

Meeting of Minds Winning Advisers

Thursday 25 April 2024, Rudding Park, Harrogate, HG3 1JH

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| Crosby Suite | 1900-2200 | Networking Drinks and Dinner | Seated for dinner at 19:45 |
| Schedule of the Day | | | |
| Radcliffe Room | 0830-0900 | Coffee and pastries | Informal networking over coffee |
| Radcliffe Room | 0900-0920 | Keynote | Welcome - incorporating the highlights of the Scene Setter research. With James Goad , Managing Director, Owen James Events |
| Radcliffe Room | 0920-1000 | Keynote | British Politics. What will 2024 hold, other than a General Election of course?! With Ben Riley-Smith , political editor at The Telegraph |
| | 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> |
| Radcliffe Room | 1115-1135 | Morning Coffee | Grab a refreshment and catch up with your peers |
| Radcliffe Room | 1135-1210 | Networking | Structured networking - an opportunity to meet some new faces |
| | 1215-1325 | Roundtable Session | <i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i> |
| Crosby Suite | 1330-1430 | Lunch | A seated formal lunch |
| Radcliffe Room | 1435-1505 | Keynote | On Close Authority - Emerging risks and working together to ensure the right consumer outcomes. With Nick Hulme , Head of Department, Advisers Wealth and Pensions / Consumer Investments, Financial Conduct Authority |
| | 1510-1620 | Roundtable Session | <i>Please refer below to get a feel for the topics that will be tabled for discussion within the roundtables</i> |
| Radcliffe Room | 1625-1655 | Keynote | Tomorrow's Client, Tomorrow's Colleague. Understanding the impact of new technologies in the context of a changing and uncertain world. With Tom Cheesewright , author, speaker and applied futurist |
| Crosby Suite | 1655-1800 | Fizz and Farewell | We thank you for joining us and bid you farewell |

A MEETING OF MINDS WINNING ADVISERS

ROUNDTABLE THEMES

Thursday 25 April, 2024 at Rudding Park, Harrogate

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ROUNDTABLE THEMES TABLED FOR DISCUSSION

ECONOMIC & GEOPOLITICAL

1. Strategic Perspectives - Thinking clearly in an age of confusion

The prolonged period of instability means advisers need to continually find strategic responses to the economic uncertainties, in order to reassure clients and prevent panic.

This session will discuss these crucial strategies, as well as the policy and tax structuring shifts that will likely come with a Labour government, by examining the following:

- Portfolio diversification - whether geographical, sector, or thematic – in order to ensure portfolios are well-positioned to benefit from potential upsides amid permacrisis
- Keeping aware of any opportunities for tactical investment decisions as they arise
- The best place for long-term investing given that, regardless of what inflation does, you cannot time the market

2. Two Directions - Looking East and West to assess the risks

While global focus has now moved from Eastern Europe to the Middle East, 2024 will likely see tensions building in the Far East, particularly given the Trump-shaped storm forming in the West.

This session will discuss the latest geopolitical events impacting the global economy and markets amid regional tensions, including:

- Trade policies and economic shifts, as well as the impact on currency markets, commodities, stocks and bonds
- How technology can help track data in order to understand and assess geopolitical risks

PRICING & VALUE

3. In Tune - How to hit the right note with productivity tools

We know from the scene-setter that your key priorities are productivity and cost reduction, but caution remains around pursuing efficiency at the expense of client engagement.

By digging into this tension and sharing insights, this session will unpack the complexities of balancing efficiency and experience, regulation and responsibility within your business, in order to:

- Gain deeper understanding of the efficiencies offered by productivity tools and strategies without compromising the richness of the independent personal experience
- The impact these tools can bring to productivity in other areas, such as work environments and collaboration, onboarding processes and data collection via client portals

4. Quality Performance - Using expectations-driven insights to evidence value

From a client's perspective, value is not based on price alone. Instead, generating a reliable predictor of value requires an adviser's performance to be measured against client expectations. In other words, mapping the customer expectations in order to know what needs to be maintained, improved, fixed or introduced - then asking clients how advisers perform against these expectations.

This session will discuss how to gather expectations-driven insight by:

- Creating a customer feedback process that is dynamic and continuous, with measures that can be assessed against competitors, including quality of services and ease of doing business, product quality, costs and fees, and onboarding experience
- The techniques to avoid when it comes to generating feedback that gives biased or "directed" responses

5. CIP Service - Evaluating their impact on client value and process efficiency

The FCA expects advisers to regularly assess the overall cost and value for money of their products and services, and make changes when poor value is identified. But despite this being clearly spelled out in the Consumer Duty, being able to define what adds value - or what is perceived as valuable by clients, still varies.

This session will delve into the differing perspectives on CIPs, evaluating the impact on client value and process efficiency by discussing:

- The elements of a CIP that are demonstrably valuable to both clients and advisers
- The pros and cons of creating bespoke CIPs or leveraging outsourced models
- The future CIP improvements such as enhanced client reporting, streamlined outsourcing, and flexibility in changing suppliers, aligned with changing regulatory and tax landscapes

TECHNOLOGY & INNOVATION

6. Productivity Push – How AI can help advisers add value

In a time of rising cost-income ratios, driving productivity is relying more and more on leveraging technology for efficiency. But there is still a lot of confusion among financial advisers about what AI is, with only some presently using it.

For those who have embraced it, and those who have yet to start, this session will look at the potential for innovation through digitisation in the following core adviser areas:

- Customer journeys, products and services, risk management and portfolios
- New opportunities in the form of CRM customer segmentation
- Effective use of all available data in order to analyse what a client is likely to do next
- The power of AI to add value by identifying useful patterns in your client data and be proactive rather than reactive

7. People Power – Why AI won't replace advisers (yet)

AI will save advisers time, but not replace them (yet), although we know from the scene-setter that the more knowledge delegates have of AI, the more bullish they are about its capability to replace them, eventually.

For now, concerns are more about the privacy of the data being put into it, and the issue of creating “black box” advice, which all reinforces the importance of having a human who knows what they are doing controlling the AI and spot errors. In other words, a qualified adviser.

This session will highlight the need for both human and digital interaction, by discussing:

- Finding the right balance between AI tools (such as factfinds) and the irreplaceable role of advisers when it comes to client engagement

8. Strong Defence - Reinforcing client trust with a security-centric approach

As the use of digital transformation has increased, so has the amount of data which cybercriminals want to get their hands on.

Migrating to the cloud enables firms to collect vast amounts of data, and while this is essential for data storage, there can be reliability concerns when it comes to using third parties.

The financial services industry has a lot of legacy technology and fragmented IT systems that can create a much broader ‘attack surface’, and delivering vital information to clients across multiple channels does not help either.

The impact of data breaches and cybersecurity cannot be taken for granted, so this session will ask:

- What proactive steps can be taken to reinforce both your security infrastructure, as well as your client's trust?

ORGANIC & INORGANIC GROWTH

9. 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 as 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

10. 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

Expert: Puma

REGULATION

11. 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

12. 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

13. 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

Expert: Tribe

PEOPLE & CULTURE

14. Remote Setting - The evolving landscape for workplace dynamics

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

15. Bright Future - Attracting and retaining the advisers of tomorrow

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

Implementing new digital solutions can require a cultural shift, and firms need leaders who can articulate a clear vision for the future, as well as inspire employees to embrace change and adopt new ways of working.

However, these skills do not always align with those possessed by the available talent pool, which doesn't seem to be getting any bigger despite the benefits the sector has to offer. This session will aim to take a look at these challenges as well as the potential solutions, including:

- Collaborating with startups to access their specialised expertise, as well as actively engaging with the digital community
- Providing the right leadership culture to empower and enable existing employees

INVESTMENT THEMES

To be announced