A Guide to Client Protection Assessments—Summary Sheet

What is a Client Protection Assessment?
A Client Protection Assessment is a confidential diagnostic tool that a financial institution (FI) can use to thoroughly examine its implementation of the seven Client Protection Principles. It takes the FI through a process of internal review to identify strengths, weaknesses, and ultimately opportunities to enhance its client protection practices.

What are the Benefits to Your Institution?
An Assessment can benefit your institution by evaluating how well you are meeting standards of client protection, by setting a starting point for strengthening your practices, by minimizing your risks and improving your profits, and by preparing you for a Client Protection Certification (http://smartcampaign.org/certification/all-about-certification).

Which Type of Assessment is Best for Your Institution?
There are three types of Assessments, and your choice will depend on your objectives and the resources you can devote. All three evaluate your institution against the seven Client Protection Principles. Your options include: 1) a self-assessment done internally by your staff, 2) an accompanied self-assessment by your staff and a person trained in the Assessment methodology to guide you, or 3) a third-party external assessment referred to as a Smart Assessment.

The three options are listed in order from least to most time-consuming and costly. Of course, the more time and resources your institution devotes to the process, the more complete the picture of your institution’s practices and the more objective the results.

To decide on the assessment that is right for your institution, check out Section 2 (page 4) of A Guide to Client Protection Assessments.

How Does My Institution Get Started?
First, get to know the Assessment tool, available here: http://smartcampaign.org/tools-a-resources/41. This tool lists the standards that are used in all three types of assessments.

Then, choose from the three assessment types listed above. Budget time and resources for the process and choose an external assessor, if needed. Find a list of Smart Assessors here:
http://smartcampaign.org/certification/assessments/lead-assessors
http://smartcampaign.org/certification/assessments/support-assessors

After you have selected an Assessment type and a Smart Assessor, learn more about the Assessment process by reviewing Section 3 (page 7) of A Guide to Client Protection Assessments.

What Can Your Institution Do with the Results?
There are several things your institution can do to make the most of results. An assessment can be used to inform an action plan directly from the gap analysis in order to address weaknesses and prepare for a Client Protection Certification. Additionally, an institution can share its results with clients, investors, and peers.

Contact the Smart Campaign for more information at comments@smartcampaign.org