

# Technology's influence on financial advice warrants attention

Technology has revolutionized the way we communicate, shop and learn. Not surprisingly, it is also changing the nature and quality of financial advice.

Robert McCullagh, vice-chair of Advocis, the Financial Advisors Association of Canada, says, "All of our clients now have access online to their investments. That can create challenges – it is important to maintain a long-term perspective with investments, which can be harder with 24/7 real-time access to market information."

But new technologies are also enriching the conversations between advisor and client. "As our clients become more accustomed to multimedia, interactive websites, our meetings with clients are moving to a more active platform."

No longer are advisors presenting cumbersome spread-

sheets and dense printed reports, he says. "Now we share video clips – and if a picture is worth a thousand words, videos may be worth tens of thousands of words. It helps us provide our clients with information that is meaningful and accessible, even on complex topics such as long-term care insurance."

Mr. McCullagh is currently exploring the use of Twitter as an efficient way to share information with clients, and he uses e-mail to send documents or links during telephone conversations. "Technology provides new opportunities to share information effectively and quickly," he says.

Technology helps Canadians access financial and investment education, which can lead to taking the actions necessary to help achieve lifetime financial security and peace of mind, says Vicken Kazazian, senior vice-

president, Career Sales Force, Sun Life Financial Canada.

Yet as Mr. McCullagh points out, technology is a mixed blessing for investors. While it is possible to get extremely detailed information about mutual funds on [Globeinvestor.com](http://Globeinvestor.com), for example – with past performance histories, fund composition and comparisons, MERs and fund mandates – it can be very challenging to sort through and apply that information.

That's where trusted professional advice comes in, says Mr. Kazazian. "Advisors help their clients make the right choices for their unique needs and goals. No matter how much you know, it is helpful to have another perspective. That is still true for me after 30 years in the financial industry."

For advisors, investments in technology are also making it easier to translate individual

## essential info

from the Canadian Life and Health Insurance Association

Through continual innovation, the insurance industry responds to the changing needs of Canadians. For example, segregated funds with 'Guaranteed Minimum Withdrawal Benefits' provide new options to protect income in retirement. In the health realm, critical illness insurance responds to the need for supplementary or replacement income in a time of crisis; long-term care insurance offers the ability to plan ahead for needed care when you can no longer live independently.

More than 26 million Canadians use the industry's wide variety of products and services, and it pays out \$1 billion in claims each week. Millions of Canadians also save for retirement through plans administered by life and health insurance companies. The industry is a major contributor to Canada's economy and is an international force, with operations in 21 other countries.

client circumstances, characteristics and dreams into a financial plan, and to then use the plan to measure annual progress toward life goals.

At [sunlife.ca](http://sunlife.ca), for example, a Life Stage Planner helps site visitors articulate the questions and challenges common to their various stages of life and circumstances. "Once you have that information, we have a tool called Advisor Match that matches you with an advisor based on the information you provide," says Mr. Kazazian. "And once you're working with one of our advisors, our Sun Vision Financial Analyzer helps you build a financial plan together that you can revisit regularly to check on your progress."

Despite the immense changes wrought by technology, the heart of an effective client-advisor relationship remains the same, he says. "The greatest value that the advisor brings to the relationship is listening and asking the right kinds of questions to fully understand their clients' dreams and wishes. That never changes.

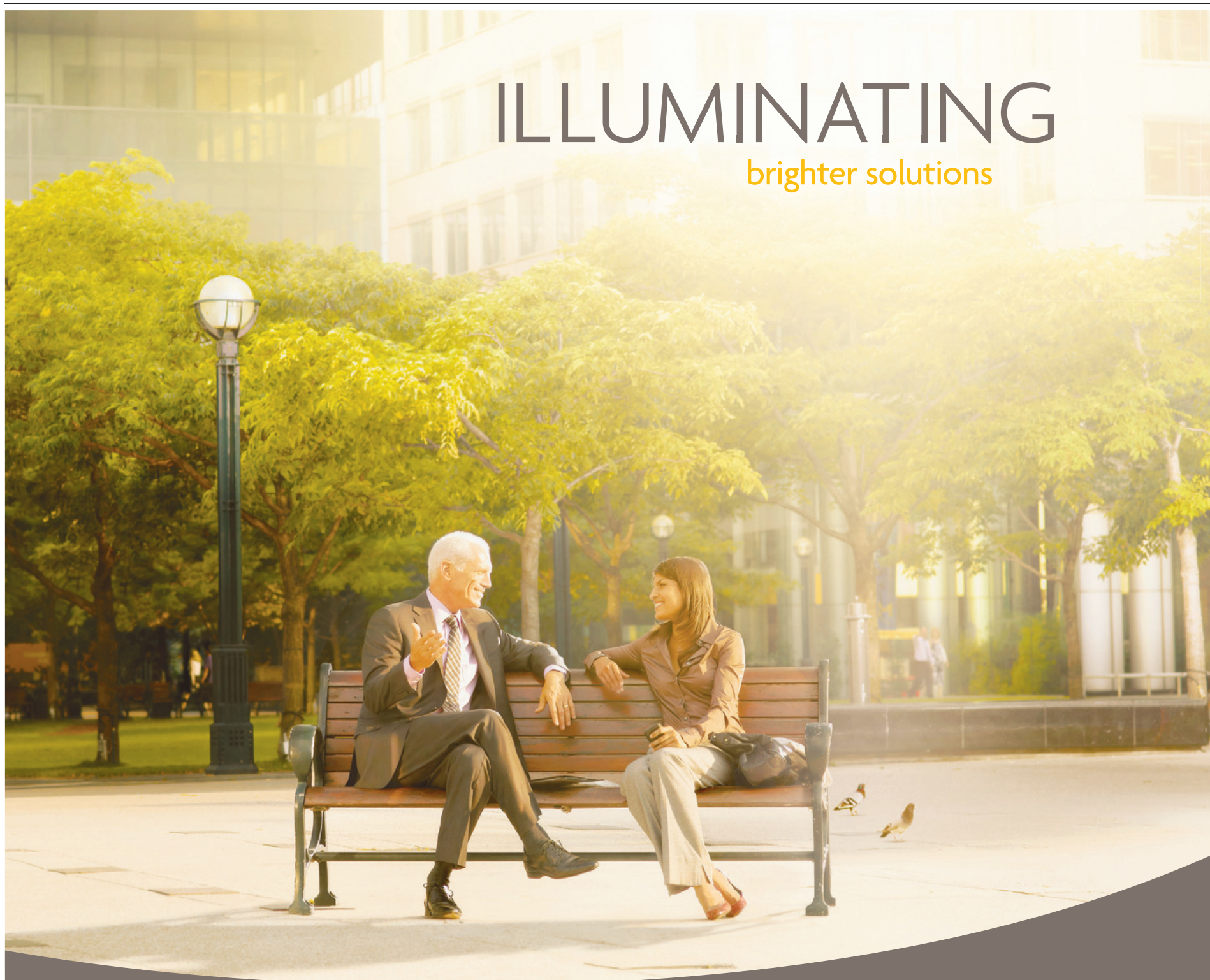
"But today, we have a wealth of technology as well as access to experts – lawyers, accountants, tax experts – that support our advisors in building a holistic financial plan, and enabling our clients to achieve those dreams," says Mr. Kazazian.

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**online?** Visit [clhia.ca](http://clhia.ca) for more information from Canada's Life and Health Insurance Association. For more investing information, visit [sunlifeglobalinvestments.com](http://sunlifeglobalinvestments.com).

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