

The challenge

"I do not need to be diversified"

The coaching opportunity

Cast a wider net with global diversification

ASK

➤ Tell me more about why you feel this way?

LISTEN

➤ *In addition to listening to the client's words, watch their non-verbal cues as they speak to get additional clues about how they are feeling. That will help you empathise and coach more effectively. Resist the urge to interrupt—let the client speak their current truth.*

EMPATHISE

➤ Thank you for sharing that perspective. I can certainly understand why it may seem like diversification may have felt like a performance inhibitor in the last few years, however in my experience it's impossible to predict which asset class will perform the best or worst in a given year, so we need to cast a wider net with global diversification.

COACH

➤ As a wealth manager, I believe in capitalising on the global nature of the economy that truly requires broad diversification and access to the best-in-breed investment managers who can capitalise on that and cast us that wider net. Diversification, asset allocation and rebalancing are variables we can control in an environment consumed with variables that are not in our control.



Reinforce the coaching opportunity with additional messaging

"I do not need to be diversified"

The most effective way to limit big losses is to have a portfolio where risk is understood and managed through broad diversification.

Let's consider the effects of inflation on your purchasing power if you have retirement assets sitting on the sidelines in cash.

One of the only knowns we have is that broad diversification is a way to produce risk-adjusted performance over time.

Diversification is investors' most admired, yet least practiced, investment discipline. In the last few years, diversification has been a performance inhibitor, but it is and should be a cornerstone of investing.

Most clients, when educated about the reality and frequency of market cycles and the impact of big losses on long-term returns, realise that being diversified helps to preserve capital and achieve goals.

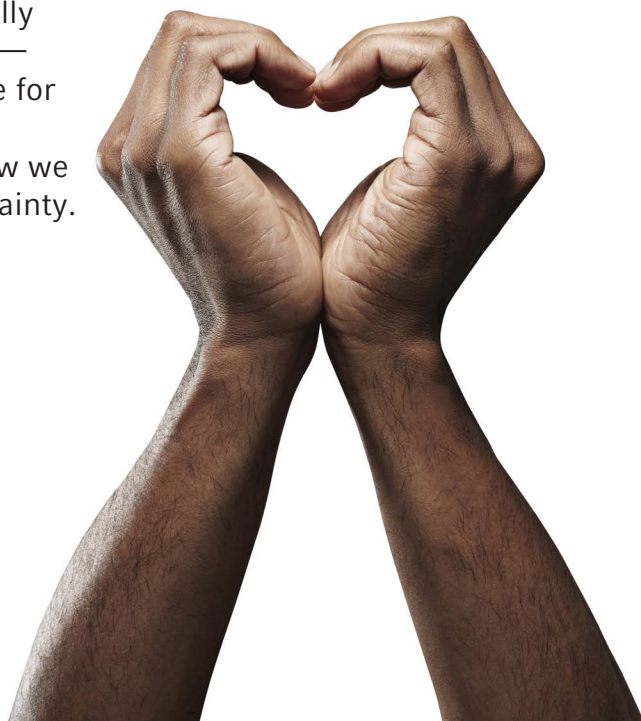
Portfolio diversification is not just about getting you from point A to point B, but the ride we take to get you there.

Be your clients' coach, guide and guru

Recent market volatility has likely created anxiety among investors and can lead a client to question some of the basic tenants of investing and potentially have great impact on their financial success. Financial advisers who **coach** clients on the timeless concepts like maintaining a long-term investment horizon, understanding the realities of market cycles and share the value they bring to the relationship can turn challenging conversations into business growth opportunities. Getting to the top of your profession and staying there is about **guiding** your clients and being a **guru** in managing client relationships and client expectations.

We are here to help you

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