



ETHICS



Questions of Qualification

Here are six things to consider when faced with a question about your professional qualifications.

BY LAUREN BLOOM

When working in the employee benefits field, a practitioner needs a solid grounding in his or her specialty. Whether an administrator, an investment advisor, an attorney, an accountant or an actuary, the pension professional needs to have the requisite professional education, experience and, in some cases, licenses, to provide high-quality, reliable advice and services to his or her clients.

To deliver optimal service, it can be helpful for the pension professional to have a working knowledge of other disciplines. Employee benefits is an area of practice where accounting, actuarial science, administration, finance, law and tax intersect. No one pension professional is likely to be an expert in all of those fields, but continuing education, work experience and training can give a pension professional exposure to and greater comfort with other professionals' disciplines.

Trouble can arise, though, when pension professionals get tempted to offer advice or services

beyond their expertise. Trouble compounds when clients, perhaps seeking to minimize their consulting expenses, ask pension professionals for "informal advice" on matters beyond their normal field of practice. It can be difficult to refuse such a request, especially when the pension professional is confident that he or she has the necessary knowledge to answer the client's question.

For ASPPA members, ASPPA's Code of Professional Conduct offers specific guidance to address questions of qualification. Section 11 of the Code, titled "Qualification Standards," provides that "[a] Member shall render opinions or advice, or perform Professional Services, only when qualified to do so based on education, training and experience." The Code doesn't prohibit an ASPPA member from answering questions or offering advice or services that go somewhat beyond his or her normal field of practice, but it does require the member to think carefully before doing so.

Here are some things to consider when faced with a question about your professional qualifications:

- *How confident are you?* Putting aside all external

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requirements, could you look in the mirror and honestly tell yourself, “I’m qualified to do this work”? Are you worried that there are aspects of the work that might be more than you can handle? If you’re not confident in your abilities, tell the client you’re not the right advisor to ask.

- *How did you get your expertise?* Professional degrees, licenses and certifications are always good to demonstrate your qualifications. However, work experience can enhance your ability to provide professional services. Let’s say, for example, that you’re an enrolled agent whose client raises an accounting question. You’ve worked as an enrolled agent for 10 years and have encountered the same question on several occasions. The answer has always been the same, and you know that the accounting rules haven’t changed. In that example, even though you’re not a CPA, you might well have gained enough knowledge through work experience to give your client a reliable response. Still, it’s smart to encourage your client to verify your answer with the plan’s accountant.
- *How much will your client rely on you?* If you’re working on the preliminary stages of a project or know that someone with stronger qualifications than yours will weigh in before a project is finished, you may be in a better position to offer your thoughts. It’s

important, however, to make sure that your client understands that you aren’t pretending to have more knowledge than you actually do. Most important, never undertake work that requires a license or other professional credentials that you don’t have.

- *Tread softly in new areas.* The laws and regulations around employee benefits change regularly, and new ideas around benefit design and tax management crop up all the time. Changes in the employee benefits field may pull you into areas where no one is yet fully qualified. In those situations, it’s important to work carefully, educate yourself through professional meetings and literature, and make sure that your work product clearly informs your client that you’re providing services in an emerging area.
- *Partner up.* One way to bolster your own qualifications is to work with another pension professional whose education and experience complement yours. It’s a good idea to maintain contact information for pension professionals in other fields whose expertise you respect. That way, if you’re called upon to work in an area outside your own expertise, you can bring the other professional in or refer your client for advice.
- *Document your decision.* If you decide that, by virtue of your education, training and experience, you’re

qualified to perform an assignment that’s outside of your usual practice, it’s a good idea to write a short memo, letter or even an email to your client explaining how you came to that decision. Just the act of putting your thoughts into words will assure you that you are, in fact, qualified to do the job — or persuade you, if the words don’t come, that you really aren’t. Documentation demonstrates careful thought on your part, even if someone else might disagree with your analysis. It also puts your client on notice that you’re not pretending to be more qualified than you really are.

It can be uncomfortable to refuse a client’s request for help. However, “helping” from an unqualified perspective may do more harm than good. Evaluating your qualifications before providing advice and services to a client makes good professional sense and, in the long run, is far more likely to result in good client relations. **PC**



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