



Walking the walk

Investment offering & your CVP

NXNW Expo 2019

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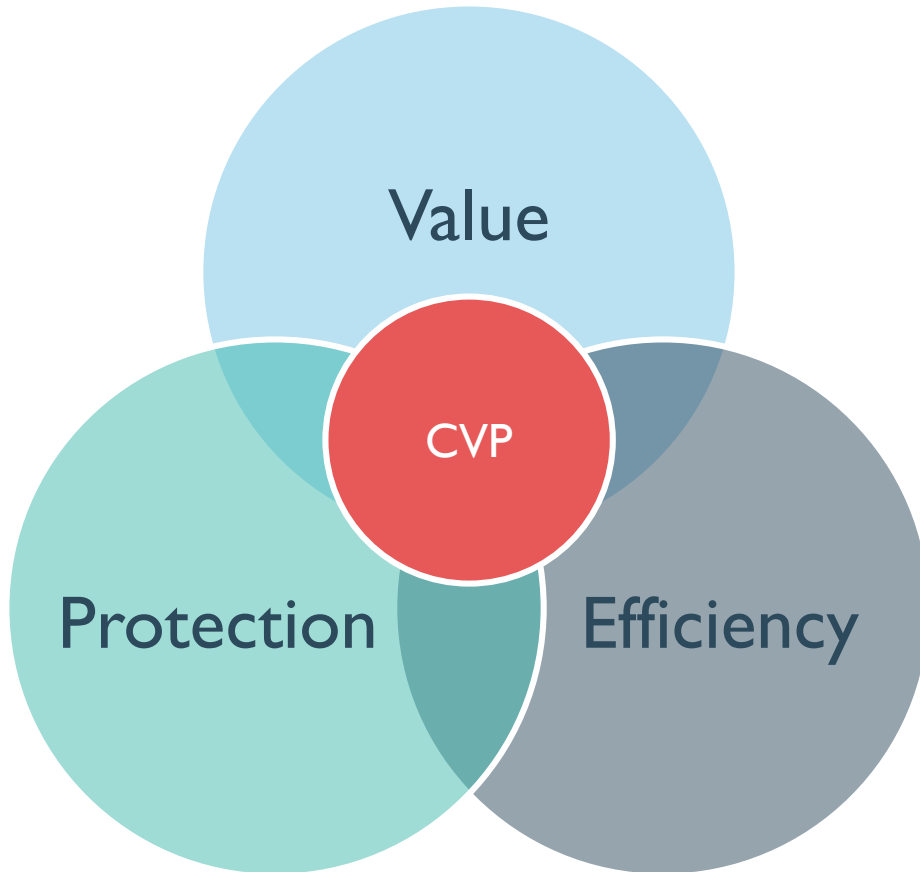
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Who gives out a brick?



Why



Increased demand to demonstrate real value to client – upfront & ongoing

Significant time and cost involved in advice drives the need for greater efficiency

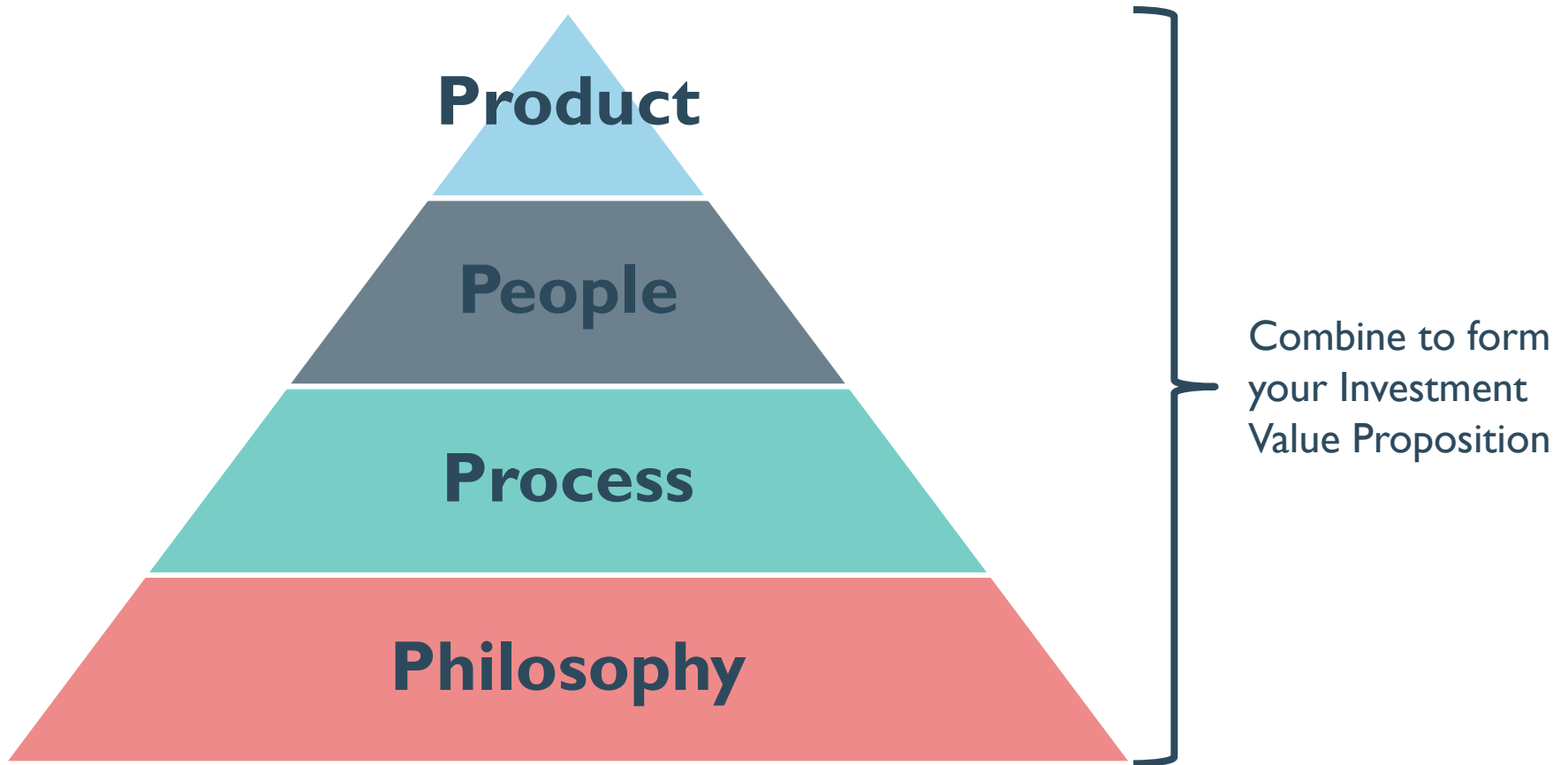
High compliance & business risk

A strong (investment) CVP helps address all three areas

Investment Approach



The Four P's



Philosophy

Your investment philosophy outlines your key investment beliefs and restrictions; it is the foundation of how your portfolios will be invested.

Investment Beliefs:

Investment Restrictions:

Here's one we prepared earlier

Investment Beliefs:

- Diversification
- Dollar Cost Averaging
- Asset Allocation

- ESG
- Time in the market
- Tax Matters
- Fees

Investment Restrictions:

- APL
- Performance Variance

- Liquidity
- Rebalancing
- Fees

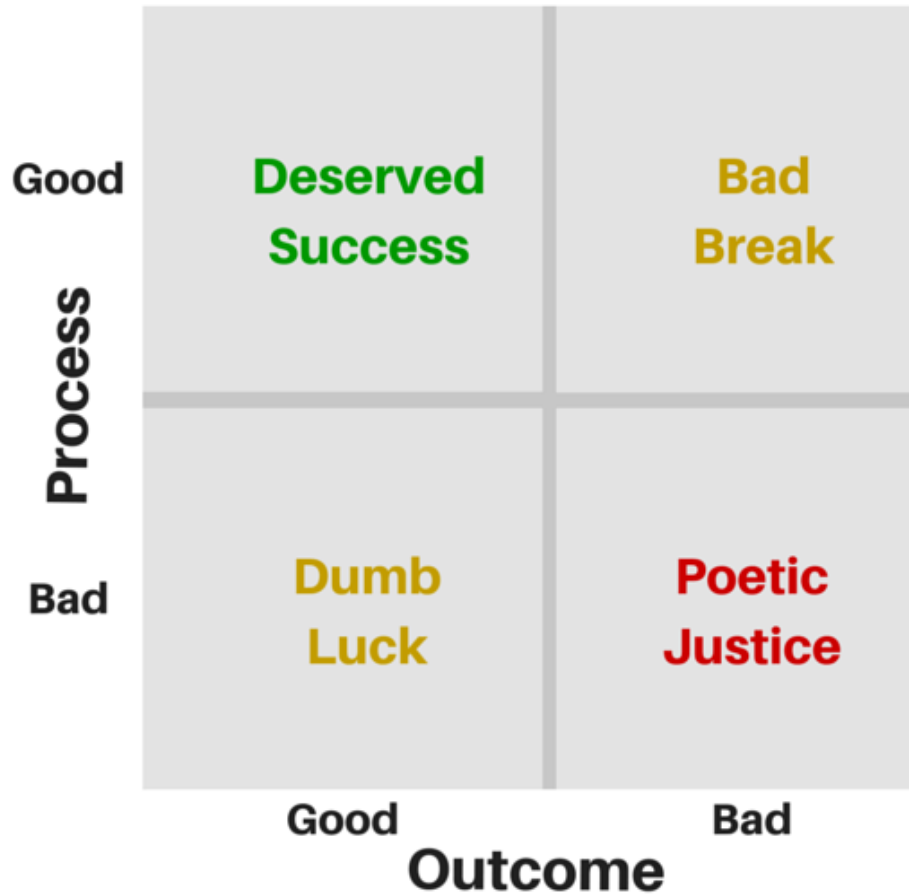
A documented Investment Philosophy should not be underestimated

Snapshot

	Value	Efficiency	Protection
Investment Philosophy	<ul style="list-style-type: none">• Attract & retain aligned clients	<ul style="list-style-type: none">• Focus• Filter products & services quickly• Alignment with all parties (including clients)	<ul style="list-style-type: none">• Documented• Client education• Basis for advice

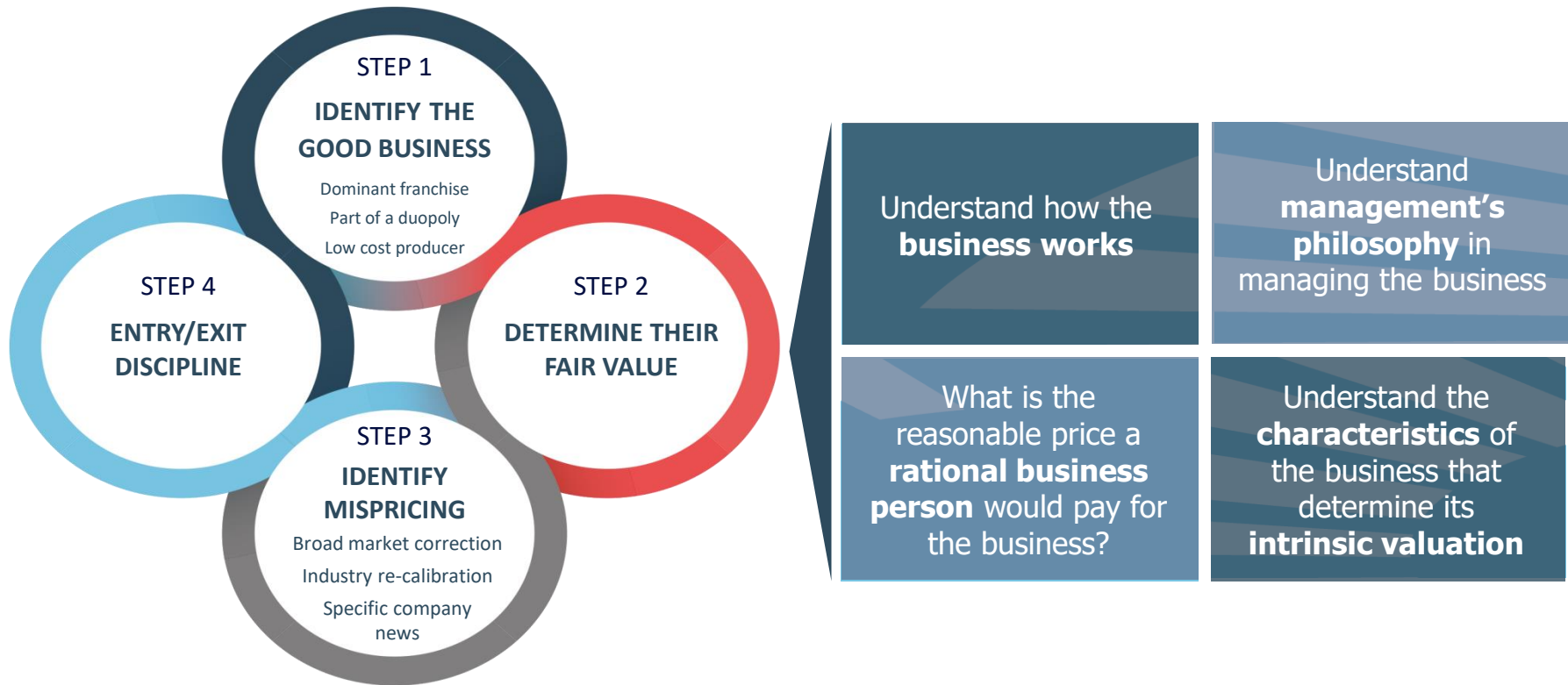
Process

Process versus Outcome



Source: Russo & Schoemaker, Winning Decisions

Process – PM Capital

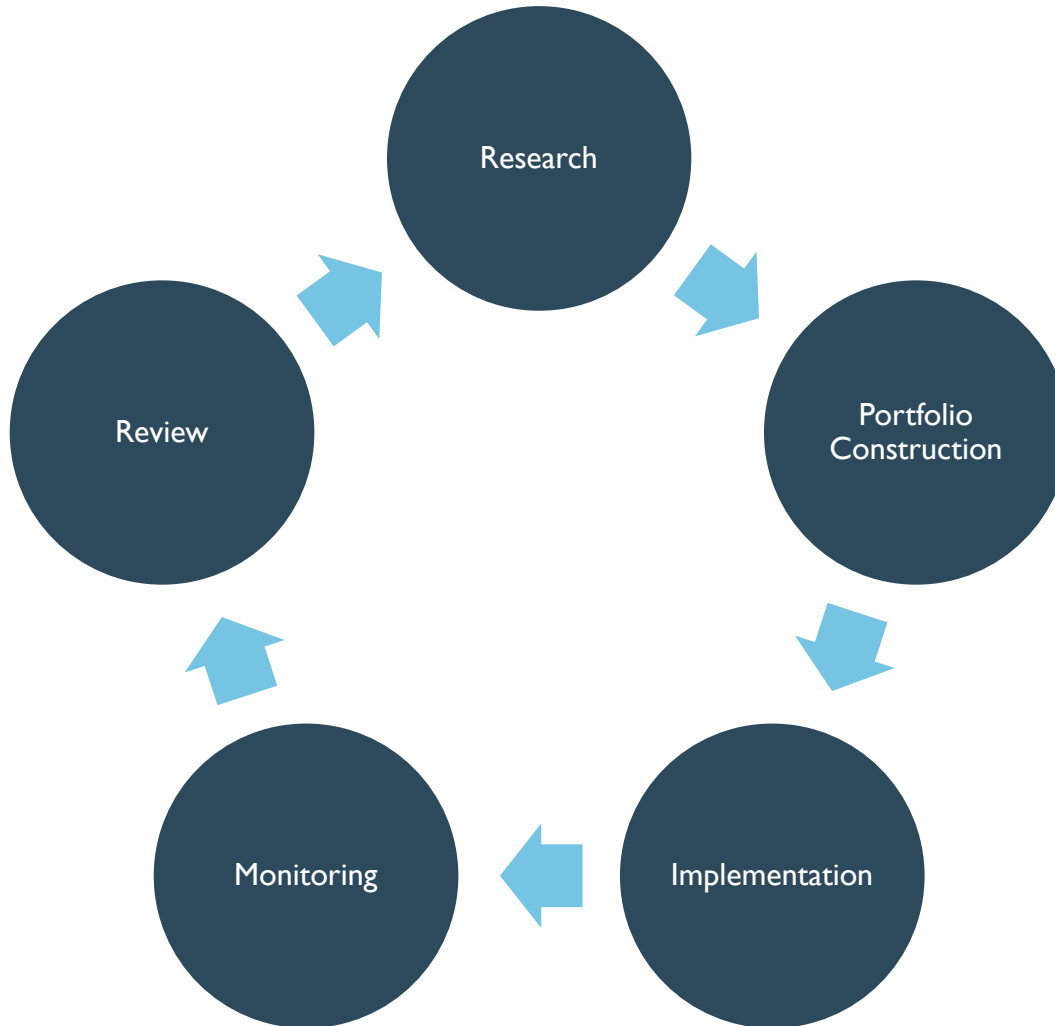


“The best way to preserve and enhance your wealth is to buy a good business at a good price”

Process

What's your process?

Process



Documented
process is a must
regardless of
Investment Approach

Snapshot

	Value	Efficiency	Protection
Investment Process	<ul style="list-style-type: none">• Demonstrated ongoing research, monitoring and review• Proactive not reactive	<ul style="list-style-type: none">• Batching of tasks• Reduce multiple touch points• Research & product selection	<ul style="list-style-type: none">• Documented• Repeatable – skill vs luck• Minimise risk of error and/or oversight

People

- Investment Committee
 - Right mix of skills
 - Availability
- Dealer Group/Compliance
- Research
- Portfolio Construction
- Product

Who?

- Staff member
- Dealer Group
- Peer
- Consultant
- Client?
- BDM?

Insource vs Outsource

Product

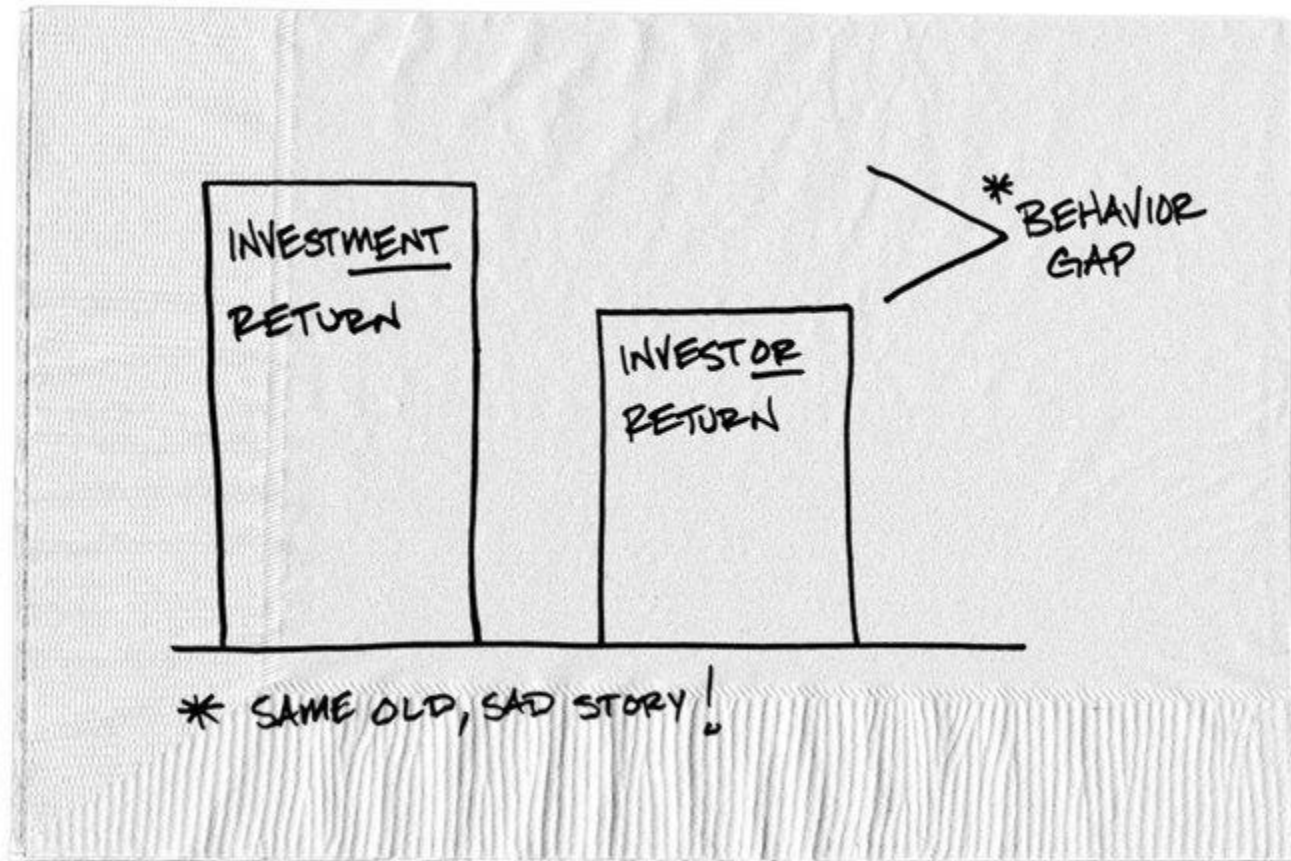
- Product Selection
- Documentation
- Education
 - Upfront
 - Ongoing
- Information



Snapshot

	Value	Efficiency	Protection
People & Product	<ul style="list-style-type: none">• Depth & strength of broader team• Access to knowledge, skills, insight• Significant support	<ul style="list-style-type: none">• Outsource• Education• Reporting• Support	<ul style="list-style-type: none">• Documented• Strong governance• Manage key person risk• Support

Talking the talk



Source: Carl Richards – Behavior Gap

Who gives out a brick?

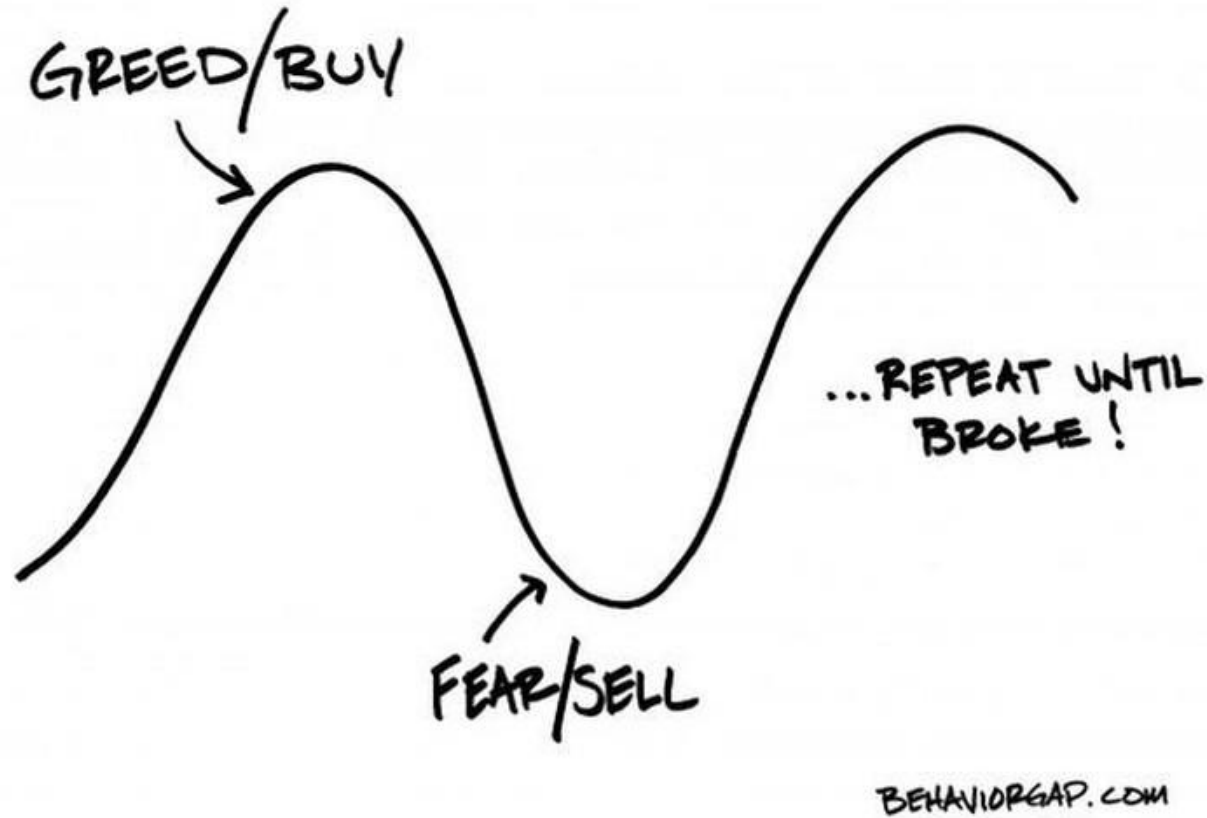


Communication

- Face to face
 - Reviews
 - Change of circumstance
 - Ad-hoc
- Seminar, Webinar & Video
- Newsletter & Social Media
- Website & Client Access
- Office



Another sketch



Source: Carl Richards – Behavior Gap

Snapshot

	Value	Efficiency	Protection
Communication	<ul style="list-style-type: none">• Retention of education and information• Informed decisions• Reduce risk of behaviour gap• Peace of mind	<ul style="list-style-type: none">• Standard approach & resources• One to many• Reduced enquiries, complaints and client exits	<ul style="list-style-type: none">• Documented• Educated, informed & educated clients• Regular and consistent contact

Summary

	Value	Efficiency	Protection
Investment Philosophy	<ul style="list-style-type: none"> • Attract & retain aligned clients 	<ul style="list-style-type: none"> • Focus • Filter products & services quickly • Alignment with all parties (including clients) 	<ul style="list-style-type: none"> • Documented • Client education • Basis for advice
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Thank you