

7 Steps to Implement the Stress Management & Intervention Strategy (SMIS)



Fill out the ***Stress Management & Intervention Strategy (SMIS)*** with your client so you can assess your client's reactions and add information as needed. This is your opportunity to find out key information about your client and to proactively preset reactions for future stressful situations.

It is also a time to get consent to obtain support if/when you are concerned in the future about your client's ability to make sound financial decisions. Engaging in this process can give your client a sense of control and strengthen your role as a trusted advisor.

1 Make the link between success and a long-term financial plan

- Time, not timing
- Discuss time as a method to even out ups and downs

2 Discuss ups and downs: market, life events, physical/mental illness

- Discuss good and bad times – past and present
- Discuss how short-term markets and bad economic news have little to do with the client's long-term plan
- Ask about life events so you can anticipate situations that may arise (consider using the *Holmes-Rahe Life Stress Inventory* included in this Advisor Guide)
- Ask about mental well-being

3 Discuss the impact of stress, emotions and poorly thought-out decisions on a financial plan

4 Fill out the “Situations” section of the *SMIS*

- This provides you with information on how and when your client might react

5 Fill out the “Actions” section of the *SMIS*

This is your opportunity to outline/record:

- How you will respond to the client in stressful situations
- How the client will respond to stressful situations
- How you will support the client with information to make things clear and encourage non-emotional, informed decision-making
- How you may encourage the client to act in opposition to how he/she feels in order to take advantage of market turmoil
- Consent to contact a Trusted Contact Person (TCP) if/when you are concerned about the client's ability to make sound financial decisions in the future

6 Sign and date the plan

- The plan should be signed and dated by the client, you (the advisor) and a witness
- The act of signing makes the process “official” and increases the likelihood of follow-through

7 Revisit the plan

- Revisit the plan annually or more frequently if any of the three types of stressors create a situation that requires a preset response

Holmes-Rahe Life Stress Inventory*

	LIFE EVENT	LIFE CHANGE UNITS (LCU)	YOUR POINTS
In the past year, have you experienced:	Death of spouse	100	_____
	Divorce	73	_____
	Marital separation	65	_____
	Detention in jail or other institution	63	_____
	Death of close family member	63	_____
	Major personal injury or illness	53	_____
	Marriage	50	_____
	Being fired at work	47	_____
	Marital reconciliation	45	_____
	Retirement from work	45	_____
	Major health change ¹ of family member	44	_____
	Pregnancy	40	_____
	Sexual difficulties	39	_____
	Gaining a new family member ²	39	_____
	Major business adjustment	39	_____
	Major change in financial state ³	38	_____
	Death of a close friend	37	_____
	Career change by choice	36	_____
	Spousal argument frequency change ³	35	_____
	Taking on a mortgage ⁴	31	_____
	Foreclosure on a mortgage or loan	30	_____
	Major change in work responsibilities ⁵	29	_____
	Adult child leaving home ⁶	29	_____
	Troubles with in-laws	29	_____
	Outstanding personal achievement	28	_____
Change in spouse's work ⁷	26	_____	
Beginning or ceasing formal schooling	26	_____	
Major change in living condition ⁸	25	_____	
Revision of personal habits ⁹	24	_____	
Troubles with the boss	23	_____	
Major changes in work hours or conditions	20	_____	
Changes in residence	20	_____	
New school	20	_____	
Major recreation change ¹⁰	19	_____	
Major change in activity in religion	19	_____	
Major change in social interactivity	18	_____	
Acquiring a loan (e.g., car)	17	_____	
Major change in sleep habit	16	_____	
Major change in family social interactivity	15	_____	
Major change in eating habit ¹¹	15	_____	
Vacation	13	_____	
Major holidays	12	_____	
Minor violations of the law ¹²	11	_____	
		YOUR TOTAL	_____

Total your points to find your score.

150 points or less means a relatively low amount of life change and a low susceptibility to stress-induced health breakdown

150 to 300 points implies about a 50% chance of a major health breakdown in the next 2 years

300 points or more 80% chance of health breakdown in the next 2 years, according to the Holmes-Rahe statistical prediction model

* Abbreviated for brevity
 1 or behaviour
 2 birth, adoption, older adult moving in etc.
 3 much worse or better than usual
 4 for home or business
 5 promotion or demotion
 6 marriage, college, military
 7 beginning or ceasing work outside the home
 8 new home, remodelling, deterioration
 9 dress, associations, quit smoking
 10 a lot more or less than usual
 11 increased/decreased volume, hours, surroundings
 12 traffic tickets, jaywalking

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