



Adviser insight: Giving a graduate a taste of financial planning

By [Andrew Reeves](#) | 00:01:00 | 23 September 2009

A graduate is coming to do a work-shadowing placement at your firm. What can you do to offer the best inside view, asks Andrew Reeves of [The Investment Coach](#)?

I took a call on Tuesday that was a little out of the ordinary. It was from an economics graduate, Dale Andrews, fresh from Manchester University with a year to fill before his postgraduate course. Dale is coming to The Investment Coach for a week to see how a financial planning business works.

Like many who work in the field of financial advice, I have concerns about the new talent coming through, specifically the low numbers. I first became aware that the industry needed to improve its image when I went to my old school's recruitment fair to run a stand on financial advice. Next to the stands covering the legal, accountancy, medical and media sectors, it was obvious from the level of interest that at grass-roots level our industry has some way to go on the public relations front.

Addressing the need for talent

With a nod to the Institute of Financial Planning's Financial Planning Week, I have offered to speak to the sixth form at a local school. For someone who enjoys presenting I am still a little apprehensive. I suspect the audience will be less than 100% receptive. This has got to change, though, to keep pace with the times.

Personal finance and personal accountability have never been more important. Witness the lack of jobs for life and diminishing final salary pensions. Along with climate change and energy efficiency concerns, personal finance should be a key skill imparted to the current sixth form generation.

The young need financial tools with which to engage. The cut down Prestwood software available to schools is a good start, as is the website www.moneysavingexpert.com. However, the budgeting process needs to be automated in a way that makes it more fun. I was close to designing something myself when I found www.yodlee.com, which aggregates most online bank accounts and automatically drills into credit card statements to create spending pie charts and the like. It is very impressive.

A coaching plan that gives value

Dale starts next week, unpaid but keen as mustard. Where do I start? How best to give him value?

I will show Dale the level of detail I would have wanted if I could have restarted my career in providing financial coaching.

1. I will show him our client process. This is essential and something I always try to understand with my industry colleagues/friends. It took me two years to find the right solution for us, having tried countless back office systems. This will give him a deeper understanding of the nuts and bolts leading up to and beyond the initial advice.

I am presenting next month to Paradigm members on this process so I will appreciate the dry-run with someone taking a fresh look.

2. I will run a role play of a client meeting with him. Work shadowing a real client meeting would put the client on edge and there are clearly some compliance issues with that.

3. I will run him through a lifetime cash-flow forecast to a point where he has a meaningful output. I will let him play with the parameters so he can see the dangers with such software – small changes in assumptions make a massive impact for the younger generation.

4. I will show him our investment process and our views on wrap accounts.

5. We will discuss remuneration models and profitability, and I will ask his opinion on how much he would pay for various services with little insider knowledge. Where did the standard 0.5% trail come from anyway?

6. I will ask his opinion on what we call The Investment Coach Lab projects. For example, the usefulness to be able to pay advice fees by credit card via Google.

7. Above all we will discuss marketing. He can teach me something here, no doubt. I am thinking of Twitter, LinkedIn, URL shorteners that track click-throughs, video chat (with written transcript), podcasts, Google Latitude (which would pinpoint on a map where the client's adviser is 24/7 based on their mobile phone GPS. Probably too radical for most!) , as well as press and online presence, etc.

All this will lead up to his article for this magazine in response to his first look at the world of financial planning. Watch this space. It will be a point of interest on his CV, whatever happens.

Andrew Reeves is director of The Investment Coach (www.theinvestmentcoach.co.uk). He is a chartered financial planner, a certified financial planner and was the first UK adviser to be certified to ISO 22222. Visit www.cii.co.uk for qualifications details.

Comments (1)

James Wetherall - Nice to hear

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Good to see someone else welcoming young people into the industry.

There certainly aren't many firms that do. Everyone seems to be aware of the looming crisis when all the old guard retire over the next ten years, though few seem to want to do anything about it.

I look forward to hearing more from you on this one