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A SIMPLIFIED BUSINESS STRUCTURE

In a world of uncertainty, fear, doubt and caution, it will be vital to believe in the service you are offering. That service is much more thorough and detailed than we seem to recognise and delivering the detail has created massive demand on advisers and their support teams. For me, 2010 will be about simplifying this complexity.

No single adviser can deliver a detailed level of service to 150 clients. Face-to-face meetings create great opportunities and wonderfully cement relationships. But processes need to be designed to deliver value – and a fee structure that can be easily understood should be attached to that value.

Embracing technology is key to building a straightforward proposition that saves valuable time – for instance by introducing paperless communication and record-keeping systems. It is the perfect time to put in place a structure that allows you to maintain control while creating the necessary freedom to develop and build business value. ☺

Nicola Downs is a Director at Tentham Invest



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PROPOSITION CLARITY

2010 will see the silent majority of advisers get their heads down to the serious business of preparing for RDR. The noise over level four qualifications will abate as the realisation dawns that for most advisers the diploma is not such a big deal. The really fundamental issue is business model. Advisers wanting a long-term stake in the profession will work out a clear idea of what it is they do and what they charge for it. For those wishing an early exit it will be a crunch year, as they hurriedly put their affairs in order to avoid a fire sale in 2012. ☹

Gavin Lumsden is Editor of New Model Adviser

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ECONOMIES AND MARKETS CONTINUE TO RECOVER

Many investors doubt the sustainability of both the economic and the market recovery. We don't. We believe that the economic recovery will continue in 2010 and that equity markets will rise further.

Although the UK and global economies face numerous headwinds, we think economic growth will be above trend, supported by very low interest rates and plentiful Central Bank liquidity. This should boost corporate profits and help the banking sector recover further. The very low level of return available on bank deposits will continue to make equities an attractive alternative for some investors. ☺

Rupert Watson is Asset Allocation Strategist at Skandia Investment Group

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SHAPING THE REGULATORY FUTURE

The shadow cast by an impending general election risks adding further uncertainty to the economy, the regulatory agenda and the preparations firms need to make in preparing for the RDR and addressing other regulatory challenges. I am hoping for an early election, perhaps even in March, to bring some stability to the rest of the year. One of the six original objectives of the RDR was to deliver a regulatory system that enables innovation. The only regulatory system that does that is a stable one, and constant discussion of changing regulatory architecture won't help firms – and stifle not only innovation but also investment in the sector. Whichever party emerges victorious from the campaign, I hope they take swift decisions which let firms better plan for the years ahead.

Sadly though, regulatory changes have become the constant and I see more ahead – being driven from Brussels more than from Canary Wharf. It is essential that the UKIFA voice is heard in the Commission or the risk to create a European financial services market could inadvertently lead to a bank-distribution dominated one simply because that is the continental model and therefore most familiar to European bureaucrats. AIFA will be ever vigilant against this and welcomes the support of members to take our campaign to Brussels. ☺

Chris Cummings is Director General at AIFA



10 PLATFORM GROWTH SET TO CONTINUE

2009 saw huge growth in platform adoption, largely driven by the need for technology that will support a very different advice proposition and enable advisers to improve the service offered to clients. As more adviser firms set out their proposition in the year ahead, platform growth will remain a major theme.

Legacy assets, such as those in older style products like with-profits, represent a

huge opportunity for those advisers able to agree charges directly with clients and clearly demonstrate the benefits of their advice proposition. By efficiently managing investments from a single view and utilising the sophisticated investment tools platforms can offer, tailor-made portfolios can be built and monitored over time to ensure they deliver what the client expects.

It is now up to the platform market to ensure it evolves its service offering in line with increased demand. ☺

Peter Jordan is Head of Proposition Marketing at Skandia

