

News

SMSF GROWTH HIGHLIGHTS NEED FOR MORE TRAINING

By Chris Kennedy on 28 September 2011 0 comments 1 retweet

Significant growth in the self-managed super fund (SMSF) market means more specialist training is required for financial planners in order to satisfy the needs of SMSF clients, according to Vanguard Investments head of corporate affairs and market development Robin Bowerman.

The Vanguard / Investment Trends 2011 SMSF Planner Report revealed that total annual industry revenue generated by SMSFs for planners has exceeded \$1 billion for the first time, and with almost half of advisers surveyed expecting to be recommending the use of SMSFs more often going forward, that growth is likely to continue, Vanguard stated.

The number of challenges cited by planners in relation to servicing SMSFs continued to grow, and the biggest challenge identified was the falling caps on concessional contributions, Bowerman said.

Other challenges included educating clients about their responsibilities as trustees; administration; some accountants setting up SMSFs for clients who are unsuitable; and keeping fees competitive.

Growth from SMSF clients had not matched planners' past expectations, the report found.

In the 2008 survey, planners anticipated revenue from SMSF clients would rise to 32 per cent of their business by 2011, but planners currently estimate the actual revenue from SMSF clients at 24 per cent of total practice revenue.

The outlook for the sector is still positive; while 42 per cent of planners said they would keep their recommendations regarding SMSFs at the same level in the next year, 44 per cent said they plan to increase them.

The three chief reasons for making more SMSF recommendations were increased client demand (67 per cent); clients wanting greater control, and greater flexibility over investment decisions, (both 66 per cent).

Planners need to consider a different approach to servicing this market, and the research shows they favour more of a partnership or coaching approach, said Investment Trends Principal Mark Johnston.

Competitive fees and a clearly articulated value proposition remain areas where planners understand that the industry has work to do, he said.



Add a comment

[More](#)

Tagged with:
 Financial planning, Investment Trends, Mark Johnston, Robin Bowerman, self-managed super funds, SMSFs, Vanguard

If you enjoyed this article, why not leave a comment, send it to a friend or subscribe to our free newsletter to have future articles delivered to your inbox.

COMMENTS

[ADD A COMMENT](#)

No comments found, be the first to add one.

to get Money Management delivered to your inbox

Enter your email address



Submit your content to Money Management



RECENT COMMENTS

"I am relatively new to this industry and am having trouble keeping up with the changes that sweep through almost daily. The FOFA,..."

Angela Muzzin on Second FOFA tranche hard on soft dollar

"Oh what short memories they have...unlisted direct property has been nothing but a disaster. A pick up in enquiries from planners?...dream..."

Gez on Volatility sending investors back to unlisted property

"Well, I've had a quick look through the draft and can't fathom how Bank and IFFP Advisers will get a legal bonus paid again. Oh and the..."

Tim on Second FOFA tranche hard on soft dollar

"Definition of a recession-advisor losing their business Definition of a depression-fund manager BDM/Dealer Group staff losing their..."

observer on Second FOFA tranche hard on soft dollar

"Who else will be a guest of the ISN at the AFL Grand Final ?"

Whatever It Takes on AFA calls on PM to outline real FOFA agenda

"bb - I do agree with you on the way we are taught and you have a lot of merit in your comments. However there are providers that try and..."

Tj from the south coast on Does strategic asset allocation make sense

"Here are some soft dollar payments that also need to be included within the second tranche of FOFA. 1. Fund manager pays for union super..."

Sandgroper on Second FOFA tranche hard on soft dollar

"How much did Kevin (5 star) Rudd spend on O/S

Name * :

Required

Email address * :

Required, but never displayed.

Website :

Optional, and linked if provided.

Comment * :

Required and you can write upto 600 words for your comment.

Security code * :



Required

Check this box to receive the latest updates in our email newsletter.

submit

trip's, oh yes, that's OK it's the Labor Govt, they only use tax payers money."
Tony Rulli on Second FOFA tranche hard on soft dollar

Categories

- [Accountancy](#)
- [Actuarial](#)
- [Asset Consultants](#)
- [Consulting](#)
- [Custodian and Trustee Services](#)
- [Editorial](#)
- [Education and Training](#)
- [Financial planning](#)
- [Funds Management](#)
- [Government and Regulation](#)
- [Industry Associations](#)
- [Legal](#)
- [Marketing and Public Relations](#)
- [Media and Information Services](#)
- [Mortgage Broking](#)
- [Recruitment](#)
- [Regulation](#)
- [Research and Ratings](#)
- [Risk/Insurance](#)
- [Software and IT](#)
- [Stockbroking](#)
- [Superannuation](#)
- [Taxation](#)

Browse topics

- [A](#)
- [B](#)
- [C](#)
- [D](#)
- [E](#)
- [F](#)
- [G](#)
- [H](#)
- [I](#)
- [J](#)
- [K](#)
- [L](#)
- [M](#)
- [N](#)
- [O](#)
- [P](#)
- [Q](#)
- [R](#)
- [S](#)
- [T](#)
- [U](#)
- [V](#)
- [W](#)
- [X](#)
- [Y](#)
- [Z](#)
- <#>

Recently added topics

- [Investa](#) [Lifetime Planning and Tender Living Care](#)
- [Douglas Latto](#) [CSSA](#) [Integra](#) [One Big Switch](#)
- [Shane Tregillis](#) [excess contributions tax](#)
- [The SMSF Academy](#) [Quantum Financial Advisers](#)

About

The Money Management website is an essential online source of financial services information and a community resource where finance professionals interact.

- [Contact Us](#)
- [Advertise with us](#)
- [Subscribe](#)
- [Media kit](#)
- [Jobs Board Media kit](#)
- [Terms of Use](#)
- [Privacy Policy](#)

Related sites

- [Cordell Tenders](#)
- [Financial Planning](#)
- [HotFrog](#)
- [Super Review](#)
- [View all our sites](#)