

Youngest ever AMP adviser values breadth of experience

An openness to learning experiences and dedication to his work saw him as the youngest person to be appointed by AMP as an adviser. Following a trip across the Nullarbor he settled down in Perth to raise a family and now runs a highly successful practice where he specialises in risk. Up and coming young advisers can learn a lot from the career path and work ethic of AFA Adviser of the Year finalist, Adam Smith.

Q: How did you come to work in the financial planning industry?

A: After completing my Higher School Certificate in 1986 my father, who worked for AMP GI, could see I needed some direction. When I returned from the 1987 America's Cup yacht race held in Perth, much to my surprise he'd teed up a job interview with AMP!

From there I worked in various employee roles within AMP Life and General businesses and in 1990 embarked upon a career as an AMP adviser at the Hurstville Sales unit.

Q: What path has your career taken?

A: I began working in a variety of financial services roles at AMP. A really valuable one was as Disability Services Adviser. This service role gave me a great insight into the income protection arena which was the catalyst for me becoming an adviser.

Following this I became an AMP adviser and spent seven years learning the ropes in the areas of sales skills, product knowledge and very importantly how to run your own business.

In 1997 I sold my business in Sydney and made the big move to WA for personal reasons. I was employed by Getley, Paulsen & Associates (GPA) in Perth as a financial planner and I gained a broader scope of experience in this job.

After two years with GPA I decided to establish my own business under the Hillross Licence, working from home. Shortly after my wife became pregnant, I decided it was time to go back into an employee role with NAB.



AFA Adviser of the Year finalist, Adam Smith

It was here I met my current business partner, Rob Pyne and in March 2002 we formed HPH Solutions, initially via the Epic Adviser Services licence and more recently, Charter Financial Planning. They have provided significant support with the development and growth of our business mainly through acquisition support.

With HPH, we take on speciality roles, which are detailed on our website profiles (<http://www.hphsolutions.com.au/aboutus/prfiles.html>).

I take on the risk specialist role and look after our higher net worth clients in the areas of business and personal insurance issues.

Q: What do you like about working in the industry?

A: The industry is forever evolving which keeps it interesting and challenging. I like dealing with people and have formed some great relationships both within the industry and with clients.

Being a father of three, I like the flexibility of our business allowing me to participate in their lives when required.

I also enjoy the autonomy of working for yourself and the daily challenge of running and improving our business.

Q: What are you most proud of having achieved in your career?

A: 1. Being the youngest adviser at the time (21 years old) to be appointed by AMP, (after being tutored by the famous Bob Ross an adviser of 50+ years with AMP).

2. Completing my Diploma of Financial Planning/Certificate of Financial Planning part-time over eight years.

3. Jointly developing a successful business in HPH, which provides a fully integrated financial solution for our clients, backed by quality and dedicated staff.

4. To be nominated as a finalist for the 2006 AFA Adviser of the Year award.

Q: Why did you become a member of the AFA?

A: After attending a roadshow held by the AFA in 2006, I gained an insight and understanding about what the Association stood for. While I've been, and still am, a fully paid member of the FPA, I felt the AFA was more in tune with what it takes to be a risk specialist.

This was further confirmed after I attended the recent AFA conference, which was the best I've been to during my time in the industry.

Q: What did your nomination for Adviser of the Year mean to you?

A: It was a great honour and somewhat of a surprise. It recognised four years' work, developing a risk model which was progressive with the changing times of our industry.

While we collect commissions on implementation of recommendations, the introductions of fees for advice, i.e. preparation of Statements of Advice, has provided a more professional approach, which is in line with our retirement planning and wealth accumulation offers.

Q: What do you see as the biggest challenges and opportunities facing advisers?

A: Advisers need to remain relevant to clients and continue to evolve what we do and how we do it. We also need to continue making sure clients perceive value in what we offer.

The assistance of external business consultants, such as Encore and Business Health, has helped us to balance the concept of 'working on your business' vs. 'working in your business'. This is a continual challenge.

Being a small 'GP' style operator in the future appears more and more challenging, which is why we've adopted the 'specialist path'.

However, the beauty of this business is, I believe, there's no right or wrong model, it's simply identifying what works for you.

Q: Describe the financial planning industry as you would like to see it in 10 years time.

A: I envisage a well respected industry, similar to accounting, where advisers have acquired the number one mantle of financial custodian for all major financial decisions made for clients.

We have become the recognised facilitator of all the clients' requirements, because clients will become increasingly time poor and seek those they can trust and experts who have the competency to orchestrate all their financial requirements.

This will be achieved when the financial advice industry as a whole pulls in the same direction and full transparency is achieved from advisers, licensees and fund/risk managers.

Advisers should also be providing the right advice, utilising the best available products and platforms to achieve and facilitate our clients' needs, i.e. all licensee bias and restiveness of approved product lists is removed.

I hope that in 10 years advisers will be charging for their advice and time, but will not be hung up on how they're remunerated, i.e. be it commission or fees.

I'd like to see once and for all, the industry being judged on the value we provide to clients and the community, not how we choose to be remunerated for the value provided.

Q: What's the most important thing in your life at the moment?

A: Maintaining balance in all areas of my life. Life has become so incredibly busy and demanding that it's easy to become overawed by things. Having recently spent three weeks away from the office with family and friends continues to reinforce to me the need to get away, relax, laugh and enjoy life. There are so many things outside our control, particularly in the financial planning arena, that we need to constantly remind ourselves not to get hung up on matters we can't control and more so concentrate on the things that we can control.

Q: What do you like to do when you're not working?

A: My wife Rachel and I have three kids under six, so it's fair to say life's hectic being a Dad!

I love my sport, in particular cricket, Rugby and AFL.

I try to keep fit and workout a couple of times a week with Rob, something we've maintained together for a number of years.

More than anything I love spending time with the kids outdoors, particularly at the beach or backyard.

Q: What's the most important lesson you've learnt in your life so far?

A: Be true to yourself, trust your instincts, have faith in others and give freely of yourself.

Today's Leaders

- the hard case for soft skills

Many younger advisers have plans, now or in the future, to climb the career ladder and assume their rightful position in leadership roles either in their own businesses or within an organisation. But what is the essence of leadership? What makes some people inspirational and others unbearable?

It's an age old question asked centuries ago by kings and queens as they led their troops into battle. Today it is pondered by CEOs as they vie for a spot on the Fortune 500 List. As Zurich's Dani Peer phrased it during a Young Gun's session at the AFA's National Conference, 'What does a leader need to do to get people to excel?'

Four Needs

In his presentation, Dani contrasted new and old approaches to leadership by focusing on how to address the four needs that all people must have addressed before they can be expected to perform in the workplace. These needs are:

1. Purpose: why am I doing this?
2. Vision: where am I going?
3. Support: provision of tools to perform
4. Motivation: development of an attitude to perform

Industrial age leadership

Previously leadership was seen very much as an authoritarian affair where leaders led and followers followed. Therefore the team's needs were not so much met, as trampled upon.

1. Purpose: Why am I doing this?

Because I am the boss and I know what's best. This led to low trust and no sense of contribution.

2. Vision: Where am I going?

You don't need to know. Just follow me, do what you're told and meet the budget. This approach gave people no sense of achievement or direction of effort.

3. Support: Tools to perform.

Systems were put in place to ensure efficiency. This led to multiple rules and micro management.

4. Motivation: Attitude to perform.

Used the carrot and stick approach. There was no emotional connection from the team which led to lots of daydreaming and web-surfing.

Today's leadership

Research today shows that leadership that effectively using 'soft' skills is far more effective, although many bristle at the use of the word 'soft'. Taking into account that you are dealing with intelligent human beings who need to be motivated and supported can produce 'hard' results for today's leaders.

1. Purpose: Why am I doing this?

Clearly articulate why the business exists and its values. This leads to highly motivated people who feel part of the business and want to contribute to it.

2. Vision: Where am I going?

Build and articulate a common vision with staff. Let people know where they are going and when they will get there – this leads to a great sense of achievement.

3. Support: Tools to perform.

Provide the training and environment necessary to achieve the desired outcome. The result is highly skilled people who feel they can make things happen.

4. Motivation: Attitude to perform

Motivation is based on outcomes and results. People feel empowered to excel.

Free to Follow

Jim Collins, author of Good to Great believes that today's leaders must "build a culture of freedom and responsibility". This means that those around you must be free, not forced, to follow you. While this is much more difficult to achieve than being listed as someone's boss on an organisational chart, it's much more rewarding and will produce far greater results.