COACHING
AN INTEGRAL PART OF OUR ADVICE PROCESS

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At Old Mutual Wealth, we have a team of financial planning coaches that train financial planners and help them to have a coaching conversation with their clients. This helps them talk to their clients in such a way that the client is able to really elicit the life that they want to plan for and get an idea of how their money can best support them to plan for the life that they want.

A planner that understands their role as their client's financial coach will help them to answer those questions rather than allowing their views to influence them into a direction, they think is best for the client.

WHAT IS COACHING?

Coaching is not psychotherapy or counselling, as these focus on resolving deep psychological and emotional issues for clients. It also does not fulfil the role of being a mentor. Financial planners also often confuse mentoring to be that of "coaching" their clients. This comes as no surprise as most planners are comfortable to impart their technical skills in the form of knowledge, advice and teachings to their clients. Planners also then recommend solutions and outcomes that are based on their interpretation of the facts and figures which are collected, analysed and presented to the client.

Coaching moves into the realm of interpersonal and relationship building capabilities. Here, facilitating and demonstrating empathy, good listening skills, good questioning skills, emotional intelligence and building rapport with clients are key.

Quite simply: Coaching is a conversation. It is a conversation that has an impact on the individual and it engages with the client directly. It helps clients to think through situations, gain clarity and insights around these situations and to ultimately move forward to achieve a specific outcome/goal. Coaching is therefore the best method of taking a client on a journey from where they are now to where they want to be.

The coach is merely the facilitator, the guide, the custodian, the steward and often the partner of the client as they are visually guided on this journey. A good coach will make the client the driver and will allow the client to navigate a clear path to reaching the ultimate destination.

WHY COACHING?

When it comes to talking about money, we often feel strong emotions, even stress. When we feel stress, our limbic system takes over and we can't think rationally. This happens to all of us, no matter how self-aware we are. We ask ourselves, "Should I go offshore? Or save more money? Should I cash in all my pension funds?" All too often these questions come from things we've read or maybe heard other people talking about.

A planner's role is to help clients through this; to hold up a mirror so that clients can see what's really going on. By asking questions that makes sense in the moment they are able to strip out the emotion and talk to the facts rather than assumptions or rumours. In short, coaching helps to bring clients back to a place where they can make good decisions and manage their behaviour around money.

COACHING AS PART OF THE ADVICE FRAMEWORK

At Old Mutual Wealth, we have entrenched coaching into the advice process, including the tools and solutions that planners deliver to their clients. We have developed a client engagement process which makes up part of the advice-led Integrated Wealth Planning proposition. We have made our advice framework available as part of the value proposition we offer to financial planners. This proposition is already successfully used by accredited financial planners. The concepts developed are based on robust, tested and proven international best practice standards which is continually reviewed to stay current and relevant. What we have accomplished is for planners to overlay the advice framework with the "softer skills" of coaching. These skills will automatically incorporate and help planners engage with clients on a much deeper level, helping the planner to differentiate themselves effectively as part of the value that they offer their clients.