

Conversation the key to speeding up SOA

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By Rachel Davis | In Technology

Single issue Statements of Advice should not be consuming so much time for financial planners and dealer groups, according to an advisory technology expert.

A key thought-shift in technology allows advisers to create all the information needed in the statements of advice (SOA) while in conversation with a client, said Cameron O'Sullivan, director of Provisio Technologies.

"The superannuation funds are an interesting case study here and it's important to remember that most super funds are using the same defined scope framework that retail advisers use. The funds are not using intra-fund legislation much at all," said O'Sullivan.

"Under defined scope super funds are able to produce SOAs within minutes of completing the fact-find, by using technology available to any planner.

"This is a key strategy in how the technology reduces the time required by allowing advisers to model scenarios quickly and gather information at the same time.

"Planners shouldn't be in a situation where only higher value clients are profitable, but if SOAs take six plus hours to produce they don't have much choice - it causes a blowout in the cost of advice per client."

Recent reported research by Investment Trends showed that the average time for a financial planner to produce a SOA was six hours and 42 minutes. The research also suggested that planners were shifting focus toward higher value clients due to the long SOA process.

"Another key strategy is putting the work into the SOA templates at the start to cater for a range of different scenarios. The SOA generation can then add/remove sections as relevant and massively reduce the need to manually edit the SOA afterwards," said O'Sullivan.

"But the technology is available to dramatically reduce SOA demands and therefore dramatically lower the cost of advice per client.

"It gives planners much more control over how much time they devote to each client. The technology allows for SOAs to be produced quickly - how the planner then translates that into their service model is up to them," said O'Sullivan.

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