

Case Study – Large Advisory Business



Background

- Long established IFA firm, traditionally focused on Corporate Clients but had now introduced a new service proposition to Individual Clients
- Although they introduced a new Client Service Proposition only a few of the advisers were using it
- The Management Team knew that this was happening but struggled to implement the proposition
- The company provided many different services to their clients but didn't know if they were profitable
- The company wanted to monitor the quality of work and quantity of income but didn't know how to do it



Challenges

- Advisers were doing their own thing; choosing their own products, funds and charging structure
- Advisers were writing their own suitability reports
- Advisers would see clients to 'fill their diary' even though the client created little or no income to the business
- There was no documented evidence that clients were seen
- Due to the over servicing the support team were spending a large amount of time dealing with non income producing administrative issues



What we did

- Carried out a profitability analysis on the client bank
- Introduced a new service proposition and charging structure
- Introduced a new recruitment process and took ownership for interviewing and testing all candidates
- Formalised the client service proposition, presented and trained all staff in its delivery
- Embedded the processes to include product, risk profiling and fund selection
- Allocated dedicated staff to work on 'high end' clients
- Put in place a minimum fee charging structure for production of a Financial Plan
- Produced an internal service proposition document and new client process that the staff would follow
- Created a new team to write suitability reports
- Targeted advisers to service higher end clients only with 'transactional' clients serviced internally by the support team
- Introduced internal KPI's to monitor adviser activity to ensure that they were delivering the Service Proposition. We also introduced KPI's to monitor quality of work across advisers and the support team
- We set the company and advisers new targets based on profitability



The Results

- The company had a clear plan to follow on servicing clients
- Advisers' diaries were freed up to spend more time prospecting and acquiring new clients
- All advisers were given new objectives based on quality of advice and new client acquisition
- Unprofitable advisers now clearly stood out and were put on an Action Plan
- Advisers who failed on quality clearly stood out and were put on an Action Plan
- No new client work was undertaken unless a minimum fee had been agreed with the client
- Fewer mistakes made from the support team as they had clear processes to follow
- Increased profitability per client
- Increased ongoing income

