

A Meeting of Minds – Winning Advisers

Tuesday 11 October, 2016 – Tylney Hall, Hampshire

PERSONAL ITINERARY			
Library Bar	0815-0900	Coffee and buns	Informal networking over breakfast
Tylney Suite	0900-0945	Presentation	Post-Brexit, where is the UK headed? The political landscape examined and updated for advisers: Ralph Jackson, Partner & Director at Lansons
	0945-1100	Working Session 1	Session 1
Tylney Suite	1100-1150	More coffee and buns	A rapid exchange of business cards!
	1150-1300	Working Session 2	Session 2
Tylney Suite	1300-1340	Presentation	Peer to Peer – should you pay attention? Graham Wellesley founder of Wellesley & Co one of the first movers in this part of the market will talk us through the evolution to it becoming almost mainstream!
Chestnut Suite	1340-1500	Leisurely lunch	
	1500-1615	Working Session 3	Session 3
Library Bar	1615-1635	Afternoon tea	Smart time!
Tylney Suite	1635-1715	Presentation	Technology – the new generation game: Tom Johnson, Director, The Trajectory Partnership
The Terrace	1715-1815	Fizz flows	Time for some networking; some checking in; some farewells and some mini down time
Library Bar	1930-2000	More fizz flowing	
Oak Room	2000-2200	Dinner	
Library Bar	2200 onwards		Feet up, prop up, night night or wave goodbye!
THE FOLLOWING DAY			
Oak Room	0700-1000	Breakfast	At your leisure...

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Tylney Hall Hotel & Gardens, Ridge Lane, Rotherwick, Hook, Hampshire RG27 9AZ

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ROUNDTABLE TOPICS

THE CLIENT INTERFACE

1. Let's talk client experience (CX) – do you ask them what they think? Do you actually do anything about the feedback?

What do you believe makes you different from the firm down the road? Is it your skilled and charming staff; your sophisticated service offering; your swanky office; your investment performance; or your transparent approach to charging?

How do you define your service proposition: is it the frequency of meetings, documents sent etc or is it “we will look after you and put your mind at rest”? How do you communicate all this to your clients? Can your services be accessed “omni-channel”? (For clarity: omni-channel is a multichannel approach to client interaction that seeks to provide the client with a seamless experience whether online from a desktop or mobile device, by telephone or in person.)

Or perhaps we should talk CX – that's customer experience to you and me. Do you ever ask them what they think of their experience of working with you? Do you actually pay attention to what they say?

This session will address what matters to clients in terms of their experience when dealing with financial advisers. Let's see how you would stack up on the financial advice equivalent of TripAdvisor!

2. It's a family affair – building a multi generational client base – combining nobility of spirit whilst wearing a canny commercial hat

Not so long ago it was taken as read that your children would automatically earn more than you did. Regrettably perhaps this is no longer the case. The lucky old baby boomers coincided with the dramatic increase in property prices as well as a bull market. Throw in quite a bit of inflation as well and even their savings grew. Wow imagine that!

All that has changed. Nowadays the young are just grateful to keep their money safe and intact – growth isn't their prime objective. Grandparents and parents are looking at ways to support their offspring. Barclays have offered a mortgage which can be underwritten by owners of an existing property. Equity release is funding university fees.

Should you be reviewing your proposition to understand the family dynamic and how it might be leveraged for the good of all members of the family? Family discount anyone? And once you get those second and third generation contacts established you are building your client relationships of the future. A win win!

Expert: Carmignac

3. Financial Wellness – a new way to close the advice gap? Or even a new business model?

The 2016 FAMR highlighted the continued need to reduce the advice gap, with recommendations to make access to advice (particularly ahead of key milestones) simpler. There was an emphasis on consumer needs and protection and post RDR, the market is ever more so customer-centric. What can the industry now do to further engage and empower the consumer in a meaningful way?

This session will consider:

- The launch of the first ever Financial Wellness Index in the UK, compiled by Bristol University's Personal Finance Research Centre and Momentum - what can it tell us?
- How more holistic concepts such as Financial Wellness could be used to engage and even benchmark consumers – could it become a TripAdvisor style model for clients falling into the advice gap, whereby consumers have a rating of their overall Financial Wellness?
- What could it mean for your business? A proof point or measurement that's meaningful to

consumers? E.g. In the last three years my business has moved 60 percent of its customers from a one star Financial Wellness rating to three?

Expert: Momentum

TECHNOLOGY WORKS WONDERS

4. Getting the best out of technology in your business

The right technologies aligned to strategy and deployed well create significant opportunities for business to grow, improve client service, reduce risk and enhance decision making. On the other-hand, for some, technology presents a hornets' nest of escalating costs and baffling terminology. The one thing that everyone is likely to agree on is that it is something that cannot be ignored, particularly with disruptive business models breaking into the scene providing a threat to the commercial viability of incumbents. This session will consider:

How to select the right technology solutions:

- Review what you already have
- Consider how much you should invest
- Address the challenge of balancing business needs and client needs
- Consider what is long term and what is short term

How to select the right partners:

- Selecting the right partners is critical to success. How do you source, select and prove that you have selected the right one(s)?
- Contracts – what are the common pitfalls and how can you ensure you avoid them?

And finally, it's all very well building it but how do you ensure clients engage with it and use it in the way you envisaged? What do you do if they don't? How do you go about adapting to or changing client behaviours so it becomes a way of life? We will share and discuss some examples of good and bad practice.

Expert: Benchmark Capital

5. Are you being served? How can digital deliver true client engagement?

Robo-advice could undoubtedly revolutionise the advice market but it is not the only digital innovation on the scene.

This session will consider:

- What your clients might value from a digital interaction and how technology can work collaboratively with adviser and client and not 'instead of'.
- Can FinTech innovations help to create a point of difference for your business *and* become a channel for client service?
- How are businesses integrating digital to their existing offerings and packaging it for clients and what successes can they enjoy?
- Maybe digital is already part of your offering. If so, do you have any advice for people considering introducing it?

Expert: Momentum

A SPOT OF REGULATION

6. Is good advice compliant advice? Proof of suitability is now obligatory – so how do you ensure that you have the evidence?

As a follow up to the recent Thematic Review, the FCA has embarked on a fairly comprehensive initiative to scrutinise the standard of proof in firms, and letters have gone out to 700 organisations requiring submission of files relating to ‘advice events’. It’s a big deal then!

It suggests that the ‘three root causes’ for poor ‘consumer outcomes’ are:

- “The poor quality of an advisory firm’s research and due diligence”
- “Incorrect risk profiling”
- “Costs”

So what are the challenges?

- A “culture of challenge” typifies a good firm where each recommendation shows research seeking to establish a better recommendation over any habitual or standardised offering including CIP.
- Recommendations must be evidenced on an individual basis. (“Take reasonable steps to ensure a recommendation is suitable for the client”.)
- Selection of platforms are too often made on the basis of service (benefit to the adviser and not to the client).

This session will make the case for technological solutions as the only way to ensure your advice is truly compliant.

Expert: Synaptic Software

YOUR CLIENTS’ INVESTMENT PROPOSITION

7. Placing outsourcing at the heart of your business model.

Charles Darwin said that it is not the strongest of the species that survives, nor the most intelligent, but the most responsive to change...

In a world that is changing at one of the fastest rates ever witnessed in human history, driven predominantly by the revolution in technology and communications, businesses have the opportunity - or even duty - to evolve their own propositions in order to stay relevant for their clients...

Where in the past firms might have considered outsourcing one or two aspects of their proposition, now they can consider outsourcing almost all of the constituent components without relinquishing control or raising costs.

In the first part of this roundtable we will revisit the core reasons why firms are evolving their approach via outsourcing, for example:

- to achieve greater resilience in an uncertain world
- to manage or reduce the impact of regulatory risk
- to access high quality specialists at low cost and on your terms

In the second part the discussion will shift more to the process of moving to an outsourcing model and the importance of having clear strategic objectives in place from the outset, in order to avoid any future pitfalls...

At the end of the day many businesses are facing the same challenge: simplifying processes in the pursuit of offering improved value-for-money for clients. Outsourcing is one approach that can help firms to meet this challenge.

As the philosopher Mary Wollstonecraft said: "Simplicity and sincerity generally go hand in hand, as both proceed from a love of truth."

Expert: JM Finn

8. Six pillars: essential building blocks of successful dfm selection

How do you choose your DFM partners? Is your process consistent, compelling and comprehensive? Would it withstand the scrutiny of an expert? We reveal the six essential pillars you can't ignore when you delegate investment to a DFM.

Motivation - we explore the reasons behind delegating to DFMs – do you want to free up resource? Diversify management styles? Devolve risk? What happens to your client relationships?

Suitability - we examine the importance of collaborating with your DFM – do they really understand your advice process? Who is responsible for ensuring product and service suitability? Does your documentation reflect this?

Risk profiling - we critically assess the strengths and weaknesses of risk mapping tools – do you and your DFM mean the same thing when you talk about risk? What happens when the risk characteristics of an asset change?

DFM comparison - How do you tell DFMs apart? What are the key points of difference and are they really important?

Direct or platform - what can DFMs offer that platforms can't – and why does it matter? When are platforms better for clients?

Monitoring and control - Suitability isn't static – how do you assess your appointed DFMs throughout your partnership? What happens when things don't go as planned?

This interactive session will give you all the architectural skills you need to build the right investment solutions for all your clients.

Expert: Thesis Asset Management

9. Talent, cost, patience – the key factors impacting the success of your investment proposition

Do you feel comfortable with your investment proposition? Are you able to explain and define your process? Is it robust, comprehensive and consistent? Has it performed well over the long term?

Your investment proposition should involve a manager selection and fund oversight approach that is extensive, integrated and multi-faceted, in order to implement successfully the best active and passive investment decisions. Ultimately, you drive the success of your results.

Whereas there is security and comfort in following accepted market norms, there may be a better way to deliver the best results for your clients, and differentiate yourself from others.

The findings in this session will focus on three key areas of insight:

Talent – uncovering, evaluating and implementing the best ideas into your investment proposition.

Cost – using cost as a basis and starting point for your decision making process.

Patience – why too many rash decisions are impacting negatively you and your clients' performance, and how the adage of buy low and sell high rarely happens in practice.

An opportunity to share ideas on building the best investment solutions for your clients.

Expert: Vanguard

10. Forecasting the future: what could your business look like in five years' time?

In this session we will try to paint a vision of the future and begin mapping the financial services landscape in five years' time by exploring the following;

- Understanding evolving customer needs – what will your clients expect?
- How will the value chain evolve? – What does the future hold for Asset Managers; Life Offices; Platforms; and Distributors? How will each part of the value chain justify their fee, and how big will that fee be?
- A question of productivity... outsource, insource or co-source? - What will be best for business? What parts of the business are sacred and should be kept in house?
- Which business models will survive, innovate and thrive? –
- In the UK market, the market leader only has around 5% market share compared to three or four times that in other industries. The consolidation trend is only set to continue. How is consolidation impacting the wealth market? How will regulation react? –
- What will the FCA look like in five years' time and can we expect a heavier or lighter hand? The pace of regulation is relentless but which regulations will have the greatest impact on your business? How will businesses evolve to meet the increasingly regulated standards of the UK market?
- What impact will the trend to automation have? Is it a sensible step or threat to relationship-building?
- Kodak vs Instagram? - How can financial service providers ensure they remain relevant in a digital era? How are you integrating technology to streamline your business processes and provide the best possible customer journey?
- What you now need to do to innovate your business and capitalise on this vision? - What lessons can be learnt from other industries? Eg Betterment Vs the Merrill Lynch approach or is there a half-way house... think Prius!

Expert: Blackrock iShares

11. An overview of the Financial Adviser marketplace combined with some war stories around deals done and lessons learned!

Owen James are in the process of launching the Financial Adviser marketplace – an online survey seeking to produce a benchmark for adviser firms throughout the UK. Having consulted extensively with the industry, the survey will cover a pre-agreed set of metrics which it is understood are readily available to adviser firms. The survey has been sent out to some 2,000 firms and the outputs will be published within the Industry Benchmark Report.

We believe that this survey is timely as it coincides with the substantial consolidation going on across the industry.

There is always an interest in understanding how to value an adviser firm, but let's say we have got past that and actually done the deal. Whether you are acquiring, merging or indeed being acquired, this is where the fun really kicks in. We ask the question whether or not a seamless transition is a possibility? This session will provide an opportunity for participants to share stories on how they coped with the practical side of a spot of M&A:

- Merging and migrating data consistently; managing conflicts between front and back office systems; coping with legacy issues.
- Employment – who stays, who goes - the aftermath.
- Regulatory - ensuring you are compliant at the off... the compliance list is endless!

Expert: Carmignac

12. What's happening in America? Are they about to have their own "Brexit" moment?

As we approach the US election and Trump and Clinton slug it out over everything from health to tax to being buddies with Putin, what does it say about the country as a whole? Is the polarised support for Trump another expression of people's frustrations with globalisation, the opening up of borders and the breaking down of tribes?

This session will provide an update on what is happening in the US and the likely impact the result of the election will have on the US economy as well as its attitude towards the rest of the world.

Our speaker is a US specialist and will be able to answer your questions. You may have US clients yourself or indeed come across them but feel unprepared to look after them. This session will ensure you are prepared.

Expert – Tilney for Intermediaries

If you have any questions, do please call the team on 01483 861334 or email hazelizzard@owenjamesgroup.com