

Improving the quality of your advice process - post sale

The FSA have published a factsheet for firms that provide advice to retail clients with examples of poor and good practice in offering and conducting regular reviews of their own customers.

Small firms should consider whether their customers would benefit from regular reviews so that advice and recommendations remain constantly suitable and are always in line with any change in a customer's circumstances.

Regular reviews could be an effective way of keeping the level of assistance up to date and firms should consider the following points:

- systems and management information that allow the firm to proactively identify customers that would benefit from reviews;
- the frequency of those reviews depending also on the type of products offered;
- what information needs to be collected from the customer in order to improve the level of service offered by the firm.

Examples of good practice:

- one of the monitored firms agreed individually with customers the frequency of reviews and established a back office system to keep track of due dates and to keep records of the changes;
- one other firm created different categories of customers depending on the frequency of reviews set at six, twelve or eighteen months according to the products and clients' needs. Changes on this schedule could be made as soon as circumstances changed the need for reviews.

Examples of poor practice:

- post-sales questionnaires were formulated in a way that did not test whether the client had understood the advice received. This way the firm could not have sufficient information to understand how to improve the service and how to adapt to changes in circumstances;
- a firm that received various complaints on a specific adviser did not carry out proper investigation on how to find a remedy to those complaints.

FSA regularly publishes factsheets that can be helpful to ensure that firms have the right processes in place for the provision of advice to their customers.

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