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POWER

A GUIDE TO
FINANCIAL PLANNING

AUTUMN 2017





Are you a financial adviser or Financial Planner? You might call yourself a wealth manager, a money planner, a financial coach or even a life planner. It's largely a personal choice and most of you will be comfortable explaining your service to potential clients, who almost certainly won't understand any of the subtleties that many within our market get so hung up on.

Some of you will offer broad ranging advice to a range of different client types, whilst others will may offer specialist or niche advice services, such as investment, tax or later life planning, to specific client types. Some of you will separate the advice element from any product recommendation or execution (if appropriate). Many of you run your own small firms and others will work for big firms and have access to a range of resources. You may use different processes and tools to other personal finance professionals.

The common thread is that all of you strive to deliver the best possible outcomes to your clients.

As we know the financial advice/planning landscape is changing at a dramatic pace; retirement planning is now as much about post-retirement as it is pre-retirement. Demographic change is forcing a greater focus on advice for later life and the Millennials are demanding greater digital interaction as their financial needs become more sophisticated.

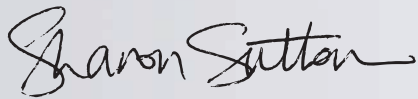
The purpose of this guide is not to say that any one method or approach is right or wrong. Nor is it to dictate a particular process. Our objective is simply to widen awareness of a range of potentially useful techniques and tools that might help you and your clients achieve your ultimate goals.

A handwritten signature in black ink, appearing to read "Keith Richards". The signature is written in a cursive style and is positioned above a thin horizontal line.

Keith Richards

Chief Executive Officer

Personal Finance Society



Sharon Sutton

President,
Personal Finance Society 2017 - 2018

Managing Director,
Thornton Chartered Financial Planners



In 2009 I became the Isle of Man's first Chartered Financial Planner. Thinking I had learned all I needed to do Financial Planning well, I attended my first Personal Finance Society National Conference. I realised I still had a lot to learn.

I heard many great inspirational speakers, but the one who opened my eyes was George Kinder. As I listened to him I was completely drawn in. I truly understood how it felt to connect with someone by asking three powerful questions which I paraphrase:

- If you had everything you need for the rest of your life, what would you do?
- If your doctor told you that you had 10 years left to live, but you would be healthy as long as you were alive, how would you live it?
- Imagine you have only 24 hours left to live. What did you miss out on and who did you not get to be?

In case you are thinking this is 'touchy, feely' nonsense you can do without, until I heard Kinder speak, I did too.

Thanks to the many inspirational people I've met over the years through the PFS, I now deliver Financial Planning to Thornton's clients in a way I know is helping to change and improve lives. We have tripled turnover, increased profit, doubled our client base with more referrals than we can sometimes cope with, and I'm one of three Chartered Financial Planners also delivering, yes, technical, regulated advice.

People will take actionable steps to achieve both financial and lifestyle goals to protect themselves and their loved ones. They'll also stick around as profitable clients and refer you to their family and friends.

The biggest challenge for our profession is most prospects don't get Financial Planning until they experience it personally.

It takes practice, skill and courage to start the first meeting in the right place, deflecting the talk away from products.

We thank the many selfless Financial Planning practitioners who have contributed to this publication and who share their insightful experience with us.

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Thank you

A huge thank you to all the Financial Planning Practitioners, business consultants and coaches who have provided valuable content so far. A small number are mentioned here.

Chris Bowmer
Chris Budd
Kate Gannon
Dennis Hall
Russ Hirst
Jane Hodges
Emily Macpherson
John Moss
Adrian Quick
Damien Rylett
Robert Stevenson
Jane Gow
Simon Thomas
Matthew Walne
Les Conway
Michelle Hoskin
Brett Davidson
Alan Smith
Don Fraser
James Greenly
Steve Gazzard
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Please contact us to suggest future content and to help us shape the guidance you are looking for.

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THE SCOPE OF FINANCIAL PLANNING

Some people need help getting their financial life organised, most need education and help making good decisions, others need help to uncover what a life well lived looks like for them, and expertise to pull that together into a plan, and many need regulated advice. All of these different elements give Financial Planners the opportunity to add value, and each can produce fee-earning opportunities.



Financial Organisation

- Sorting out the 'shoe box' or carrier bag full of papers
- Handing over time consuming admin
- Secure electronic information
- Diary systems

Life Planning

- Comprehensive fact find: financial, emotional, lifestyle
- Determining what long-term financial success looks like
- The life wanted now
- The life wanted in the future
- A life well lived

Education & Behavioural Coaching

- Objectivity to avoid poor decisions
- Keeping focus on systematic, structured investment paths
- Acting as a sounding board
- Providing impartial second opinions

Financial Solutions

- Implementing the Financial Plan
- Recommending & sourcing financial products

Financial Planning

- Pulling together all current financial resources
- Future incomes and outflows
- Current expenditure
- Future expenditure
- 'What if' tests
- Attitude to and need for risk
- The Financial Plan
- Ongoing Financial Reviews of the Plan

DEFINITION & PURPOSE

“The whole Financial Planning process has made me think about what I really want to do. It has helped me confront myself about what I earn, what I spend and what’s left over. It’s been a really good discipline and has helped me make some key decisions. The cash flow modelling gives a very visual picture of the impact certain actions can have over time. It is very reassuring to have confirmation of my overall financial picture.”

Pete Murphy, Financial Planning Client

How much is enough?

Financial Planning is one of the most rewarding professions I could have found myself in. Having the power to help people change and enhance their lives is an honour and a privilege. To watch clients leave our office with huge smiles on their faces is reward beyond measure.

Most people seek financial advice and support when they are faced with a life change. For some the change is sudden, for others it is more measured. They may be facing loss or redundancy, approaching retirement or wondering how to handle later life care. They may just need more control of their pensions and investments, ensuring they are working effectively.

Whatever the reason, knowing how much money is enough to maintain a desired lifestyle throughout life is crucial to clients feeling comfort and in control. It is also crucial to clients being able to live their lives the way they want.

“We only have one life, what we leave behind us is not as important as how we have lived”

Financial Planning takes the guesswork out of what tomorrow looks like

Clients wish for uncomplicated, practical financial recommendations that will support their chosen lifestyles.

That’s why, before we talk about money, we take plenty of time to consider a client’s whole situation, their lifestyle needs and their priorities.

It is only once we have a clear understanding of needs, goals and individual concerns our recommendations can be tailored to suit specific clients and specific circumstances.

Our goal is to optimise client outcomes, provide a clear strategy for clients to live the life they want for the rest of their lives without the fear of ever running out of money. We help them by identifying the options available to them and highlight a strategy that will provide them and their family with the peace of mind to do the right things.

Our recommendations are presented in a clear, uncomplicated way and form the basis of your Lifestyle Financial Plan. We work in partnership with clients to put their plans into action effecting the changes identified to turn immediate, medium and longer-term objectives into realities.

We then act as a guide, coach and mentor to make sure the plan stays on track. But the plan is not an end in itself: a client living life to the full is.



Adrian Quick

Director & Chartered Financial Planner

HarperLees

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FINANCIAL PLANNING PROCESS

Many people focus on making money rather than discovering how much they actually need during the course of their lifetime. Imagine how you would feel if you knew you had enough money, not just to do the things you want, but to help others too. It's a powerful business proposition; it's what life-focused or Lifestyle Financial Planning is all about.

A life-focused Financial Plan gives clients a framework against which they can make some smart decisions about their life and their money. It allows understanding of how each decision that's made might affect other areas of their personal finances. Different scenarios can be tested before any big decisions are made.

The process of Financial Planning helps clients answer:

- What is it you really want to do?
- When do you want to do it?
- How much will it cost?
- Can you afford it now?
- If not now, when will you be able to afford it?

Our focus is entirely on exploring aspirations, future lifestyles and career wishes before thinking of money.

When we take on a new client we adopt a three-stage process:

Stage one: establish life goals

Stage two: prioritise financial objectives

Stage three: the selection of financial instruments that enable clients to live the life they have articulated.

One useful tool we have adopted when talking to clients at the early stages of our relationship is the bucket analogy. In the bucket we put assets such as: bank accounts, savings accounts, investment bonds and shares and where the bucket empties through expenditure on items such as food, mortgages

and rents and fills through inputs such as salaried income and pension income. The bucket is also used to discuss the client's life objectives such as holidays, giving to charities and carrying out volunteering work.

During a client's life the inputs and outputs into the bucket change as life stages and choices change. This is why Financial Planning is a life long process rather than a one off event.

It takes time to find a process you and your team can be happy with and improvement and refinement of this process should never stop as refinement of your whole Client Experience should never stop.

A revolutionary approach



Over many years I experienced very poor service from financial advisers trying to sell me products. Only gradually did I realise there was no overall strategy tailored to my changing needs. I was flying blind.

I discovered Financial Planning in 2004. Thirteen years later my plan is still clear, realistic and updated regularly. I feel in control. I wish I'd had this experience 45 years ago!

Andrew Humphries
Financial Planning Client

A Global Six Step Process



A Global Six Step Financial Planning Process

Many organisations and individuals have documented what they believe to be the right Financial Planning process. There are as many criticisms with these processes as there are processes written mainly because the delivery of life-focused Financial Planning is personal and takes on the personality of the individuals and the businesses delivering it.

A good place to start is with the Financial Planning Standards Board (FPSB), a US body that has developed a Financial Planning process model.

fpsb.org/about-financial-planning

Although I would probably use different words, I'm comfortable that these steps are all appropriate and necessary but not always separate steps or meetings. I understand at the time of writing, the FPSB may be looking at adding a seventh step and there are steps to take before the actual relationship starts in a marketing phase and when very first contacts are made.

Initial contact is important to get right. You cannot serve everyone who knocks on your door. We can filter some by phone but, as few clients come in asking for a Financial Planning relationship, it is easier to get a feel for the client and explain face to face.

ESTABLISH and define the relationship with the client

- Always meet both parties of a couple
- Ask the right questions, stop talking and listen
- Set expectations, make it clear what Financial Planning can do over a lifetime
- Communicate we have no right to talk about money until we understand what the money needs to do
- Talk about fees and confirm we can work together.

COLLECT the client's information

- Soft data about goals, objectives and problems to solve is usually collected at the first meeting
- Once engaged, we will use our back office team to collect hard data about the current financial position
- At the same time we will collect expenditure details and other factual data like Wills
- We will also ask clients to complete Risk Tolerance questionnaires online
- We usually also explore life objectives more carefully with the help of George Kinder's three questions
- These are all inputs into the creation of the first draft of a lifetime cash flow - not yet a plan.

ANALYSE and assess the client's financial status

- The method for assessing financial status is a matter of choice, but I cannot see how a proper assessment can be done without a lifetime cash flow. I have been using cash flows exclusively since 2004 and the most significant change to my thinking came when I realised I could no longer actually advise anyone without one.
- Cash flow helps with clarity and understanding for adviser as well as client, used face to face it creates the clarity

needed to understand what risks are important and what risks are not. What risks can be tolerated and what risks are just there and need to be understood as they are entirely out of the client's control.

- We prepare a draft cash flow for the planning meeting, this is an opportunity for the planner to see what happens if nothing changes, to look at alternatives and to consider scenarios.

DEVELOP Financial Planning recommendations and present (planning meeting)

- This is where I diverge somewhat from the FPSB in terms of their process. My feeling is that recommendations cannot be developed without the input of the client; the plan should always belong to the client. It is their plan after all.
- The planning meeting is a critical and iterative process. Clients often only know what they want once they can see what choices they might have first.

Our planning meetings start with a consideration of the answers to the Kinder questions: a couple may have different views but they will feel excitement and empowerment when they start to get a picture of their ideal life and what might be possible; what could really bring about life changes. It often takes several years for a client to really get the hang of thinking about what really is important to them and being prepared to talk about it, not just to us but to each other.

The first draft of the cash flow will usually need some immediate modifications, especially in terms of planned spending and short-term goals, but we know what resources are available.

A discussion of risk is really important, we know that the biggest problem with

investment returns is client behaviour and this is often the result of a risk mismatch. Our Risk Tolerance questionnaire is a starting point for a discussion, maybe clients have not understood the importance of inflation, perhaps the couple have disparate feelings and these all need to be explored and understood.

This issue with risk

The biggest challenge for a Financial Planner is to put the client's objectives at the top of the ladder. Why would you take more risk than you need to (increasing the chances of loss) or less risk than you need to and expect not to achieve your objectives at all? The opportunity to understand risk in your own context is all-powerful and creates acceptable outcomes for clients with sufficient resources.

We explore 'What if' Scenarios as we would explore the risks and whether or not the initial cash flow supports the objectives. Clearly a current state cash flow may work (or fail to work) because there is a mismatch of investment risk and the implications of the management of client behaviour will be key (an interesting question might be what they did in the 2008 crash). We would want to discuss the minimum return required and how this fits with the current resources, we would talk about longevity risk and we will talk about inflation and the uncertainty of future investment returns.

Clarification and the next steps agreed form an Action Plan - a course of action required to make it all happen.

IMPLEMENT the client's Financial Planning recommendations

- Issue our Meeting Notes which include an agreed Action Plan
- Suggest that delegation to us means clients can concentrate on much more interesting things, living their life!
- In the broadest terms though the client knows that the plan is what they need to do
- Depending on complexity, we may follow up with focussed meetings on investment, protection or estate planning
- Or issue any specific recommendations in writing
- Always leaving our meetings solely to talk about the plan.

REVIEW the client's situation

- We might have more than one meeting with the client in year one
- All will be focussed on forward planning
- Unless situations are particularly complex, our review (forward planning) meetings are annual.

We have had many conversations with clients about the value of the annual meetings, they confirm the feeling of comfort, confidence and control that knowing everything is on track gives them and this is everything - worth every penny whatever the fee.



Chris Bowmer

Director & Chartered Financial Planner

Fortitude Financial Planning

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THE POWER TO CHANGE LIVES

We adopted a Lifestyle Financial Planning approach in 2014, and we haven't looked back. It's brought energy to our business and developed a sense of doing something incredibly worthwhile; helping change people's lives in a positive way. It really has changed everything.

We had set up our business five years earlier, and grown quickly, had great clients, a beautiful office in Marylebone and were very profitable.

But, something was missing. We weren't enjoying work much, and we had done the same thing for twenty years. It was the financial advice equivalent of Groundhog Day. Every meeting seeming to focus on the latest thoughts on the stock market and what was going to happen to the Euro.

We were struggling to articulate why we were different

In hindsight, that difficulty in articulation stemmed from the fact that we were doing the same as everyone else. Focusing too heavily on investments and tax planning.

We felt frustrated. We felt bored of ourselves and we couldn't see how we could take the business forward. We had a choice; to stop what we were doing and do something else, or to redefine what we were doing.

We had the desire to change, but where and how to start?

Our first light bulb moment happened when we received a well-timed email from Paul Armson, founder of Inspiring Advisers Online. This helped us identify that there was a different and better way of doing things. Paul's messages about Lifestyle Financial Planning and the truth about money really resonated with us.

Paul also referenced a couple of great books: Simon Sinek Start with Why, and the E-Myth by Michael Gerber.

Start with Why?

Most business can tell you what they do and how they do it, but not WHY they do it. Businesses that are successful can articulate their why!

This delivered our second light bulb moment; let's define our why and build our whole business and brand around our why and Lifestyle Financial Planning.

The E-Myth talks about why small businesses fail

These businesses are set up by technicians who have no management or vision! The technicians end up working harder than ever, running around like headless chickens. Sound familiar?

Our third light bulb moment; we need to build this business to have structure. I can perform a visionary role and bring in a management layer.

Immediately I got it, clarity of what had to be done. Get really good at Lifestyle Financial Planning, build a brand and business around it with structure! Suddenly everything was clear!

After watching all of the Inspiring Adviser videos, with a little trepidation, we approached our first proper Lifestyle Financial Planning Meeting!

I had my first client review meeting and my clients loved it

It all made absolute sense. They were interested and delighted with what we were saying. The bucket analogy we used is incredibly powerful in helping clients understand what we can do for them.

Probably most important, great Lifestyle Financial Planning is really great fun. We've found our clients to be so engaged, and they love talking about the bigger picture stuff, rather than the outlook for Japanese equities (yawn).

We had found something that we could become really passionate about; something we believed in, something really worthwhile.

Every First Wealth client now receives full Lifestyle Financial Planning. The confidence it has given us is amazing, and I have never known so much positive energy in the business. We are really excited about the future.

As a business, we make time to share the success stories we have with clients, to share the occasions where clients have had their own light bulb moments. This makes sure that all of the team can see the value in what we are doing; increasing energy and making everyone understand just how important their role is within the business.

The number of referrals we receive has increased, and the quality of the referrals has changed completely

If you think about it, if your USP is solely investing clients' money, then if it does well, performance will be good, and you may get a referral from a client in two or three years, if and when things have been good. There's a long lead in time and there is a lot left to chance.

With Lifestyle Financial Planning it's easier for clients to assess the impact of your advice. We have been getting quick referrals from our bigger clients who love the clarity the process brings to their decision making progress.

After a long period doing things a certain way, it's not easy to change everything. You need extreme, unwavering clarity on what you are doing and why you are doing it. This is not a quick win, especially working around current client advice and other commitments. There is going to be some pain along the way!

We used Gino Wickman's brilliant book Traction to help us transition to a full Financial Planning business

The book helped us organise our thoughts, and define our vision, our core values and our why.

It is vitally important to communicate our Why, Vision and Core Values to our staff. They need to know why you are making changes and the benefits to them and our clients.

Don't expect everyone to get it! Be prepared for some objections and issues. For example, "I'm finding the softer questions and skill sets harder to learn", or "My clients don't want or need Lifestyle Financial Planning".

We applied Wickman's People Analyser to our existing team and their roles in the business. Did they get it? Did they want it? Do they have the capability to do it?

It was like a natural shake out! It was amazing that the people who we didn't think would commit had all pretty much gone within six months.

This was brilliant as it allowed us to recruit people who share our why, vision and our core values; individuals who want to be part of something special and have the desire to excel in their career.

Systems and processes are critical

One thing we realised early was that we had to clearly define our way of doing things. What does the whole Financial Planning process look and feel like from start to finish? You can't just say, "right we're lifestyle financial planners now, go!"

We believe systems and processes are critical to building a scalable Financial Planning business. I am proud to say that we are obsessed about process at First Wealth!

Every aspect of client service is documented

In 2016 we also made a significant hire in our first dedicated Practice Manager who oversees the consistent delivery of our Client Journey. Every aspect of client service is documented, and activities have been created in our Client Relationship Management System for the each stage of the Client Journey.

Having everything documented helps with standard emails outlining our services, meeting confirmation letters and we have a standard Your Financial Planning template to ensure all aspects of Financial Planning are covered by our advisers. It means nothing is missed. We also schedule all ongoing service activities and timings of valuations.

We mapped out a rough script for how we should talk to clients

We practiced with each other. We looked at different questions, and worked on ones that we liked and thought about others that would lead to good discussions. It was really important for us to be authentic (to be yourself); we would only use questions we were comfortable asking.

It's really important to practice. The advisers role-played, made mistakes, learnt what worked and what didn't and built confidence in our new approach.

Not every prospective client is going to get it, or in fact want Financial Planning. Carefully select the clients who you will know will benefit from the process, and will be willing to pay for your advice.

In his classic book, *The New Financial Advisor*, Nick Murray talks about having a limited number of prospective clients who you will allow onto your Financial Planning Ark. Choose those people wisely. It's well worth a read.

You don't need to reinvent the wheel. We listen, learn, soak up great ideas and put them into practice.

I feel that we're in the midst of a quiet revolution of Financial Planning excellence in the UK. We talk to other financial planners, we attend conferences, read books, listen to podcasts, look at what's going on in the US, and if it feels authentic and will add value to our proposition, we go for it!

Anyone in doubt, I urge you, give Lifestyle Financial Planning a go.

It will change everything!



Anthony Villis
Managing Partner

First Wealth

firstwealth.co.uk

RESOURCES

ENOUGH? How much money do you need for the rest of your life?
By Paul D Armson

One of the biggest challenges facing the Financial Planning profession is communicating why life-focused financial planning is important. Whilst researching and collecting information from practitioners for this Guide, Paul Armson's techniques are mentioned regularly.

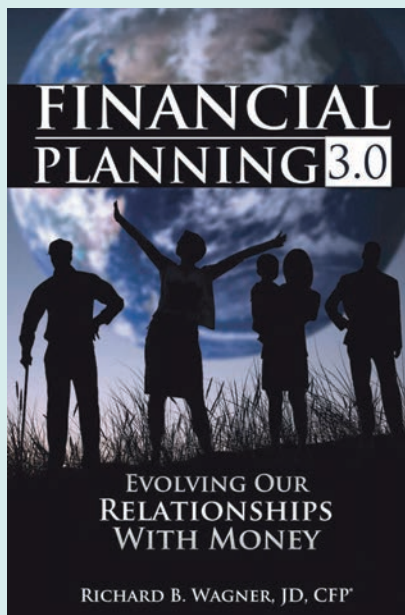
Paul became a financial adviser in 1982 and began delivering what he calls 'Lifestyle Financial Planning' to his own clients in 1990. His own emotional experiences vowed him to make 'Life's not a rehearsal' his mantra and to live life accordingly. It also caused him to set up Inspiring Advisers Online in 2013 to help more financial advice professionals deliver Lifestyle Financial Planning.

Now Paul's intentions have turned to communicating direct to consumers. Paul's latest book 'ENOUGH?' serves as a very good resource for both Financial Planning professions and consumers. In it Paul talks about the primary purpose of Financial



Planning being to help clients live a great life, with total financial clarity and piece of mind. To do this everyone needs to know how much money they need without running out of money or dying with too much.

One of the tools written about in Enough is the 'Bucket' mentioned by both Anthony Villis and Chris Bowmer in their articles.



FINANCIAL PLANNING 3.0,
Evolving our relationships with money. By Richard B Wagner

Financial Planning 3.0 looks at the evolution of money through when it was first invented to the power it has now. It analyses both money and the Financial Planning profession from the 'outside in' and the 'inside out'. It suggests resources and tools for working with money 'helpfully, healthfully, joyfully'.

Treating money as the most powerful and pervasive secular force on the planet and describing Financial Planning as the most important profession of the 21st century, Richard Wagner introduces the idea of 'Finology', a new and much needed academic discipline.

THE STETHOSCOPE AND THE IMPORTANCE OF COACHING

Over the last two centuries, the relationship between doctors and their patients has altered enormously. This change can be pinpointed to the invention of the stethoscope. The story of this simple tool shines an interesting light on the world of Financial Planning.

The Birth Of The Stethoscope

In the beginning of the 19th century, doctors had no way of examining the workings of a body that was still being used. Without any tools, the only way in which the doctor could gain information about the inside of the body was to ask the owner. The doctor – who in those days would visit the patient in their own home – would receive information about the patient from the patient. The body was like a sealed box. The doctor's diagnosis came from what they could see, and what the patient told them.

In 1816 a French doctor, René Laennec, uncomfortable with putting his ear to a lady's breast to hear her heart, rolled up a piece of cardboard and put it to her chest. Amazed at the clarity of the sound, he built a more robust version, and the stethoscope was born.

A fundamental change took place with the advent of the stethoscope. The doctor could now glean information about the body without having to actually ask the patient. This gave doctors additional information to that which the patient would give verbally, and began a fundamental change in the doctor/patient relationship.

For now, rather than the doctor asking the patient what was wrong, it was now the patient that went to see the doctor to find out what might be wrong.

Visiting The Doctor

In 2010 I went to see my GP with a 'muzzy head'. I walked from the car park to the rear of the centre, past the 4 parking spaces next to

the entrance reserved for the doctors. My GP (I don't have a specific doctor any more, I get whoever is on duty) gave me the allotted ten minutes to listen to my problem. The GP wanted to see inside my body, so I was sent for some tests. Two weeks later I returned, and my GP talked me through the results and was pleased to advise that there was nothing wrong with me. The ten minutes up, she rose to show me out the door. I remained seated. But there is something wrong, I said. I still have a muzzy head. The doctor was puzzled. Through my own researches (three clicks on the internet), I discovered that one possible cause could be depression. Pleased to have something tangible to treat, the doctor gave me a piece of paper entitled 'Depression Questionnaire' and asked me to bring it back in two weeks time. Sat at my kitchen table, I looked at the questionnaire. The first question was 'How many times a week do you feel like killing yourself?'

The Stethoscope and Cash Flow Forecasting

From the invention of the humble stethoscope have come advancements such as the MRI scan and the X Ray. As a result, a doctor barely needs to consult the patient at all in order to make a diagnosis. With the ability to scan the body, the doctors can diagnose problems that patients didn't even know they had.

Cash flow forecasting has improved Financial Planning in a similar way that the stethoscope changed diagnosis. We can now look inside

the financial world of our clients, build forecasts and create scenarios. Our advice has much greater meaning, helping clients to plot a path to objectives.

There is a danger that we become too focussed on the technicalities of the finances that we forget to listen – to really listen – to the client.

The Whole Person Approach

Back in the medical world, The Penny Brohn UK cancer centre has for many years advocated a whole person approach to treating people with cancer.

We have within us immune cells. These immune cells attack and destroy the cancerous cells. Conventional medicine provides the drugs that will attack the cancerous cells, however there is also much that we can do to help support the immune cells ourselves, including nutrition, exercise, mindfulness, reducing stress, and so on.

A decade ago this approach was viewed with great suspicion by the medical community. Now, however, the world of conventional medicine is realising that care can be improved if it is used as part of a wider approach to the patient's life. Listening to the patient and giving them time to talk means that the whole person is being treated.

Coaching THEN Planning THEN Advice

I believe that Financial Planners would also benefit from adopting a whole person approach. To do so we need to develop our interpersonal skills. Listening, challenging, questioning: these are skills that need to be learned.

Financial Planning and advice on products and tax are crucial, but the coaching element should come first. This allows the cash flow forecasting to plot a path to objectives that the client might not even have known was possible before they came to see their Financial Planner.

Our technical training means that when we see a client, we are invariably looking for a solution.

We should use coaching skills first to help us truly understand the client (and in doing so often help the client understand themselves better). Next we use planning (including cash flow forecasting) to plot a path to these objectives. Finally, we use our technical and product knowledge to give advice and help move the client along the path.

A break with convention

Back at my kitchen table, I realised that conventional medicine wasn't going to help me get better. By coincidence I was receiving business coaching, which helped me make changes to my life that cured my muzzy head. I not only trained to be a business coach myself, I started to adopt the skills into our financial advice process.

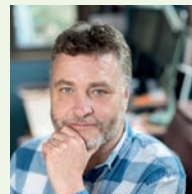
Create a financial plan to achieve a client's objectives and you get a far more loyal client.

Create a financial plan to achieve a future the client didn't know was possible until they came to see you, and you get ambassadors.

The invention of the stethoscope was a great leap forward for medicine. Perhaps the increase of interpersonal skills at the right point in the advice process can do the same for Financial Planning.

pennybrohn.org.uk

quivermanagement.com/interpersonal-skills-for-financial-adviser-and-planners



Chris Budd
Managing Director

Ovation
ovationfinance.co.uk

CLIENT MEETINGS

The number of client meetings and time taken differs from firm to firm as they adapt a Financial Planning process that works for them. The basic outcome and aim is the same: to gain a deep understanding of the client and to communicate the value offered by Financial Planning at the earliest opportunity.

First contact

The first contact with clients is critical and sets the tone for the relationship for the coming months and hopefully years. Regardless of the number of meetings that take place, each point of contact needs to be well thought through so that trust is built between the Financial Planner and client from the outset.

In over 700 conversations conducted with clients of Financial Planning practitioners over the last two to three years there is one piece of feedback consistent across all conversations. There is an overriding feeling of relief and happiness that these clients had met their Financial Planner. No other professional seemed to be held in such high regard, apart from the cases where accountants and lawyers had the foresight to recommend these Financial Planners to their clients.

700+ client conversations

It's clear trust is developed when clients are listened to. Really listened to. Very few Financial Planning clients in the 700, felt they had ever been asked about what was really important to them. By anyone, sometimes including their partners. There being no talk of financial products in the early stages of the relationship was always mentioned and contributed to the feeling of trust. Interestingly, only a handful of clients mentioned fees. Most claimed the financial planning service to be beyond value.

When developing or enhancing your Financial Planning service, it always pays to talk to your existing clients or those typical of the clients you would like to work with. Feedback is generally spontaneous and generously given, particularly when these people feel they would

do anything to help their Financial Planner. The person who has had such an impact on helping them achieve peace of mind. In most cases the trusted adviser had become a trusted friend.

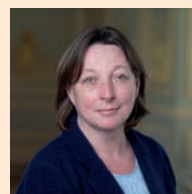
Preparing for meetings

Place is an important factor: offices should be welcoming, professional and well laid out; the welcome friendly and well thought through; the meeting area designed for a more relaxing conversation rather than boardroom style.

There are differing thoughts about what should be sent out for reassurance ahead of the first meeting but in general a checklist of what to bring is seen as helpful, also help with directions, parking, if the office is open plan some introductions to help make friends of what can sometimes be a sea of faces. It may seem obvious but in developing a personal trusted long-term relationship it is just as critical as how you spend the time in meetings.

One of the other interesting pieces of feedback from the 700 client conversations was the separation of the soft and hard facts. Many clients found it hard to talk about the emotional side of life and look at figures at the same time.

This becomes easier when the figures presented to clients relate to life plans.



Carrie Bendall

Business Development Consultant

Inspire

inspiredc.co.uk

DISCOVERY & PLANNING

Pre-appointment letter at least one week before the meeting

Our letter sets out:

- Time and place
- What to bring along e.g. statements, valuations, possibly a completed factfind
- Some consideration of what they are trying to achieve and get from the meeting using some “touchy/feely questions.”

‘Discovery’ Meeting

We have one Discovery meeting (see diagram for broad split of time.) This meeting is all about the client and we would normally limit it to a maximum of 1.5 hours. It is important to deal with soft facts first to determine what is important to the client. The hard facts questioning (if not done beforehand) usually provides further soft facts and a greater understanding of the client’s needs. On completing the soft and hard facts, we summarise what we’ve heard and check understanding, revisiting and questioning further to clarify if required. When we have agreed what the client needs, we explain the service we can provide and how it can help that specific client achieve their goals.

The fee structure will then be agreed in the context of the benefits and value we can provide and we will then agree the next steps.

Further documentation is provided as “homework” for clients to complete after the

meeting. This will include, a risk questionnaire, an expenditure questionnaire and various letters of authority to providers (all supplied electronically if requested.)

The Client Agreement will be provided following the meeting and we will not start work until this and the “homework” has been returned. Once we have all the information, we will then start our analysis and the compilation of the client’s Lifetime Cash Flow Forecast.

Planning Meeting

The next meeting is the planning meeting at which we show the client their Lifetime Cash Flow Forecast and various “what-if” scenarios, so they have a clearer idea of what their future will look like. During this meeting, we will discuss their life plans, their risk profile, their protection needs, the investment returns required and anything else that crops up.

Before the client leaves this meeting, we will have discussed and agreed the way forward so that our recommendation report/letter is just a confirmation of our discussions, with some justification for our advice. This is sent to the client with any supporting documentation, pre-populated application forms, an Authority to Proceed and return envelopes.

Future Planning Meetings

Future planning meetings are then entered into the calendar in line with the service level agreed, usually in 12 months’ time. Our experience is that clients are much more interested in their Lifetime Cash Flow Forecast graphs and how they are progressing towards their life goals, than they are about their investment performance.



Julie Lord
Chief Executive
Magenta Financial Planning
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MARKETING

We now have so many marketing tools, techniques and channels at our disposal, how do we know which to use and how to leverage them to our best advantage?

Start with the why?

The answer will differ depending on what your message is and to whom you are delivering that message. The first step in any marketing plan should be to go right back to basics.

1 Why? Brand Purpose

It's not about what you do; it's about why you do it.

In his book, 'Start With Why', Simon Sinek explains that every company on the planet knows WHAT they do. You might provide retirement advice, wealth management services or tax planning solutions. Explaining how we do WHAT we do is often used as a method of setting ourselves apart from the competition, our USP or differentiator. You might have an award winning investment proposition or a focus on client satisfaction.

Very few people, Simon suggests, can clearly articulate WHY they do what they do; what their purpose, cause or belief is. He argues that companies try to sell WHAT they do, whereas people buy WHY they do it.

You might already be completely clear about WHY you do the job you do, or you could feel you need to take some time to think about it in more detail. Your WHY needs to be authentic, it exists already but you may need to spend some time trying to re-discover it.

Once you are clear about your WHY it should form the foundation of your marketing. Tell your story, be transparent about why you do what you and those that share your beliefs and values will be drawn to you.

2 Who? Your Target Market

As well as considering your WHY, take some time to think about WHO you are talking to.

If you try and speak to everyone you are likely to be speaking to no one. What is your niche? Your reignited purpose is likely to guide your target market to a large extent but drilling down or creating buyer personas or avatars is a useful exercise.

You could start with your existing client bank. Who do you enjoy working with most, are there any characteristics or demographics common to your favourite clients? Who can you add most value for?

Once you know who you are talking to it is easier to tailor information to them, their needs and their preferences. It also helps to refine the list of marketing channels that will be most appropriate.

Those requiring advice on care fees planning for example are less likely to be Twitter users than first time buyers looking for advice on property finance.

3 How? Product Strategy

I have recently been lucky enough to work with entrepreneur and bestselling author Daniel Priestley. Through his company, Dent and its KPI accelerator programme, I was educated about the five P's in any business: Pitch, Publish, Product, Profile and Partnerships.

All five P's have relevance to any marketing strategy but I found Daniel's take on Product particularly relevant to my own marketing efforts.

Daniel sets out what he terms the Ascending Transaction Model and explains that if you want to build a successful business you need more than just a great core product, you need a product ecosystem.

It's worth noting that Daniel's definition of a product as something that is useful, valuable and packaged for sale. This would include services such as Financial Planning.

Daniel identifies four types of 'product' that make up the ecosystem:

Gifts

Gifts must be valuable and meaningful; they must be given freely and therefore relatively low cost to deliver. Examples include blogs, podcasts, guides or a free event.

Products for Prospects

A product for prospect should provide you with a route to sharing your ideas and philosophies with the world in exchanged for accurate contact information. Examples might include self-assessments, online courses or copies of research or reports.

Core Offering

A core offering provides clients with a complete solution to a problem they face. This is the traditional realm of a Financial Planner, providing a solution that implements a real change for a client.

Products for Customers

Designed to provide an additional service to existing clients; a logical next step that arises after their initial problem has been solved by your core offering.

Consider how your core offering fits within a wider product ecosystem and how different types of 'product' can support you in speaking to your target market about your WHY.

RESOURCE

The Seven Stages of Money Maturity: Understanding the Spirit and Value of Money in Your Life.

By George Kinder

In this book George Kinder, a Harvard-trained certified financial planner, demonstrates how lives can be transformed emotionally and financially by achieving "money maturity": a full understanding of the spiritual and psychological issues surrounding money.

George Kinder draws on ancient Buddhist wisdom and his years of financial practice to create a program that guides the reader through seven stages that help uncover the roots of our attitudes about money and attain peace, freedom, and security in our financial lives.

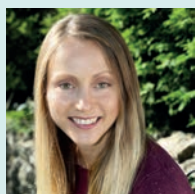
In this book that George Kinder lays out his well-publicised and powerful questions:

Imagine you are financially secure, that you have enough money to take care of your needs, now and in the future. How would you live your life? Would you change anything? Let yourself go. Don't hold back on your dreams. Describe a life that is complete and richly yours.

Now imagine that you visit your doctor, who tells you that you have only 5-10 years to live. You won't ever feel sick, but you will have no notice of the moment of your death. What will you do in the time you have remaining? Will you change your life and how will you do it? (This question doesn't assume unlimited funds)

Finally, imagine that you doctor shocks you with the news that you only have 24 hours to live. Notice what feelings arise as you confront your very real mortality. Ask yourself: what did you miss? Who did you not get to be? What did you not get to do?

kinderinstitute.com



Emily Macpherson

Founder and Chartered Financial Planner

Find Peace of Mind

findpeaceofmind.co.uk

THE CLIENT EXPERIENCE

There are two sides to the client experience: the actual process clients go through and the outcomes clients receive. Whilst the outcomes of Financial Planning are positive, the Financial Planning process can be initially daunting.

For most people, Financial Planning is difficult and complex, even when working with a Financial Planner. Consumers (and Advisers) may consider it simpler to stick to specific product related advice rather than dealing with something as nebulous as lifetime cash flow modelling. Financial Planning requires more thought, input and work from adviser and client alike. Compared to even a complex product transaction, Financial Planning can appear to be the harder route.

For clients to commit to the process of Financial Planning they need to be convinced the outcomes are better.

Financial Planning is still a relatively young discipline, and the comparatively small number of clients restricts the ability to undertake rigorous academic research, but that will change over time as more clients and advisers engage with the process.

Better outcomes aren't restricted to the amount of 'money in the bank'; there is a psychological value too. Clients say they gain a level of clarity they've never experienced before, allowing them to make better informed decisions - including the inevitable trade-offs between spending today and having enough money in the future.

Put simply, Financial Planning done well gives people more control over their financial future. People are empowered to shape a better future for themselves (and their families), with less angst and doubt along the way.

Here are some of the positive outcomes of the clients experience:

- Having a clear and detailed understanding of their current financial situation.
- Better articulating their desired financial future, and translating this into money - how much is enough?
- Having a realistic investment timeframe, and ignoring short-term volatility.
- Having an investment mandate that fits their objectives, real not imagined.
- Evaluating the real long-term cost of spending today versus saving for tomorrow.
- Striking a balance between living for today and living for tomorrow.
- Understanding the tax implications of their decisions, and planning accordingly.
- Ensuring adequate provision is made for the financial implications of death or disablement.
- Understanding the household budget.

Whilst these outcomes are positive, the process is somewhat different. In some focus group research by Dr David Lazenby in the United States with Financial Planning clients, the Financial Planning process was described as a combination of "dental exam, math class, and marriage therapy". Looking closely at what is involved we begin to understand why it can feel so that way.

The “Trigger”

What drives someone to seek financial advice in the first place is usually something very specific; a change of circumstances, a windfall, impending retirement, and in the client’s mind they’re looking for a financial product to solve their problem.

Most people prefer not to dwell on their finances, whereas Financial Planning is an invitation to do a ‘deep dive’ into everything financial in their lives. If they’ve never experienced it, then they won’t have experienced any of the positive outcomes associated with it.

Difficult conversations

Financial Planning takes people through a process where they are scrutinised to the point of discomfort, and an ongoing relationship with a Financial Planner means repeated scrutiny. It’s uncomfortable, and for many of us it also leads to embarrassment and guilt. We all know we should be doing something more responsible with our money we just don’t want to be told about it.

Part of the problem is that dealing with money and finances involves numbers. Financial Planners may be comfortable talking in percentages and fractions, but for many clients the language of money, finance and numbers is a foreign one.

Financial Planning involves getting more specific about the long-term future, something that humans don’t do easily. Research suggests we find it difficult to look further than 3 – 5 years out.

Working with couples adds another dimension; long term goals and objectives that they may not have previously discussed. Sometimes years will elapse before these goals and objectives can be fully agreed and adequately articulated. Financial Planning needs to remain flexible to accommodate change.

More rigorous Fact Find and Data Gathering

It is a challenge obtaining expenditure details, not just today, but projected well into the future. It means giving some thought to long-term care, and inheritance tax. Most clients don’t have all the information at their fingertips, and the adviser often needs to obtain current information from product providers. It’s a time-consuming process.

Financial Planning involves more effort from the Financial Planner too. Asking clients questions they’ve never previously considered can be challenging, as is pinning them down to an answer - and that’s before any analysis or planning begins.

Throughout the process the client still doesn’t fully understand what they’re going to get, no matter how well the planner has explained it. Several weeks may elapse until the results of the Financial Planning analysis are known, and it may be some weeks further before recommendations are made.

Presentation

If lifetime cash flow modelling software is used, the light begins to dawn when the client is presented with a picture of how their financial future is likely to unfold, and how adopting different strategies changes it. Involving clients in the modelling phase, allowing them to make changes and showing them how they impact the outcome, is where the process suddenly becomes powerful for them.

Ongoing

Financial Planning shouldn’t be regarded as a one-off experience. Using the analogy of sports stars and athletes Financial Planning involves a continuous process of fine-tuning and development for people who want to optimise their financial wellbeing throughout their lifetime.

It doesn't necessarily require an annual review, but a regular check up in the same way someone will check in with their dentist or doctor will keep them on track, and pick up on things that might be going wrong before it turns into a catastrophe.

These clients quote give the best possible indication of what the experience should feel like...

“As a business consultant I readily relate to the Financial Planning model – it's exactly how I work with my business clients and I see the value in working that way”

S.O. Berkshire

“Being able to see the cash flow model on the screen like that makes everything clear. I've never had this level of clarity before and I can begin to stop worrying and start living”

J.B. Surrey

“Having spent my whole life saving money, and now worrying about inheritance tax, you're showing me I can give some away whilst I am alive and I won't run out of money – that makes a change”

L.G. London

“It's a comfort to know that someone is looking at everything and can see our bigger picture – we value that aspect of the relationship more than the investment returns”

M.S. Berkshire

“Approaching retirement was a huge worry even with the annual Financial Planning reviews, but at each review the cash flow model has eased my anxiety and I finally took redundancy and felt safe”

P.F. Kent

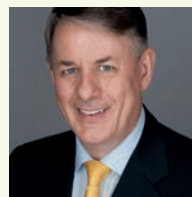
“So what you're telling me is, I can afford to retire – well I don't want to but it's nice to know I can”

M.V. Surrey

Convincing someone they need Financial Planning (compared to whatever it was they came to see you about) can be challenging.

I learned to have a script that takes the client on a journey from where they are now, to where they want to be, and shows that the journey is probably impossible without the structure of a Financial Plan.

It should leave the client feeling that Financial Planning is a 'no-brainer'.



Dennis Hall

CEO and Chartered Financial Planner

Yellowtail Financial Planning

yellowtail.co.uk

LIFETIME CASH FLOW MODELLING

Most Financial Planners put lifetime cash flow modelling at the heart of what they do. It's essential to their work and the advice they give their clients.

Not everyone agrees though this may be because there is still some mystique about what cash flow modelling is. This section explains what cash flow modelling is, the benefits of using it with clients, as well as the drawbacks.

In its simplest form, a cash flow model is a linear projection showing money and money out and the resulting cash balance.

A simple model can be constructed using a financial calculator but if you want to plot numerous points then you'll probably need to use a spreadsheet.

Today, simple spreadsheet calculators can seem pedestrian alongside the advanced cash flow modelling software that is readily available. Even 'free' tools targeted direct to consumers are more comprehensive than many of the spreadsheets being used by Financial Planners just a few years ago.

Direct to consumer modelling tools aren't able to compete with the most sophisticated cash flow modelling software available to Financial Advisers. Today's software will allow an adviser to model all but the most complex of client situations and to adjust the model going forward - incorporating changes to an increasingly complex tax code, ever changing pension legislation, and different savings and investment solutions.

Taking this complexity and being able to distil it into a pictorial representation of a person's lifetime cash flow is a valuable tool for Financial Planners and their clients.

Benefit

To simplify and forecast a complex lifetime stream of money in and money out, whilst accounting for things like inflation, taxation, and investment growth, gives clients huge advantages when it comes to making financial decisions.

Working with a Financial Planner who uses cash flow modelling to its fullest extent provides clients with the following:

- A clear and comprehensive summary of financial arrangements.
- An income and expenditure analysis, and the planning assumptions used.
- An understanding of where any shortfalls might occur and make appropriate plans.
- Defined goals and objectives, and putting a value on them - how much is enough?
- An understanding of what they need to do financially to achieve and maintain financial independence.
- Adequate provision for dependents in the event of death or disability.
- A consideration of the tax consequences of different strategies.
- The development of appropriate investment strategies for capital and surplus income taking account of their attitude to risk and the need for flexibility/accessibility.

Clients will benefit from greater clarity about their financial situation, enabling them to make better informed decisions.

Information

The starting point for any cash flow model is the data that is fed into it. Garbage in, garbage out.

Whether using a sophisticated software package or making “back of the envelope” projections, the accuracy of the data used in the model is crucial.

It doesn't mean you need to analyse expenditure down to each item, a consolidated expenditure figure will work well. When working with a client for the first time it's probably better to ask for data in its simplest form to avoid overwhelming them with the amount of detail being asked for.

To ensure financial goals are going to be achieved it is important for clients to be specific. Saying “I want to have enough money to retire comfortably” isn't a specific enough goal and you need to ask enough questions to discover how much income will be needed in retirement. The same applies for any other objectives they may have – they need to be specific. The more specific the information, the better the plan.

It's not only client data that needs to be accurate, the assumptions used to model the data are equally important. The default assumptions built into some software tools used differ significantly to those you and the client might be comfortable with.

Assumptions

All planning and analysis tools require the use of assumptions, and Financial Planning tools are no different.

Assumptions like inflation and investment growth rates are uncertain and can change over time. A client's plans may also change and this can significantly alter the planning assumptions used.

Using the wrong assumptions may lead to a financial plan that is unrealistic and unable to meet a client's desired goals and objectives. There are no set rules about which assumptions you should use but there are many commonly accepted rules of thumb

and historical data from organisations like the Office for National Statistics:

Inflation Rate Assumptions – Inflation affects both income and expenses. Typically, Financial Planners assume an annual inflation rate of 3% for basic models though older clients often experience a higher personal inflation rate than the rest of the population. More complex models may use several different rates of inflation for different types of income and expenditure.

Investment Returns – To calculate the growth of your investments over time you will need to apply an estimated rate of return. Returns vary across different asset classes and the underlying tax structure they are held. Cash is generally lower than bonds, which are generally lower than equities. Growth rates that might have seemed appropriate 10 years ago might be considered high by today's standards.

Life Expectancy – People tend to underestimate their life expectancy, and will often anchor on the age a parent or grandparent died. Life expectancy has been increasing over the past few decades and the average life expectancy is often higher than the age a client has in mind.

Tax Rates and Allowances – The government has repeatedly shown that you cannot rely on things to stay the same, especially when dealing with tax rates and allowances. Despite personal allowances and tax bands being frozen for some years, most assumptions allow for annual increases in line with inflation. Tax rates are typically held at current rates for planning purposes, but if the government decides to change rates the planning assumptions also need to change.

Drawbacks

A significant drawback with lifetime cash flow modelling is everything is assumed to travel in a straight line. Assumptions are averages that remain constant throughout time with no accounting for periods of negative investment returns or abnormally high inflation. To some extent this can be dealt with by Monte Carlo

simulations, but there is little evidence to suggest that Monte Carlo simulations are routine.

The assumptions used for growth rates, income and expenditure, taxes and so on, which are used as the basis of any cash flow modelling will always ultimately be wrong. Regular reviews and are required to ensure the client remains on track. It is particularly problematic the further out the projections are being made. Like a flight plan that needs constant adjustment to account for changing weather conditions, side winds and headwinds, a cash flow model needs to be adjusted each year to take account of any financial turbulence and changes in direction. The model is only ever a guide and reflects a snapshot in time. There are too many variables subject to change which prevent the model from accurately predicting future outcomes. The model is only as good as the information available at the time it is produced, it must be kept updated with the inevitable changes to a client's circumstances.

Tools

There are several cash flow modelling tools available to purchase (usually on a subscription model) but it is possible to construct simple models using a spreadsheet like Microsoft Excel. The most comprehensive tools available to Financial Planners are Truth and Voyant but there are others like MoneyScope which are cheaper and simpler to use.

Tools like **MoneyHub** and **RetireEasy** are available direct to consumers, and whilst not as comprehensive as Truth or Voyant they provide an indication as to whether a client's objectives are likely to be met and allow them to track progress over time.

There are also tools available from Product Providers that can be used to model specific events, such as retirement.

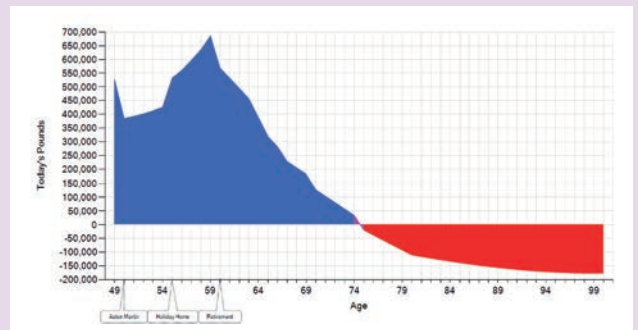


Image: Truth Software

Presentation

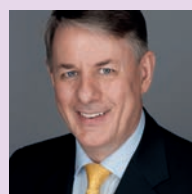
The power of these tools is in their ability to handle a lot of complex information and to turn it into a simple graphical output. For most clients' the simpler the output the better, but for those that want to interrogate the numbers it is possible to churn out reports running to a hundred pages or more.

If we want to use cash flow modelling to help clients take better decisions, the idea should be to present information as simply as possible. Using a single chart to show clients whether they will run out of money if they continue with their current plan is enough to start a conversation about making changes to improve the outcome.

Many Financial Planning tools have user groups where best practices can be shared and discussed, including the best ways to present plans and information to clients. Simple changes to the way information is presented can lead to greater engagement with clients.

moneyhub.com

retireeasy.co.uk



Dennis Hall

CEO and Chartered Financial Planner

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WHAT IT TAKES TO BE A GOOD FINANCIAL PLANNER

“The job of a planner is 95% people skills and 5% technical skills, but you need to know 100% of the 5% technical”.

Ten Qualities

- 1 Listening skills**

Did you really hear what the client said? Have you concentrated on their words and non-verbalisations? Have you understood, remembered and responded appropriately so the client really knows that you have heard?
- 2 Emotional intelligence**

Being able to see through a client's words and into their heart. Vital to this understanding is “we do not have the right to talk about your money before we understand what it needs to do for you”.
- 3 Fiduciary Mindset**

Acting in the clients best interests at all times is all about attitude, recommending action where there is a conflict (and there often is) must be easy to do. You can set processes (e.g. always repay debt before investing) but it must be automatic to always think this way.
- 4 Trustworthy**

There are many circumstances where the fiduciary relationship is tested but to be worthy of Trust requires it all the time - “ethics is what you do when no one is watching”.
- 5 Technical Expertise**

Ideally one would be an expert in all the things we need to do, but the complexity of today's landscape suggests this is unlikely. What you do need is to know when the limits of your knowledge are reached and to seek help.
- 6 Leadership**

Clients goals and thought processes are subjective by definition. They need an adviser to be objective acting as mentor and Trusted adviser, leading and not order taking.
- 7 Wisdom**

The ability to talk about what a client needs, not what a client wants requires an understanding of the client's real objectives. It requires an ability to have a discussion, or disagreement with the client.
- 8 Vulnerability**

The ability to say ‘I don't know’ is a start; it is more human and is likely to find deeper relationships with clients.
- 9 Consistency (fortitude)**

Sticking to a plan through thick and thin is hard; it is easier when a strategy to cope is created at the outset.
- 10 Ability to say no**

Find another good adviser in your area willing to take on the clients you do not work well with.



Chris Bowmer
Director & Chartered Financial Planner
Fortitude Financial Planning
fortitudefp.co.uk

(WHY) DON'T ALL FINANCIAL ADVISERS DO IT THIS WAY?

Like many people I came to financial advice in mid-life, arguably far too late. In my case it was triggered by my move from secure employment status in a large multi-national to self-employment.

Being salaried and in a defined benefits pension scheme meant that I had the default assumption of the equation:

Occupational Pension
+
State Pension
=
OK

But crucially, at that time nobody asked me to define or quantify “OK” by asking the question “How much is enough?”

My first financial adviser was fairly typical. I had to do something about my pension arrangements and he recommended that I move my existing pot to his tied insurance company. The rationale was predicated on the impressive investment returns, both historically and projected forwards. That was pretty much it. From time to time he sent me statements from the insurance company, which I studiously ignored, content that my pension was “safe”. After a few years, as the regulation of financial advisers began to bite, my man decided that he’d had enough and closed his business. Naturally I was annoyed but little did I know how fortuitous an opportunity it created.

I stumbled across the newly formed Fortitude Financial Planning not long after it had been established. I met Chris Bowmer and that was the start of a very different relationship with a financial adviser, or as I now know, to be pedantically precise, a Financial Planner.

Immediately I was struck by the amount of time and interest that Chris invested in unearthing the minutiae of my life and initially I was a little cynical. At this stage, investment financial returns were not even mentioned. He fed all my answers into a computer model and, for the first time I was engaged in a Financial Planning process and discussion.

Looking at a detailed income and expenditure plan through to the age of 99 is a sobering, yet comforting, experience.

I’ve now been with Fortitude for a long time. We now have an annual meeting to update and to assess progress by re-visiting the fundamental question of “How much is enough?” I had naively thought that this must be the modern way of doing things for all such financial advisers, oops sorry – planners. But last year, being part of the Fortitude Client Group I was shocked to discover that Fortitude are members of a rare breed of advisers and were defining “Financial Planning” as a unique selling point.

Rather dubious of their claim, I asked “USP? But surely – don’t all financial advisers do it this way?” Sadly not, and hence the title of this article, “(Why) don’t all financial advisers do it this way?”



Frank Donlon
Financial Planning Client

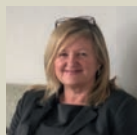
FINANCIAL PLANNING PRACTITIONER PANEL 2017/18

We are very grateful to our Panel of experienced Financial Planners who were appointed this September 2017 to offer guidance as the Personal Finance Society broadens its Financial Planning CPD programme and creates inspirational content to share good practice across the profession.



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