Focus

Align your business for growth

For many years, advisers have faced headwinds of regulatory change, increased costs, increasing compliance burden, educational requirements. And while all of these headwinds haven't disappeared, there are signs of optimism.

As shown below, there is an increased demand for financial advice. So how do you ensure your business has sufficient capacity to capture this growth?

41%[1] of Australians are intending to get financial advice

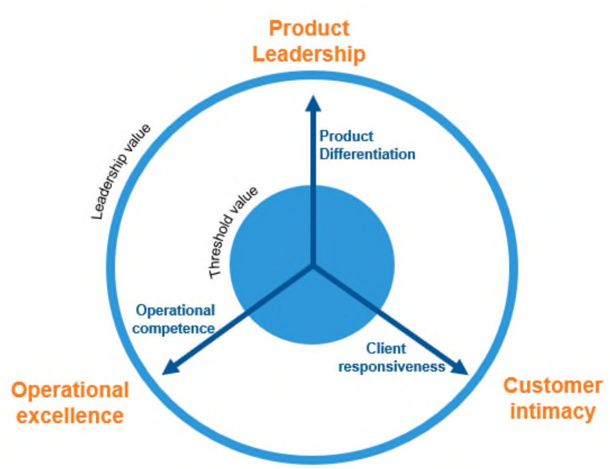
65%[2] of advice business owners are growing client books

55%[2] of advice business owners plan to put on new advisers to support growth

How to align your team to win

A **good business** will operate at a 'threshold' level across these areas of value: product, operations and client experience. A **great business** will identify one of these areas, and focus their resources to maximise this value to their clients.

What do clients value from financial advice? It's not excellent operations or leading products. It's deep understanding and trusted relationships.



Source: Value Discipline model - Tracey and Wiersema

"The number one concern for Australians when dealing with a financial adviser is whether the adviser understands their personal needs and circumstances." [3]

Operations
Utilise high quality and process driven outsourcing for paraplanning, advice delivery, client record keeping and administration process

Product
Partner with leading investment solutions.
Pivot from model portfolio to managed accounts and leverage this governance process.

Customer intimacy
Demonstrate authentic value proposition, deliver unique & disciplined client experience.
Build a 'client first' culture.

What is your strategic focus?

Your strategic focus is not only about what you will do, but also about what you will NOT do. It is about being disciplined about prioritising activity that aligns with what your clients truly value from you.

Consider what activity is more aligned with operations and product delivery. Identify which of these activities could be outsourced, delegated or delivered through strategic partnerships.

Thinking like a CEO

Intentional allocation of resources, including the finite resource of time, is a critical decision for leaders.

Consider that each team member has 2000 work hours per year. Is your team's time aligned to generating what your clients value?

Aligning with best interest

FASEA Code of Ethics requires advisers to act with competence and to undertake "professional judgement of when to augment your knowledge, skills and experience with assistance from other professionals" and to provide your competence "in an efficient manner"

Is your model portfolio holding you back?

Advisers typically use more holdings across their client accounts than they realise.

Firstly consider how many positions you hold across all of your clients, and the total amount of due diligence you should be doing across each position.

Then add in how much time you dedicate to
- portfolio construction and oversight
- portfolio management and implementation
- investment governance and compliance
- creating and distributing SOA and ROAs
- client reporting and communication

Your value and your responsibility, is still to select the most appropriate investment solution for your clients – and Managed Accounts are an ideal solution to consider.

Using Managed Accounts not only have the potential to create efficiencies in your business, they can also help improve your client engagement.

'44% of advisers using Managed Accounts are seeing higher client engagement'[5]

Russell Investments Managed Accounts offer:

Institutional grade asset allocation expertise

Access to the leading active strategies

Compelling price (as low as 65bps)[4]

Delivering on your client outcomes

That's 600 hours saved

per year by using Managed Accounts[5]

We’re here to help

To learn how Managed Accounts can help create value in your business, contact your Regional Manager or visit our website.

[1] ASIC Report 627, Financial advice: What consumers really think Aug 2019
[2] Adviser Ratings , Musical Chairs Report, Q4 2020
[3] The value of advice – Helping Australians navigate towards a better financial future, 2019
[4] Refers to Russell Investments Managed Portfolio - Balanced
[5] Investment Trends, Feb 2018 Managed Account Report, based on 841 participants – 12 hrs/week on average per week saved