

# Meeting of Minds: Winning Advisers

## Thursday 21 April 2022, Rudding Park, Harrogate, HG3 1JH

<b>Crosby Suite</b>	1900-2200	<b>Drinks and Formal Dinner</b>	Seated for dinner at <b>19:45</b>			
<b>Schedule of the Day</b>						
<b>Radcliffe Room</b>	0815-0900	<b>Breakfast</b>	<b>Informal networking</b> - over breakfast			
<b>Radcliffe Room</b>	0900-0920	<b>Keynote</b>	<b>Welcome</b> - Incorporating the highlights of the Scene Setter research. With <b>James Goad</b> , MD, Owen James			
<b>Radcliffe Room</b>	0920-0950	<b>Keynote</b>	<b>Finding the edge from football, how to learn and use these skills of elite footballers in our everyday lives.</b> With <b>Ben Lyttleton</b> , sports journalist and author of <i>Edge: Leadership Secrets of Football's Top Thinkers</i>			
	0955-1105	<b>Roundtable Session</b>	<i>M&amp;A Activity. What are they looking for and what are their long-term strategies?</i>	<i>Finding Your Edge. To grow in this game, you need a strategy, and a mindset to match</i>	<i>Clearly Signposted. How to integrate ESG into the advice journey</i>	<i>Talent Contest. How to attract and retain the best candidates in today's competitive recruitment market</i>
<b>Radcliffe Room</b>	1105-1125	<b>Coffee</b>	Grab a refreshment and catch up with your peers			
<b>Radcliffe Room</b>	1125-1200	<b>Networking</b>	<b>Structured networking</b> - an opportunity to meet some new faces.			
	1205-1315	<b>Roundtable Session</b>	<i>Embracing Change. Moving with the times to keep costs down when the cost of everything is going up</i>	<i>It's not about the result, it's about the process when it comes to ESG</i>	<i>Heavy Duty. Is consumer duty of care just TCF in another guise</i>	
<b>Crosby Suite</b>	1315-1420	<b>Lunch</b>	<b>A seated formal lunch</b>			
<b>Radcliffe Room</b>	1430-1500	<b>Keynote</b>	<b>The power of thinking differently and how to succeed because of it, not in spite of it.</b> With <b>Helena Territt</b> , Executive Coach and Founder of Hatched			
	1505-1615	<b>Roundtable Session</b>	<i>Onwards and Upwards. Planning for a successful retirement in challenging times</i>	<i>Big Tech. How and where it can add value back into the sector</i>	<i>Navigating a new interest rates and inflation environment with economic franchises</i>	
<b>Radcliffe Room</b>	1620-1650	<b>Keynote/Panel Discussion</b>	<b>Finding a vantage point from which to navigate the M&amp;A landscape.</b> A Q&A panel discussion hosted by financial journalist and presenter <b>Sam Shaw</b> with <b>John Chapman, Andy Cumming, Martyn Laverick</b> and <b>Roderic Rennison</b> of <b>Catalyst Partners</b>			
<b>Drawing Room</b>	1650-1800	<b>Fizz flows</b>	We thank you for joining us and bid you farewell			

*For more details regarding the roundtable topics, please see below. This document is the copyright of Owen James*

## A MEETING OF MINDS: WINNING ADVISORS

### ROUNDTABLE THEMES

Thursday 21 April 2022 at Rudding Park, Harrogate

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#### Contents

- CARING FOR YOUR CLIENTS.....	1
1. THE LONG AND SHORT OF IT: NAVIGATING A NEW INTEREST RATES AND INFLATION ENVIRONMENT WITH ECONOMIC FRANCHISES .....	1
- INVESTING IN TOMORROW .....	1
2. ONWARDS AND UPWARDS. PLANNING FOR A SUCCESSFUL RETIREMENT IN CHALLENGING TIMES.....	1
3. THE LONG GAME? IT'S NOT ABOUT THE RESULT, IT'S ABOUT THE PROCESS WHEN IT COMES TO ESG.....	2
4. CLEARLY SIGNPOSTED. HOW TO INTEGRATE ESG INTO THE ADVICE JOURNEY .....	2
- REGULATION .....	2
5. HEAVY DUTY. IS CONSUMER DUTY OF CARE JUST TREATING CUSTOMERS FAIRLY (TCF) IN ANOTHER GUISE?.....	2
- YOUR BUSINESS .....	3
6. MERGER AND ACQUISITION (M&A) ACTIVITY: WHAT ARE THEY LOOKING FOR AND WHAT ARE THEIR LONG-TERM STRATEGIES?.....	3
7. FINDING YOUR EDGE: TO GROW IN THIS GAME YOU NEED A STRATEGY - AND A MINDSET - TO MATCH.....	3
8. TALENT CONTEST. HOW TO ATTRACT AND RETAIN THE BEST CANDIDATES IN TODAY'S COMPETITIVE RECRUITMENT MARKET .....	4
- THE WEALTH OF TECHNOLOGY.....	4
9. BIG TECH. HOW AND WHERE CAN IT ADD VALUE BACK INTO THE SECTOR .....	4
10. EMBRACING CHANGE: MOVING WITH THE TIMES TO KEEP COSTS DOWN WHEN THE COST OF EVERYTHING IS GOING UP .....	4

## ROUNDTABLE THEMES TABLED FOR DISCUSSION:

### - CARING FOR YOUR CLIENTS

#### 1. THE LONG AND SHORT OF IT: NAVIGATING A NEW INTEREST RATES AND INFLATION ENVIRONMENT WITH ECONOMIC FRANCHISES

- Expected interest rates increases and surging inflation present investors with a challenge not seen over the last 30 years
- As input costs rise and pressure on consumers increase, investing in companies we define as Economic Franchises, are naturally price setters rather than price takers and therefore can pass through inflationary pressures, offer higher degree of earnings forecastability and a more stable pattern of returns
- Global inflation is rising significantly. This puts significant pressure on input costs and which some companies, described as “price takers”, are unable to pass the costs onto customers
- But companies we define as Economic Franchises, are naturally price setters rather than price takers
- They can therefore ‘pass through’ inflationary pressures, offer a higher degree of earnings forecastability, as well as a more stable pattern of returns
- How can you adopt an uncompromising valuation discipline to avoid the risk of overpaying for high quality assets?

*Expert: Bertrand Cliquet, Lazard*

### - INVESTING IN TOMORROW

#### 2. ONWARDS AND UPWARDS. PLANNING FOR A SUCCESSFUL RETIREMENT IN CHALLENGING TIMES

- What does retirement success look like and how do we measure it?
- Helping clients convert their retirement savings into income is arguably one of the hardest jobs for a financial adviser - if too cautious, the portfolio may not deliver enough return to support the income needed. If too aggressive, we create huge uncertainty of the eventual outcome
- Faced with the uncertainty of both future investment returns and longevity, building a retirement portfolio that delivers against client objectives is an enormous challenge
- How do we balance risk and reward in retirement and how do client income requirements affect this?
- How are advisers investing for retirement income and what are the pros and cons of each approach?
- Should we be using different investment solutions in decumulation from those we use in accumulation?
- What are the commercial challenges and regulatory risks advisers face in managing decumulation?

*Expert: David Lane, LGT Wealth Management*

### **3. THE LONG GAME? IT'S NOT ABOUT THE RESULT, IT'S ABOUT THE PROCESS WHEN IT COMES TO ESG**

- The long-term growth story on the road to net zero and the breadth of investment opportunities within this space
- How is this developing now world economies are making pledges to achieve net zero and working towards a better future?
- The potential to be harnessed across the whole supply chain
- How to support and benefit from the transition
- Busting the myths around maximising returns and meeting impact at the same time - and how you can do both
- How screening funds based on crude metrics on MSCI can mean clients miss the point and invest in exclusionary funds rather than the inclusion funds which are making a positive difference
- Regulation and the need to ramp up clarity on definitions and what the expectations will be

*Expert: Jennifer Moynihan, Ninety One*

### **4. CLEARLY SIGNPOSTED. HOW TO INTEGRATE ESG INTO THE ADVICE JOURNEY**

- Recent research states that over 75% of investors are interested in sustainable investments
- And with regulators increasingly focussed on this area, it's never been more important to consider responsible investment in your advice process
- Understanding your clients' preferences for sustainable and responsible investment involves asking the right questions
- And there are a number of key things you should consider when matching your client to the right investment
- Managing the risk of greenwashing is essential, and you can provide valuable insights to clients beyond investment returns

*Expert: Andy Miller, Quilter*

## **- REGULATION**

### **5. HEAVY DUTY. IS CONSUMER DUTY OF CARE JUST TREATING CUSTOMERS FAIRLY (TCF) IN ANOTHER GUISE?**

- The Consumer Principle will provide the FCA with a greater ability to hold firms to account, so how to prepare for this extra burden?
- Not all vulnerabilities are visible - how do you define it in order to show you comply?
- Firms will need to consider training for staff on the new standards and rigorous self-assessment processes to determine compliance and appropriate responses to shortfalls
- How will new provisions work alongside existing provisions, which risk firms being burdened unnecessarily without realising the proposed benefits of clarity for the market and better consumer outcomes?

- What is the significance for firms and their senior managers?
- The FCA states that for many firms, the proposed changes will “require a significant shift in culture and behaviour, where they consistently focus on consumer outcomes, and put customers in a position where they can act and make decisions in their interests”
- Meanwhile firms will need to review their products and services from the perspective of consumers
- Questions remain over whether the proposals are as significant as the FCA suggests...

*Expert: Chris Jones, Dynamic Planner*

## - YOUR BUSINESS

### **6. MERGER AND ACQUISITION (M&A) ACTIVITY: WHAT ARE THEY LOOKING FOR AND WHAT ARE THEIR LONG-TERM STRATEGIES?**

- M&A is rife with activity, a wave of private equity money in the market makes it hard for advisers to know what constitutes a good deal, and it isn't always the highest price
- How do advisers assess the various options, after all, you've built a business you are proud of, and it will be your retirement plan
- What's driving all this in the first place, and do you really need to sell, especially to someone you don't really know?
- What should you look for in a potential acquirer, and how do you go about finding the right one when there are so many out there?
- The firms going down the consolidator model - what happens when they actually start to integrate and consolidate processes and what does the charging and payout structure look like?
- Consolidators make the headlines but nobody talks about what happens three years later...
- And ultimately, if you meet one of your clients or members of staff in the supermarket will they still shake your hand?

*Expert: Lucy Grier, Benchmark Capital*

### **7. FINDING YOUR EDGE: TO GROW IN THIS GAME YOU NEED A STRATEGY - AND A MINDSET - TO MATCH**

- Winning new business from client referrals might be sustainable, but happy clients are no longer enough, if you want to remain top flight
- Coming up with a plan in order to innovate, find a USP and differentiate is now essential
- Addressing how you are resourced, removing manual, administrative tasks and streamlining processes will all ensure greater efficiency
- When it comes to building greater value in the business – if 80% of income comes from 20% of the clients, should you ditch the 80% who are not profitable?
- And how much time should be set aside for updating records in accordance with regulatory requirements, plus networking, training and nurturing new clients?

*Expert: Barry Neilson, Novia Financial*

## **8. TALENT CONTEST. HOW TO ATTRACT AND RETAIN THE BEST CANDIDATES IN TODAY'S COMPETITIVE RECRUITMENT MARKET**

- Promoting a modern environment will attract the best talent, but also retain them for longer
- What makes you stand out from the crowd? Highlight the benefits of being part of your firm
- The costs of wasted salary, training, recruiting, loss of productivity and staff turnover on bad hires
- How long you should be prepared to spend on finding the right people and then onboarding
- The costs of FCA fees, training and other costs such as software licences, office space and equipment

*Expert: Helena Territt, Executive Coach, HR and Leadership Consultant*

## **- THE WEALTH OF TECHNOLOGY**

## **9. BIG TECH. HOW AND WHERE CAN IT ADD VALUE BACK INTO THE SECTOR**

- The industry needs to get onboard now, but so many bespoke models and markets to operate in makes it difficult to embrace tech that's designed for the masses, not the niche
- How can you compromise in order to leverage the tech while still needing to differentiate?
- Is it possible to drive success with client-facing technology on one side, and back-office efficiency and automation/AI on the other?
- What about integration when the back-office provider wants to get access to the client and data, but doesn't have the functionality to pass it onto the platform?
- Is having one system which does everything possible? Why should each give their IP away?
- The journey of travel is with platforms but when can we rely on a slick and efficient process coming along?

*Expert: Andrew Back, Multrees*

## **10. EMBRACING CHANGE: MOVING WITH THE TIMES TO KEEP COSTS DOWN WHEN THE COST OF EVERYTHING IS GOING UP**

- When there is more pressure on prices, you need to be more efficient, charge less, be more profitable, and prove you are offering a service
- In this industry the money is earned from servicing clients only – this model needs to change with new ways to service more people, in order to give limited advice
- How will you be able to listen, and respond, to so many new and different voices which would be coming at you?
- Advisors need to educate, as well as simplify what you mean – many think the language of the industry is out of date - regulators want clients to understand what you are sending them
- The pandemic catapulted us to a cheaper, virtual client world. Is it time to now put the

brakes on when it comes to prices?

- Advisors that recognise how fluid everything is now will be in better shape and more able to adapt
- Sending reports via a portal - does that mean the service level has reduced when it improves service and gets it out quicker?
- Building your knowledge by asking why the client wants to do something, and understanding their thought process will be critical to keeping customer experience high
- Clients won't want to have to pay for inefficiency – this is what technology is there for

*Expert: Paul Hogg, EV*