

**Pathways**

*Your career in financial planning*

Your career in financial planning:

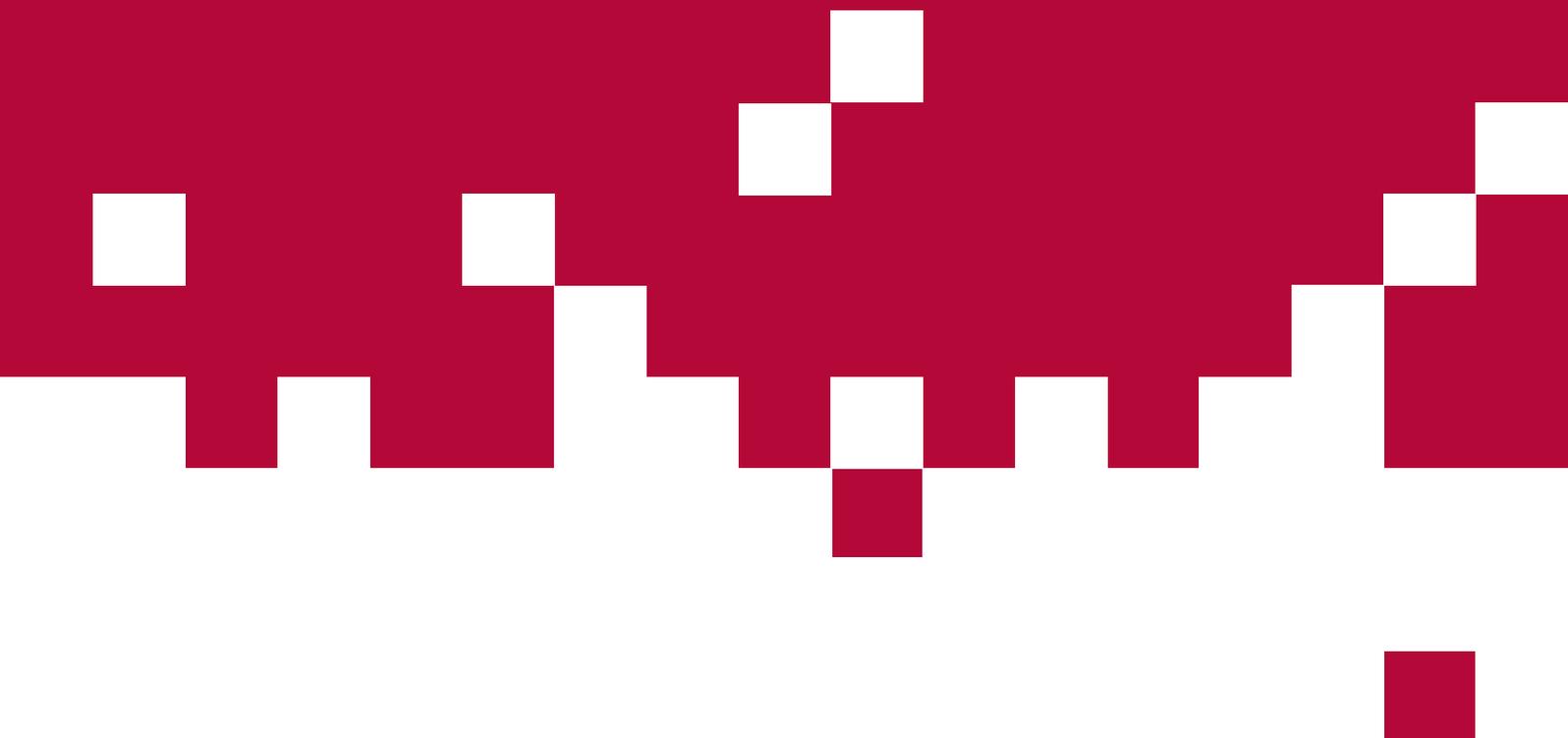
# manager's guide

**The Personal Finance Society**

*Standards | Professionalism | Trust*

**“ It is hard work and there are some long days but I absolutely love what I do. Financial Planning presents a lifetime of opportunities and it is both financially and personally rewarding. If you are interested in a career in this ever changing industry, I advise you to talk to people, get some experience and – if you are still interested – join a professional body and get qualified. Create, invest and enjoy your wealth by helping your clients do the same. ”**

**Karthica Underwood**  
APFS  
Chartered Financial Planner



# Manager's Guidebook

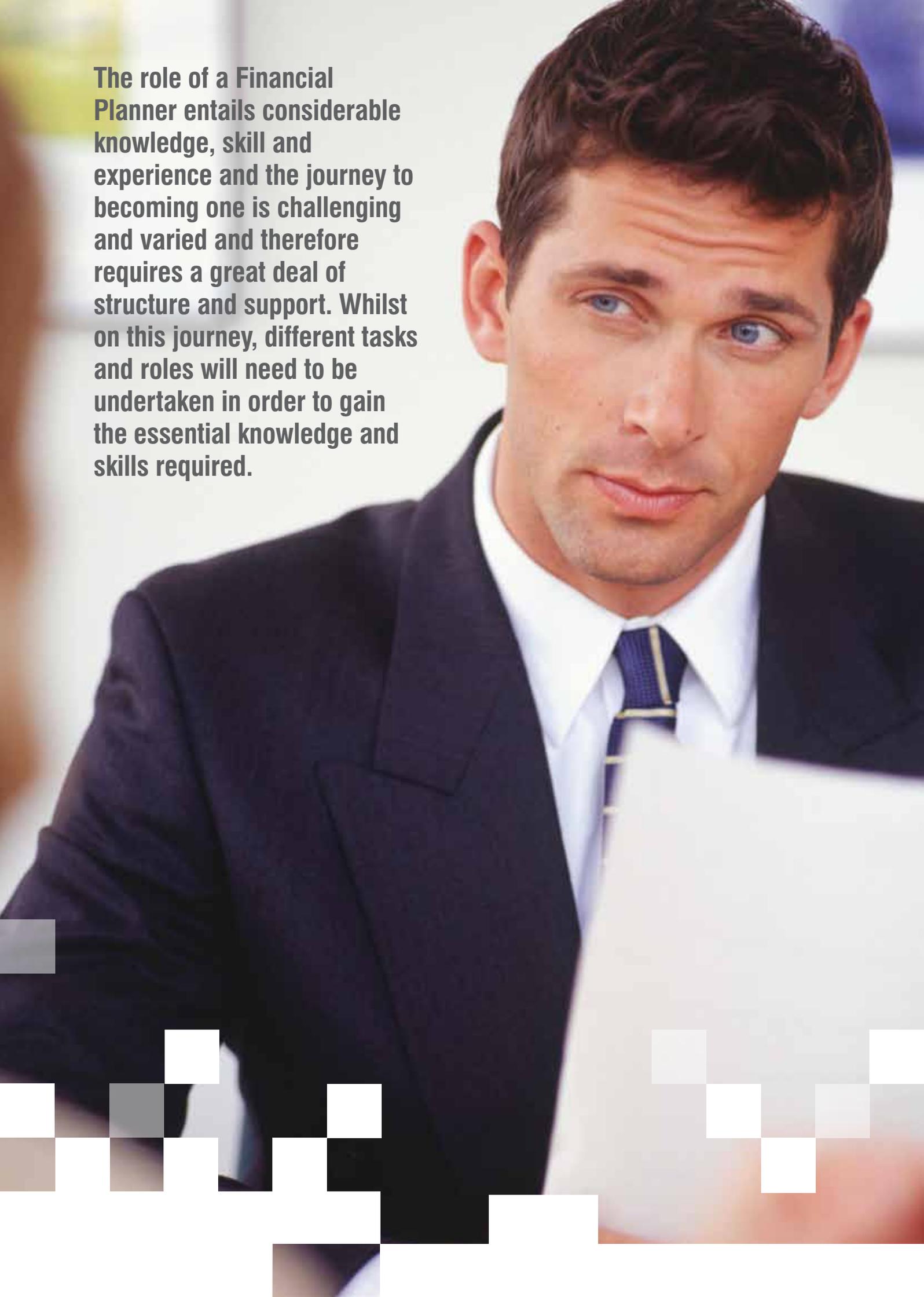
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**PLEASE NOTE:**

Website references throughout this guide were correct at time of publication.

**The role of a Financial Planner entails considerable knowledge, skill and experience and the journey to becoming one is challenging and varied and therefore requires a great deal of structure and support. Whilst on this journey, different tasks and roles will need to be undertaken in order to gain the essential knowledge and skills required.**



# 1.0 Introduction to the Manager's Guidebook

## Contents:

- **About the Manager's Guidebook**
- **Role of a Financial Planner**
- **Role of a trainee Financial Planner**
- **What sort of people make suitable trainees?**
- **Recruitment**

## About the Manager's Guidebook

The aim is to provide guidance on the best way to train and develop trainees who want to become financial planners. This is the companion volume to the shorter Guidebook specially written for the trainees themselves.

In this Guidebook we use the terms 'planning' and 'advice'. 'Planning' describes a holistic, ongoing process whereas 'advice' can focus on a client's immediate financial needs. Both entail a comprehensive analysis of a client's situation and do not necessarily include a recommendation for a financial product. We use the term 'financial planner' to describe a person engaged in financial planning and advice.

## The Role of a Financial Planner

### Purpose of role

Financial advisers provide clients with advice on financial matters, making recommendations on ways to best utilise their money and plan for significant lifetime events.

### Key tasks:

- contacting clients and setting up meetings, either within an office environment or in clients' homes or business premises;
- conducting in-depth reviews of clients' financial circumstances, current provision and future aims;
- analysing information and preparing plans best suited to individual clients' requirements;
- researching the marketplace and providing clients with information on new and existing products and services;
- designing financial strategies;
- assisting clients to make informed decisions;
- researching information from various sources, including providers of financial products;
- liaising with other professionals, such as estate agents, solicitors and valuers;
- keeping up to date with financial products and legislation.

The role of a Financial Planner entails considerable knowledge, skill and experience and the journey to becoming one is challenging and varied and therefore requires a great deal of structure and support. Whilst on this journey, different tasks and roles will need to be undertaken in order to gain the essential knowledge and skills required.

During this phase, a Trainee Financial Planner will support and assist an existing Financial Planner and carry out a number of different tasks in the process:

## The Role of a Trainee Financial Planner

### Purpose of role

To undertake the role of administrator and paraplanner while developing the competencies of a financial planner.

### Key tasks:

To support financial planners with:

- Product research
- Diary management
- Obtaining product key features using internal systems and software, provider intranets and the internet
- Liaising with product and investment providers
- Processing applications for products and investments by post or via the internet
- Client administration
- Producing draft reports and suitability reports
- Administering client files
- Documenting client meetings
- Providing support for client meetings including schedules, valuations, key features documents and other information/documentation
- Updating and using the back-office systems
- Commitment to a Personal Development Plan consisting of private study for examinations and the development of practical competences to become a financial planner.

## What sort of people make suitable trainees?

The term 'trainee' covers both graduate recruits and high-calibre graduate-quality recruits who may not have attended a college or university. So a trainee might be someone with A levels or they might already be in employment and have decided to change career. A range of skills as well as academic ability are necessary to become a successful financial planner.

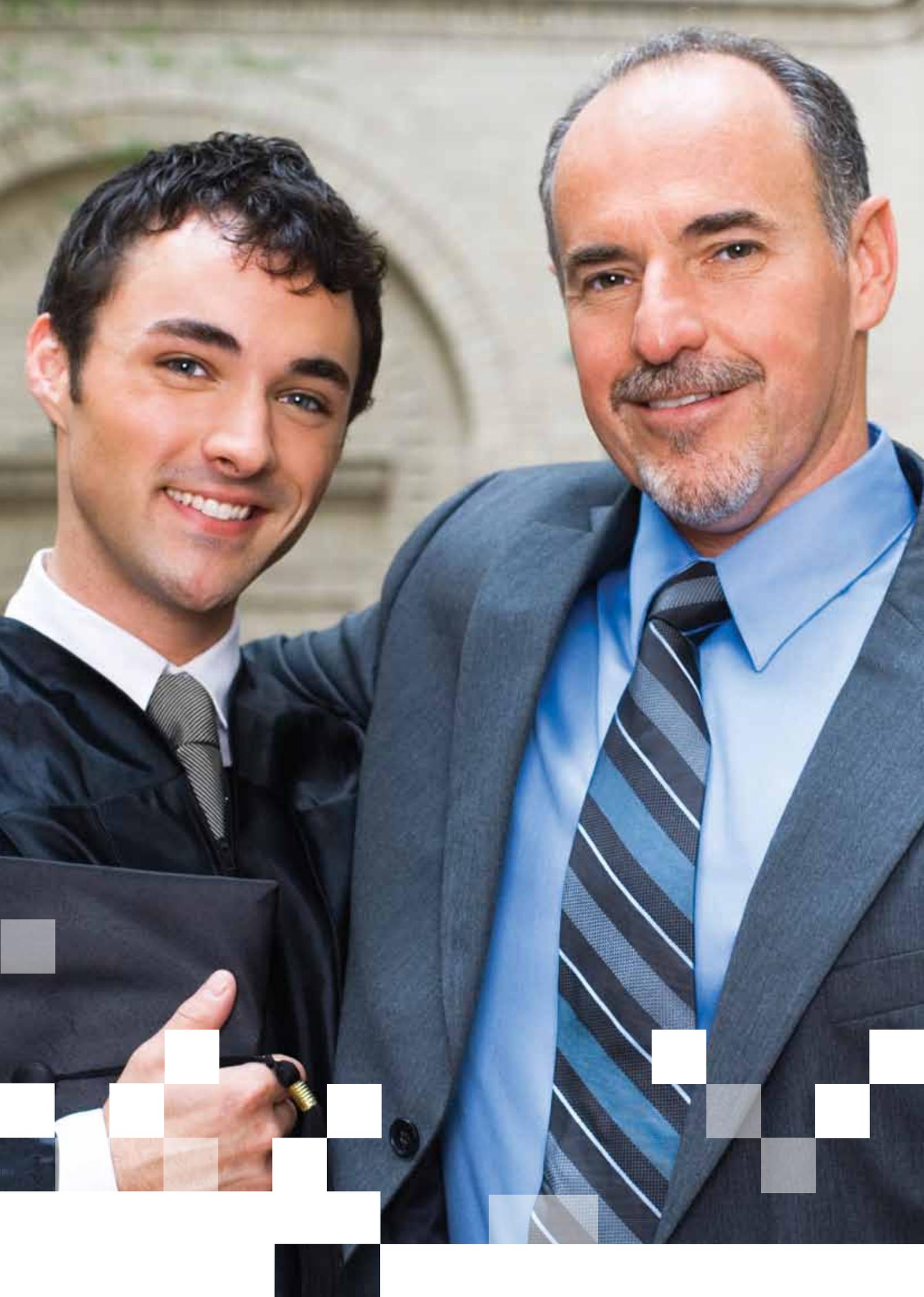
## Recruitment

Recruitment can be challenging. The best-planned training programme will be ineffective if the business recruitment policy fails to deliver trainees of the right calibre.

Recruitment mistakes cost time and money. Despite this, many firms select on the basis of their instinctive reaction to potential recruits, rather than a rigorous analysis of what qualities the job requires and whether the candidate has them. Liking the candidate, though important, is not enough.

It is worth remembering that potential recruits may have a choice about whether to join an employer. So they should be treated professionally and with respect.

The recruitment process is an important step and is covered in a separate Recruitment Guide.





# 2.0 Pathway Overview

## Contents:

- **The key stages of trainee development**
  - **Stage 1 – Induction**
  - **Stage 2 – Adviser Training**
  - **Competent Adviser Status**
- **Professional Qualifications**
- **The Personal Development Plan**
- **Timescales**

The process of developing a trainee through the main stages of their programme should be carefully planned and managed.

## Key stages of trainee development

Trainees have to pass through two key stages of development before they can become fully competent financial planners.

### Stage 1 – induction

During this stage, the trainee will gain knowledge and experience by, typically, acting as an administrator for one or more financial planners.

Administration is a major part of the activity of a financial planning organisation. The administrative function is an essential step to understanding all aspects of the business and advice process.

In commencing study for the required Professional Qualifications\* e.g. Diploma in Regulated Financial Planning, the trainee will gain a general understanding of the financial services industry and the planning and advice profession.

The training given in the business during this period will be broad-based and will complement the trainee's study towards the Diploma in Regulated Financial Planning.

### Stage 2 – adviser training

During this stage, the trainee will probably be given increasing amounts of responsibility and may take over more advanced administration and commence paraplanning work.

A paraplanner will generally work with a financial planner and complete a number of the non-client facing tasks involved in preparing and administering a Financial Plan or Report for a client. Being a paraplanner is an excellent way to learn about the process of financial planning and giving advice.

During this stage the trainee will also complete their Professional Qualifications\* e.g. Diploma in Regulated Financial Planning which will widen their generic knowledge in the different aspects of financial planning.

**Remember that under FSA Training & Competence regulations, the trainee is NOT allowed to provide advice to a client unless they have successfully completed as a minimum, the R01 unit of the Diploma in Regulated Financial Planning. Even after this is attained, any direct client contact must be closely supervised.**

\*See page 11 for details regarding Professional Qualifications

## Competent Adviser status

Once the trainee has attained the Diploma in Regulated Financial Planning **and** been assessed as competent in all the relevant key areas, they can receive Competent Adviser Status. At this stage they become a fully fledged Financial Planner and can provide advice to clients.

Attaining the required qualification is necessary to achieve competence, but it is not enough by itself – either for the purposes of the FSA, its training and competence rules, or to act as a successful planner.

Financial Planners will also need to keep up to date with the tax, legal, product, investment market and all other relevant changes within their profession. They may also want to consider taking specialist qualifications and/or register for work-based learning that can lead towards university qualifications. This will include fulfilling the FSA's Continuous Professional Development (CPD) requirements.

However, a Financial Planner's ultimate aim should be higher than the Diploma in Regulated Financial Planning. After they are assessed as competent, they should be encouraged to go on and take the Advanced Diploma in Financial Planning, aiming for Chartered Financial Planner status.

### Chartered status: the mark of professionalism for financial planners and their firms

Chartered status reinforces the importance of professionalism in a fast-moving and competitive market. It also helps place the financial planning sector on a par with other professions, such as accountants and solicitors and distinguishes holders from their competitors and peers.

Chartered status is increasingly being recognised by consumers (both individuals and businesses) as a mark of professionalism.

For more information on advanced qualifications and Chartered Status please go to [www.cii.co.uk/financialservices/qualifications](http://www.cii.co.uk/financialservices/qualifications)  
[www.cii.co.uk/chartered](http://www.cii.co.uk/chartered)

## Professional Qualifications

**The FSA requires all Financial Advisers/Planners to hold an appropriate qualification in order to provide regulated financial advice to clients.**

**The Chartered Insurance Institute (CII) has created a qualification to meet the FSA appropriate exam standards and the Diploma in Regulated Financial Planning covers the six required subject areas, as identified by the FSA, in modular format:**

R01	Financial Services, Regulation & Ethics	R04	Pensions and Retirement Planning
R02	Investment Principles & Risk	R05	Financial Protection
R03	Personal Taxation	R06	Financial Planning Practice

To complete the Diploma in Regulated Planning all six units need to be passed, but holders of the first unit R01 are authorised to advise under supervision whilst they work towards completion of the full Diploma.

The Diploma in Regulated Financial Planning is modular in structure, with R01-R05 being multiple choice papers and R06 being a written paper.

Further information regarding CII qualifications can be found in the Additional Resources section of this guidebook or on the CII website [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)

N.B. This guidance is based on CII qualifications but there are equally relevant qualifications from other awarding bodies.

## The Personal Development Plan

The document providing the structure and outlining the process for the trainee's pathway to becoming a Financial Planner is the Personal Development Plan (PDP). This sets out more details on:

- The induction period
- The advice training period
- The trainee's undertakings
- The employer's undertakings

## The timescale of the traineeship

FSA rules stipulate that trainees have 30 months in which to complete an appropriate qualification, from when they start advising under supervision – **not when they start a training programme**. In order to advise under supervision, individuals will need to be authorised by the FSA as an approved person and hold a relevant regulatory module, e.g. R01.

How long the traineeship takes in reality will very much depend on the ability of the trainee and your requirements as an employer, as well as any relevant regulatory requirements.

## Pathway overview at a glance

	30 months		Ongoing
	<b>STAGE 1</b> <b>Induction</b> Trainee gives no advice	<b>STAGE 2</b> <b>Adviser Training Programme</b> Trainee learns to give advice	<b>Competent Adviser Status</b>
			<b>STAGE 3</b> <b>Maintaining competence</b> <b>Career development</b> Trainee gives advice
Possible job roles	Trainee adviser Administrator	Trainee adviser Paraplanner	<b>Authorised Financial Planner</b>  <b>FSA Approved</b>
Generic knowledge Professional/Regulatory Qualifications	<b>Diploma in Financial Planning</b> R01 Regulation & Ethics	<b>Diploma in Financial Planning</b> R02 Investments R03 Taxation R04 Pensions R05 Protection R06 Planning	<b>Advanced Diploma in Financial Planning</b> AF & J specialist subjects Taxes Trusts Supervision Pensions Investments
Firm specific knowledge	Money laundering • Data protection Systems • Services • Products		Maintaining Competence Continuing Professional Development (CPD) Other qualifications
Interpersonal skills	Listening skills • Communication skills Questioning skills • Problem solving Decision making • Evaluation skills		
Adviser/ Application skills		Relationship building Needs analysis Research Analytical skills Report writing Objection handling	
<b>Underpinned and supported by:</b> Management • Supervision • Monitoring • Mentoring • Coaching • Training			
<b>Using:</b> PDP • Membership of professional body • Different learning methods and styles			



# 3.0 The Induction Period

## Contents:

- **Initial induction into the firm**
- **Creating and implementing an induction programme**
- **Creating the training programme**
- **Setting high professional standards**
- **The end of the induction period**
- **Action plan**

## Initial induction into the firm

The new recruit needs to be introduced into the business and start the programme of learning and development. This will be partly through formal training and education, for example, studying for the Diploma in Regulated Financial Planning; it will also be through business-based learning as a result of undertaking administration and paraplanning work. This work also means that the trainees will be making a contribution to the business.

Trainees are restricted in their dealings with clients until they have satisfactorily completed Stage 1 of their training period, which should include passing R01 of the Diploma in Regulated Financial Planning. In particular, the trainee will not be allowed to:

- Provide any advice whatsoever to clients (until they have achieved at least R01), or
- Carry out any activity with clients, such as completing a fact-find or application forms.

During this period, it will be important for the manager to keep in frequent contact with the trainee, to set objectives and to review results on a continuous basis.

The induction period and the first few months of the programme establish the foundations of the traineeship. The PDP sets out the basis for the traineeship and it should be drawn up and agreed early in the induction period (see Section 5).

## Creating and implementing an induction programme

Induction programmes are bound to vary according to the capacities of the trainee and the circumstances of the business.

### Purpose of induction

#### The main aims of the induction period are to:

- Ensure that the new trainee's first few weeks run smoothly and are constructive.
- Help the trainees understand their role and how it fits into the firm's business.
- Agree the PDP with the trainee.

An effective induction should motivate the trainee, but if it is well handled it can also motivate other employees by giving them opportunities to share their knowledge and expertise with the trainee.

## Designing the induction

### Company induction

Where possible, this process should be supported by papers/lists/directories.

#### The following is a checklist:

A guide to finding their way around the business – email, phone systems, map, staff directory, etc.

A summary of the company background, culture and ethical values – mission statement, code of conduct, strategy for Treating Customers Fairly.

Staff handbook, health and safety guidelines, list of employee benefits.

Company policies on subjects such as holiday entitlements, study leave, confidentiality, internet usage, normal expected working hours, etc.

### Personal induction

Personal induction is likely to be the larger element of the induction process.

The personal induction process will consist of a series of meetings between the trainee, the supervisor and other staff.

#### Some of the main elements of the process are likely to be:

An in-depth explanation of the trainee's role (including the job description).

Discussions of how the trainee's role fits in with the firm's business plan – growth, succession planning, etc.

Introductions to key individuals in the business.

Agreeing expectations with both supervisor and mentor.

Professional issues, for example, industry standards, code of practice, etc.

Making an initial assessment of the trainee's likely speed of progress and learning style.

Agreeing the Personal Development Plan with a possible timescale.

## Creating the training programme

The PDP sets out the learning objectives for the training programme. The methods of training will vary according to the trainee's learning style, capacity and rate of progress, as well as the resources available to the firm. The trainee will pick up considerable knowledge and skills in their administration and paraplanning roles, as long as the tasks are well explained and managed, with plenty of feedback from the manager and colleagues.

The following outline programme of training relates to the objectives in the PDP.

### Generic Knowledge – Professional Qualifications

Passing R01 of the CII's Diploma in Regulated Financial Planning will provide the evidence of the trainee's foundation knowledge.

- Private study of CII examination study texts will probably be the main approach to examination preparation. Be aware that the CII produces a range of other study material for people with a variety of learning styles such as:
  - e-learning
  - face-to-face training courses
  - online support through the RevisionMate study tool (provided free with a current study text enrolment)
  - sample past exam papers
- It may be advisable for the trainee to get experience of answering the types of multiple choice questions used in R01–R05 both generally and under examination conditions.
- One-to-one revision sessions in the run-up to the examinations can also be helpful and could be provided by anyone in the firm who is knowledgeable and willing.

## Firm-specific knowledge

Internal procedures should be the subject of the induction training, although the details will become more familiar as the trainee carries out their administration and paraplanning duties.

- Trainees should be familiar with standard office computer software, but they will need special training on specialist programmes used by financial planners. This could be provided in-house or by the software providers.
- Anti-money laundering training is crucial. The CII's R01 study text contains some money laundering information, but it needs to be reinforced and made specific to the firm for the trainee.
- Obtaining key features and carrying out product research and comparisons is probably the best way to gain a practical knowledge of the products and solutions that the advisers use.
- Developing advice strategies for clients and producing viable solutions. The assessment of this knowledge can be through simple tests and appraisals of how the trainees are performing in their administration and paraplanning roles.

## Interpersonal skills

As well as acquiring fact based knowledge a trainee also needs to develop other skills such as:

- Communication skills
- Listening skills
- Questioning skills
- Problem solving
- Decision making
- Planning and organising
- Analytical skills
  - During the early stages of their training, there should be opportunities for the trainee to exercise analytical and advice skills, although not directly with clients.
  - The supervisor should help the trainee interpret the information in a fact find and then explain how to use it as the basis for meeting client's needs.
  - Where possible, the trainee should accompany financial planners to meetings with clients where they can listen and take notes under supervision.

Administration and paraplanning provide considerable scope for trainees to demonstrate their ability to work to deadlines, prioritise tasks and ask for help and extra resources when needed.

The trainee will need to foster good relations with colleagues, whom they should treat as internal customers. The supervisor and colleagues should encourage the trainee to explain products, strategies and services to check their understanding and explanatory skills. This might be especially appropriate after attending a product provider's presentation.

Information and communications technology has become a crucial skill in all offices and it will be essential for the trainee to develop these skills including word processing, use of spreadsheets, use of databases and searching for information on the internet. They will also need to understand the specialist programme used by the firm. The trainee should start to help produce suitability letters and client reports and valuations.



## Setting high professional standards

Trainees should be aware of the FSA's principles. One way to achieve this is to draw up a code of conduct for the business based on the principles set out in the FSA Handbook; alternatively the organisation could adopt an existing code, such as the CII Code of Ethics – see [www.cii.co.uk](http://www.cii.co.uk)

The following are some practical ways of introducing ethics into the induction process:

- Highlight the importance of financial planners in a community and the role they play in people's lives.
- Discuss the firm's code of conduct or another professional code and consider how it applies to the role of a financial planner in practical terms.
- Discuss the FSA's focus on Treating Customers Fairly (the details of which are on the FSA website) and what impact this may have on how the business is run.
- Discuss consumer and other pressures on the industry to improve standards.
- Ask the trainee to suggest real life examples of recent industry issues as a basis for discussion.

Subjects could include endowment mortgages, equity high-income bonds and PPI, the failure of major financial institutions during the credit crunch and high levels of ongoing customer complaints within the industry. Ask them to consider how the problem arose and what could have been done to prevent or remedy the situation sooner.

## The end of the induction period

There should be a full formal review of the trainee's progress at the end of this period. The review should include feedback from the trainee and should cover:

- Progress to date.
- Strengths and weaknesses.
- How the programme could be improved.
- Whether the goal of becoming a financial planner is still appropriate, and if not, what action to take.

### Action plan

- Design the induction programme and involve colleagues.
- Set the date for the trainee to enter the R01 examination.
- Make sure that there is a schedule of regular meetings with the trainee.
- Set specific learning objectives in each area.
- Find out about outside learning opportunities, for example, from product providers.
- Introduce the concept of open and honest feedback to the trainee as early as possible; it will help speed development.
- Involve other people in the organisation in designing and implementing the induction programme, for example, HR and administrative staff, front and back office employees, other managers.
- Make the training and other activities in the induction period as varied as possible – otherwise boredom may set in.
- Give the trainee a copy of the full programme so it is clear how each component fits into the overall programme.
- Always end meetings with setting the date of the next meeting.
- Set up a group of trainees at other financial advisory firms.  
This can be particularly valuable where the employing business is small.
- Share the training burden with other firms who have recruited trainees.



# 4.0 Adviser Training and Achieving Competent Adviser Status

## Contents:

- **Achieving competent adviser status**
- **Main activities during this training period**
- **Signing the trainee off as a competent adviser**

### **Achieving competent adviser status**

During this period, the training and development will continue, using broadly the same principles of setting learning objectives and assessing progress. But the range of activities and learning will be considerably widened, because the trainee will now be preparing to start giving supervised financial planning and advice. To achieve competent adviser status, there must be a formal assessment of the trainee. This will include:

- Achievement of all six papers of the Diploma in Regulated Financial Planning or its equivalent.
- An adequate assessment of the required competencies.
- Acceptable performance in the role as evidenced by reaching key performance indicators (KPIs).

### **Main activities during this training period**

The main activities during this training period are likely to include:

- Going to accompanied meetings with clients that are observed and assessed by the manager or another supervisor.
- Continuing the administration and paraplanner roles, while this is still considered to be appropriate.
- Continuing training using private study, business-based training, external training and one-to-one meetings with the manager.

The emphasis is now on developing knowledge and analysis and application skills, in particular the following:

## Knowledge - Professional Qualifications

Preparing for and passing the remaining Diploma in Regulated Financial Planning examination papers.

- Trainees should continue to acquire experience of answering the types of multiple choice questions used in R01-R05 both generally and under examination conditions. The RevisionMate study tool includes multiple choice question tests.
- The questions for R06 are case study based and require short written answers rather than multiple choice selection. The CII produces examination guides for this unit which the trainee can use to practise this type of exam. It is also available on RevisionMate.
- One-to-one revision sessions in the run-up to the examinations can also be helpful and could be provided by anyone in the firm who is knowledgeable and willing.

## Skills

### Advice and analytical skills

This will include the ability to analyse a client's aims and needs and provide appropriate solutions. The trainee should also be able to analyse products and assess their suitability for different clients and circumstances, and have the ability to analyse data, for example, on investment performance. Analysing and evaluating investments will be increasingly important, including such issues as asset allocation models, how portfolios are constructed, different fund management strategies and styles and minimising volatility.

Attendance at PFS Regional meetings should give the trainee the opportunity to participate in structured case study analysis.

### Interpersonal and communications skills

These include questioning, listening and evaluating skills, which should develop more rapidly as the trainee undertakes role-plays and attends meetings when qualified advisers are advising clients.

### Diagnostic skills

These involve understanding and analysing the client's circumstances, needs and aims. Financial planners need to determine a client's real needs and priorities and untangle contradictions and misunderstandings. The trainee will need to develop their communications skills in the difficult area of understanding investment risk and clients' tolerance of the possibility of making losses.

### Judgment skills

Advisers need to develop their judgment about the relative benefits and risks of different products and services.

### Explanatory skills

Advisers must be able to communicate clearly and effectively, both orally and in writing. One measure is the extent to which clients are prepared to act on their advice. The ability to write a compliant and comprehensible suitability report will be a key indicator of these competencies.

### Referral skills

The FSA expect advisers to know when to refer a client to a specialist, such as a tax expert, lawyer or another adviser outside their area of competence. It is essential for trainees to recognise when they are getting out of their depth.

### Promotional skills

In many practices, financial planners are expected to develop their own client bank. This will involve learning a range of marketing techniques to attract new clients. As he or she grows in confidence in their role as a financial planner, the trainee will find this aspect of their professional life easier to develop.

### Attitude competencies

Persistence in learning and the ability to work under pressure should be tested from the start of the induction period.

Ethical issues must be discussed and inculcated from the outset.

## Signing the trainee off as a competent adviser

After the final assessment, in which the trainee is assessed as competent or better in all the key areas, they can be awarded competent adviser status.

This should not be the end of the development process. It should be the beginning of the next stages of the adviser's career leading to higher qualifications, in particular the CII's Advanced Diploma in Financial Planning, and eventually on to become a Chartered Financial Planner.

### Action plan

Finalise the trainee's final assessment against the benchmark competencies profile.

- Decide when the trainee should be entered for R02-R06 and, when appropriate, make sure they are entered.
- Ensure that suitable people supervise the trainee and provide appropriate feedback.
- Make a schedule of regular meetings and full assessments and keep to it.
- Change the style of management to coach and support for this stage of the programme.  
Find out more about coaching methods.
- Decide about the final sign-off timing and procedure.



# 5.0 The Personal Development Plan (PDP)

## Contents:

- **The purpose of the PDP**
- **Structure of the PDP**
- **Sample contents of a PDP**
- **The training programme**
- **Using the PDP**
- **Action plan**

## The purpose of the PDP

The aim of the PDP is to set out the trainee's and the employer's commitments and plans for the two main stages of the traineeship before the trainee achieves competent adviser status. It should help both parties focus on their mutual obligations and expectations. The document will be agreed between the trainee and their supervisor within the first few weeks of employment. The employer should consider the firm's policy on such matters as:

- Paid and unpaid study leave for taking examinations.
- The number of times a trainee will be allowed to sit each examination paper.
- The policy towards paying for entry to an examination, study materials and training courses.

More information about the CII's Diploma in Regulated Financial Planning and study options is available on the CII's website [www.cii.co.uk](http://www.cii.co.uk)

## Structure of the PDP

An example PDP is included in the Additional Resources section. The document should set out the names of the employer and trainee and the start date.

There should normally be four main parts to the PDP:

- The trainee's undertakings.
- The employer's undertakings.
- The outline development programme for Stage 1 – induction.
- The outline development programme for Stage 2 – adviser training.

# Sample contents of a PDP

## The trainee's undertakings

### The trainee will undertake to:

Abide by the employer's code of conduct and the FSA's regulatory principles.

Work diligently to develop the various competencies set out in the plan.

Aim to pass the approved examinations within the agreed time frame.

Abide by the FSA's rules, both generally and with regard to the requirements on achieving competence as a financial planner.

## The employer's undertakings

### Your employer will normally undertake to:

Assign a supervisor to whom the trainee will report for their training and development.

Arrange for a mentor for the trainee.

Provide a range of opportunities to work in the business as an administrator, paraplanner and supervised adviser, subject to the needs of the business and market conditions.

Allow the trainee paid study leave of up to an agreed number of stated days, and unpaid study leave of up to an agreed number of stated days.

Pay for the official study texts and entry fees for all six Diploma in Regulated Financial Planning examinations for up to a stated number of attempts.

Arrange for access to the training provided by external training organisations and possibly product providers, as and when available and subject to cost and the overriding needs of the business.

Review progress formally at regular intervals.

## The training programme

The PDP sets out the learning objectives for the training programme. The methods of training may vary according to the learning style, capacity and rate of progress, as well as the resources available to the firm. The following outline programme of training relates to the objectives in the PDP.

## Knowledge and skill competencies

### Generic knowledge

Passing the R01 examination will provide evidence of foundation knowledge.

The first five examinations (R01–R05) are generally held at least weekly at a wide variety of locations. The final exam in the Diploma in Regulated Financial Planning (R06 Financial planning practice) is held six times a year in fewer locations, so the training programme should take this timing into account. Check the CII website for the latest information about examination frequency, available dates and locations at [www.cii.co.uk](http://www.cii.co.uk)

### Firm-specific knowledge

The firm's internal procedures and operations (terms of business, service standards, etc.) should be the subject of the induction training.

The trainee will probably be familiar with the standard office word processing and spreadsheet software, but he or she will almost certainly have to undergo training on the specialist programmes used by many financial planners. This could be provided in-house or by the software providers.

Anti-money laundering training is crucial. The R01 study text contains some information about this, but it will need to be reinforced and made specific to the firm's procedures.

Obtaining key features illustrations and carrying out product research and comparisons is the best way for a trainee to gain a practical knowledge of the products and services that the planners use. Encourage the trainee to read extensively so that he or she can develop knowledge of new and more esoteric investments and how they can be used in financial planning.

The assessment of this knowledge can be made through simple tests and appraisals of how the trainee is performing in administration and paraplanning roles.

## Skills competencies

### Advice and analytical skills including:

The ability to analyse a client's needs and demands; provide appropriate solutions; the ability to analyse different products and their suitability for different clients and circumstances; and the ability to analyse data.

### Planning and organising including:

The ability to work to deadlines; prioritise tasks; ask for help and extra resources when needed.

### Application skills – the skills an adviser will need when dealing with clients' needs. These include:

Interpersonal and communications skills, including questioning, listening and evaluating.

Diagnostic skills, for example of the client's circumstances, needs and aims.

Judgemental skills, for example about the relative benefits and risks of different products and services.

Explanatory skills, both written and oral.

Referral skills, the skill to know when to refer a client to a particular specialist.

## Attitude competencies

Attitude	Including
Motivation and ambition	The ability to work hard, learn fresh knowledge and skills and pass examination.
Resilience	The ability to perform well under pressure.
Integrity	Ethical and compliant behaviour.

## Using the PDP

The manager should use the PDP and the competencies profiles as the basic documents for planning the trainee's learning programme. The PDP will be the main reference for charting the trainee's progress and will be reviewed during meetings with the manager. The purpose of the PDP should therefore, be fully explained and understood by the trainee as providing a checklist of development in specific areas for:

- Work-based learning.
- Private study.
- Other training, for example, by outside providers.
- Assessment across several subjects and in specialist topics.

The timescale for achieving the various steps in the PDP should be set out in the document and would be dependent on the capabilities of the individual trainee, the employer's expectations and regulatory requirements.

## Action plan

- Draw up a draft PDP
- Produce **benchmark competencies** profiles based on the PDP
- Decide on the timescale that is appropriate for each stage
- Use the PDP as a basis for planning and monitoring the trainee's development
- Be prepared to amend the development planning in the light of experience.



# 6.0 Managing the programme

## Contents:

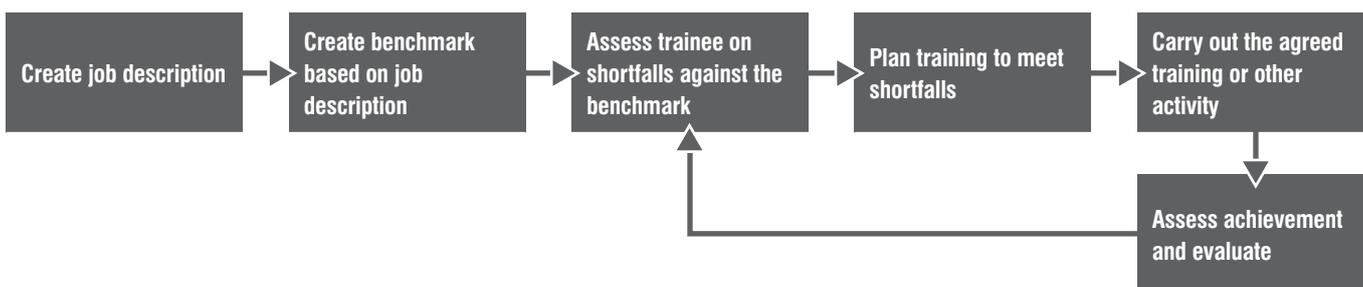
- **Management and Supervision**
- **Conducting Meetings**
- **Review Process**
- **Management Styles**
- **Coaching and Active Development**
- **Different styles of learning**
- **Monitoring progress**
- **Mentoring**
- **Expectations**

Managing the development of the trainee should have a formal element or it could drift and end in failure. It is important to make a detailed commitment and to plan and record the process in writing. It is also a FSA requirement to keep proper records of all training and competence activities.

The basic principle behind most training is a simple cycle. Assess how the trainee measures up to the required standard; identify gaps or where they need to improve; design a training programme to achieve the improvement; carry out the training programme; assess the trainee's performance.

The six steps of the recommended overall development process for the trainee is as follows:

### Managing the programme



The cycle should then start again. This process can be used for complete stages, such as the whole of Stage 2, but it is also helpful for shorter training projects, such as mastering the firm's anti-money laundering procedures.

# Management and Supervision

## The role and importance of the supervisor

The success of the training programme will depend on the commitment and calibre of the trainee and also on the efforts of the person who is chosen to manage the trainee. Planning and commitment are essential.

- Under FSA T&C rules, all trainees must have a supervisor. In addition, that supervisor must have an approved exam (from the list specified in the FSA Handbook), relevant technical knowledge and coaching and assessment skills. The person that formally supervises the trainee under FSA rules does not necessarily also need to be the trainee's manager, although this would usually be the preferred option.
- It is assumed that the same person will remain the trainee's supervisor throughout the traineeship. Any changes in personnel should be carefully handled.

## Conducting meetings

### Frequency of meetings and assessments

It is important that the supervisor and trainee do not lose contact. It is easy to assume that no news is good news, when in fact the trainee may be feeling unsupported. Providing support, encouragement and feedback are important for your business as well as the progress of the individual.

- Informal meetings should continue at least once a month – and more often if this seems appropriate.
- Formal assessments of progress in specific areas should take place at least every quarter.
- Full assessments against the benchmark competencies profile should normally take place every six months and more frequently if necessary.

The supervisor should try to gauge how much contact is needed during the initial month or two, and then later on in the programme as the trainee grows in competence and self-reliance. The type of contact and the style of management may both change as the trainee develops.

### The first month

During the induction period, much of the time in meetings will probably be spent with the manager providing information and making introductions. But the PDP should provide a focus for forward-looking conversations about longer-term targets and the supervisor's overall expectations it is also a good time to discuss what the trainee can reasonably expect of the employer and the supervisor.

In the first period, contact should be more or less daily, even if it is just a telephone call to check on progress. A more formal meeting should be held each week.

### The remainder of the training period

The frequency of contact and meetings will depend on the trainee's individual needs. After the first month, informal contact could probably be reduced to two or three occasions a week and more formal meetings about twice a month. There should be a reasonably formal assessment against the benchmark competence profile every month.

During the meeting, the manager should aim to find out how the trainee feels about his or her role, the firm and the profession in general. One approach is to ask what has gone well since the last meeting, what has gone less well and what needs to be changed.

**After the first month, the PDP and the benchmark competency profile on which it is based should form the basis of meetings. The aim should be to:**

Review the trainee's performance.

Review learning activities and progress since the last meeting.

Identify gaps and shortcomings from the assessment.

Prioritise next learning areas.

Plan future learning activities with specific objectives.

## Review process

In some meetings the supervisor should look at the trainee's progress across the board, and in others the focus should be on specific aspects of the trainee's performance.



## Grading

**The grading of the trainee's competencies in the benchmark profile should fall within the following four levels:**



The grading should be based on evidence of the trainee's quality of performance in specific areas. It should not be derived from general feelings or vague impressions. For example, one part of the trainee's competence with IT might include the ability to use the firm's product suitability software. Their performance should be rated on their specific capacity to produce the right answer and print off the appropriate recommendations.

Both the supervisor and the trainee should carry out the scoring exercise and agree the level. A difference of opinion about the grades could demonstrate a misunderstanding by the trainee of the standards they should aim to achieve.

At the start of Stage 1, the trainee is bound to score 1 or possibly 2 in most categories. But the grades should improve as time goes on. If poor grades persist, the manager should be prepared to consider changing the training and development programme or possibly taking more drastic action.

## Record-keeping

Both the trainee and the manager should keep notes of their meetings and the assessments. It may be worth using a spreadsheet to create a chart of progress across the competencies in the benchmark profile.

Records of training are typically kept for a minimum of three years after an employee's departure from a firm.

# Management styles

Learning a new task or job involves acquiring skills and knowledge and with that generally comes greater confidence and self-reliance. The supervisor needs to tailor the management style used with the trainee according to his or her needs.

## Direct management style

In the early stages of learning, the trainee is likely to rely heavily on the support and input of their supervisor and possibly other colleagues. The supervisor should recognise this need and aim to provide a direct style of management. This is likely to involve:

- Frequent praise for achievements.
- Setting specific short term objectives.
- Giving clear and precise instructions about how to perform tasks.
- Setting deadlines for completion.
- Arranging for someone to help the trainee.
- Monitoring progress carefully and frequently.
- Giving feedback – positive or negative.
- Rapid response if and when the trainee carries out tasks to a lower standard than is acceptable.
- Taking further action if the trainee performs tasks consistently below the expected standard.

This direct approach is likely to be the predominant style in the initial stages of the induction training period, although the supervisor should be prepared to adapt as the trainee's competence and self-reliance grows.

## Coaching and support style

In the later stages of learning, when the trainee should be less reliant on the supervisor, the predominant style is likely to be coaching and providing support. This is characterised by:

- Setting a framework for activities in which trainees can work out their own approach (rather than providing direct instructions).
- Giving trainees more time to think through problems for themselves and develop their own approach.

Encouraging, monitoring and providing feedback remain important and if the trainee starts to fall behind agreed performance targets, it may be necessary to revert to a more directional approach.

## Partnership style

As the trainee becomes competent, the relationship with the supervisor is likely to transform into more of a partnership, where the degree of oversight is reduced. The supervisor must retain overall control of the trainee's development, and is expected to monitor the performance indicators showing how the trainee is progressing.

This partnership style would normally predominate once the trainee has achieved full adviser competence but it might also be appropriate earlier with respect to the administrative and paraplanner roles, once the trainee has become fully competent in these areas.

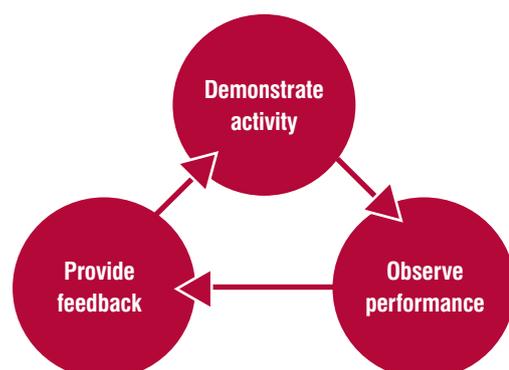
# Coaching and active development

As the trainee achieves greater competence and self-reliance, the manager's style should change from the directional approach to coaching and supporting. The trainee should take increasing responsibility for their own performance and become even more self-reliant. The manager should aim to:

- Provide fewer detailed instructions on how to do tasks and create a framework in which the trainee can work out solutions independently.
- Question the trainee about their actions and opinions to encourage them to think through their approach to issues.
- Continue encouraging, assessing and giving positive (and where necessary, negative) feedback.

As part of this process of moving the trainee on, the manager should initiate a discussion of their expectations of each other at the start of this stage, to clear up any misunderstandings that may arise from the change of pace and role.

Coaching should be an increasingly important part of the manager's activities to develop the trainee during this phase. The aim is to improve the trainee's performance in a task or role and the practical model is:



## Demonstrate the activity

The coach or some other qualified person should show the trainee by example how to perform a role or task. The trainee should observe carefully, take notes and then feed back to the demonstrator/coach the key points of the session.

## Observe the performance

The coach then observes the trainee carrying out the role or task and take notes and record the observations under the headings:

- What went well.
- What did not go well.

## Provide feedback

The coach feeds back to the trainee how they have performed and how they could do better. This is the most difficult part of the process. Some tips for providing feedback are:

- Ask the person being coached how they felt about their performance. This provides an opportunity to see how realistic their assessment of themselves is. It also helps the coach to judge how they should give the feedback.
- Use evidence in their feedback – “What I saw was ...” And “What I heard was ...”. Judgements are not helpful, for example, “I think ...” and “My impression was ...”
- Give balanced feedback. Start with the positive and try not to be too overwhelming with the negative.
- Prioritise the feedback, with the most important information first.
- Be constructive.

At the end of the session, summarise how the trainee could improve their performance next time.

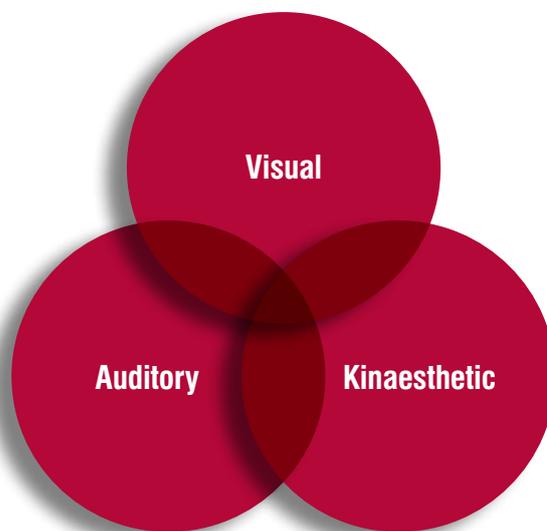
A more partnership style of management, where the degree of oversight is reduced, would normally be used once the trainee has achieved full adviser competence. But it might also be appropriate with respect to aspects of the administrative and paraplanner roles, after the trainee has become fully competent in these areas.

## Different styles of learning

People learn in different ways and some types of learning suit certain individuals better than others. The manager should try to help the trainee discover his or her optimum learning style, so that they use appropriate training and study material. There are many different ways of categorising learning styles and the following division into three main styles is just one approach:

▶ <b>Visual</b>	Learning by looking and reading, e.g. study texts
▶ <b>Auditory</b>	Learning by hearing, e.g. audio programmes
▶ <b>Kinaesthetic</b>	Learning by doing, e.g. work assignments or role-plays

There is usually a significant overlap in learning styles, which is why blending different kinds of learning works well. That said, people tend to favour one particular style and it will make sense to use learning material that plays to their strengths. Further information on learning styles can be found in the Additional Resources section.



Overlap in learning styles

## Monitoring progress

For the trainee to be signed-off as competent, he or she will need the competencies in their benchmark profile to be graded at 3 or 4 and he or she will need to have passed the whole of the Diploma in Regulated Financial Planning.

The assessment will be based on:	
<b>Examination results</b>	The Diploma in Regulated Financial Planning, units R01–R06
<b>In-house tests:</b>	These can be taken from assessment services such as financial ASSESS (available from the CII).
<b>Structured case studies:</b>	Possibly based on client files.
<b>Observation:</b>	By the manager of the trainee in meetings with clients and in role plays.
<b>Feedback:</b>	From people with whom the trainee has worked, such as financial planners, administrators and other managers.
<b>Key performance indicators:</b>	Those normally used in the organisation to assess planners' performance, including income generated, number of clients seen, accuracy of work, compliance scores, quality of suitability reports.

## Mentoring

It is valuable to provide a trainee with a mentor who can offer informal guidance and advice. The mentor's role can be particularly important if the trainee wants advice from someone who is not part of your own organisation. The main functions of the mentor are likely to include being a:

<b>Sounding board</b>	To bounce ideas off.
<b>Critical friend</b>	To provide another source of objective feedback.
<b>Career adviser</b>	To point the trainee in the right direction.
<b>Networker</b>	To introduce the trainee to useful contacts.
<b>Counsellor</b>	To provide support, if there are any problems.
<b>Coach</b>	To encourage, motivate and explain.

The choice of mentor is crucial and choosing the right person might initially be the responsibility of the manager. In some circumstances, the manager might also act as the mentor, although this is generally not ideal. In a very small business, the employer might possibly find a mentor from the regional committee of the PFS, or a person who has recently qualified as a Chartered Financial Planner.

It is important that the relationship is open and strong, and that both the trainee and mentor are clear about what is required in terms of time commitment.

Trainees should be able to speak to the mentor in confidence and know that the information will not be passed on without their consent.

## Expectations

A common cause of tension in the workplace can be a mismatch between what an individual delivers and what his or her colleagues expect. The manager and trainee should come to a clear agreement about each side's expectations, otherwise there may be disappointment for both.

What the manager might expect of the trainee	
<b>Commitment</b>	To the programme.
<b>Honesty</b>	Including an honest assessment of progress.
<b>Hard work</b>	The employer has the right to expect the trainee to work diligently and to the best of his or her ability.
<b>Receptiveness</b>	Financial planning is an emerging profession, so there is a great deal of new thinking to be absorbed.
<b>Integrity</b>	In the way the trainee deals with colleagues and with clients.
<b>Confidence</b>	In particular in trying out new skills, such as participating in role play.
<b>Responsibility</b>	Trainees are expected to take responsibility for their work from an early stage and for their overall development.
<b>Flexibility</b>	Trainees should be prepared to turn their hand to almost anything. They should look upon this as an advantage because they will obtain a wide range of skills and knowledge.

### What the trainee might expect of their manager (or mentor)

<b>Commitment</b>	To making the relationship work.
<b>Honesty</b>	With regard to how the manager judges the trainee's progress.
<b>Support</b>	Your manager should be clear about what the trainee can expect in terms of support.
<b>Time</b>	The manager should specify how much time they can give and the expected frequency of meetings, and then make every effort to keep to these targets

### As a general rule:

- It is always helpful if there is a clear and preferably written statement of expectations. In this way the trainee understands what the manager expects of them and the manager understands what they are expected to do for the trainee. A mismatch of expectations is one of the most common causes of the failure of a trainee programme.
- In any assessment of performance, the trainee should be given the opportunity to make their own assessment to see how it matches the views of the manager.



# 7.0 Considering other career paths

Some trainees decide to stay as an administrator rather than progress to being an adviser or paraplanner and some decide to take up other roles within Financial Services, of which there are many.

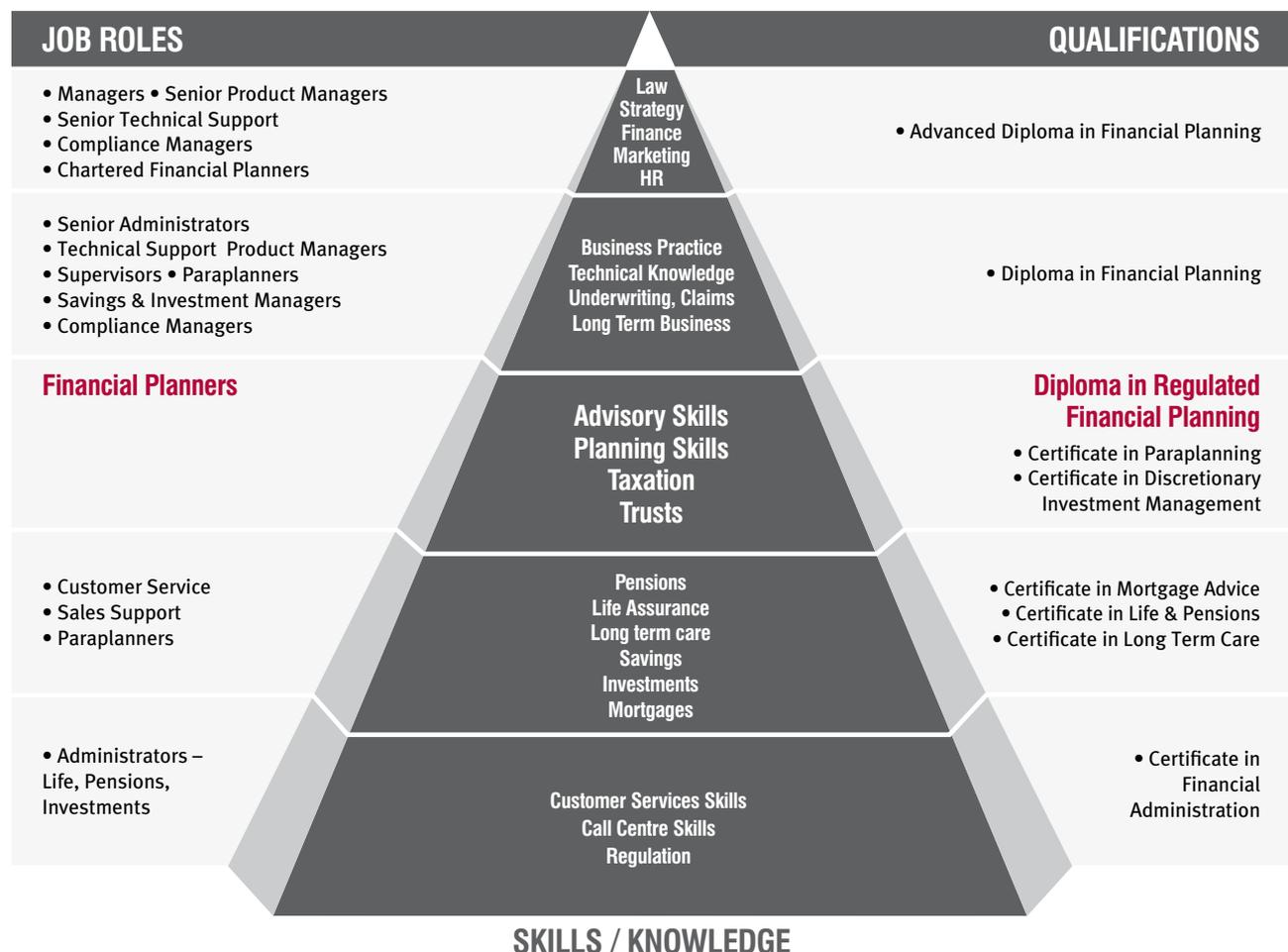
The diagram below shows many of the roles and qualifications on offer within Financial Services and Chartered Status is still the pinnacle for individuals to strive for. Many of the roles are quite traditional and have been in existence for a number of years, however some are relatively new.

## Paraplanning

Paraplanning is an emerging role, with increasing popularity, and is now well on the way to becoming a profession in its own right. Paraplanners work with Financial Planners on researching and devising the right solution for their clients. Similar to a Financial Planner, a paraplanner will understand the client’s financial situation, understand their needs and objectives, understand what they want to achieve, and work with the financial planner to devise a strategy and solution to meet those needs. Many paraplanners have technical knowledge on a par with, or sometimes greater than, that of a Financial Planner and spend their time on the more technical aspects of Financial Planning rather than the direct interaction with clients. There are now specific qualifications available for individuals wanting to pursue a career in paraplanning and many are continuing their studies to achieve Chartered Financial Planner status.

For more information on paraplanning (and other) qualifications please go to [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)

## Financial Services Roles and Qualifications





# 8.0 Additional resources

This section covers:

- **Sample job description**
- **Trainee benchmark competency profile**
- **Learning styles, learning options and learning materials**

## Sample job description

What you can expect to see covered

**Job Title:** Trainee financial adviser

**Reporting to:** Line manager

**Location:** office based in central London

**Purpose of the role:** To undertake the role of administrator and paraplanner while developing the competences of a financial planner

**Key tasks:**

To support three financial planners with:

- Product research
- Diary management
- Obtaining product key features using internal systems and software, provider intranets and the internet
- Liaising with product and investment providers
  - Processing applications for products and investments by post or via the internet
  - Administering investments via platforms and wraps
- Client administration
  - Producing draft reports and suitability reports
  - Administering client files
  - Documenting client meetings
  - Providing support for client meetings including schedules, valuations, key features documents and other information/documentation
- Updating and using the back-office systems
- Commitment to a Professional Development Contract consisting of private study for examinations and the development of practical competences to become a financial planner

**Qualifications and competencies**

Graduate or equivalent. For competencies – see the benchmark competency profile on page 38.

## Trainee benchmark competency profile

Knowledge competencies	Examples of identifying evidence	Grading 1-4*
<b>Foundation financial services knowledge</b> Has a broad understanding of financial services marketplace	Is familiar with new business processes Diploma in Regulated Financial Planning study programmes is on track Shows an awareness of industry issues through reading the press	
<b>Product provider knowledge</b> Has detailed knowledge of relevant product providers	Knows the main product providers and can name their key products Knows new business process for these providers	
<b>Investment knowledge</b> Be familiar with various types of collective funds	Knows the features of fixed interest and equity type funds Knows the process for buying, selling and switching funds directly or via platform/wrap	
<b>Procedures</b> Is familiar with the company's procedures	Aware of the kinds of business transacted by the company Understands the company's standards for client interaction Understands the company's new business process Understands FSA compliance requirements	
<b>Information Technology</b> Is familiar with the company's IT systems and software Has sufficient IT awareness	Is familiar with the company's main IT systems Is learning to use research software Is learning to use the software that supports the firm's use of wraps and platforms Uses the internet to conduct basic research	
<b>The advice process</b> Understands the generic advice process and how it fits with the company's procedures	Understands the need to fact-find, research and analyse to arrive at recommendations Understands the need to follow procedures	
<b>Professional standards</b> Knows the required professional standards Is aware of the company's policy for Treating Customers Fairly	Understands the FSA requirements for professional standards Knows the company's code of conduct	
<b>Business experience</b> Understands general business principles and their application to the company's business	Understands the company's business objectives Understands their PDP and development programme	

\* Grading 1 = Below competence. 2 = Developing competence. 3 = Competent. 4 = Exceeds competence.

Skills competencies	Examples of identifying evidence	Grading 1-4*
<b>Learning</b> Ability to acquire update and apply new skills and knowledge	Has examples of taking on new learning Is on track to pass all exams within the agreed timescale	
<b>Analytical thinking</b> Able to assess information, make comparisons and identify critical features	Able to identify the key benefits of simple investment products	
<b>Self management</b> Able to operate with little supervision	Able to complete straightforward tasks without supervision	
<b>Planning and organising</b> Able to use time and resources effectively	Able to plan their work to meet deadlines	
<b>Service orientation</b> Able to understand client requirements and deliver on time to a high standard	Work is completed on time and of good quality Is familiar with company service standards	
<b>Interpersonal skills</b> Able to make a positive impact when building and maintaining relationships	Willing to answer phones and actively develops relationships with others Has good relationships with other members of staff	
<b>Communication skills</b> Able to communicate fluently in both speech and writing and make effective presentations	Listens attentively to understand instructions Written and verbal communication is clear and understandable	
<b>Influencing skills</b> Able to identify the most important concerns and resolve with appropriate solutions	Understanding what is important to individuals	
<b>Motivation and ambition</b> Sets challenging goals and has the desire to deliver on agreed targets	Target dates for passing the Diploma in Regulated Financial Planning are demanding Looks for new work and learning	
<b>Resilience</b> Performs well under pressure. Able to cope with rejection and persist in the face of difficulties	Examples of overcoming difficulties	

\* Grading 1 = Below competence 2 = Developing competence 3 = Competent 4 = Exceeds competence

# Learning styles, learning options and learning materials

## Learning styles

Understanding different learning styles allows people to choose the learning style that suits them. As a manager you should try to be sensitive to these different needs and provide learning materials and opportunities accordingly. There are many different ways to categorise and understand learning styles. The following is just one approach.

### Visual Learners

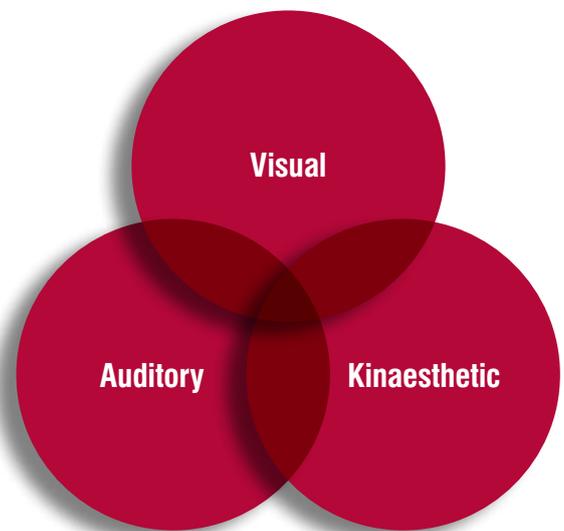
Visual learners relate to written information, notes, diagrams and pictures. They are unhappy with a presentation where they cannot take detailed notes. Not surprisingly visual learners tend to be at their most effective in written communications. Visual learners make up around 65% of the population.

### Auditory Learners

Auditory learners relate most effectively to hearing the spoken word. They tend to listen to a lecture, and then take notes afterwards or rely on printed notes. Auditory learners make up about 30% of the population.

### Kinaesthetic Learners

Kinaesthetic learners learn effectively through touch, movement and special relationships, and they learn skills by imitation and practice, rather than by reading or listening. Kinaesthetic learners make up around 5% of the population.



Overlap in learning styles

## Identifying your favoured learning style

The following is a rapid test to help someone identify which learning style suits them best.

### Learning styles identification

Read the words in the left column and then answer the questions in the following box to see how you respond. Answers might well fall into all three, but one column will probably end up containing the most answers.

When you are:	Visual	Auditory	Kinaesthetic
<b>Meeting someone you have met before, do you:</b>	Tend to forget names but remember faces or places you met.	Forget faces but remember names and what you talked about.	Remember what you did together.
<b>Dealing with people professionally, do you:</b>	Prefer to meet them face-to-face.	Prefer the telephone.	Prefer talking while walking or being involved in some activity with them.
<b>Reading, do you:</b>	Enjoy descriptive writing and pause to imagine the scene.	Prefer dialogue and conversation and hearing the characters talk.	Find you are not keen on reading or mostly prefer action stories.
<b>Speaking, do you:</b>	Talk or listen sparingly but dislike listening for too long.	Enjoy listening but are impatient to talk.	Tend to gesture a lot and use expressive movements.
<b>Spelling, do you:</b>	Try to see the word.	Sound it out phonetically.	Write it down to see if it feels right.
<b>Concentrating, do you:</b>	Become distracted by untidiness or movement.	Find noises and sound distracting.	Let activity distract you.
<b>Trying to put something together that needs instruction, do you:</b>	Like to have plenty of clear diagrams, charts and instructions.	Prefer oral instructions or speaking with someone else about how to do it.	Tend to forget about any instructions and go ahead relying on your own know-how until you get stuck.

The result can only be a guide and you may not fall into any one particular category. Nevertheless, choosing training that fits your favoured learning style will still help. For example, if you learn more effectively with other people rather than by yourself, an exclusively distance learning course may not suit you and you should possibly consider joining a physical study group.

## Learning options

Some organisations offer a range of in-house as well as external training and development opportunities. Others outsource virtually all their training. The following are examples of some of the different options available:

E-learning	Selected reading material	Training courses	Videos (online or DVD)
Conferences	Audio CDs/MP3s	Workshops	Intranet
Product provider seminars	Internet/webseminars/ web-casts	Job swaps	Planned revision courses
Evening classes	Work shadowing	PFS regional events programme	1-2-1 job instruction/coaching

With greater access to options such as inexpensive online learning systems, you have more opportunity to use the methods that best suit your learning style at your desk. Various factors will influence the choice of training and development including:

- Access to internal learning resources.
- The number of other trainees in the business.
- Cost.
- Access to local training venues.
- Your learning needs and whether they can study at home.
- Your learning preferences.
- Your personal commitments.

### Distance learning

Most distance learning, including for example, the CII's exam study texts, consists of written materials. It therefore tends to be most effective for visual learners, but much of the material is also available online as e-learning that suits other learning styles. Distance learning suits learners who:

- Prefer a visual style of learning.
- Like to work by themselves.
- Have the discipline to finish a job and are not easily distracted.
- Like to think issues out for themselves.
- Work to their own timetable and routine.

### Classroom-based learning

Classroom-based learning may be more suitable for learners who:

- Have an auditory style of learning.
- Enjoy working in a group of people and talking things through.
- Like having a tutor or teacher lead the group and set work.
- Enjoy a structured routine to follow and to help keep them on track.

# Sample induction programme month 1

This is for illustrative purposes only. Induction programmes should be tailored to the needs of the job role and the organisation's overall training and development requirements.

	Monday	Tuesday	Wednesday	Thursday	Friday
Week 1	AM Meet with supervisor – get to know each other. Talk through induction process and give one page outline plan to trainee.	AM Meet manager – share job description, where it fits with company strategy. Read company information.	Shadow existing administrator.	AM meeting with supervisor to discuss examinations and training programme.	AM read sample reports.
	Lunch – take out with colleagues.	Lunch.	Lunch – free time.	Lunch – free time.	Lunch.
	P.M. Introduce to others in the business.	Reading Product literature.	P.M. Reading, preparation for meetings tomorrow.	Undertake certain admin roles.	Admin roles.
	HR/administration deal with practicalities.				
Week 2	Full week admin to learn new business processes.	Admin.	Admin.	Admin.	Admin.
Week 3	Meeting with Supervisor to review progress and learning.	Introduction to fact finding process.	Continue with fact finding process.	Admin.	Admin.
Week 4	Meeting with supervisor to begin creating PDP and agree when to sit R01 exam. Begin meeting with discussion of assessment of benchmark competences profile. Write up notes from meeting and draft the PDP.	Meeting with insurance company consultants – to find out about new product.	Attendance at a PFS meeting.	Meet with supervisor to review first month. Agree PDP content and discuss split of time to be spent working as paraplanner and for studying.	Admin.

## Professional Qualifications

### Diploma in Regulated Financial Planning

The CII's Diploma in Regulated Financial Planning enables trainees to meet the FSA's regulatory examination requirements and the 'appropriate' examination standards for financial planners as published by the Financial Services Skills Council ([www.fssc.org.uk](http://www.fssc.org.uk)). But trainees should generally aim higher and eventually build on their diploma by attaining the Advanced Diploma in Financial Planning.

When agreeing the PDP, the manager should consider which subject areas are likely to be most relevant for the trainee and the business generally. For example, if the business is involved in the mortgage market and the trainee will work in this area, a mortgage qualification will be essential.

**The Diploma in Regulated Financial Planning should form a core part of the PDP. It consists of six units as follows:**

R01 Financial services, regulation and ethics	This is a two-hour exam consisting of 100 multiple choice questions. Recommended minimum study hours – 60.
R02 Investment principles and risk	Again, a two-hour exam consisting of 100 multiple choice questions. Recommended minimum study hours – 60.
R03 Personal taxation	This is a one-hour exam consisting of 50 multiple choice questions. Recommended minimum study hours – 50
R04 Pensions and retirement planning	A one-hour exam consisting of 50 multiple choice questions. Recommended minimum study hours – 50
R05 Financial protection	A one-hour exam consisting of 50 multiple choice questions. Recommended minimum study hours – 50
R06 Financial planning practice	A three-hour exam based on two written case studies. Recommended minimum study hours – 100

The Diploma in Regulated Financial Planning has no formal entry requirements and is open to anyone irrespective of experience or educational background.

The first five examinations (R01-R05) are generally held at least weekly at a wide variety of locations. The final exam in the Diploma in Regulated Financial Planning (R06 Financial planning practice) is held six times a year in fewer locations, so the training programme should take this timing into account. Check the CII website for the latest information about examination frequency, available dates and locations ([www.cii.co.uk](http://www.cii.co.uk)). The CII offers a corporate in-house facility that allows for exams to be taken at a company's offices or another chosen location.

Further information on the Diploma in Regulated Financial Planning as well as the CII's other qualifications can be found at [www.cii.co.uk](http://www.cii.co.uk)

## The Advanced Diploma in Financial Planning

The Advanced Diploma in Financial Planning will help trainees who have achieved competent adviser status to develop their knowledge of more complex financial planning issues. It enables professional advisers to develop their specialist planning capabilities and develops knowledge gained through previous study and workplace training.

**The CII's Financial Planning framework has a wide range of units available, covering many different subjects, to support a personalised and tailored journey to Chartered Status.**

The following units are available in the framework:	
<b>Advanced Diploma</b>	J04 Pension funding options
AF1 Personal tax and trust planning	J05 Pension income options
AF2 Business financial planning	J06 Investment principles, markets and environment
AF3 Pension planning	J07 Supervision in a regulated environment
AF4 Investment planning	J09 Paraplanning
AF5 Financial planning process	J10 Discretionary investment management
AF6 Senior management and supervision	J11 Wrap and platform services
<b>Diploma</b>	<b>Certificate</b>
J01 Personal tax	CF8 Long term care insurance
J02 Trusts	ER1 Equity release
J03 The tax and legal aspects of business	GR1 Group risk

Completion of the Advanced Diploma will mean that advisers are eligible to apply for Chartered Financial Planner status (subject to having five years' experience, not necessarily post-qualification). Further information on the Advanced Diploma, including the requirements to achieve the qualification can be found on the CII's website at [www.cii.co.uk](http://www.cii.co.uk)

## Study options for trainees

After agreeing the relevant subject areas with the trainee, consider how the business will support their study. The CII provides a choice of study materials and products for their examinations.

Study options include:
Self-study through study texts (which includes free access to the online study support tool RevisionMate), audio CDs/MP3s, key facts booklets and exam guides.
Classroom type courses that can be tailor-made for organisations and delivered in-house.
Revision days at various locations across the country.
An online learning system, ed.LEARN, which provides interactive tutorials and a revision assessment tool.

## Study leave for trainees

When planning the initial PDP, discuss how much study leave will be made available to trainees. Help the trainee compile a study timetable showing agreed patterns during office hours and any study leave. The timetable should allow for the dates of exams. The CII's online study tool RevisionMate includes a study planner to allow students to map out a timetable.

Preparing the study timetable together should also help your awareness of the amount of study time involved and how much study leave will be appropriate. The CII recommends a minimum number of study hours for each unit and this should be taken into account.

Trainees need to understand that it will be their responsibility to dedicate adequate time to study and that in most professions long hours of private study are usual.

# Exemptions from CII examinations

Some previous study and qualifications, e.g. Financial Services Degrees can make a trainee eligible for an exemption from certain units. Before applying to take an examined paper, the trainee should apply for an exemption if they believe they may be eligible. It is not possible to pass the whole of a CII qualification with exemptions, and at least one paper must be examined. Further information on exemptions and the criteria for granting them can be found at [www.cii.co.uk/accreditation](http://www.cii.co.uk/accreditation)

## Sample Personal Development Plan

**Personal Development Plan**

**General Undertakings**

Between \_\_\_\_\_ “the trainee” of \_\_\_\_\_  
and \_\_\_\_\_ “the employer”  
whose office is at \_\_\_\_\_  
Date \_\_\_\_\_

**The trainee’s undertakings**

I \_\_\_\_\_, the trainee, agree to:

- Abide by the FSA’s principles and my employer’s code of conduct.
- Work diligently at my duties as an employee and at developing the various competencies set out in the plan.
- Aim to pass the approved examinations within the agreed time frame of \_\_\_\_\_ months from the date of this agreement.
- Abide by the FSA’s rules – both generally and with regard to the rules on achieving competence as a financial planner.

**The employer’s undertakings**

We \_\_\_\_\_, the employer, agree to:

- Provide the support of a manager/supervisor, in the first instance \_\_\_\_\_ to whom the trainee will report for his/her training and development.
- Arrange for a mentor to the trainee.
- Provide a range of opportunities for the trainee to work in the business as an administrator, paraplanner and supervised adviser, subject to the needs of the business and market conditions.
- Allow the trainee paid study leave of up to \_\_\_\_\_ days, and unpaid study leave of up to \_\_\_\_\_ days.
- Pay for the official study texts and entry fees for all six Diploma in Regulated Financial Planning examinations for up to \_\_\_\_\_ attempts.
- Arrange for access to the training provided by outside product providers, as and when available and subject to cost and the overriding needs of the business.
- Review the trainee’s progress formally at regular intervals.

**Induction training period**

This agreement is made on (insert date here) \_\_\_\_\_

Between \_\_\_\_\_ (the company) and \_\_\_\_\_ (the trainee)

The purpose of this plan is to set out the agreed learning objectives for the trainee, which have been identified from benchmarking against the competencies profile.

Starting date: \_\_\_\_\_

This plan continues for (insert time frame here) \_\_\_\_\_ subject to provisions for an earlier termination.

**Period of learning**

Date \_\_\_\_\_ Signed by \_\_\_\_\_

Manager/supervisor \_\_\_\_\_

Mentor \_\_\_\_\_

## Key competencies to work towards

Knowledge competencies	Examples of work-based learning	Examinations/private study	Completion date
<b>Generic financial services knowledge</b> Has a broad range of knowledge of the financial services marketplace	Experience in the role Attending regional PFS meetings (if PFS member)	R01	Examination to be passed by _____
<b>Product provider knowledge</b> Has detailed knowledge of relevant product providers	Meet relevant company representatives Study features and benefits of 'simple' products Learn business processes for main providers Learn business transacted and products that can be advised 'under supervision'	Start study for R02–R06	Able to assist sourcing products by _____
<b>Company procedures</b> Is familiar with the company's procedures	Learn and understand compliant advice process and company procedures Learn and understand anti-money laundering procedures Know the professional standards required Learn specialist IT systems used		Able to advise under supervisions by _____
Skills competencies	Examples of identifying evidence	Examinations/private study	Completion date
<b>Analytical thinking</b> Able to assess information, make comparisons and identify critical features	Able to identify the key benefits of simple investment products	Reading industry journals, etc.	Able to assist producing suitability reports by _____
<b>Planning and organisation</b> Able to use time and resources effectively to deliver results required	Able to plan work to meet deadlines		
<b>Communication skills</b> Able to communicate fluently in both speech and writing and make effective presentations	Listens attentively to understand instructions Written and verbal communication is clear and understandable		
Attitude competencies	Examples of identifying evidence	Examinations/private study	Completion date
<b>Achievement drive</b> Sets challenging goals and has the desire to deliver on agreed targets	Target dates for passing the Diploma in Regulated Financial Planning are stretching Looks for new work and learning		
<b>Resilience</b> Performs well under pressure. Able to cope with rejection and persist in the face of difficulties	Copes with workload and overcomes obstacles		
Date _____ Date _____ Date _____			

## Personal Development Plan

### Advice training period

This agreement is made on (insert date here) \_\_\_\_\_

Between \_\_\_\_\_ (the employer) and  
 \_\_\_\_\_ (the trainee)

The purpose of this plan is to set out the agreed learning objectives for the trainee, which have been identified from benchmarking against the competencies profile.

### Period of learning

Date \_\_\_\_\_ Signed by \_\_\_\_\_

Manager/supervisor \_\_\_\_\_

Mentor \_\_\_\_\_

Key competencies to work towards	Examples of work-based learning/ identifying evidence	Examinations/private study	Completion date
<b>Knowledge competencies</b>			
<b>Generic financial services knowledge</b> Has a broad range of knowledge of the financial services marketplace	Experience in the role	Study for R02–R06	Examinations to be passed by _____
	Attending regional PFS meetings (if PFS member)		
<b>Product provider knowledge</b> Has detailed knowledge of relevant product providers	Accompanied meetings with clients	Reading industry journals, etc. Personal research	
	Identify knowledge gaps from supervisor feedback		
	Fill product provider knowledge gaps		
<b>Company procedures</b> Is familiar with the company's procedures	Study complex products		Achieves production performance indicators (production and quality) by _____
	Fill company procedures and advice process knowledge gaps		
<b>Business experience</b> Understands general business principles and the application to the company's business	Know business and own objectives		Competent adviser by _____
Knowledge competencies to work towards	Examples of work-based learning/ identifying evidence	Examinations/private study	Completion date
<b>Skills competencies</b>			
<b>Analytical thinking</b> Able to assess information, make comparisons and identify critical features	Identify needs, compare relative benefits of products and make recommendations		
<b>Self management</b> Able to operate with little supervision	Setting production goals and reviewing progress		
<b>Planning and organisation</b> Able to use time and resources effectively to deliver results required	Plans work to meet deadlines		

Knowledge competencies to work towards	Examples of work-based learning/ identifying evidence	Examinations/private study	Completion date
<b>Skills competencies</b>			
<b>Communication skills</b> Able to communicate fluently in both speech and writing and make effective presentations	Questions and listens to understand		
	Written and verbal communication is clear and understandable		
<b>Persuasion skills</b> Able to identify the most important concerns and issues and resolve with appropriate solutions	Understands what is important to individuals		
	Presents recommendations positively and completes business		
<b>Attitude competencies</b>			
<b>Achievement drive</b> Sets challenging goals and has the desire to deliver on agreed targets	Achieves targets for passing exams		
<b>Review meetings</b> Date _____ Date _____ Date _____			

<b>Trainee EXAMPLE progress self-assessment</b>					
Trainee's name					
Manager's name					
Date					
Learning objective (carried over)	Successes & disappointments	Key learning points	New learning objective	Planned learning method	Planned outcome
Induction training – understanding company policies and procedures	Now have a good grasp of procedures, and passed money laundering training first time. Positive feedback about my contribution from planner support manager.				
R01	Passed exam on first attempt.				
The advice process	Getting there, but yet to spend enough time out with financial planners.				
Written communication skills	Some good feedback on recent examples. Particular progress in writing marketing material.				
Interpersonal skills	Lack of progress, still having problems with some members of staff.				

## The Chartered Insurance Institute

As the leading professional body for the financial services profession, the CII promotes higher standards of integrity, technical competence and business capability. With 100,000 members in more than 150 countries, the CII is the world's largest professional body dedicated to this sector.

The CII offers four chartered titles including Chartered Financial Planner, which helps to put advisers on the same professional footing as other professions such as accountancy and law.

### Benefits of CII membership for a trainee include

- Membership of a local institute where they may be able to build contacts with other trainees and financial services professionals.
- Access to a range of technical and regulatory information through regular e-mail updates, sector-specific faculties, the Knowledge Services website and library, and the Knowledge Book.
- Subscription to the CII Journal which covers news and comments on current issues.

The CII provides face-to-face training for insurance and other financial services' professionals. Every course is regularly reviewed and updated to ensure it remains relevant in terms of legislation, regulation and market practice. The CII is able to deliver training that is tailored to business needs. The wide range of courses available caters for different levels of ability and experience, with some courses leading to examinations and qualifications.

The CII also produces distance learning materials to support its examinations. These include study texts, key facts booklets, exam guides, audio CDs and online learning through its learning management system LEARN.

Further information is available from [www.cii.co.uk](http://www.cii.co.uk)

## The Personal Finance Society

The Personal Finance Society (PFS) is the leading professional body for financial planners and those in related roles in the UK. With about 29,000 members it promotes the highest standards of professionalism. It is part of the CII group.

### Membership benefits include

- Access to a professional development programme of regional meetings and seminars to improve knowledge and skills.
- Access to a range of technical and regulatory information through regular e-mail updates, the Knowledge Services website and library, and the Knowledge Book.
- Subscription to Financial Solutions magazine.
- Access to the annual two-day PFS conference at member rates.
- Includes automatic membership of the CII.

Further information on the PFS and the full range of member benefits can be found at [www.thepfs.org](http://www.thepfs.org)

## Financial Skills Partnership

The Financial Skills Partnership (FSP) is an independent, employer-led organisation. Its purpose is to provide strategic leadership for education, training and skills development for financial services, accountancy and finance across the UK.

Further information is available from [www.fssc.org.uk](http://www.fssc.org.uk)

## Universities offering access to work-based learning with accreditation options

Several universities, professional and government bodies offer full-time employees an accreditation option for their business-related learning. Learning through work becomes the actual subject for a professional qualification or degree and the everyday business of work is translated into work-based learning assignments.

### The benefits are that:

- The PDP can be linked into such a programme to provide highly relevant learning.
- The trainee does not have to spend valuable time away from the workplace.

## Local Colleges

A range of vocational and academic learning may be available at your local college. The costs are usually reasonable as many courses are subsidised. Subjects range from improving IT skills to day release courses for NVQ. Contact your local college for a prospectus.

## Business Link

Business Link is a national business advice service, available online and through local advisers operating in locations across England (the service provides links to affiliated organisations elsewhere in the UK for firms not located in England). Business Link supports new and small businesses with information, access to grants and training. For further information, go to [www.businesslink.gov.uk](http://www.businesslink.gov.uk).

## Learndirect

Learndirect is a government-sponsored initiative to promote access to online learning. Learndirect courses are all online, so you can take them wherever you have access to a PC and the internet. Further information and a directory of courses is available at [www.learndirect.co.uk](http://www.learndirect.co.uk)

## Product providers

Several product providers have become a major source of financial planner training. Courses and workshops are usually free and not necessarily product-based.

The areas covered can include training on software providers as well as directly technical courses in such subjects as investment, pensions, protection, mortgages and financial planning generally. Most will offer continuous professional development opportunities for advisers to maintain their skills and competencies as well as to prepare for examinations. Each provider's IFA consultants and telesales contacts should have information.

## Learning systems

Online learning systems allow access to online learning at times that suit them. Systems range from simple one-off courses on the internet to sophisticated and interactive bespoke systems. Some of these systems may be capable of storing training records. Costs vary.

The CII's LEARN is designed to aid learning through interactive online tutorials and assessment tools. The personal study planner could be particularly useful for trainees.

# Useful websites

## Employment law

[www.berr.gov.uk/whatwedo/employment/index.html](http://www.berr.gov.uk/whatwedo/employment/index.html)  
[www.businesslink.gov.uk](http://www.businesslink.gov.uk)  
[www.cipd.co.uk](http://www.cipd.co.uk)  
[www.equalityhumanrights.com](http://www.equalityhumanrights.com)

## Recruiting

[www.agr.org.uk](http://www.agr.org.uk)  
[www.ftadviser.com/](http://www.ftadviser.com/)  
[www.gradjobs.co.uk](http://www.gradjobs.co.uk)  
[www.milkround.com](http://www.milkround.com)  
[www.moneymarketing.com/](http://www.moneymarketing.com/)

## Development and training

[www.abi.org.uk](http://www.abi.org.uk)  
[www.businesslink.org](http://www.businesslink.org)  
[www.cii.co.uk](http://www.cii.co.uk)  
[www.cipd.co.uk](http://www.cipd.co.uk)  
[www.bis.gov.uk](http://www.bis.gov.uk)  
[www.discoverrisk.co.uk](http://www.discoverrisk.co.uk)  
[www.managementtoday.co.uk](http://www.managementtoday.co.uk)  
[www.ed.cii.co.uk](http://www.ed.cii.co.uk)  
[www.fsa.gov.uk](http://www.fsa.gov.uk)  
[www.fssc.org.uk](http://www.fssc.org.uk)  
[www.learndirect.co.uk](http://www.learndirect.co.uk)  
[www.peoplemanagement.co.uk](http://www.peoplemanagement.co.uk)  
[www.taxbriefs.co.uk](http://www.taxbriefs.co.uk)  
[www.thepfs.org](http://www.thepfs.org)  
[www.ucas.ac.uk](http://www.ucas.ac.uk)

## Professional standards

[www.business-ethics.com](http://www.business-ethics.com)  
[www.ethicalinvestment.org.uk/index.php](http://www.ethicalinvestment.org.uk/index.php)  
[www.ex.ac.uk/~RDavies/arian/scandals](http://www.ex.ac.uk/~RDavies/arian/scandals)  
[www.fs-cp.org.uk](http://www.fs-cp.org.uk)  
[www.csreurope.org](http://www.csreurope.org)  
[www.sustainability.com](http://www.sustainability.com)

“ Becoming a better qualified IFA, and then a Chartered Financial Planner, has seen my earnings ability increase each year. It has opened lots of doors for me and I have been able to make choices about which path my career should follow. ”

Martin Bamford  
Chartered Financial Planner,  
Informed Choice Ltd



## Support for Pathways

In creating Pathways as an industry standard training programme the Personal Finance Society has consulted widely and taken advice from financial planning practitioners. Pathways has the support of many large financial services organisations.

We would particularly like to thank The Leaders Summit Group, a financial services Thinktank made-up of senior figures from across financial services, for its support and endorsement of Pathways.

This investment in to the future of the financial planning profession is essential in ensuring that consumers continue to have access to trusted and professional financial advice.

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Ref: PFS-Pathways Manager (10/11)

CI\_5625

