

PERSPECTIVES

10 Attributes of Great Financial Advisors

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Dimensional has been working with financial advisors for more than three decades. To recognize the impact they have on the investor experience, we compiled a list of 10 attributes of great financial advisors.

1. PURPOSEFUL: THEY HAVE A CLEAR MISSION TO SERVE CLIENTS AND HELP THEM REACH THEIR GOALS.

Great advisors want to do great work for their clients. They stake their business on doing the right thing—and know that business success will follow.

2. EMPATHETIC: THEY KNOW THEY CANNOT EFFECTIVELY SERVE CLIENTS WITHOUT GENUINELY RELATING TO THEM.

To serve well, an advisor must assume a client's perspective. Empathetic advisors put themselves in their clients' shoes and work to understand what matters most to them.

3. AUTHENTIC: THEY REVEAL THEIR TRUE SELVES TO CLIENTS.

Effective advisors elevate the connection with clients by revealing their own personal stories. A willingness to be transparent and vulnerable helps build client trust and encourages real communication.

4. INTELLECTUALLY CURIOUS: THEY CONTINUE TO SEARCH FOR THE MOST ROBUST SOLUTIONS FOR CLIENTS.

Great advisors are on a continual path of professional improvement. They are lifelong learners, open to new ideas and committed to honing their technical knowledge and skills.

5. PERSONALLY INQUISITIVE: THEY WORK HARD TO UNCOVER WHAT'S TRULY MEANINGFUL TO THEIR CLIENTS.

Engaged advisors also have mastered the personal side of advice. They ask probing questions to better understand their client's views on money and life before creating a plan.

6. QUIET: THEY LISTEN MORE THAN THEY TALK.

Active listening encourages clients to reveal their deeper thoughts—and often, an advisor's best answer is to ask a question that sparks creative analysis and self-discovery.

7. PASSIONATE: THEIR UNWAVERING DESIRE TO DO WELL FOR OTHERS DRIVES CONSTANT IMPROVEMENT.

A strong sense of conviction to do right by clients compels great advisors to continue honing their craft and ultimately enhance the value clients receive.

8. ENTREPRENEURIAL: THEY RUN THEIR PRACTICE AS A BUSINESS AND PLAN STRATEGICALLY FOR THE FUTURE.

Advisors can better serve clients when they run successful firms. Just as they encourage financial responsibility in their clients, top advisors apply a high standard to managing their own enterprise.

9. HONEST: THEY SET REALISTIC EXPECTATIONS ABOUT CONTROLLABLE ACTIONS AND PROBABLE OUTCOMES.

While the best advice may not be easy to hear, great advisors communicate essential truths about money and investing so that clients have realistic expectations about their wealth.

10. DISCIPLINED: THEY DON'T LET MARKET SWINGS OR MEDIA MESSAGES DRIVE IMPULSIVE ACTIONS.

Effective advisors know the importance of preparing clients to navigate changing markets and apply discipline at crucial times, which can lead to a more enjoyable and promising financial journey.

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