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FIFA Perspectives

Feb 2013

FIFA reaches out with regional knowledge sharing programs

1st regional knowledge sharing program : Indore 9th February 2013



**Yogesh Sharma, Director, on behalf
of the Board of Directors, FIFA**

We at FIFA are proud to have had our 1st Regional Knowledge Sharing Program at Indore on 9th February, amongst the many such regional events planned for the year. The event was a joint initiative of FIFA and IIAA (Insurance and Investment Advisors Association), Indore who are Association Members of FIFA. Mr.Dhruv Mehta, Ms.Roopavenkat from Mumbai and Mr.LovaiiNavlakhi from Bangalore who are Directors of FIFA spoke on behalf of FIFA. The forum was widely attended by nearly 65 Advisors and Members of IIAA who engaged with the Directors of FIFA on various issues such as Financial Planning, Quality Advising, Challenges, Learning's and experiences of IFAs, etc.

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A separate session on Investor Awareness and Knowledge for Investors was also organised. Prospective and current Investors interacted with FIFA Speakers on their personal experiences and sought clarity on any doubts that they had towards Investing in general and on investing in Equities, Debt, Gold and through Mutual Funds and on Insurance. This was a very interactive session which was much appreciated by the Investors at large and which also benefited the FIFA members by creating awareness for their clients and prospective clients towards investing.

We at FIFA have planned many such events and will continue to engage with fellow IFAs and Investors across the country for the benefit of the IFA Community and Industry. The next one is planned in Kolkata on 16th March, 2013”





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Get a 360 degree perspective with this IFA association

Yogesh Sharma, Y S Capital, Mumbai; Founder –Director FIFA



Yogesh Sharma - one of FIFA's Founder-Directors, and among their most active members, provides a birds-eye view of the activities that FIFA has been recently engaged in, over the last couple of months. The breadth of activities is truly impressive - from partnering leading industry summits, to providing members media profiling opportunities, to gaining insights from global and domestic experts on business, regulations and markets, to interfacing with the MF industry on operational and regulatory issues : it's a truly 360 degree perspective that FIFA offers its members, on an ongoing basis. Read on to see what FIFA has been doing in recent weeks and decide whether you would like to gain from FIFA's well rounded activities.

Dear Friends,

FIFA is proud to announce that it's members Ms. Roopa Venkatakrishnan, Ms. Massarat Fakhri, Ms. Sapna Narang, Ms. Sujata Kabraji and Ms. Shiny Sebastian were recently aired on CNBC TV 18 as part of DSP Blackrock's endeavour towards increasing Financial Awareness and Literacy amongst women.

It gives me immense pleasure to also inform you that two of our members, Mr. Lovaii Navlakhi & Ms. Sujata Kabraji are among the recipients of 'Money Today - FPCIL Awards 2012'. While Mr. Lovaii Navlakhi of International Money Matters Pvt Ltd (IMMPL) was awarded as **Best Institutional Financial Planner**, Ms. Sujata Kabraji was the Second Runner-up in **Best Independent Financial Planner** category. WE on behalf of FIFA extend a very hearty congratulations to them!

Other highlights of events and activities of FIFA are as follows :

- FIFA has tied up with Express Money of Indian Express whereby FIFA can contribute articles / columns on a weekly or fortnightly basis.
- FIFA was Industry partner of the CII's premier edition of Financial Distribution Summit on 19th December, 2012 at Hotel The Lalit, Mumbai
- The quarterly meeting of FIFA with AMFI was held on 21st December 2012 where Mr. Sinor briefed members on the Direct Plan discussions AMFI had with SEBI amongst other issues. FIFA gave constructive suggestions for increasing the number of IFAs across the country. This was welcomed by AMFI.
- The 1st Annual General Meeting of FIFA which was held on 21st December where Mr. Vijay Agarwal and Mr. Bhavesh Dalpatram Damania were elected new Directors of FIFA. The AGM proceedings were followed by a talk on "The Service Profit Chain" by Mr Rajni Shah.
- Recently , on 16th Jan 2013, the Financial Advisory Industry Review (FAIR) Panel established by the Monetary Authority of Singapore (MAS) presented its Review on the Financial Advisory Industry and its Summary List of Recommendations. The same has been uploaded on the FIFA website.

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- As a part of FIFA's endeavor to gain perspective from the best of the Industry for its members, FIFA had organized a presentation on the 17th Annual Wealth Creation study conducted by Motilal Oswal Securities Ltd. The study was presented by Mr. Raamdeo Agrawal on 24th Jan 2013. The event was exclusive for FIFA members. It helped FIFA members to understand the study and use the study and the information provided towards their Investor's goals. FIFA has been conducting such events in the past too. Some of them are highlighted below :
 - Panel discussion on Value investing. Panel Included Mr. Raamdeo Agrawal, Sonjoy Bhattacharya, Anoop Bhaskar alongwith Ramesh Damani. All FIFA members were Invited along with select distributors/Industry players.
 - Exclusive Meeting for FIFA members with Vangaurd on "How MF industry works in developed market ? How low cost MFs scale and operate". Being future ready!!
- FIFA was invited for an exclusive meeting at the AMFI office along with operational heads of AMCs on 28th January, 2013, where FIFA gave it's views on operational issues faced by its members as well as issues members faced with the new UIN Card and also the new KYC norms.

FIFA will continue to do such exclusive tie ups and knowledge sharing events/training which will greatly enhance the knowledge base of its members. If you are not registered with FIFA yet, please email your details to response@fifaindia.com or visit www.fifaindia.org and register online.



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Understand the minds of 50% of your clients

Shiney Sebastian, Affluenz Advisors, Kochi



Shiney is among Kerala's most successful IFAs, is a FIFA member and has been involved in the Sheconomy initiative that DSP Blackrock is spearheading. She passionately believes that financial planners can be far more successful when they also engage the most crucial member of the family - the woman. In this very insightful article, Shiney pens her thoughts on why she believes so and also gives some rich insights into understanding another customer segment that planners need to focus on : the single woman. As Shiney says, women make up 50% of humans on this planet. Do financial planners truly understand them? Read on to gain rich insights on how you can become a more successful planner by understanding 50% of your clients better than you perhaps have been doing so far.

The Sheconomy series on CNBC was an interesting exercise to reach out to the heart of the Financial Planning process in a family - The Woman. My learning from the interaction with Women in Business segment was, that though most women seek to self actualise thru running small businesses, the core of the Financial Planning Process is rooted in her family. While she is working at what she wants to do for herself, her priority continues to be a holistic view of the family needs. In my opinion need for women for Financial Planning is considerably higher vis a vis men and they have the potential to be better investors.

Breaking up of the Joint family.

Assuming that most families continue to be run with the man as the head, he has to wear many hats in a nuclear family unlike the one in joint families. Getting a supportive spouse into the act would offer him a wider perspective and give the family a second line of defence in the wealth building process that he is working on. Women increasingly continue to play larger roles to the extent of being equal to men in financial matters.

Strong Emotional Intelligence and Spirit of Sacrifice.

While working with the Financial Planning Process, we realise that achievement of goals depend not only on the traditional tools that we work with, but also a strong spirit of sacrifice. Controlling spending in favour of saving and building wealth is inherent to most women. My work as a Financial Planner has always been enhanced by taking the point of view of the woman. She is the one who would listen to the outpouring of a child's heart dreaming about what he wants to be when he grows up and a husband talking about his vision of what he wants to build for the future. She would gently bring in the resources that she has been the custodian of; to achieve the family goals. She would have been tucking small sums away for years methodically for a rainy day. However, the focus on saving here is high and investment low. We have been working with these women to bring in a radical shift from the saving to an investment mindset so as to enhance the return and create wealth for the family over time.

Goal Focus.

Women by nature are less speculative and to some extent less risk averse than men. Buy and hold as a strategy usually has more subscribers in women. They have a high level of goal orientation and usually do not need the adrenalin of high risk investments that some men seek. So they tend to hold on to investments as long as they are able to achieve their objectives. This would result in their investments giving better returns, making it more tax efficient and incurring lower transaction fees viz a viz their male counterparts.

Single Women

Having addressed some of the generic issues in the preceding paragraphs let me add some special situation needs for women. One of the most relevant planning needs would be for the 'Single woman'.

Complexities for Single Women.

Woman can be single out of choice or through widowhood, divorce, separation etc. Though on the face of it there is nothing which discerns the financial needs from that of other women with support systems, on a closer look, unlike the family woman, the single woman is expected to take care of herself - financially and emotionally. There is a clear requirement to define who would act on her behalf in an emergency, unfortunate event that she cannot act for herself, in sickness, aging etc. These would require much thorough planning through creation of a trust, living will, guardianship of non children - biological or adopted, their education needs, custody of pets and so on.

Estate Planning.

Her need for estate planning may be dismal unless there are small children, dependent parents or has a large wealth. Today, many single women are involved in social work, are part NGOs and fairly committed emotionally as well as financially, which may require estate planning.

Risk Planning.

Insurance for disability and health would be very high on priority for single women because they are not likely to have strong financial, emotional and physical back up. Though she may have an emotional support in friends or some relatives, a good financial backing needs to be created. Dependent Children, when there is no support from the spouse would compound the financial planning needs. It will be more complex in the event of disability or sickness for the woman. As discussed earlier need for a private trust could also be relevant.

To conclude

To sum up, women form 50% of this planet and are increasing playing larger role in the society with large stake in financial matters. They either lend support or in many cases they play the pivotal role in the family finances. Financial Planning for women needs to be addressed to ensure that this society not only empowers women but helps in creating a better social fabric.



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She is special and she requires special care !

Sapna Narang, Capital League, Delhi



We flagged off February with an article focusing on DSP Blackrock's Winvestor and Sheconomy initiatives. Shiney Sebastian followed this up with an insightful write up on how to understand women investors better and put a spotlight on the unique needs of single women. In this concluding piece of Wealth Forum's spotlight on women investors, Sapna Narang - one of North India's most successful advisors, Managing Partner of an all women team, and an active FIFA member, spells out in her usual crisp and articulate manner exactly how women are different from men in the way they take investment decisions. If you want to become a trusted advisor to any woman investor, you would do well to take on board Sapna's rich insights and mould your approach appropriately. If you want your clients' families to become successful investors, you would do well to imbibe these insights and focus a lot more on the woman of the family, than you perhaps were doing so far.

She is special and she requires special care !

She is educated, working, earning and slowly assuming a decisive role in the personal and family investing landscape.

Opportunity for advisors who can tune-in

This represents an opportunity for financial advisors who can tune-in to the needs of the She-investor. Women are taking an increasingly active role in determining how their families save, spend, invest and plan for the future. This has been acknowledged by consumer companies, hospitality companies, airlines etc. And it is about time that the financial services industry starts catering to the needs of the She- investor.

Women approach money differently

Women approach money differently. For them money is primarily a means for achieving 'security' and financial peace of mind. It is a vehicle for them to reach their goals of buying a home, providing for children, providing for old-age etc. It is less about accumulating wealth. They view their investments as being able to provide a parachute for the 'bad times!'. Thus, they are looking for someone who will 'listen' to their concerns and try to resolve their issues.

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She is special and she requires special care !

Consensus builders

Women are more collaborative decision-makers. They are likely to consult number of sources before deciding on a course of action. They value 'responsiveness' and good service. Also, because the She-investor connects so strongly to the emotional aspect of money, we need to talk more in terms of personal 'issues/ goals' rather than in terms of graphs and excel spreadsheets. The 'statistics- approach' does not work well with the She-investor. Just cut the jargon and stick to the basics.

Need to feel empowered

The She-investor wants to be empowered to be able to take her own decisions. Help her to 'learn' and 'understand'. Help her to understand the consequences of different strategies in simple terms with real-life examples.

Strong convictions after consensus building process

Since the She-investor is likely to deliberate, discuss and confer with others before reaching her investment decisions, you will need to persevere. But once you have invested in patiently listening, understanding and offering workable solutions to the She-investor you will be rewarded by loyalty, referrals and a long lasting relationship.