

Why You Need to Teach Your Clients How to Fish

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As the saying goes; give someone a fish and you feed them for a day, but teach someone to fish and you feed them for a lifetime.

Glen Hare, co-founder and adviser at Fox & Hare, might agree that there is some truth in that statement, particularly from an advice perspective.

“Our role as an adviser is not just to advise, but also educate,” Mr Hare told ifa.

“And if I reflect on [Fox & Hare’s] mission - to empower our members to find and cultivate financial freedom - I reflect on the specific words when we refer to empowerment.”

Planning a clients strategy, he said, should not negatively impact their own comprehension of their financial plan. Instead, they should be involved in the journey.

“The more that our members understand their strategy - whether it's a budget, investments, tax minimization, super - the more that they understand how that enables them to achieve what it is that they wish to achieve, the more likely they're going to stick to it, and then the more likely they're going to live the life that they aspire to,” he explained.

As such, Mr Hare said that the word “define” is another critical aspect of the advice experience, noting that one of the challenges clients often face is not having a solid understanding of their goals.

This, he has found, has been a prominent pain point for the age bracket Fox & Hare serves - whose average client age is 36.

“If you're in your 20s or 30s, you're like, 'I don't know what I'm going to be doing next year. I don't know where I'm going to be in three years. I don't know where I'm going to be in five years’”.

“We talk regularly with our members and potential members about the fact that your goals will change, and that is okay. But we've got to drive towards something.”

As an example, Mr Hare said that clients may come with the goal of wanting to make their “money work harder”, but won't have thought much further ahead, or considered the specifics.

“Right from the outset, even when sitting in front of a prospect, we're like, ‘awesome, that's amazing, but what does that mean for you?’ And you can see their eyes kind of glaze over and think, ‘I'm not really sure’.”

As such, Mr Hare underscored the importance of developing an understanding of what financial freedom means for each and every client, and working from there.

“So a lot of our ongoing work is really understanding and helping them define what financial freedom means for them and then for us to help them cultivate that.”

“So it's financial freedom, financial flexibility, financial choice,” Mr Hare concluded.

To hear more from Mr Hare, tune in to our podcast from this afternoon.

24 January 2024