

# Prepare for the 'Wow!' factor



Our current series of articles from technology consultancy AT8 Group includes case studies on the use of technology by IFA firms, networks, direct sales forces and banks. The aim is to give an insight into how technology can be deployed to gain real business advantage for distributors. This week, **Mark Loosmore** looks at the use of technology by Prestwood, an IFA that is focused on holistic financial planning for high-net-worth clients

We were recently invited to the offices of Prestwood to witness its approach to the financial planning process and how technology supports this, as used by Paul Etheridge, the charismatic business founder and industry figure. I emphasise the 'process' first, because this is the very essence of Prestwood's approach: the technology is merely an enabler, and quite rightly so. Prestwood employs an extremely effective and finely honed process that has proved to be a huge success and is at the heart of what is a very profitable business.

For those who don't already know, it is worth noting that the Prestwood Group of companies also owns a software company that produces Truth and Prestwood Professional: both IFA software packages that cover traditional back-office functionality, as well as one of the leading specialist financial planning tools. We have reviewed Truth before and were looking forward to seeing the software in use by a practicing IFA, rather than a traditional software sales demonstration.

## Impressive setting

On arriving at the Prestwood offices, one can't help but be impressed. The large iron gates open and you follow a long sweeping driveway, down to a small lake, on the banks of which the offices are situated. You are then taken to the front office and welcomed personally by Paul Etheridge, in a large comfortable room with spectacular views overlooking the lake. Everything is set to impress.

Indeed, everything about Prestwood is run smoothly, like a well-oiled machine. The original appointment we had was scheduled by a professional, yet warm PA that had made us feel a wel-

come part of the team from the outset. The human dimension is important, as the processes employed by Prestwood are quite rigid and if not delivered with empathy could be appear cold and detached.

## Importance of process

Even from a client's perspective, the process is tightly controlled and highly effective. The client appointment is made for the next year at the end of the previous review meeting, once it is in the diary the process kicks into place. Ninety days before the appointment a letter is sent out with a print-out of the latest data held about Prestwood on its computer systems. The client then has three months to review and amend that data, returning it to Prestwood before the formal appointment. Any new or amended data is entered into the Prestwood system ready for the financial planning meeting.

On arrival at nine o'clock (all client meetings are booked for the morning) the clients will first have the same courteous welcome in the front office where general niceties are exchanged and high-level business issues discussed.

Following this, they are taken into what can only be described as a presentation theatre, regular refreshments are brought in as and when they are needed and the stage is set for a relaxed, productive planning session. The clients sit in comfort while they build their financial plans dynamically on a large projected screen at the front of the theatre.

The words above are chosen carefully because it is very much the philosophy of Prestwood that the financial plan is the creation of the client, aided and guided by the adviser, using the Truth Software.

It is at this stage that technology comes to the forefront.

Up to this point the process has been quietly supported by the technology: driving the appointment process and the data capture, but now it is employed to give the 'Wow!' factor.

The 'Wow!' is more than marketing spin, as the software used enables clear analysis of the client's needs and presents the client's financial position over the whole of their life, clearly and effectively. It also demonstrates the impact of different scenarios and financial solutions. Extra impact is given by the presentation being in the theatre, with the results of the interaction between the client and the adviser being projected before the client's very own eyes.

## Software demonstrated

We have come in for some criticism in the past for suggesting financial planning software should be used in front of the client, with some people still believing that the planning should be done behind closed doors and a paper report given to the client.

Seeing the Prestwood methodology and approach has convinced me of the merits of using the software with the client. It will not be an approach suited to every adviser, but if you want a client to believe in their financial plan, what better way than building it together. A static paper report just doesn't have the same impact or flexibility.

When the client leaves the office, the Prestwood team, using the Truth software, complete the financial plan and all of the associated paperwork is despatched to the client the very same day. The process is efficient, almost regimental, but client satisfaction is high and, importantly, so is the profitability of the business.

The Prestwood process will not be for everyone, but I think there are some extremely valuable learning points:

- Prestwood has a clear value proposition and sticks to it;
- It has thought through its processes from client appointment to the end production of the financial plan;

- It underpins that process with technology; the technology does not drive the process, but the process could not happen without it;

- Prestwood is not afraid to use the technology with clients; in fact it revels in this and uses it as a differentiator.

Prestwood demonstrated a clear business model, working effectively and more important profitably. The world of fee based, lifetime cashflow planning is often described as the world of the new model adviser. Paul Etheridge and his team have been operating in this manner for many years and others could learn from the Prestwood way.

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