

**Stephen O'Connor, Board Practitioner Investment Advice**

**Financial Advice New Zealand**

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Kia Ora/Good Morning all

My name is Stephen O'Connor and I am the Financial Advice New Zealand Practitioner Director for the Financial Planning and Investment Sectors.

I want to take a few minutes this morning just to discuss what I believe you should be doing to reassure your clients during these difficult times.

We know we are in difficult times when as of today, which is St Patrick's Day, the pubs in Ireland have all been closed and so the St Patrick Day celebrations will not take place this year in Ireland. So, we know that something is definitely going on when that sort of thing happens!

We are also being encouraged to socially isolate or socially distance ourselves at the moment but the last thing that we need to do is distance ourselves for our clients who no doubt are feeling somewhat anxious and uncertain with the volatility that is occurring in the financial markets as a result now of the widespread spreading of the coronavirus around the globe.

So, what should we be doing to reassure clients or what is our role in this situation?

Clearly as a financial adviser you will be looked at to provide reassurance to your clients and there will be a lot of different circumstances too. You will have clients that have been with you now for a number of years and those clients will probably be quite relaxed and have been through difficult situations before. They may not even be concerned at all however you will have clients that have only come on board in the last couple of years and they will certainly be looking for some sort of reassurance as they won't have encountered a period like this.

So, as an adviser I believe that your key role is to be a guide in this landscape which is continuously changing.

I was listening to a couple of videos over the weekend that Karl Richards produced called "The Guide to Scary Markets" and you may want to google that. If you google The Guide to Scary Markets by Karl Richards and watch those videos you may find them of some help. I'll use some of the information that he provided.

In essence it's important to make contact with clients to be proactive so that they know firstly that you are thinking of them and also secondly that you're on top of things or that you are at least keeping an eye on things and looking to provide them with information. So, whether that be via a global email to clients and then perhaps contacting individual clients one on one particularly those that are newer.

When you are talking to clients one of the key things is to absorb the clients concerns with empathy. It's ok to be professionally candid but you need to absorb their concerns and empathise with them.

Then of course the key things are to remind the clients and refocus them on their goals and their wishes that they would have provided or you would have agreed to when you prepared their financial plan or their investment plan.

I think you also need to reinforce the process that you went through and when you constructed the portfolio to ensure that nothing has changed and if that is the case then of course the best advice to the client is to stay the course. But again, it is the empathy that you need to show and to provide to the client to absorb the uncertainty and concerns that they have.

Remembering that those of us that have been through a number of downturns in the market before we know that things will get better and that diversification will ultimately get your clients through this.

Lastly before I finish, I want to just also remind you that you have to look after yourself as well so it's not just about looking after your clients, it's important to look after yourself as well. You need to manage the situation which can be stressful and the keys to managing stress are obviously eating well and getting some exercise and ensuring you get sufficient sleep.

If you need to you should get in touch a colleague to talk through the situation because sharing the situation always makes it easier. Hopefully your managing ok.

Hopefully you stay healthy yourselves and you also manage to guide your clients through this difficult situation.

All the best to everybody as you navigate this difficult time and don't forget if you are having difficulties then get in touch with either a colleague or get in touch with us at Financial Advice New Zealand.

Thanks everybody and have a great day.