The IFP Paraplanner Guide

Job Role and Skills Workshop 2010

Institute of Financial Planning

CFP Certification – *Global Excellence in Financial Planning*™

Contents

Appendices

Welcome

The Institute of Financial Planning – The leading provider of Financial Planning training in the UK

The Institute of Financial Planning (IFP) is the UK professional body of those committed to the development of the multi-disciplinary profession of Financial Planning. Our training programmes and events are specifically designed to develop your knowledge and skills as a professional Financial Planner or paraplanner and have been fine tuned over the years to ensure that they deliver just what you need. Many will progress towards obtaining the prestigious Certified Financial Planner[CM] Licence, the highest global standard in Financial Planning.

No longer are paraplanners simply technicians providing support services. The IFP recognises the difference that paraplanners can make within so many successful Financial Planning businesses. Despite this, there is a lack of appropriate training options designed specifically to meet your needs. There are plenty of exams that will test your technical knowledge around pensions, tax, investments etc. So the IFP Paraplanner Workshop was introduced to help develop your skills as a paraplanner, it helps you to apply your technical knowledge to areas such as assessing client goals and objectives, the client review process etc. which "traditional" exams and training providers tend to overlook.

The Financial Services Authority (FSA) is raising the bar on qualifications and on professionalism. Consumers too are now demanding the highest standards from those businesses they choose to work with. Financial Planners are realising the significant business benefits of providing a true Financial Planning service using a team approach. Specialisation can help improve the efficiency of the business with greater client retention and satisfaction occurring as a result.

There are so many ways that IFP can help you enhance your career. We are working with other organisations to develop a paraplanner qualification. We have also developed a paraplanner job profile to clearly highlight the key competences required for the role, which sets out not just the functions of the role but also the skill set required for an individual to undertake those functions.

Of course all our events and workshops provide appropriate structured Continuing Professional Development (CPD) opportunities for your own career development plans. There has never been a more important time to take your career development seriously and we at the IFP are ideally placed to help you. This guide covers our paraplanner workshop but don't forget we have a programme for regional and national conferences and events as well as regional branch meetings all of which are designed to help you. I am sure that you will find them of interest and wish you well as you develop your career whether that is as a paraplanner, or in due course, a Financial Planner.

Nick Cann CFP
Chief Executive, IFP

The Role of the Paraplanner

Introduction

The role of paraplanner is relatively new and has not been clearly defined until now. For some paraplanners, the role is a stepping stone to becoming a Financial Planner, for others it is a career in its own right.

Paraplanner Job Role

It is assumed that a paraplanner is not authorised to give investment advice, that the Financial Planning practice comprises one or more of the following:

- Financial Planners who are CFP Professionals
- Paraplanners
- Administrators

It is recognised that there will be differences but the following job role is based on this model which can be easily adapted to other arrangements.

It is important that the Financial Planner, paraplanner and administrators work well together as a strong team, offering assistance to clients irrespective of whether or not the Financial Planner is available.

The paraplanner role may be broken down into four key parts:

A. Preparing and maintaining the client file
B. Preparing recommendations
C. Implementing recommendations
D. Review

A. Preparing and maintaining the client file

Generally the Financial Planner should collect the qualitative information (client attitudes, life goals etc) leaving the paraplanner to collect all the quantitative detailed information required to compile a financial plan. The paraplanner may attend client meetings. Specific activities include:

- Check all compliance paperwork is present
- Confirm client risk profile is determined
- Discuss client objectives with planner
- Identify and obtain the information necessary to compile financial cashflow forecast
- Compile draft net worth statement; income and expenditure statements and financial cashflow forecast and discuss with planner

B. Preparing recommendations

- Identify areas for planning

- Undertake research both independently and with the Financial Planner to identify suitable solutions to meet the clients needs
- Prepare information/comparisons for analysis by planner
- Liaise with client's legal and tax advisers (if applicable)
- Consider current and future allocation of assets for investment strategy with regard to client risk profile
- Prepare draft recommendation reports to be discussed/signed off by planner

C. Implementing recommendations

- Prepare suitability letters in accordance with the agreed recommendations
- Complete application / proposals forms
- Ensure all compliance paperwork is in order
- Make changes to clients' investments as instructed
- Implement the chosen investment strategies

D. Review

- Act as main point of contact and deal effectively with queries from clients and other parties through effective communication
- Establish and build strong relationships with clients and attend client meetings with planner if required
- Organise future planning meetings with client
- Review investment portfolio, asset allocation, risk profile etc
- Send planning figures to client for update and revision in preparation for next meeting
- Initiate review meetings with clients

Key skills/Experience required

Essential

- Understanding of the Financial Planning process
- Able to work within defined business processes
- Ability to achieve agreed outcomes without supervision
- Prioritise and plan own workload
- Detailed and accurate
- Articulate
- Excellent inter-personal skills, both written and verbal
- Ability to multi-task and prioritise effectively
- Good IT skills
- Good report writing skills
- Ability to work independently and in a team

Desirable

- Broad knowledge of financial services world
- High level of technical knowledge

Qualifications

Essential

- Appropriate Examination for Advising on Packaged Products (Certificate in Financial Planning / Certificate for Financial Advisers)
- Taxation (J01)

Desirable

- Trusts (J02)
- Investments (IMC)
- Other technical areas (Pensions, Long-term Care)
- Certified Financial Planner Certification

IFP Paraplanner Skills Workshop

Paraplanners not only provide crucial support to Financial Planners but they help to ensure that the overall Financial Planning process is as smooth and effective as possible for the clients of the firm.

Exclusive to the IFP this two day workshop is based around the job competences of a paraplanner. Refreshingly, it moves away from the more traditional technical content. It provides delegates with a comprehensive understanding of the Financial Planning process and more particularly, skills required to successfully fulfil the role of a paraplanner within a Financial Planning business.

This unique workshop is highly interactive with delegates being encouraged to take the opportunity to learn from each other during the various group based activities. A suitable period has been allowed between each workshop to ensure delegates can put into practice their new found skills under supervision.

Day One:

The day begins with a comprehensive overview and explanation of the vital six step Financial Planning process and the key functions of that process that are performed by the paraplanner.

Step One	Identifying financial objectives or problems
Step Two	Collecting and assessing all relevant personal and financial data (including attitudinal data)
Step Three	Processing and analysing information
Step Four	Producing a written plan which describes how to make the most effective use of financial resources to meet the agreed objectives
Step Five	Implementing the plan
Step Six	Reviewing progress and modifying the plan, as necessary, to take account of changed circumstances

The key skill focus on day one is the use of Financial Planning calculators. IFP considers this to be a fundamental requirement for Financial Planners generally and for paraplanners in particular. The session on financial calculator fundamentals forms the foundation for the case study work completed during day one.

Day Two:

Day two reinforces the key learning points from the previous day and extends the range of Financial Planning awareness. Delegates will consider key issues such as client goals and objectives identification and risk analysis. As in day one, delegates work through a client case study in order to practice their skills and identify/develop the level of knowledge required at particular stages of the six step process.

Day two also develops the skills learned in the use of Financial Planning calculators by demonstrating how delegates can perform these same tasks using Microsoft Excel. Delegates are shown how to construct simple Financial Planning spreadsheet templates in order to perform a series of "what if" scenarios, which can be very useful back in the office.

Summary

On completion of this workshop delegates will be able to:

- ✓ Understand the Six Step Financial Planning process
- ✓ Produce a client specific net worth statement and income and expenditure statement
- ✓ Recognise the interplay between a client's stated objectives
- ✓ Identify the assumptions that will be required to produce a client specific plan
- ✓ Produce initial calculations using a financial calculator
- ✓ Practise Financial Planning analysis using Microsoft Excel

Please note: this workshop does not cover specific product recommendations.

Entry Requirements

- Minimum of FPC, Cert FP, CeFA; OR
- One year's experience of working within a Financial Planning business.

Paraplanner Workshop
Dates, Venues and Fees

Paraplanner Workshop 2010 Dates - Bristol		
Day One	18 May	08 September
Day Two	15 June	12 October

Paraplanner Workshop 2010 Dates - London			
Day One	17 March	07 July	17 November
Day Two	07 April	04 August	01 December

Although we would encourage delegates to attend both days at the same location, it is possible to take day one and day two at separate locations.

Confirmation of the venue will be sent to delegates a minimum of one week prior to the workshop.

Paraplanner Workshop 2009 Fees		
	IFP Member Rate	**Non-Member Rate**
For a single day	£250.00	£300.00
For both days	£400.00	£500.00

Included within the price of this workshop is the cost of a financial calculator. VAT is not applicable and travel or accommodation must be booked independently.