

Is Passive Truly the Safer Fiduciary Choice for Target Date Funds?

© 2017 American Funds Distributors, Inc.

Learn More >



Financial advisers do whatever it takes to avoid talking politics with clients

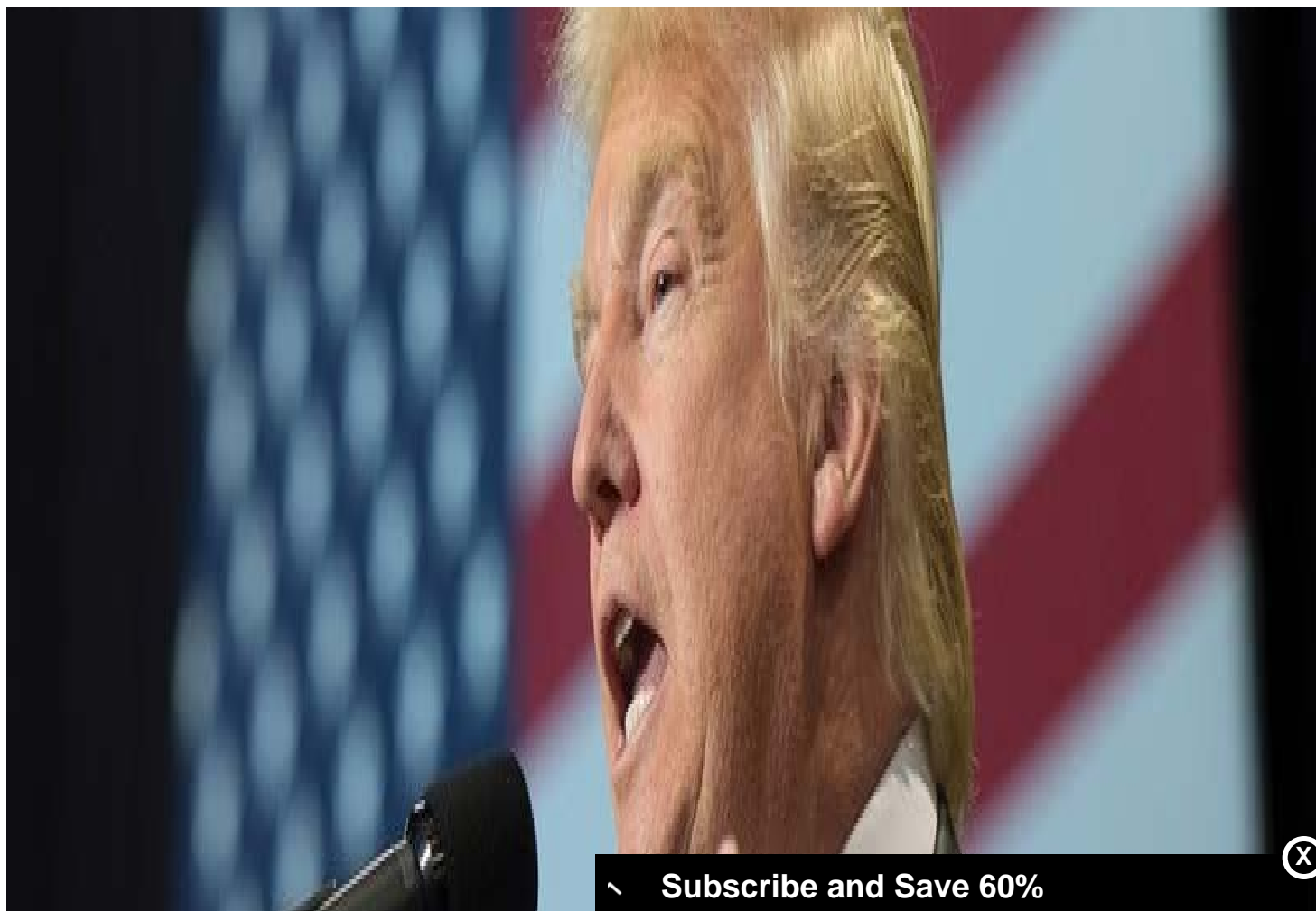
Polarizing political climate has advisers getting creative to turn conversations away from President Trump



Jun 2, 2017 @ 1:17 pm

By **Jeff Benjamin**

11 Shares



Subscribe and Save 60%





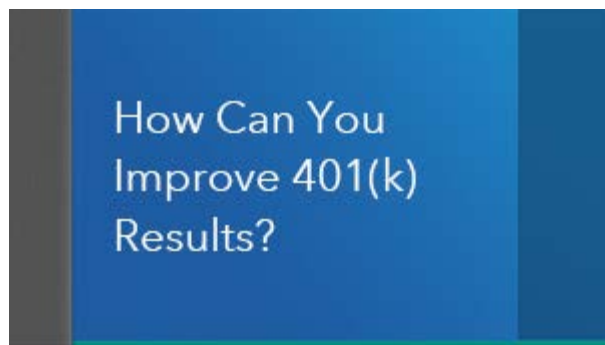
Politics, in general, and President Donald J. Trump, in particular, have become hot-potato topics that most financial advisers try to avoid when talking with clients.

In a political climate that some describe as more polarized and vitriolic than others in recent memory, advisers are quickly recognizing the need to tamp down personal political views and embrace some diplomacy in the interest of more harmonious relationships with clients.

"Sure, I'll talk politics with clients," said Tracey Ann Gordineer, a financial planner Wealth 360.

"If they voted for Hillary, that's how I voted, and if they voted for Trump, that's who I voted for," she said. "You can have a reasonable conversation if you stay calm and objective and weigh the pros and cons."

That calm and objective part can be a tall order



This video shows the importance of taking action



with incidents like the recent **stunt by comedian Kathy Griffin**, who posted a picture on social media of her holding a replica of Mr. Trump's decapitated head.

Although Ms. Griffin apologized after being widely shunned for what was described as a tasteless and vulgar act, some advisers say it reflects the general tone of the modern political arena, which often seeps into conversations with clients.

"Politics is definitely something that everyone wants to talk about" said Kashif Ahmed, president of American Private Wealth.

Mr. Ahmed said he has **lost at least one client** due to conflicting political views.

"Most of the time folks just want to vent and I'm a good listener, I have been told," he said. "But when they do want my input, I tell them that it is only in the context of how it may or may not affect the financial planning I do for them and not necessarily my person opinion of Trump."

Carolyn McClanahan, founder and director of financial planning at Life Planning Partners, said she never brings up the topic of politics with clients, but will engage when it is brought up.

"I'm good at seeing both sides, and our conversations are always respectful because we only take on nice clients," she said.

Regarding Ms. Griffin's stunt early this week on social media, Ms. McClanahan said, "The vitriol in the country is at an all-time high, which makes me very sad."

"We need to push that line way back," she added. "And all sides need to call out that bad behavior."

Erika Safran, owner of Safran Wealth Advisors, said the negative tone of the national political mood is "giving some people permission to misbehave."

"It's unfortunate that the current political environment brings out the worst in people," she said.

Ms. Safran, who declined an invitation to attend Mr. Trump's inauguration because "I didn't feel I had much to celebrate," said she tries to steer political conversations toward a "productive agenda instead of wading into the differences."

Navigating around the political debate is part of a financial adviser's job, said Frani Feit, managing director at Traditional Capital Management.

"People are polarized, but it's the adviser's job to keep their clients focused on the big picture and ignore all the noise," she said. "We try and stay neutral and focus on what the potential political impact would be on the investment portfolio. For instance, if corporate tax relief and less regulation are being discussed, we can talk about the possible effect on their equities."

Rose Swanger, president of Advise Finance, adopts a similar strategy of steering political conversations toward **more tangible topics**.

"You can't avoid the political conversations, so you just have to redirect the subject in a different direction," she said.

Ms. Swanger recalled how one couple was upset about the election results during a client meeting right after the November presidential election.

"Knowing the sore spot with them was taxes, I reminded them that one of the benefits of this new president in the coming years may be a simplified tax code and a higher standard deduction," she said. "The possible tax reduction immediately caught their attention, and that opened the door for more discussion and education about the president's new tax plan and how they might benefit from it."

Kristi Sullivan, owner of Sullivan Financial Planning, is almost methodical in her process for avoiding unproductive political debate.

"My rule is to avoid talking politics with clients and everyone else in your life," she said.

To that end, Ms. Sullivan creates specific meeting agendas, prepares "bland responses" to political comments and keeps her social activity politically neutral.

"You do not want to get into a political spat and have your clients see it," Ms. Sullivan added.



What do you think?

[View comments](#)

Recommended for you



Infrastructure funds building gains



Vanguard to seize wealth management industry with its digital platform



Investment Adviser Association members take complaints about DOL fiduciary rule to Capitol Hill