



CAREER MINUTE



## The ABCs of Financial Consulting Careers

[By Roshan Tolani]

Financial consultants advise their clients on matters of investments, taxation, savings, pensions, mortgages, and/or insurance. To be able to help their clients achieve their short-term and long-term goals, financial consultants, also known as financial advisers or financial planners, gather information, analyze it, and suggest a wide range of options for their clients.

While most consultants offer advice on various financial areas, some also take on the responsibilities of managing clients' financial products. Other consultants find it beneficial to specialize in areas such as retirement, estate planning, or risk management.

### Nature of the Work

In their initial meetings with clients, financial consultants collect information about clients' financial goals and finance-related problems. Working independently, advisers then spend hours developing comprehensive plans that include problem identification, problem analysis, and probable solutions. In their subsequent meetings with clients, financial consultants present the details of their research and elaborate on recommended solutions. In some cases, consultants also play significant roles in assisting with implementation of these suggested measures.

In the consulting market, financial advisers play three distinctive roles: tied advisers, multi-tied advisers, and independent financial advisers. While tied advisers work exclusively for single organizations, multi-tied advisers deal with a number

of companies, and independent financial advisers (IFAs) give advice on issues that concern the entire financial market.

Financial consultants (especially tied consultants) meet with clients regularly and keep track of their progress. In case of any problems or changes in clients' financial statuses, consultants rework plans and suggest modifications and solutions. To a large extent, financial consultants' successes depend on their abilities to educate their clients about potential risks and various possibilities as well as on keeping themselves updated on the latest developments in the financial sector.

### What do Financial Consultants Do?

- Identify clients' current finances and future finance goals
- Analyze clients' financial information
- Determine strategies for meeting clients' financial objectives
- Explain financial plans, in detail, to clients
- Help clients make informed decisions
- Document the types of services that are to be performed
- Contact clients periodically to

determine changes in their financial statuses

- Keep clients updated on their investments, risks, and opportunities
- Remain informed of developments in the field

Practicing financial advisers are expected to follow the rules and guidelines of the Financial Services Authority (FSA).

### Entry-Level Requirements

Though there are no fixed entry-level requirements for becoming a financial adviser, most employers expect new advisers to have at least bachelor's degrees in business administration, accounting, statistics, or finance. Many financial consultants enter the field after working for a few years in related occupations such as law, securities, insurance, commodities, and financial services.

Another way to get started in financial consulting is to work as a para-planner under an independent financial adviser, assisting him or her with administrative and research work. Employers do value degrees in areas such as options pricing, bond valuation and risk management;



**CAREER MINUTE**

these degrees—and certification and licensing—indicate a certain level of interest in the sector. However, in general, more than formal qualifications, people skills and exposure to customer service, sales, or financial services matter more to employers.

**What Skills Do Successful Financial Consultants Have?**

- Excellent communication and negotiation skills
- Ability to convey complex information to clients
- Ability to persuade clients and solve problems
- Analytical and logical-reasoning skills
- Ability to conduct research and infer conclusions
- Good command of math, statistics, and computers
- Knowledge of and interest in financial products
- Drive and motivation to solve clients' problems

- Self-confidence, maturity, and ability to work independently
- Honesty and trustworthiness
- Accuracy and attention to details

**Certifications and Licenses**

Certification can certainly enhance a professional's standing, but it is not necessary. Those who satisfy the education requirements, have relevant experience, pass a comprehensive examination, and adhere to the code of ethics can obtain Certified Financial Planner credentials—CFP (R)—issued by the Certified Financial Planner Board of Standards. To pass the CFP (R) exam, candidates must possess good knowledge of financial planning processes, insurance and risk management, employee-benefits planning, taxes, retirement planning, and investment and estate planning. Candidates should also have working knowledge of debt management, liability planning, emergency-fund reserves, and statistical modeling.

**On The Net**

Financial Analysts and Personal Financial Advisors  
[www.bls.gov/oco/ocos259.htm](http://www.bls.gov/oco/ocos259.htm)

Financial Adviser: Career Advice  
[www.learn-direct-advice.co.uk/helpwithyourcareer/jobprofiles/profiles/profile749](http://www.learn-direct-advice.co.uk/helpwithyourcareer/jobprofiles/profiles/profile749)

Training to Be Financial Adviser  
[www.financialadviserfinder.com/training.php](http://www.financialadviserfinder.com/training.php)

Tasks of Finance Consultants  
[online.onetcenter.org/link/summary/13-2052.00](http://online.onetcenter.org/link/summary/13-2052.00)

EmploymentCrossing is the largest collection of active jobs in the world.

We continuously monitor the hiring needs of more than 250,000 employers, including virtually every corporation and organization in the United States. We do not charge employers to post their jobs and we aggressively contact and investigate thousands of employers each day to learn of new positions. No one works harder than EmploymentCrossing.

Let EmploymentCrossing go to work for you.