

## The Role of Professionals

*“Society depends upon professionals to provide reliable, fixed standards in situations where the facts are murky or the temptations too strong. Their principal contribution is an ability to bring sound judgment to bear on these situations. They represent the best a particular community is able to muster in response to new challenges.”*

Dr. Robert Kennedy, St. Thomas University

How is the public reacting to the fiduciary scandals?

Investors are not going to let Wall Street return to business as usual. Investors want to see evidence that a higher standard of care is being followed, one that is defined. The following is a quote from Dr. Robert Kennedy of the University of St Thomas:

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The fiduciary *Practices* covered in this course are intended to serve as reliable fixed standards.

## Characteristics of a True Profession

- Recognized body of knowledge
- Code of conduct that places the clients' best interests first
- Society depends upon practitioners to provide trustworthy advice

When Doctor Kennedy speaks of professionalism he does so in the classical sense. Consider medicine, law, and theology – these are the prototype professions. All have three common characteristics.

1. They have a well defined and recognized body of knowledge,
2. They are expected to adhere to a code of conduct that places the clients' best interests first, and
3. They are relied upon by society to provide trustworthy advice.

Now consider the financial services arena. There is a large body of knowledge, although not a standard educational program like that of an MD or attorney. That may be one reason those who wish to distinguish themselves in the financial services area pursue a variety of professional designations. The code of conduct that places investors best interests first is the fiduciary standard of care. The suitability standard required of a traditional broker does not require the strict duty of loyalty imposed under the classic professions. Finally, there can be little debate that with 80% of the nation's liquid net worth in the hands of fiduciaries, society depends heavily upon investment fiduciaries.

If you are dedicated to achieving competence through training and experience, to providing a fiduciary standard of care, and to earning the trust of the investors you serve, you can rightfully state that you are a professional in the truest meanings of the word.