

Who is Managing Your Money?

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The financial advice industry in Canada is a maze of titles: Portfolio Manager, Investment Advisor, Financial Planner, and more. Each promises to guide you toward your financial goals, but choosing the right advisor isn't just about convenience—it can significantly impact your wealth. Studies show that individuals who receive financial advice build nearly 40% more liquid financial assets than those who go without.

If the benefits of advice are clear, the real question is: Who is best equipped to provide the guidance you need?

1. Portfolio Managers (PMs): The Gold Standard

A Legal Obligation to Act in Your Best Interest: Portfolio Managers stand at the top of the hierarchy. Held to a fiduciary standard, they are legally obligated to act in your best interest – this is in addition to the regulatory 'duty of care' requirement. This higher threshold ensures that your financial future is their top priority.

Discretionary Management: PMs can also have discretionary authority, enabling them to manage your portfolio independently and take swift action when opportunities arise—all within a client-approved plan.

Advanced Qualifications: Achieving PM status requires a higher level of education and experience in the industry, such as the globally esteemed CFA (Chartered Financial Analyst) designation, along with a minimum of 3 to 5 years of professional portfolio management experience.

Additionally, PMs provide access to exclusive investment opportunities typically reserved for accredited investors, such as institutional-grade assets and alternative investments. No other license offers this level of opportunity or customization.

2. Investment Advisors (IAs): Dealing Representatives

Investment Advisors are among the most common professionals in the investment business. They provide advice and execute trades across a wide range of securities. Operating under a duty of care, their role is to ensure recommendations are suitable for your needs, though their approach may differ from those operating under a fiduciary standard.



3. Financial Planners (CFP/PFP): Architects Without Execution

Financial Planners excel at crafting retirement, tax, and estate strategies. Designations like Certified Financial Planner (CFP) and Personal Financial Planner (PFP) demonstrate their commitment to thorough planning.

However, most financial planners are licensed only to sell mutual funds or segregated funds, which can limit their ability to deliver the most crucial step of a plan: implementing cost-effective, high-performance strategies.

4. Entry-Level and Niche Roles

Mutual Fund Representatives (MFDA) provide basic investment advice limited to mutual funds and segregated funds. Similarly, Insurance Advisors specialize in selling insurance products, and Exempt Market Dealers focus on niche private investments. These roles are entry-level or specialized, with less comprehensive training and fewer tools to deliver robust investment results.

Why the Difference Matters

The distinctions between financial advisors are more than technicalities; they shape the advice, strategies, and outcomes clients receive. For those with complex or substantial financial needs, the ability to act as a fiduciary and manage investments strategically can significantly affect long-term success.

Empower Your Future

Choosing the right advisor is about trust, qualifications, and alignment with your goals. If you value personalized strategies, expert management, and a legal commitment to act in your best interest, a Portfolio Manager may be the best fit. Let's explore how we can help you achieve your financial goals.

If you value personalized strategies, access to advanced investment opportunities, and a legal obligation to prioritize your best interests, consider whether a Portfolio Manager might be the right fit for you. We're here to help.

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