

**Article from Suuqea for Financial Adviser, based around compass
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MAXIMISING THE VALUE OF YOUR BUSINESS

In the first of a series of articles, David Cox, MD of Suuqea consultancy advising intermediaries, examines today's volatile financial environment and outlines practical and proven ways to develop your business.

Financial Services is going through a period of unprecedented change brought about by a number of influences including:

<p><u>Social Influences:</u></p> <ul style="list-style-type: none">• Growth of the Mass Affluent• People retiring earlier• People living longer	<p><u>Technological Influences:</u></p> <ul style="list-style-type: none">• Growth in the use of the internet by clients• Development of CRM software
<p><u>Economic Influences:</u></p> <ul style="list-style-type: none">• High levels of employment• High levels of equity in property• Growing indirect taxation• Pressures on margins of Advisory businesses	<p><u>Political Influences:</u></p> <ul style="list-style-type: none">• Increasing costs of regulation• Increasing complexity of regulation e.g. TCF, RDR, etc.• Shifting of the social burden back to the individual

As a professional Financial Adviser, the likelihood is that you are facing many complex challenges; in fact, more than ever before. The rules of the game are getting harder and only the best will survive.

The key to survival will be the ability to transform the traditional business model for a Financial Adviser to one that meets the demands of the new operating environment.

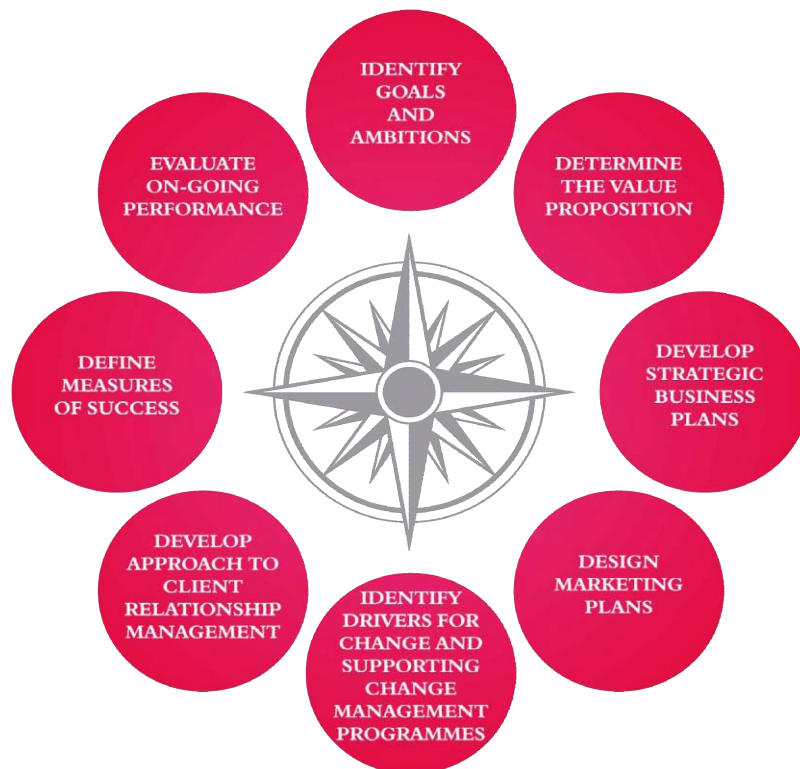
The problem with this is that the vast majority of traditional financial services intermediaries started with the entrepreneurial spirit of the founder and have grown organically since. The focus has been on building relationships with existing and new clients to generate the required cash flow whereas

the business planning and management skills required for the future have previously been in the domain of “big business” or the traditional consultancy firm.

In order to transform their business, the modern financial services intermediary will need to adopt an approach which considers:

- **Strategy** – the activities they will need to undertake to achieve their long term goals
- **Change** – how to bring about the required change to achieve the long term goals
- **Performance** – setting measures of success to determine whether the desired results have been achieved

The following wheel breaks this approach down into a number of tactical initiatives:



In this and the following series of articles we will look at each of these initiatives in turn to understand how, together, they build the platform for a modern intermediary business.

Identifying Goals & Ambitions

Behind every successful business will lay someone’s dreams. At the outset, these may have seemed a little unclear or even unrealistic but they provided a picture of the future which motivated everyone involved to make these dreams become a reality. Perhaps, of even greater importance, they will have provided a focus through the bad times when it was necessary to overcome barriers to success.

The beauty about having a vision for your business is that it doesn’t need to conform to accounting principles and isn’t constrained by having to fit a budgeting process. It is that sole driving force that

inspires you and makes sense of everything you do. It explains why you have chosen to build your own business rather than sit within a larger corporate entity.

In reality, it is very easy to lose sight of your vision as you become increasingly more involved in the day to day running of your business and dealing with the issues that ensure it continues to trade successfully and compliantly. Therefore, once the vision for your business is clear, you then need to define a series of goals. These will act as your milestones to check progress along the way. These will fall into one of three categories;

- Personal e.g. Family, Social, Material, Spiritual
- Business e.g. Targets, Income, Markets
- Development e.g. Skills, Knowledge, Behaviours

By taking time to determine your vision and quantify your goals, you will know what you want to achieve, why and by when. You can now set out on the journey to making it a reality.

Next time we will look at how to determine the value proposition of a business.

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