



A Meeting of Minds Advisory Distributors

Thursday 27 June 2024 – Tylney Hall Hotel & Gardens, Ridge Lane, Hook, RG27 9AZ

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| Oak Room Restaurant | 26 June 1900-2200 | Drinks and Formal Dinner | Dinner will be served at 19:45 |
| Schedule of the Day | | | |
| Library Bar | 0815-0900 | Breakfast | Informal networking - Over breakfast and coffee |
| Tylney Suite | 0900-0920 | Keynote | Welcome - Incorporating the highlights of the Scene Setter research. With James Goad , MD, Owen James |
| Tylney Suite | 0920-1000 | Keynote | What On Earth? Expert insights on the undulating geopolitical and economic landscape. With Dr Hannah White OBE , Director, Institute for Government |
| Breakout Rooms | 1005-1115 | Roundtable Session | <i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i> |
| Library Bar | 1115-1135 | Coffee | Grab a refreshment and catch up with your peers |
| Tylney Suite | 1135-1205 | Networking | Structured networking - An opportunity to meet some new faces |
| Breakout Rooms | 1210-1320 | Roundtable Session | <i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i> |
| Chestnut Suite | 1320-1420 | Lunch | A seated formal lunch |
| Tylney Suite | 1430-1500 | Keynote | Recruiting and Retaining Gen Z: Craving the human touch. With Alex Atherton , leadership development consultant and former inner-London headteacher |
| Breakout Rooms | 1505-1615 | Roundtable Session | <i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i> |
| Tylney Suite | 1620-1650 | Keynote | Innovative Channels – The 5 key ways to win new clients and accelerate organic growth. With Meg Carpenter , CEO and Co-Founder, Ficomm |
| Library Bar | 1700-1800 | Farewell and Fizz | We thank you for joining us over a glass of bubbly |

1

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A MEETING OF MINDS: ADVISORY DISTRIBUTOR

ROUNDTABLE THEMES

Thursday 27 June 2024, Tylney Hall Hotel & Gardens

Contents

| | |
|--|----------|
| GEOPOLITICS: | 2 |
| 1. New Era - Responding to the changing geopolitical and economic tensions | 2 |
| 2. Turning Red - Anticipating a new political landscape in the UK | 2 |
| 3. Rising Threat - to weather the storm clouds gathering in the East..... | 2 |
| PRODUCTIVITY & INNOVATION: | 2 |
| 4. Finely Tuned - How to hit the right note with productivity tools..... | 2 |
| 5. Obstacle Course - Overcoming the productivity hurdles in the front and back-office..... | 3 |
| 6. Known Unknowns - Can AI propel the business operating model into the future? | 3 |
| 7. Cultural Gains - Setting clear goals for desired business outcomes..... | 3 |
| ORGANIC & INORGANIC GROWTH | 3 |
| 8. Artificial Promise - The potential for growing your business intelligently | 3 |
| 9. Attractive Quality - How to prepare your business for sale | 4 |
| CLIENT MATTERS: | 4 |
| 10. Evidence Trail - Navigating pricing and the future value chain..... | 4 |
| 11. Data Demand - Serving an increasingly diverse and expanding client base..... | 4 |
| 12. Acceptable Behaviour - Applying behavioural insights to promote financial wellbeing..... | 5 |
| PEOPLE & WORKPLACE | 5 |
| 13. Evolving opportunities - Addressing the challenges in the financial advice profession..... | 5 |
| 14. Break Through - Attracting women in order to bridge the talent gap | 5 |
| 15. Remote Setting - Providing the right leadership culture to empower and enable existing employees | 6 |
| REGULATION | 6 |
| 16. Increased Scrutiny - Do you know your clients well enough for the FCA?..... | 6 |
| 17. Positive Reduction - Is the Consumer Duty helping to close the advice gap? | 6 |
| 18. Increasing Obligations - Managing the new risks, rules, and requirements..... | 6 |

ROUNDTABLE THEMES TABLED FOR DISCUSSION:

GEOPOLITICS:

1. New Era - Responding to the changing geopolitical and economic tensions

The era of low interest rates, suppressed wage inflation, cheap energy and hyper globalisation has ended. Labour and energy are now more expensive and globalisation is changing profoundly.

The world won't return to what we had before and we now have to live with a new normal. This session will therefore discuss:

- How firms and investors can respond to the above challenges and seek the investment opportunities which can be found as a result of them
- What the impact of this will be on the adviser market

2. Turning Red - Anticipating a new political landscape in the UK

Anticipation is looming over a Labour victory in the upcoming 2024 UK election, heralding big changes to the investment landscape and the broader UK policy framework.

While the precise implications of Labour's policy proposals, fiscal priorities and regulatory alterations remain uncertain, clients will be seeking insights into the likely impact on their investment portfolios. This session will address:

- Strategies for aligning client investment goals with changes in policies, regulations and fiscal priorities under a Labour government
- The importance of monitoring political developments and staying agile to reassess investment strategies amidst an evolving political landscape

3. Rising Threat - to weather the storm clouds gathering in the East

From Eastern Europe to the Middle East, conflicts are increasing in intensity and consequence, while in the Far East, China is a rising threat to the US, which could also lead to conflict in the increasing likelihood that Trump wins the US election.

China's investability is now questioned by investors who are seeing a reconfiguration of supply chains, with the US moving away from its reliance on China. This session will discuss:

- The implications for equity markets, the market is vulnerable and US equity markets are very limited not just from a geopolitical perspective
- What strategies for resilience are there amidst the geopolitical instability?

PRODUCTIVITY & INNOVATION:

4. Finely Tuned - How to hit the right note with productivity tools

We know from the scene-setter that your key priority is productivity, but unlocking team productivity is notoriously challenging.

As well as being well managed, highly productive teams have clarity of purpose and expectations. In other words, they know how they are performing against their goals and have accountability to succeed.

The session will explore the factors which commonly undermine team productivity and focus on the must-haves to unleash performance potential, as well as:

- The impact that productivity tools can have in crucial areas, including team collaboration, onboarding processes and factfinding

5. Obstacle Course - Overcoming the productivity hurdles in the front and back-office

The productivity paradox phenomenon shows no sign of ending given that technological advancements have yet to translate into obvious improvements in efficiencies.

Lack of technology, inconsistent processes, unreliable data, compliance, inappropriate organisational structure and silos in communication are all considered to be barriers. Addressing this means investment in both technology and resources, but there is also the challenge of measuring and evidencing the impact of this on productivity.

This session will explore:

- The intricacies of upgrading the front-office, including the challenges of CRM replacement, and maintaining a delicate balance in the back-office for optimal profitability

Expert: SEI

6. Known Unknowns - Can AI propel the business operating model into the future?

When it comes to innovating, the challenge for most firms is finding the right technology that will fit in with the individual business operating model. The more complicated this is the harder it will be and you have to be prepared to spend a lot of money. But can AI be used instead?

Innovating means focusing on what the future will look like and while we are starting to see pockets of experimentation in AI, there is still currently a big fear factor of the unknowns.

This session will shed light on what is known, in order to focus on:

- How AI can help move the business operating model from what it is now, to what it needs it to be in the future

7. Cultural Gains - Setting clear goals for desired business outcomes

The industry does not have the best track record when it comes to delivering technological change, and it is not hard to see why, given the number of elements which can hinder the technology transformation project itself.

The right culture is crucially important for achieving the desired changes, but this is often even harder to implement. This session will look at the practices being used to solve problems around employing technology, as well as:

- Working effectively with third party suppliers in order to ensure they develop the service solutions that are actually needed

ORGANIC & INORGANIC GROWTH

8. Artificial Promise - The potential for growing your business intelligently

With pressure on your productivity such a key challenge when it comes to growth, automating your business processes is more and more attractive. But with such a myriad of systems available, integration - or more accurately, the lack of, is still a major cause of frustration, particularly when it comes to the essential integration with back-office systems.

This session will explore:

- The challenges faced by financial planning firms in optimising operational efficiency by streamlining systems
- The importance of integrated systems, functional boundaries, and data quality standards in technology adoption for financial planning firms

9. Attractive Quality - How to prepare your business for sale

While the number of directly regulated IFA firms has fallen by 5% since 2016, in 2023 there were still 5,429 firms in the UK. There were also 157 acquirers in the market, so for those looking to grow through acquisition, there is still plenty of opportunity.

This session will explore the growth strategies and transitions in order to make the most informed decision for your firm, from internal succession planning to options outside, including: asset sale; trade and asset sale; share sale; management buyout or the establishment of an employee ownership trust.

It will also look at how to increase business value to attract potential acquirers, with emphasis on long-term growth strategies and building substantial value over the next 3-10 years, including:

- Evidencing your client proposition, segmentation, fee structure, CIP and cost base
- Ensuring all aspects relating to your regulatory position, risk analysis and data security are all clear and up-to-date
- Simplifying your operational processes and making the most of your technology

CLIENT MATTERS:

10. Evidence Trail - Navigating pricing and the future value chain

Clients have become more fee-conscious, which coupled with regulatory scrutiny, is leading to transformative shifts in pricing and fee compression trends.

Firms need to navigate pricing dynamics while fostering a value chain that aligns with the evolving needs of clients and regulatory expectations.

This session will discuss:

- The need to demonstrate and evidence justifications for charges, recognising that the FCA acknowledges diverse pricing structures as long as there is a suitable explanation
- Leveraging technology for robust evidence trails, and ongoing debates around fixed fees versus percentage of assets models
- Predictions for the value chain in the next 2-3 years, considering the evolving landscape and anticipating shifts that will shape the industry's trajectory

11. Data Demand - Serving an increasingly diverse and expanding client base

It is said that data is the puzzle, and insights are the pieces falling into place. You can't get the insights without a source of clean, consolidated data though – and many firms continue to struggle with legacy systems and data quality issues.

While the complexities around both data access and the practicalities of determining good data is a challenge shared by us all, it is also highly specific to the individual firm.

This session will therefore ask:

- What are the market-leaders doing with client data that will help generate meaningful insights for us all?

12. Acceptable Behaviour - Applying behavioural insights to promote financial wellbeing

Behavioural finance is an increasingly vital aspect of modern investing which seeks to understand and predict how individuals and markets behave by integrating insights from psychology and economics.

By recognising the psychological factors that influence decision-making, investors and financial professionals can develop strategies to mitigate biases, improve decision-making processes, and achieve better financial outcomes.

This session will shed light on how these insights can inform investment strategies and risk management practices, in order to:

- Apply behavioural insights in practice and the responsibility of financial professionals in promoting investor welfare and financial well-being
- Gain a deeper understanding of the behavioural drivers shaping financial markets and investment enhance their decision-making processes, optimise portfolio outcomes, and better navigate the complexities of the investment landscape

PEOPLE & WORKPLACE

13. Evolving Opportunities - Addressing the challenges in the financial advice profession

One of the biggest challenges for this industry is sourcing qualified candidates to fill the gaps when firms lose their older, more experienced employees.

The industry needs to adapt to a shrinking advice profession combined with a growing population. One in five IFAs will retire in the next 5 years, and only 16% of advisers are currently women.

How the profession can address these challenges in the face of changing client demographics and the need for the digitisation of advice, involves finding answers to the following key questions:

- How does the industry adapt to rising demand for advice and reducing adviser numbers? What impact will the FCA Advice Boundary Review have?
- How do we seize the opportunity of the inter-gender and generational wealth transfer?

14. Break Through - Attracting women in order to bridge the talent gap

The industry urgently needs to adapt to rising demand for advice in the face of reducing adviser numbers, which means hiring for transferable skills over industry-specific credentials to open up a bigger pool of candidates.

Attracting women into the sector who have the transferable skills as well as dedication to this second career would also be beneficial to the increasing female clients coming through the intergender wealth transfer.

This session will therefore:

- Explore innovative strategies to attract and empower women to embark on second careers in wealth management

15. Remote Setting - Providing the right leadership culture to empower and enable existing employees

In a hybrid work environment, staff motivation and workplace culture can be harder to find, and as such, innovative approaches are needed to reinvigorate workplace culture.

However, while it is important to make more deliberate efforts to build closeness and teamwork with colleagues who meet less frequently, we are still at the relatively early stages of these new normal working patterns, and the rate of changes still to come are likely to continue, as the pace of digitisation does.

This session will therefore explore:

- The varying models of remote and hybrid working adopted by financial planning firms, examining the success, challenges, and nuances of these approaches
- Employer responsibilities concerning the setup of home workspaces to ensure the wellbeing of employees and mitigate risks associated with remote work
- Strategies to foster team unity, camaraderie, and collaboration, including initiatives for closer connections and enhanced client engagement

REGULATION

16. Increased Scrutiny - Do you know your clients well enough for the FCA?

In its Dear CEO letter of November 2023, the FCA highlighted that 49% of portfolio managers from its wealth data survey identified no vulnerable consumers, even though 50% of us will be classified as vulnerable over our lifetime. It has therefore signalled its need to intervene further when it comes to addressing the risk of harm to vulnerable clients.

This session will discuss the change in approach by the FCA, with its increased focus on:

- The increased use of supervisory tools and powers which will also come with an increased expectation that firms take appropriate action to rectify consumer harms, particularly from financial crime and risk to vulnerable customers

17. Positive Reduction - Is the Consumer Duty helping to close the advice gap?

According to our scene-setter many firms are struggling when it comes to meeting the opportunities that will come from the advice gap and the intergenerational wealth transfer, and want the regulator to provide more clarity on how to incentivise advice to reduce the gap.

However, we know there is also concern that many of the initiatives from the FCA are only serving to widen the advice gap at a time when consumers need advice more than ever, particular in light of the increasing harm from fraud.

Now there has been a year of the Consumer Duty this session will discuss:

- The extent to which it is bringing positive consequences around competition, innovation and financial inclusion as well as its other impacts

18. Increasing Obligations - Managing the new risks, rules, and requirements

This session will discuss the increasing regulatory constraints on financial advisers which require you to constantly adapt your practices as well as invest more resources in maintaining compliance with the new regulations, including:

- The number of consultation papers pending for advice firms including around capital adequacy, FSCS reform and sustainable investment advice

- Edinburgh Reforms, whilst further in the future, are a chance to revisit some areas of regulation that have not worked for the UK model, and where they have had disproportionate effect on smaller firms, e.g. around IDD CPD, reporting and SM&CR
- The EU's Digital Operational Resilience Act (DORA) Regulation for those operating outside the UK