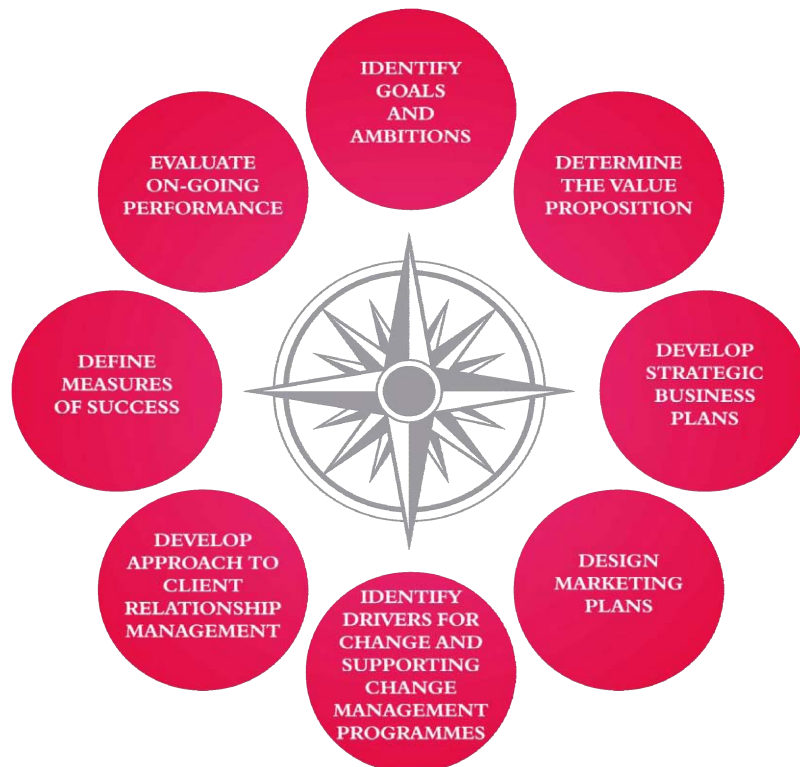


**Article from Suuqea for Financial Adviser, based around compass
– fifth of seven articles December 2008**

MANAGING CHANGE SUCCESSFULLY

In the fifth of his series of articles, David Cox, MD of Suuqea, a consultancy advising intermediaries, looks at why successfully managing change is essential in giving your business a competitive advantage over the competition and is an important step in becoming a “modern IFA”.



As entrepreneurial business people, we all need to respond to the challenges that face us – and this response will mean change. This will involve us solving problems to ensure our businesses become more competitive and taking advantage of the opportunities that will exist in the post RDR financial services marketplace. Inevitably, this will necessitate many of us changing what we do and how we do it.

Some problems will be simple and easy to deal with; others will be much more complex. For example, in order to achieve the six TCF outcomes as envisaged by the FSA, you will need to make a number of changes to ensure that the resulting approach to business both treats customers fairly and has commercial value.

This situation inevitably involves an element of risk-taking as there is no guarantee that your first attempt at changing what you do will deliver the results you are looking for. You must remain mentally alert to what is happening within your business and develop your ideas as you go along.

In identifying the need for change, the experience that you have gained over the years spent in financial services will be a valuable source of competitive advantage. The tacit knowledge that you have developed is what lies behind your intuition or “gut feel” about your view of the way forward. Accepting the importance of not rushing in before you have given yourself time to think things through rationally, you should still be in a position to make the appropriate changes to your business at a faster rate than the majority of your competition, so giving yourself a good head start.

However, once you reach the point where you want to bring about change in your business, there are a number of things you must do to ensure success.

- First and foremost, it is essential that you communicate your intentions to all the key stakeholders involved in your business e.g. clients, staff, family, investors, etc. This will help to ensure that each and every one of them fully understands what it is that you want to achieve and, hopefully, gains their full support and commitment.
- Second, be curious about your business; view it from an outside perspective. Ask open questions of both yourself and your staff to truly understand what it is that you do today.
- Third, challenge the status quo. Why is it that you do that task and in that particular way? Encourage as many people involved in the business as possible to have an opinion.
- Fourth, use your network of professional contacts to learn from other successful businesses and identify best practices.
- Fifth, identify those changes that need to be made but the key factor is to avoid making change for change sake; be strict and only make changes that will improve your business as well as contributing to the achievement of your business vision.
- Sixth, do ensure you have all the relevant resources that you need, e.g. time and money, in order to deliver the changes that you require to the appropriate standard for the business.
- Finally, do be prepared for periods of uncertainty. It is at times like these that you will need to demonstrate good leadership skills and stay focussed on your business vision.

In conclusion, failure to acknowledge the need for change, to identify what needs to be done and then to make it happen can only lead to one outcome – your business will become outdated and fail to meet the changing needs of both the market place and your clients. Inevitably, the business will struggle to compete and its value will start to decline rapidly with the result that its very existence may well be in jeopardy.

On the other hand, embracing the need for change is likely to open up opportunities that you may never have thought existed and so provide a platform for you to become a truly modern IFA.

In the sixth article of this series, David Cox will look at the importance of developing your approach to client relationship management.