

A&B FINANCIAL PLANNING

Capturing generation next

Written by: Julie May

There is no greater referral for an advisory firm than one that comes from a family member, according to A&B Financial Planning (ABFP) principal Andrew Parr.

Parr says the team services a lot of second generation clients, having built trusted relationships with older family members through both the market highs and market lows.

"In the last three or four months, we would have put on about half a dozen new clients who have been referred by their family members," he says.

"Our younger clients typically require assistance with savings and insurance, and while their needs aren't as extensive as their older family members at this point in time, they increase the future sustainability of the firm as mature clients begin to wind down in retirement."

He says an example of where ABFP has created a relationship with second generation family members is through work the firm did with existing clients who were looking to sell their farm.

"The couple wanted to invest funds in a way that they could generate the income they needed for retirement and that would also provide for their daughters' future," he says.

"The daughters saw value in the strategy we created and have since also joined as clients."

Attracting second generation and extended family members to the firm comes down to building trusted relationships with clients over a period of time, he says.

"The next generation of client is becoming more financially savvy and they're happy to talk to someone they can trust, with family referrals going a long way," he says.

"We also ask our clients to make their children aware that we are here if they want to talk about any of their financial goals, and I think letting existing clients know that you are there should other family members require assistance really helps."

Parr says he got into the world of financial services having joined Commonwealth Bank



ANDREW PARR

of Australia as a young man before taking a position with an accounting practice in 2000.

He then discovered the type of role he wanted to pursue was more in line with financial planning, so he attained the necessary qualifications before establishing the financial planning arm of the accounting firm, becoming a partner and part owner as well.

"About 18 months ago the financial planning arm became its own separate business, however, we still work closely with the accounting firm and have since grown the financial planning team from four to eight, partially via acquisition," he says.

"As part of this purchase we also decided to leave our dealer group Count Financial and join Matrix Planning Solutions as the firm we acquired was part of Matrix and we felt that its model would be a better fit for us and gave us greater access to the dealer group head office staff."

The ABFP team prefers face-to-face communication with clients, but it does use the phone and email to contact clients to ensure queries are responded to promptly, he says.

"I think what makes us a successful team is that we make decisions together and there is no type of dictatorship that exists in the office," he says.

"I let team members take ownership of their responsibilities and I find I get a better result that way, rather than telling them this is how you're going to do it and micro-managing their tasks."

"Everyone's opinion is valid and in our minds, eight heads are always better than one."

“Everyone’s opinion is valid and in our minds, eight heads are always better than one.”

”

SNAPSHOT

Name: A&B Financial Planning

Location: Temora, New South Wales

Funds under advice: About \$50 million

Clients: Around 750

Platform: BT Wrap

Software: Xplan

Research: Morningstar

Staff: Eight

Dealer group: Matrix Planning Solutions

He says employees don't take a position of superiority over each other or with clients.

"We like to do a lot of diagrams for clients on our white board for instance so we're able to explain concepts more clearly and ensure clients get a better understanding," he says.

"We don't feel we would serve any purpose talking a language they don't speak and we really get our kicks when a client comes in confused but leaves knowing they're in good hands and have got a sound strategy in place."

He says the team will go the distance to make a client feel at ease wherever possible

"We had a client who had to arrange an aged facility for her husband and as he was not well, we went out to see them personally to help arrange accommodation and finances," he says.

"We've helped that client through a lot of life events and as a consequence now service her extended family as well."

He says he would have a story about every one of the group's clients where he could hopefully say they had walked away better off.

Outside of work, Parr has a small farm and is active with his local Lion's Club.

"I also have two teenagers, one who works with me as a trainee and both whom would never argue about the NRL team our family supports, being the St George Dragons," he says.

In future, ABFP wants to increase its adviser numbers, which it will in part accomplish by helping junior team members attain the necessary qualifications.

Parr says he would also be comfortable selling down stakes in the firm to those aspiring to be partial owners. «