Mental Health & The Financial Advice Relationship

WE ASKED FINANCIAL ADVISORS...

"Has a mental health issue had a negative impact on your clients' financial decision-making?"

92% said **YES**: a client's mental health issue

74% said **YES**: a client's family member's mental health issue

44% said YES: family members with depression

51% said YES: family members with dementia or Alzheimer's

65% have senior clients with diminished capacity affecting informed decision-making

46% have clients susceptible to elder financial abuse

31% have clients susceptible to financial abuse by spouse or partner

Clients' Emotional State: Seeking DIRECTION, CONFIDENCE & COMFORT from their advisor

Good News

- Advisors point to financial plan & emergency funds
- Few actual portfolio changes
- Client interested in estate planning & insurance

ADVISOR ROLE: Stewarding Client Financial Futures

- Psychologist
- Financial "caregiver"
- Bridge between generations
- Contact with outside world

Client Concerns Going Forward

- Future panic waves & anxiety
- Digital difficulties: access, isolation & "reading" reactions
- Economic/Life/World events weighing on finances
- Aggressive behaviours – family members

RECOMMENDATIONS

Industry Support

- Implementation of TCP & Safe Harbour
- Compliance clarity
- Mandatory training & accreditation for client care

Firm/Peer Support

- Make room for client service/care in sales & performance-driven culture
- Guidance/support for TCP, Safe Harbour & tools
- Roundtable/team approach to supporting complex clients
- Focus on EAP, checking in on advisors

Advisor Support

- Accreditation
- Role playing – complex situations & aggressive behaviour

FOR INFORMATIONAL AND EDUCATIONAL PURPOSES ONLY. Bridgehouse Asset Managers worked with the Canadian Mental Health Association-Toronto (CMHA) and Bridgehouse Asset Managers commissioned Navigator Research to undertake qualitative and quantitative research. Navigator conducted interviews for qualitative research and then quantitative research with advisors across the country. The information has been gathered from sources believed to be reliable; however, Bridgehouse is not responsible for any errors or omissions contained herein. Bridgehouse assumes no liability for any loss or damage suffered as a result of the use, misuse or reliance on the information and content herein. This material is not intended to provide legal, financial, medical or other advice, and may not reflect the thoughts and opinions of Bridgehouse. Information provided is not a substitute for professional advice. Permission must be obtained if the material is to be reproduced in whole or in part. FOR REGISTERED DEALERS AND THEIR REGISTERED SALESPERSONS' USE ONLY. NOT FOR DISTRIBUTION TO INVESTORS. Sources: Advisor Research Key Findings Mental Health and The Advisory Relationship, November 2017 by Navigator Research on behalf of Bridgehouse Asset Managers Advisory Panel, December 2017. Mental Health Survey: Financial Research Report, February 2018 by Navigator Research on behalf of Bridgehouse Asset Managers. September 2020. Source: Mental Health and the Financial Advice Relationship. Phase II Advisor Survey Results, Navigator Limited. May 2020. Published: September 2020.

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