients, primarily through digital means, instead of ignoring the challenges.
2. Understand clients' concerns so that these can be addressed and overcome.
3. Be clear and tell it like it is when issues arise and, most importantly, develop and communicate plans to fix these.
4. Continue to inform clients about investment views, challenges and how the company is responding to them; keeping the information clear and succinct.
5. Listen carefully to clients instead of doing the talking.
6. Give clients the comfort of knowing the business is being well managed in times like these and that the staff servicing them, and portfolio managers managing their money, are safe and equipped to fulfil their roles and responsibilities.

7. Recognise clients have limited time available and are spending a lot of time in front of screens. Thus, meetings should be short, clear and succinct and add value.
8. Share what is working well from a business perspective within the new environment because clients might find these insights useful.
9. Share knowledge with clients on topics linked to investing and other related fields to enhance their knowledge and comfort levels.
10. Think creatively about how to better serve clients when social distancing rules and protocols are in place.
11. Be sensitive to how people are suffering over this time by considering;
  - a. How company and staff can help others who are not as fortunate.
  - b. How to support investee companies and suppliers over this time in a way that is also positive for investors (Read an article on our efforts during COVID-19).
  - c. How you market and advertise in a way that is sensitive to people's experiences.
  - d. How you can be sensitive to individuals who are experiencing various degrees of loss.

## Supporting staff to service clients effectively

During times like these, it is also critical to consider what staff are experiencing and to offer services that help them feel stable and supported sufficiently to fulfil their responsibilities to clients.

Clients and staff may also be experiencing a lot of financial strain and it is very easy to make short-term decisions that may boost immediate returns or unlock cash. But these decisions are often not in the best long-term interests of clients. It is critical to help clients avoid making investment decisions that are motivated by fear and anxiety by supporting them in making the best strategic decisions.

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## A changed world

COVID has undoubtedly changed the way companies work with both clients and other stakeholders. There has been, and will for some time be, experimenting and adapting until a ‘new’ optimal model for doing business is developed. Companies will only get there if they put clients at the front and centre of the process, ensuring they are heard and can have confidence that their needs will be met during challenging times.

### Measures to ensure staff wellbeing include providing access to the following:

- Counselling services.
- Online mindfulness.
- Flexible work hours where appropriate.
- A safe office environment when people need to work in the office.
- Information about what is happening in the business and access to a medium that allows them to ask questions and allay fears.

