

# The Role of the Paraplanner

## Introduction

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

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<sup>CM</sup> 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.

## Paraplanner Job Role

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

