ELIXIR
CONSULTING

Adviser Remuneration Report 2018

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Adviser Remuneration Report 2018

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Foreword

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When coaching our clients, we often work with firms to determine staff remuneration structures that reward the right behaviours and align the goals of the team members with those of the firm. Having seen too many examples of practices with staff that are paid significant salaries regardless of whether they contributed to the growth or profitability of the firm, we encourage firms to offer packages that reward good performance and not reward laziness or mediocrity. When I say performance, I'm talking about delivering outstanding service to clients as well as contributing to the growth and profitability of the business.

Creating a remuneration package is not a simple task, and the simplified ranges that are provided in salary surveys offer no detail around the structure and elements included in different offers. I felt a little deja vu when I started looking further afield for more detailed research on what goes into total packages. I had the same experience in 2008 when looking for more detail on how advisers were charging for their services; there really wasn't a lot available, and so we decided to go and collect our own research. When we set out to write this report, we were hoping to get a broad cross-section of businesses to research, to determine trends and correlations between role requirements, tenure, business growth and remuneration benefits. Rather than look for statistics of total earnings of advisers, it's the qualitative elements that we wanted to explore.

We were initially pleasantly surprised by the sheer number of advisers reaching out when we put out the call for participants, until we discovered that the large majority didn't have great packages they were wanting to share; they were like us, searching for ideas and information, so were requesting access to the research when we'd finished. After months of looking at a range of packages, we decided to publish this report in its current form. Rather than use the term 'research' and include a lot of quantitative charts and data analysis, our final publication is a summary of potential benefits that can be included in a remuneration package, and a guide on what to consider when structuring effective models that fit well with FoFA. We've included six complete remuneration packages as a broad cross-section of different models.

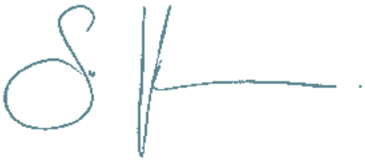
FoFA has made remuneration structures a lot more complex, albeit for good reason. We now have to ensure that any bonuses paid are not earned purely on a sales basis, regardless of whether those sales were product commissions or fees for advice. As you'll see from this report, it is possible to create a remuneration structure that encourages all of the elements that constitute a great adviser; rewarding them for changing their clients' lives in positive ways, delivering great advice and service, and helping the firm achieve the goals established by the principals.

There is always a fine balance when determining attractive packages that woo the best talent, and keep them for the long-term. Pay too low a base and you risk losing good advisers who won't back themselves and are attracted to a more 'stable' income. Pay too high a base and you risk rewarding advisers for mediocre performance. As a general rule of thumb, it's logical that the greater the risk taken by the adviser (i.e. the lower the base), the greater the potential reward should be, and yet we also need to consider the fact that ASIC have not given specific numbers about this ratio, other than to make mention in the regulatory guide that consideration will be given to 'the value of the benefit, including relative to the total remuneration' of the staff member.

The right model for any business will be influenced by a number of factors, not least of which being the size of the existing revenue base of the firm, and the advisers' ratio between servicing existing clients or generating new business. In collating this report, we discovered a range of different models that are working for the businesses and advisers who receive them, and discovered some common traits about how best to implement incentives.

We're sure that you will find the information within this report enlightening, and extremely helpful in guiding your thought process around setting your team's key performance indicators and remunerating them for outstanding work. Naturally, if you'd like the assistance of one of our coaches to further develop your business and team, please reach out, we'd love to help.

Happy reading!



Sue Viskovic

Report Methodology and Participants Brief

The information contained in this report was gathered via in-depth interviews. Participants discussed a series of questions that detailed their remuneration model, what parts of the advice chain the advisers were completing and some general questions on how they implement and manage their remuneration models and advisory team. The in-depth interviews were completed with the business owner of the financial planning business.

The criteria we used for participant inclusion in the report were that the financial planning businesses needed to have 2 or more employed financial advisers to participate. In addition, they needed to have a demonstrable, currently working adviser remuneration model. The participants varied in size from employing 2 up to 11 financial advisers. The participant businesses were located across Australia with all states being represented. In all, 12 businesses were included in the final report. Across the 12 businesses there were a total of 56 financial advisers, these included employed advisers and business owner/ directors who held Authorised Representative status.

Over half of the participants in the report held their own AFSL with the others being licensed via various licensees ranging from boutique to large institutions. The participant businesses ranged from being Financial Planning only to multi-disciplinary firms who offer Financial Planning, Accounting, and Tax, Mortgage Broking and Bookkeeping.

The depth of the information gathered in this report is rarely disclosed by business owners, and is typically considered very personal and commercially sensitive. For this reason, all participants entered into a legally binding confidentiality agreement which ensures their identities will not be disclosed at any time to any party outside of Elixir Consulting.

Chapter 1

[redacted]

Before we start, let's take a moment to reflect and circle back to where this started - what is conflicted remuneration?

We asked The Fold Legal to comment on Regulatory Guide 246 and provide us some insights on the most important considerations when drafting adviser remuneration models. The Fold Legal specialise in the financial advice sector and if you're looking to engage a lawyer to assist you with HR matters, we'd certainly give Claire and the team a big thumbs up. Here's what they told us.

> *"The ban on conflicted remuneration aims to more closely align advisers' interests with clients' interests, and improve the quality of advice.*
>
> *From 1 July 2014, employee remuneration which could reasonably influence advice and financial product recommendations to retail clients is banned. This impacts many types of performance benefits, such as bonuses, pay rises, promotion or other forms of recognition, entertainment or travel and even shares or options.*
>
> *Performance benefits are not always conflicted. It depends on how they are structured.*
>
> *At one end of the spectrum, benefits which are based on criteria such as the volume or value of financial products recommended or acquired by clients are presumed to be conflicted. Even benefits based on the value of investable assets and the amount of time-based fees could be conflicted if the client would have been better served by deploying their assets elsewhere or was recommended services they do not reasonably need.*
>
> *On the other hand, performance criteria such as meeting compliance and other corporate policies, quality of financial advice, client satisfaction, overall business profitability (rather than individual sales), customer loyalty (such as a net promoter score), new clients brought to the business, training undertaken and lack of complaints about an employee would not be presumed to be conflicted criteria.*
>
> *Essentially, employers need to structure performance benefits carefully, striking the right balance between rewarding performance and avoiding inappropriate influence over advice.*
>
> *How is this achieved?*
>
> *ASIC recommends a 'balanced scorecard' approach under which the entitlement to and amount of performance benefits are based on a number of differently weighted criteria.*
>
> *This is not an exact science.*
>
> *Much depends on the weighting of the performance benefit compared to total remuneration, the directness of the link between the benefit and the value or number of financial products acquired and the environment in which the benefit is given.*

Employers should consider issues such as:

Eligibility criteria

– could satisfying the criteria that must be met for an employee to be eligible to receive a performance benefit reasonably be expected to influence the advice given?

The more difficult it is to satisfy the eligibility criteria, the less likely that the performance benefit could influence the advice given. This could be measured by looking at the proportion of employees who are able to meet the criteria.

Purpose of benefit

- the performance benefit should encourage the right behaviour, i.e. quality advice that is in the client's best interests.

Weighting of the benefit

– what proportion does the benefit relate to the employee's overall remuneration? If the proportion is so low that it is unlikely to influence the advice provided, it is unlikely to be conflicted.

Link between the benefit and the advice

- how direct is the link between the performance benefit and the value or number of financial products recommended or acquired by clients, based on the advice provided by the employee? A criterion based on the profitability of the overall business is less likely to influence advice than one based on individual sales.

Involvement of recipient in the advice process

– how directly involved in the advice giving process is the recipient of the benefit? E.g. if the recipient helps prepare advice but does not provide input into the recommendations, a performance benefit is less likely to be conflicted remuneration.

Environment in which the benefit is given

– does the business encourage good quality advice that is in the client's interest. This would be the case if quality of advice, consumer satisfaction and compliance with internal processes and legal requirements are required in order to qualify for a performance benefit.

One of the best approaches is to require employees to meet a number of non-volume based criteria in order to qualify for a bonus. Even if the amount of the bonus is then based on financial or volume type criteria, it is much less likely to be conflicted.

Employers bear the onus of showing that volume-based criteria do not result in conflicted remuneration. The best way to do this is to have a remuneration policy, which documents your performance criteria. (The Fold Legal's Remuneration Policy Template provides useful guidance).

TIP

Employers must keep records of how employee's performance benefits were calculated, so you can demonstrate that they were not conflicted.

We suggest that you read ASIC's Regulatory Guide 246: Conflicted and other banned remuneration (especially Section D) for more information and guidance on designing your performance benefit program."

Chapter 2

Key Findings

Undertaking this report has provided us more than just information on how advice businesses have structured their adviser remuneration packages. After many in-depth conversations, it has given us insights into how advice businesses manage and retain good quality staff, and build great team cultures where all members are working together for a common purpose. We asked participants what their advice would be to other business owners and practice managers in setting up and refining their adviser remuneration packages. We have captured here, a summary of our key findings and some direct quotes from participants on their advice for you.

Keep it simple

Complicated models lead to complicated management and tracking systems. The more simple and straightforward the model, the more easily understood by the advisory team and the easier the team is to manage.

(Don't just) show me the money!

Take into consideration the complete picture of a great employee and include non-financial benefits in the remuneration packages.

Consistency

When it comes to remuneration structures, team members resist moving goal posts and constant change. Whatever your package, keep it consistent and fair.

Transparency

Help your team by ensuring they understand your expectations around the metrics and the measures for their success, this will keep them motivated. Having a deep knowledge on why and what they are paid provides them total clarity on what they need to do to succeed.

A whole team approach

A top down approach is often the best. Businesses who own a team goal find that everyone is engaged to ensure the team is successful and working with a common purpose. Filtering down from that means that all staff, including advisers are recognised for their contributions.

Team approach to decision making

Businesses who included their advisers in the decision making process said it assisted with increasing their understanding of the business metrics and their buy-in into the results. They said their advisers felt they were being transparent, fair and it assisted with managing their expectations.

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

"Just make sure that how advisers are remunerated is congruent with your business value proposition. Alignment between the business and package are key!"

"Think of the person you would want to be your adviser and design a package that attracts and retains that person."

"Transparency is critical - and not shifting goal posts."

"Avoid too much complexity. Be really careful between subjective and non-subjective behaviours."

"You have to have a team approach that puts the team and business first. Business needs to hit the targets and then people are recognised for their contribution to it. Don't have an individual adviser approach and avoid having the adviser have too much influence. It's a team approach and the support staff are important as well."

"Advisers have big personalities - so make sure they have the right support structure to ensure they can write new business. Accountability, transparency and consistency in treatment are really key."

"Pay people well upfront, as opposed to paying less and rely on bonuses. It's a greater risk to business but I believe it attracts the right people and eliminates poor advice behaviour."

"I think adviser remuneration needs to be linked back to profitability. Look at a normalised profitability and then link their remuneration to it. Cannot link just to turnover as you may need to put on more staff to generate revenue. Make sure the team is accountable and that they help make decisions."

"Utilise a team approach to decision making for the business."

"I did initially have a situation where we paid a percentage of target (3 months), then completion came 3 or 4 months later and it was too hard to manage. So now it's based on bands and not individual clients. Bonuses are paid over a 3 month period to assist with the cash flow of the business and the person receiving it."

"Always including ongoing revenue and having that as the major part with new sales being the lesser component. Success is taking on a new client with a large ongoing. Don't reward churning type behaviour with a focus on new business only."

Other findings at a glance

Setting KPI's

We asked our participating businesses what if any concerns they have with their current adviser remuneration model. The most common concern was how to structure effective KPI's that balance getting new clients into the business whilst providing great service to existing clients.

The businesses we interviewed differed in their perspective of this. On the one hand, we found that some businesses were concerned with their advisers being too focused on bringing in new clients. The advisers had no downside risk if a client left the business due to poor service or an adviser "not going the extra mile" to service existing clients. On the other hand, we found other businesses that had a really good culture for looking after existing clients but wanted their advisers to be more achievement and results focused for new business opportunties.

Further to this, some businesses acknowledged that higher base salaries for advisers, whilst resulting in a good culture within the business that ensured good quality advice and client service, could result in advisers being complacent in getting new business and new clients in the door.

TIP

When setting your KPI's for your adviser remuneration model make sure that you take into account, delivering on your service commitments for existing clients who pay your recurring revenue. With so much effort to attract and onboard new clients, it's important to balance this with recognising and rewarding the delivery of outstanding service and deepening the firm's relationship with your existing clients. There are a few options on how this can be structured. A simple straight forward way is to include gatekeepers on your balanced scorecard. For example;

- **Quality of Advice** - ***Demonstrated high standard of quality advice covering all aspects of the advice process.***
- **Client Satisfaction** - ***A net promoter score of 8 and above.***
- **Client Retention** – ***Client retention rate of 95% of the adviser's fee base. Clients who have died, been handed over or have left due to exceptional circumstance are exempt. If over 5% fee loss then no bonus is payable for period.***

Or check out how others have done it in our example models in Chapter 3.

The best adviser remuneration models are those that reflect your business's values and strategic direction.

The right model for you, will balance your financial objectives and reflect all the components that are important to your business. For example; if service to existing clients and bringing in new clients is important to you, then make sure your remuneration model and KPI's reflect these factors. Some business goals are harder to reflect in a KPI, such as going above and beyond to assist a client, but that doesn't mean it can't be rewarded. Rewards such as time in lieu, in recognition of a staff member doing this for a client is a perfect example of how this could be done. Recognition and acknowledgement of these behaviours are powerful tools to assist in promoting the behaviours you want to see in your business and to retain and reward staff members that are living up to the values you see as important.

Salaries and bonuses

All businesses
reviewed base salaries annually.
The majority
of businesses paid bonuses annually.
We did come across one who paid quarterly and another who paid half yearly.

Across the participant businesses advisers
received partial or full bonus
70% **of the time.**

Employed Financial Advisers -
base salaries ranged from
$70,000 to **$180,000**
exclusive of superannuation.

Employed Senior Financial Advisers -
base salaries ranged from
$100,000 to **$180,000**
exclusive of superannuation.

Employed Financial Adviser -
bonuses ranged from
$0 to **$53,000**

Director/Owner -
base salaries ranged from
$120,000 to **$300,000**
exclusive of superannuation.

Other general findings

What revenue was included in financial KPI's?

The majority of participant businesses included all revenue types in their financial KPI's being upfront, ongoing revenue and risk commission. The exceptions to this were those that had risk advisers and did not include risk commissions in their financial adviser's financial revenue targets and one business who included upfront revenue but not ongoing revenue.

Risk commission clawbacks

Only one business had a formalised policy to capture any future risk commission clawbacks. This was structured as a clawback against future year bonuses, it was discretionary and they noted they had never used it. We did see some businesses base bonuses on net fees received in a set period of time. So whilst they did not have a formalised policy on risk commission clawbacks, they noted that it would be picked up by using net fees received for any financial KPI's.

Chapter 3

Example Adviser Remuneration Models

Disclaimer – the models detailed in this section are current working models. These models are to be used as a guide only. Whilst care has been taken to collect the data correctly in these models, they are a high level representation only. The participants and Elixir Consulting have shared this information for education purposes only. Elixir Consulting does not endorse one model over another model nor are we in a position to ensure the models are compliant to relevant legislation. We recommend that you seek independent legal advice in respect of your own adviser remuneration model.

Model One

Base + discretionary pooled bonus based on practice EBIT.

Remuneration package uses a balanced scorecard approach, with base salary and superannuation plus discretionary bonus based on practice EBIT.

Practice profile	Financial planning Capital city location Award winning advisers 3 Financial advisers 3 Administration 1 Management
Remuneration structure	Base salary and superannuation plus discretionary bonus. Base salary from \$100,000 - \$150,000 for financial advisers up to \$300,000 for owner director.
Commentary	New model put into place 3 years ago post FOFA.
Base salary calculation process	Focus is on EBIT target, the base salary roughly works out to be based on a third, a third, a third principle.

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Bonus calculation process	Bonus is based on practice EBIT and is annual payment paid as a lump sum. The practice target EBIT is 45% and then anything above can be shared with the team. Each staff member is assessed against all KPI's (see non financial KPI's below) and then a score applied. **KPI score (/100)** — **Bonus pool %** 90+ — Full access to pool 75-89 — 75% access to pool 65-74 — 50% access to pool Under 65 — 0% access to pool **Bonus calculation** The bonus pool is activated once the practice reaches target EBIT of 45%. All funds above this then create a bonus pool. Team members have different entitlements to the bonus pool based on role. A float has been designed and can be awarded to any team member for special achievement. For example, the administration team may have assisted with technology development saving time and increasing business efficiencies. It is up to management's discretion if the float is awarded. **Role** — **Bonus pool %** Senior Adviser — 30% Advisers — 20% Lead Administration — 10% Junior — 5% General float — 15% If a person fails to access their portion of the bonus that portion reverts to the company. Note – not all administration staff have access to the bonus pool
Non-financial KPI's & Qualifying for bonus payment	Non-financial KPI's are discussed and assessed with staff members annually at their staff review. Staff are assessed on each KPI factor and a score is applied. Scores are tallied together to provide a score out of 100. The total KPI score defines bonus pool percentage as noted above. **KPI** — **Weighting** Client Retention — 30 Compliance — 30 Client Complaints — 25 Contribution to advice model development — 10 Responsible management of work related social media accounts — 5 **Total points** — **100**
Other benefits provided	Phones provided Full education costs are funded (includes Degrees) Allowance for attendance and participation in peer groups Paid study leave

Total amount earned	Ranging from $130,000 - $150,000 for Financial advisers
Practice EBIT last financial year	41% (last financial year) Note –practice has reached bonus once in the 3 years it has run this model.
Education level of advisory staff	Degree and Advanced Diploma of Financial Planning
Client type	Broad ranging - most clients are pre and post retirees.
Nature of advice	SMSF, Investment management, Insurance, Superannuation, Retirement planning, managing Pension phase.
Other information/ commentary	Are you happy with the model (as the business owner)? *"I think we are as happy as we can be at this point. The model needs to be refined, but it encourages the right kinds of behaviour as it is team based and therefore whole business based. The model is not directly related to sales, but not indirectly related either. If the margins are bigger then bonus can be bigger."* Are your advisers happy with the model? *"Yes if the business is hitting required numbers, but in years when the business doesn't they are not so happy. But generally they like the structure."*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model One.

Key: ● Adviser full responsibility ● Adviser partly responsible ● Adviser no responsibility

Prospecting	Prospecting to find new business	●	○	○
	Prospecting to find new referral relationships	●	○	○
	Managing referral relationships	●	○	○
New client process	Receiving enquiries and booking appointments	○	○	●
	Conducting first appointment	●	○	○

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

	Completing Fact Find
	Inputting fact find into advice software/CRM
	Conducting research on current holdings
	Running quotes for insurance if necessary
	Write up file notes?
	Drafting advice strategies
	Running modelling scenarios for advice outcomes
	Presenting advice to clients
	Documenting SOA
	Completing application forms
	Signing off on ATP and application forms with client
	Implementing advice - investment lodgements, follow-ups etc.
	Completing underwriting requirements
Client management	Managing risk claims
	Handling administration queries throughout life of client relationship - change of address etc.
Client review process	Booking review meetings
	Preparing reports/information for review meetings
	Conducting review meetings
	Conducting any follow-up work from review meetings - rebalances, new advice etc.
Other responsibilities	Conduct marketing for the business
	Manage the social media profile(s) for the business

Model Two

Base + discretionary bonus based on revenue generated by individual adviser

Remuneration package uses a balanced scorecard approach, with base salary and superannuation plus discretionary bonus.

Practice profile	Financial planning Capital city location 5 Financial planners 4 Associate financial planners 5 Support staff 4 Management
Remuneration structure	Base salary and superannuation plus discretionary bonus
Commentary	Remuneration model was restructured in 2014 to reflect FOFA changes. Model is refined annually in conjunction with advisory staff. Practice promotes a collaborative approach with advisory staff to assist with their motivation and ensure understanding of the model and the metrics of the practice.
Base salary calculation process	Base salary is based on two components; a fixed component and variable component. **Fixed component** - is set on advisers role, experience, qualifications and broad assessment of their capability and potential. Market is reviewed periodically to ensure competitiveness. Typical fixed ranges are; Associate Financial Planner, up to 5 years experience. Qualifications - tertiary degree, DFS / RG 146 - $55,000 - $80,000 Financial Planner (FP), 5 - 10 years experience. Qualifications - above plus ADFS - $80,000 - $100,000 Senior Financial Planner (SFP), 10 years plus. Qualifications above plus CFP - $100,000 -$160,000

Base salary calculation process

Variable component -This component is set based on the fee base an adviser is responsible for. Variable component doesn't apply to Associate Financial Planners.

Revenue type	**Amount paid**
Organic fees (managed <1 year)	4%
Acquired fees (clients acquired by practice or handed over to or from another adviser, in the first year)	2%

*2% is paid until the total fee base reaches the minimum fee base (see below for minimum fee base), thereafter 4% will be paid. 0% is paid on fees above the maximum fee base.

Role	**Minimum fee base**	**Maximum fee base**
FP	$300,000	$700,000
SFP	$600,000	$1,200,000

Variable component is calculated twice a year. It is based on actual ongoing fees paid by clients in the previous 12 months.

Bonus calculation process

Bonus is calculated every 6 months and has two components.

- 30% of any new business or implementation fees generated by adviser. Fees to have been received by practice during the 6 month period.
- 30% of any net new ongoing revenue written by the adviser during 6 month period. Net new ongoing revenue is ongoing fees added by adviser less ongoing fees lost from clients leaving. This picks up any risk claw backs for the period.

Lost fees are calculated as the actual ongoing fees paid by the client in the preceding 12 months. If a client was handed over during the preceding 12 months, the loss is split equally between the 2 advisers.

New fees are calculated in the half year the full expected ongoing fees start and are annualised from the first full month.

New business and net new ongoing revenue are combined. Although each is calculated and reported separately both count equally towards the overall combined target, thus removing any biases towards particular fee types and ensuring clients are charged for what is most appropriate for their circumstance.

<table>
<tr><td>Non-financial KPI's & Qualifying for bonus payment</td><td>Practice uses Balanced Scorecard approach and each adviser receives a personalised set of KPI's every financial year. Personalised KPI's are put in place to ensure each adviser has appropriate KPI's for their own needs. For example, training plan for specific skill set or education requirements.

The Balanced scorecard is evenly weighted between the following areas;

• Client - Client satisfaction – measured by adviser trust score of 85% and above for clients serviced over 2 years.
• Financial - as above
• Service delivery - Client reviews, task completion & advice quality.
• Ongoing Professional Development - CPD points, role qualifications and training.
• Contribution to the practice - Being a good corporate citizen and colleague.

Any bonus payable is subject to assessment against key criteria of the Balanced Scorecard.

Maximums and minimums are set for each KPI. Upon review, each KPI is scored to come up with an overall percentage of the bonus payable for the period. The total bonus paid cannot exceed 100%. Adviser results are tracked and discussed in detail with their manager every 6 months.

Some KPI's are measured less frequently than others. If a KPI is not updated in a particular period, it is assumed to have the same value it held when last measured.

Gate openers

• Compliance: If internal or external audits pick up a serious compliance problem (eg reportable breach committed, contravention of policies, failure to implement opt-in etc), no bonus is payable for period.

• Retention: If more than 5% of the planner's fee base is lost (excluding clients who died or were handed over), no bonus is payable for period.</td></tr>
<tr><td>Other benefits provided</td><td>FPA membership
Relevant learning and development paid for and supported.*
Agreed conference attendance paid for (eg FPA, SMSF etc).

* Practice will support study towards CFP and will reimburse on completion of each unit. If adviser leaves within 12 months of the reimbursement then they would have to pay back the cost.</td></tr>
<tr><td>Total amount earned last financial year</td><td>Typical amounts earned by role

<table><tr><td></td><td>Base (inc super)</td><td>Bonus</td><td>Total</td></tr><tr><td>FP</td><td>$106,600</td><td>$26,000</td><td>$132,000</td></tr><tr><td>Senior FP</td><td>$136,275</td><td>$43,500</td><td>$179,775</td></tr></table></td></tr>
</table>

Practice EBIT last financial year	28.5%
Education level of advisory staff	Need related Degree, Full Diploma and to become a Senior Financial Planner, also need to be CFP.
Client type	Clients that value what we do, and are happy to pay for it. Late stage accumulator, early retiree.
Nature of advice	Practice has an adviser generalist model with some seniors having additional specialisations (Aged care, SMSF).
Other information/ commentary	Are you happy with the model (as the business owner)? *"Yes - ish. It's way better than it was and it is evolving. We need to keep an eye on what the market is doing, clients, pricing and keep evolving it. I think the model is getting more complex as we evolve it – possibly too complex! It takes quite a bit of time internally to generate & communicate the data. On the good side our turnover of staff is very low."* Are your advisers happy with the model? *"Overall yes although it's human nature for people to always want more! Also as the complexity is getting greater it's getting harder for planners to understand and track their progress each month & we risk it being less motivating."*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model Two.

Key: Adviser full responsibility Adviser partly responsible Adviser no responsibility

Prospecting	Prospecting to find new business	Adviser full responsibility
	Prospecting to find new referral relationships	Adviser full responsibility
	Managing referral relationships	Adviser full responsibility

New client process	Receiving enquiries and booking appointments	○	○	●
	Conducting first appointment	●	○	○
	Completing Fact Find	○	●	○
	Inputting fact find into advice software/CRM	○	○	●
	Conducting research on current holdings	○	○	●
	Running quotes for insurance if necessary	○	○	●
	Write up file notes?	●	○	○
	Drafting advice strategies	○	●	○
	Running modelling scenarios for advice outcomes	○	○	●
	Presenting advice to clients	●	○	○
	Documenting SOA	○	○	●
	Completing application forms	○	○	●
	Signing off on ATP and application forms with client	○	○	●
	Implementing advice - investment lodgements, follow-ups etc.	○	○	●
	Completing underwriting requirements	○	●	○
Client management	Managing risk claims	●	○	○
	Handling administration queries throughout life of client relationship - change of address etc.	○	○	●
Client review process	Booking review meetings	○	○	●
	Preparing reports/information for review meetings	○	○	●
	Conducting review meetings	●	○	○
	Conducting any follow-up work from review meetings - rebalances, new advice etc.	○	○	●
Other responsibilities	Conduct marketing for the business	○	○	●
	Manage the social media profile(s) for the business	○	●	○

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Model Three

Base + super

Remuneration package includes base salary plus superannuation.

Practice profile	Financial planning practice Capital city location 3 Financial Advisers 1 Associate Adviser 2 Support staff
Remuneration structure	Salary plus superannuation. Reviewed annually.
Commentary	Pure fee for service business model that is reflected in staff remuneration package and no financial bonus offered. Remuneration package has been run for 15 years. Tenure of advisory staff in excess of 10 years. Equity in practice is offered to long tenure, "right fit for the practice" advisers.
Base salary calculation process	No calculation used. Base salary reflects market, education and experience level of the adviser. It will then grow from there as adviser education and experience levels increase.
Bonus calculation process	Not applicable
Non-financial KPI's & Qualifying for bonus payment	Advisers are assessed on the following criteria; Service to clients Meeting service standards Work in progress Presentation and attitude Software improvement Keeping to agreed processes and workflows.
Other benefits provided	Education supported and paid for. If employee leaves business within 2 years of completion they must repay in full. Any unit resits are funded by the employee. Conference attendance supported and paid for. All equipment provided - phones & laptops. Flexible hours and options offered. Time in lieu provided monthly in recognition of extra hours and effort to get things completed.

Total amount earned last financial year	Typical amounts earned by: **Role** / **Salary** Owner/ Adviser /Director — $135,000 + super Adviser/ Director — $108,000 + super (18% equity) Adviser — $102,000 + super
Practice EBIT last financial year	Not supplied
Education level of advisory staff	Minimum CFP qualified
Client type	Holistic. High earning executives, pre-retirees and accumulators.
Nature of advice	Holistic. Cash flow, superannuation, property, insurance, estate planning and taxation and debt reduction.
Other information/ commentary	Are you happy with the model (as the business owner)? *"Yes, it fits our business. We have always been a fee for service business. Our clients are clients of the firm not the adviser. No motivation of individual targets."* Are your advisers happy with the model? *"Yes I think so. Both my advisers have really long tenure. One adviser has been here 11 years, the other 10 years. I believe the model to work."*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model Three.

Key: ● Adviser full responsibility ● Adviser partly responsible ● Adviser no responsibility

Prospecting	Prospecting to find new business	○ ○ ●
	Prospecting to find new referral relationships	○ ○ ●
	Managing referral relationships	○ ○ ●

New client process	Receiving enquiries and booking appointments	●	○	○
	Conducting first appointment	●	○	○
	Completing Fact Find	○	○	●
	Inputting fact find into advice software/CRM	○	○	●
	Conducting research on current holdings	○	○	●
	Running quotes for insurance if necessary	○	○	●
	Write up file notes?	●	○	○
	Drafting advice strategies	●	○	○
	Running modelling scenarios for advice outcomes	●	○	○
	Presenting advice to clients	●	○	○
	Documenting SOA	○	○	●
	Completing application forms	○	○	●
	Signing off on ATP and application forms with client	●	○	○
	Implementing advice - investment lodgements, follow-ups etc.	○	○	●
	Completing underwriting requirements	○	○	●
Client management	Managing risk claims	●	○	○
	Handling administration queries throughout life of client relationship - change of address etc.	○	●	○
Client review process	Booking review meetings	○	○	●
	Preparing reports/information for review meetings	○	○	●
	Conducting review meetings	●	○	○
	Conducting any follow-up work from review meetings - rebalances, new advice etc.	○	○	●
Other responsibilities	Conduct marketing for the business	○	○	●
	Manage the social media profile(s) for the business	○	○	●

Model Four

Base + discretionary bonus based on financial planning bonus pool

Remuneration package uses a balanced scorecard approach, with base salary and superannuation plus discretionary bonus. Bonus is calculated on financial planning 'bonus pool'.

Practice profile	Multi-disciplinary firm including financial planning, accounting, mortgage broking and bookkeeping Capital city location Financial planning division consists of: 3 Financial planners 3.5 Support staff
Remuneration structure	Base salary and superannuation plus discretionary bonus
Commentary	Practice went through a complete overhaul of remuneration structure due to previous structure being exploited and promoting individualistic behaviour in advisory team. This new model was put into place recently and has deliberately been designed to encourage team participation and reward an advisers contribution to the team and practice. At the time of conducting the research, the model had not been in place for a full year.
Base salary calculation process	The model used to calculate base salary is a percentage of client recurring revenue managed by an adviser, based on a sliding scale. As the amount of client recurring revenue increases by $10,000 the factor percentage the adviser is paid decreases by 25 basis points. It is recalculated annually. For example: Client recurring revenue = $240,000 Factor percentage = 36.5% Base salary = $87,600 Client recurring revenue = $500,000 Factor percentage = 30% Base salary = $150,000 *N.B. Cost of sales for all staff to be under 50%, 20% overhead cost and 30% profit.*

Bonus calculation process	Bonus is paid annually. To qualify for bonus non-financial KPIs must be met. **Bonus calculation** Step 1. Calculate "Actual Gross Profit" of financial planning department above the "Budgeted Gross Profit". Step 2. This amount is then multiplied by 40% to provide Financial Planner bonus pool. Step 3. Share of the pool is calculated by dividing the total new business revenue generated by Planner over the total revenue of the Financial Planning department. Team sign off budget figures. All staff including support staff have access to this pool of funds.
Non-financial KPI's	• High quality of advice – random files checked by external auditor • No compliance breaches on files reviewed by manager or by external auditor • All obligations for FDS and Opt-in notices to be fully adhered to. • All client reviews to be completed by review date unless specified by client to be changed. • File notes completed for all client meetings • Task management system to be used for client workflow • Participation in business improvement initiatives to drive efficiencies in the business. • Participation in client seminars , writing articles, creating video content for clients • Contacting new referred clients on the day the referral is received • Advisers are to ensure accountants who refer clients are kept updated on clients financial planning progress. • Ensuring continued professional development hours are met and evidence of improving knowledge in areas of deficiency.
Qualifying for bonus payment	All non-financial KPIs are weighted, assessed and be met to qualify for bonus payment.
Other benefits provided	Phone & laptop, practice pays for and owns the phone number for continuity and protection if an adviser leaves. Relevant education paid for with a clawback formula. If an adviser leaves within 12 months they have to pay 100%. 50% 1-2 years and over two years no repayment necessary. Good performers will be fully funded to attend an annual conference, at management's discretion. Practice will accommodate time off in recognition of hard work and happy to provide flexible working conditions such as working from home.

Total amount earned	No data as new model. Business owner comments on how they are tracking to FY2018. *“Behind budget currently but a good pipeline building so may make a late charge, but looking unlikely at this stage”*
Practice EBIT last financial year	Not relevant as model is less than 12 months in operation.
Education level of advisory staff	Based on experience level. No practice minimum requirement, with current advisory staff ranging from Diploma of Financial Planning, Degree qualified and CFP. *“Most importantly it is a good cultural fit that’s key”*
Client type	Business owners, retirees and accumulator market.
Nature of advice	Full holistic advice offer (no direct share advice).
Other information/ commentary	Are you happy with the model (as the business owner)? *“It’s a new model but I’m happy with the team approach. There is a sense of everyone working on the same page”* Are your advisers happy with the model? *“They are.”*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model Four.

Key: Adviser full responsibility Adviser partly responsible Adviser no responsibility

Prospecting	Prospecting to find new business	
	Prospecting to find new referral relationships	
	Managing referral relationships	

New client process	Receiving enquiries and booking appointments	●	○	○
	Conducting first appointment	●	○	○
	Completing Fact Find	○	●	○
	Inputting fact find into advice software/CRM	○	○	●
	Conducting research on current holdings	○	●	○
	Running quotes for insurance if necessary	○	○	●
	Write up file notes?	○	●	○
	Drafting advice strategies	○	●	○
	Running modelling scenarios for advice outcomes	○	●	○
	Presenting advice to clients	●	○	○
	Documenting SOA	○	●	○
	Completing application forms	○	○	●
	Signing off on ATP and application forms with client	●	○	○
	Implementing advice - investment lodgements, follow-ups etc.	○	○	●
	Completing underwriting requirements	○	●	○
Client management	Managing risk claims	○	●	○
	Handling administration queries throughout life of client relationship - change of address etc.	○	○	●
Client review process	Booking review meetings	○	●	○
	Preparing reports/information for review meetings	○	○	●
	Conducting review meetings	●	○	○
	Conducting any follow-up work from review meetings - rebalances, new advice etc.	○	●	○
Other responsibilities	Conduct marketing for the business	○	○	●
	Manage the social media profile(s) for the business	○	○	●

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Model Five

Base + discretionary bonus based on revenue generated by individual adviser

Remuneration package uses a balanced scorecard approach, with base salary and superannuation plus discretionary bonus.

Practice profile	Financial planning practice Captial city location National award winning practice 9 Financial planners 2 Risk advisers 12 Support staff
Remuneration structure	Base salary and superannuation plus discretionary bonus
Commentary	Remuneration package has been running for 15 years. The package has constantly evolved with changing legislation requirements and feedback.
Base salary calculation process	Base salary is informed by the percentage of the recurring fees that the adviser looks after, (among other factors). Percentages range from 17 - 22%, with the scale of fees that the advisers look after ranging from $350,000 to $1.3 million. Percentages at the lower end (ie 17%) are applied and reflect clients that have been provided to the adviser by the firm. Percentages at the higher end are a reflection of the fact that the clients have been brought in equally from the firm and the adviser. The salary remuneration is reviewed annually.
Bonus calculation process	Bonuses calculated and paid annually. **Financial year targets** Rainmaker - $280,000 new client fees Aspiring owner - $200,000 new client fees Adviser - $70,000 new client fees New fees are considered first year strategic fees, annualised recurring fees and first year risk commission. Ongoing risk commission not included. **Bonus achievement** - Example that participant provided. Adviser earns $120,000 base salary, bonus potential of 35% of base ($42,000 in potential bonus) To achieve bonus adviser must reach the balance scorecard criteria noted below. - All Scorecard criteria are outlined below.

Non-financial KPI's and qualifying for bonus payment	Balanced scorecard approach; • Achievement of new fee budget • Company profitability (reach 90% of target) • Qualitative criteria - role of person in practice to be taken into account here. KPI's are aligned with role (e.g. senior adviser – leadership and team development) • Compliance, pricing, professional development • Collaboration (contribution to team, I.P., training etc) • Business quality (not taking on bad clients - expectation they will bring on quality clients)
Other benefits provided	Advisers have completely flexible hours and options to work from home. Phone allowance Education paid (by reimbursement) for as long the advisers score 70% and above. (Payback period is three years from completion pro-rata if employee leaves) Conferences paid for (no formal program but need business case and then management will consider).
Total amount earned	Total amount earned last financial year **Role** — **Total amount earned (inc super & bonus)** FP — $153,000 FP — $134,000 FP — $142,000 FP — $158,000 FP — $141,000 FP — $129,000 FP Director — $350,000 FP Director — $280,000 FP Director — $260,000
Practice EBIT last financial year	36%
Education level of advisory staff	Practice requirement that advisers have CFP or working toward it or can be a CA or equivalent.
Client type	Complex clients with a capacity to pay a fee.
Nature of advice	Comprehensive financial planning advice. Risk only advice. Practice does estate planning but not aged care advice.

Other information/ commentary	Are you happy with the model (as the business owner)? *"Yes we are getting the right behaviours from our model however as far as getting new business, that needs development. I do wish it was a simpler structure, more based on fees that they look after and fees that they have sourced, and perhaps a potentially better split on what they bring in but conflicted rem makes that difficult."* Are your advisers happy with the model? *"For the most part think they are happy with it. It is always a balance between encouraging success, but also quality outcomes for the client and for the business"*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model Five.

Key: ● Adviser full responsibility ● Adviser partly responsible ● Adviser no responsibility

Prospecting	Prospecting to find new business	●	○	○
	Prospecting to find new referral relationships	●	○	○
	Managing referral relationships	●	○	○
New client process	Receiving enquiries and booking appointments	●	○	○
	Conducting first appointment	●	○	○
	Completing Fact Find	○	○	●
	Inputting fact find into advice software/CRM	○	○	●
	Conducting research on current holdings	○	○	●
	Running quotes for insurance if necessary	○	○	●
	Write up file notes?	●	○	○
	Drafting advice strategies	●	○	○
	Running modelling scenarios for advice outcomes	○	○	●
	Presenting advice to clients	●	○	○

	Documenting SOA
	Completing application forms
	Signing off on ATP and application forms with client
	Implementing advice - investment lodgements, follow-ups etc.
	Completing underwriting requirements
Client management	Managing risk claims
	Handling administration queries throughout life of client relationship - change of address etc.
Client review process	Booking review meetings
	Preparing reports/information for review meetings
	Conducting review meetings
	Conducting any follow-up work from review meetings - rebalances, new advice etc.
Other responsibilities	Conduct marketing for the business
	Manage the social media profile(s) for the business

Model Six

Base + discretionary bonus based on revenue generated by individual adviser

Remuneration package uses a balanced scorecard approach, with base salary and superannuation plus discretionary bonus.

Practice profile	Financial planning, accounting & taxation Capital city location Multiple nationally award winning practice Financial planning division consists of; 5 Financial planners 3 Associate advisers 4 Advice co-ordinators (based overseas) 3 Administration 1 Management
Remuneration structure	Base salary and superannuation plus discretionary bonus.
Commentary	Current remuneration package was launched two years ago and has been refined each year since.
Base salary calculation process	The base salary paid to each adviser is $150,000 including super - which was simply based on what the business had historically paid to advisers prior to introducing this model. No particular methodology used and all advisory staff are paid the same amount of base. Base salary increases by CPI each year.
Bonus calculation process	Bonus is calculated and paid quarterly. It is based on advisers exceeding their financial targets for the quarter. The formula used to calculate the bonus amount includes a qualitative score (from non-financial KPI's) overlaying it to determine the final amount. The calculations of this bonus are complicated and detailed below. This model is best read in its entirety to account for all steps required. **Bonus calculation process** Bonus is payable where the **net contribution exceeds** the **contribution target**. **Contribution target** The contribution target is a quarterly target representing the amount of sales an adviser is expected to achieve. Sales are made up of new business from new and existing clients.

Bonus calculation process (contd.)	**Base Salary - Minding Component / 2** Base Salary = Annual salary including super Minding component = annual fees generated in previous financial year from clients allocated to adviser x 18% **Net Contribution Target** Net contribution formula **Net contribution = new sales + referrals - avoidable client losses** New sales = sign off from new and existing clients for new work or services only. New sale value = first year of upfront and annual fees charged and agreed to with client. Referral = person who introduced sale to firm. E.g. new client from website the referral is the practice. New service to an existing client the referrer is the adviser who identified the client need. Total sales where adviser is referrer makes up referrals. Avoidable client loss = clients previous 12 months fee prior to ceasing services. Service matrix: Average service time = average length of time a client will pay for a service. Profit Margin = represents net profit margin expected from service (including share of overheads) Present Value of Contribution = discounted present value of the profit margin over the average service time, discounted by a factor determined by management (discount factor). **Calculating Net Contribution** New sales and client losses multiplied by Present Value of Contribution for the relevant service in the Service Matrix and then by the following scale; New sale - 80% Referrer new sale - 20% New sale and referrer - 100% All client losses - 100% This determines the **new sales net value** or **client loss net value**. **Net Contribution** = sum of all **new sales net value** less **client loss net value**. **Bonus Calculation** Bonus is payable where the **net contribution exceeds** the **contribution target**. Bonus is payable on the following scales. First $10,000 = 10% of the contribution excess Second $10,000 = 15% of the excess over $10,000 Third $10,000 = 25% of the excess over $25,000 The amount payable is divided by the qualitative score for the quarter (taking into account non-financial KPI's) to determine the amount of bonus.

Non-financial KPI's	40 CPD points per year. Strong compliance and high quality of advice Employee obligation policy - staff must adhere to practice core values and behaviours. Any staff member who is not adhering to practice core values and behaviours is performance managed. *N.B. This list is not exhaustive and an example only.*
Qualifying for bonus payment	Non-financial KPI's must be met. A qualitative score on non-financial KPI's is overlaid on the bonus calculation noted above.
Other benefits provided	Phones provided. All ongoing education and study that is related to the practice and staff's role is supported via study leave (8 days per year) and paid for by the practice. The practice fund for the cost upfront and no reimbursement is required. Payment for ongoing CPD is also paid for upfront by the practice.
Total amount earned	Financial adviser salary is $150,000 base including super. With bonuses advisers earned between $150,000 - $200,000 last financial year.
Practice EBIT last financial year	$1,221,399
Education level of advisory staff	Minimum CFP qualified
Client type	Business - SME business owners, complex needs.
Nature of advice	Full holistic advice. Advisers work closely with accounting adviser to ensure clients' whole situation is supported.
Other information/ commentary	Are you happy with the model (as the business owner)? *"We are open minded about changing our adviser remuneration model. At the moment we can not find a better model, whilst it's not perfect we are happy with it."* Are your advisers happy with the model? *"Not unhappy with it, not happy with it either. They feel the bonus could be larger."*

Adviser responsibilities.

The below details the parts of the advice process the advisers are responsible for in Model Six.

Key: ● Adviser full responsibility ● Adviser partly responsible ● Adviser no responsibility

Prospecting	Prospecting to find new business	●		
	Prospecting to find new referral relationships	●		
	Managing referral relationships	●		
New client process	Receiving enquiries and booking appointments		●	
	Conducting first appointment	●		
	Completing Fact Find		●	
	Inputting fact find into advice software/CRM			●
	Conducting research on current holdings			●
	Running quotes for insurance if necessary			●
	Write up file notes?	●		
	Drafting advice strategies		●	
	Running modelling scenarios for advice outcomes			●
	Presenting advice to clients	●		
	Documenting SOA			●
	Completing application forms			●
	Signing off on ATP and application forms with client	●		
	Implementing advice - investment lodgements, follow-ups etc.			●
	Completing underwriting requirements			●
Client management	Managing risk claims			●
	Handling administration queries throughout life of client relationship - change of address etc.			●

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Client review process	Booking review meetings	
	Preparing reports/information for review meetings	
	Conducting review meetings	
	Conducting any follow-up work from review meetings - rebalances, new advice etc.	
Other responsibilities	Conduct marketing for the business	
	Manage the social media profile(s) for the business	

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Chapter 4

Non-financial Benefits

All but one of the businesses we feature provide some type of bonus payable in addition to the base salary, structured in a variety of ways. We also explored other entitlements of a non-financial nature and discuss them here.

Adviser education

With changing education standards on the horizon we asked our participants their thoughts on what adviser education standards were important to their business. Overall we found that most participants were taking a ‘wait and see’ approach in respect to the proposed higher education standards being rolled out. To date, participants indicated they have put in place the following.

- A large majority of the participants require a relevant degree or Certified Financial Planner (CFP) as a base minimum for their advisory staff. We found a trending preference for practices to have a minimum requirement for an adviser to have a degree and the intention to complete – or be working towards completion of CFP. More often than not advisers will not be promoted to a role of practising Financial Planner until CFP is completed or at least well underway. (i.e. they may stay in an Associate Adviser or Paraplanner role)

- Whilst we found that there was a preference towards CFP we did note that a number of business owners were happy to accept a Chartered Accountant or equivalent qualification in place of a CFP.

100%
of participants indicated
they paid for all relevant adviser education costs.

Many businesses included a clawback system for funding education costs. This means, if a staff member leaves within a particular time period after completion of their study, the adviser would be expected to repay the education costs already met by the business. This was applicable to all staff members and typically structured as follows;

- Reimbursement of costs on completion and passing of each unit of the relevant course.
- If a staff member leaves a practice within 12 months from completion of the unit then they would have to pay it back in full.
- If staff member left within 1-2 years of completion of the unit then they would have to pay back 50% of the costs.
- Over 2 years no repayment was necessary.

OR

- Reimbursement of costs on completion and passing of each unit of the relevant course.
- If a staff member leaves a practice within 2 years from completion of the unit then they would have to pay it back in full.
- Advisers had to pay for any unit/assessment resits.

One participant noted that due to the cost of Masters in Financial Planning that a lower percentage was paid back (not the full 100% of course costs upon successful completion of the course).

In addition to supporting education costs many businesses also provided study leave as an additional benefit to their staff. This was typically structured as 1-2 study leave days per unit and then time off to complete the exam.

TIP

100% of the report participants paid for all relevant advisers education costs. With this in mind, if you are not offering or supporting your staff through their education then you may not be keeping up with what is available and expected as an employer of choice for financial advisers in the marketplace.

Time and again, we see from our coaching experiences that those businesses who invest the time, effort and financial support to develop their staff in areas where needed, create a culture of growth and development. Businesses who invest in these areas experience better staff retention and business growth which ultimately is a win-win for the business and the staff member.

It is important to highlight that whilst support in relevant academic education is important for staff growth and the growth of a business it is also the responsibility of business owners to support and develop specific skill gaps in their staff. We love the saying...."What if I train my staff and they leave? What if you don't train them and they stay?"

Other Non-Financial Benefits

Flexible working arrangements

By far and away the key theme arising from responses regarding non-financial benefits offered to advisory staff centred around flexibility. Most businesses were happy to facilitate part-time employment options and flexibility around the hours worked and working from home. In addition, time in lieu in recognition for hard work and going the extra mile was often offered.

Tools of trade

A high number of businesses provided their advisers with mobile phones (or supported via package allowance) and laptops/ tablets to use with clients. One participant indicated their reason for providing mobile phones to advisers was to ensure that the business owned the phone number, so that in the event the adviser left, then the new adviser would take on the previous advisers phone number to assist with continuity for the client.

To conference or not to conference?

There was a mixed response when it came to business owners paying for advisers to attend relevant conferences. These ranged from businesses fully funding attendance up to two conferences per year to businesses not seeing any value in sending their advisers to conferences. There was a trend for advisers to need a business case as to why they should attend a particular conference or for it to be really relevant to their role. For example, SMSF specialists attending the SMSF conference. Those businesses who did support advisers to attend a conference often limited it to one per year, and we didn't come across any who applied a gate opener of achieving KPI's before accessing this benefit.

Perhaps the best examples we saw were one business who took their whole team to a conference, and added a team building exercise on the day before the conference started. They ensured that the team members split up and someone attended every streamed session that was relevant to the business. The team recorded the audio of each session they attended on their mobile phones and uploaded them to the office intranet when they returned so that all team members could hear the sessions that had been most effective.

Another success factor to sending staff on conferences was to have them present a summary of their learnings to the rest of the team on their return, thus embedding their learnings and also sharing them with other staff.

Team celebrations

Another way to reward team performance and encourage all staff to work toward common goals is to set a team celebration upon achievement, including everyone from the receptionist and bookkeeper to the advisers and management. One participant expressed that they did this on a quarterly basis with a view to reward their staff for business improvement projects such as software integration. They wanted to acknowledge the effort to implement the project and recognise the team effort and participation in picking it up and using it! Examples of rewards we've seen include family days at theme parks or trips away as a team (including spouses), with options on location based on percentage of achievement of the goal (eg exceeding the goal resulted in a trip to Bali with families, reducing to a trip to the wine country within a few hours' drive, all the way down to a dinner at a local restaurant.) Our recommendation here is to include the team in deciding what rewards would be meaningful to them.

Other non-financial benefits included annual payment for membership of relevant industry bodies e.g. Financial Planning Association (FPA) or Association of Financial Advisers (AFA), salary packaging, time to attend relevant peer group sessions and participation in quarterly business coaching groups.

"I like to do random acts of kindness for my staff. For example if my staff have gone above and beyond I will give them time in lieu in recognition of their hard work."

"Each staff member gets Birthday leave and Christmas Eve off as a present. Then for recognition of hard work we will allow each staff member to have a long weekend. This happens three to five times a year."

"One of our Authorised Representatives is a SMSF Association member and we pay for their conference attendance. We have stopped paying conferences for our other advisers because we didn't see any value from them, except for the SMSF."

"Will take good performers to a conference once a year."

"We provide salary packaging at no cost for vehicles, team building activities every quarter and pay for one conference per year."

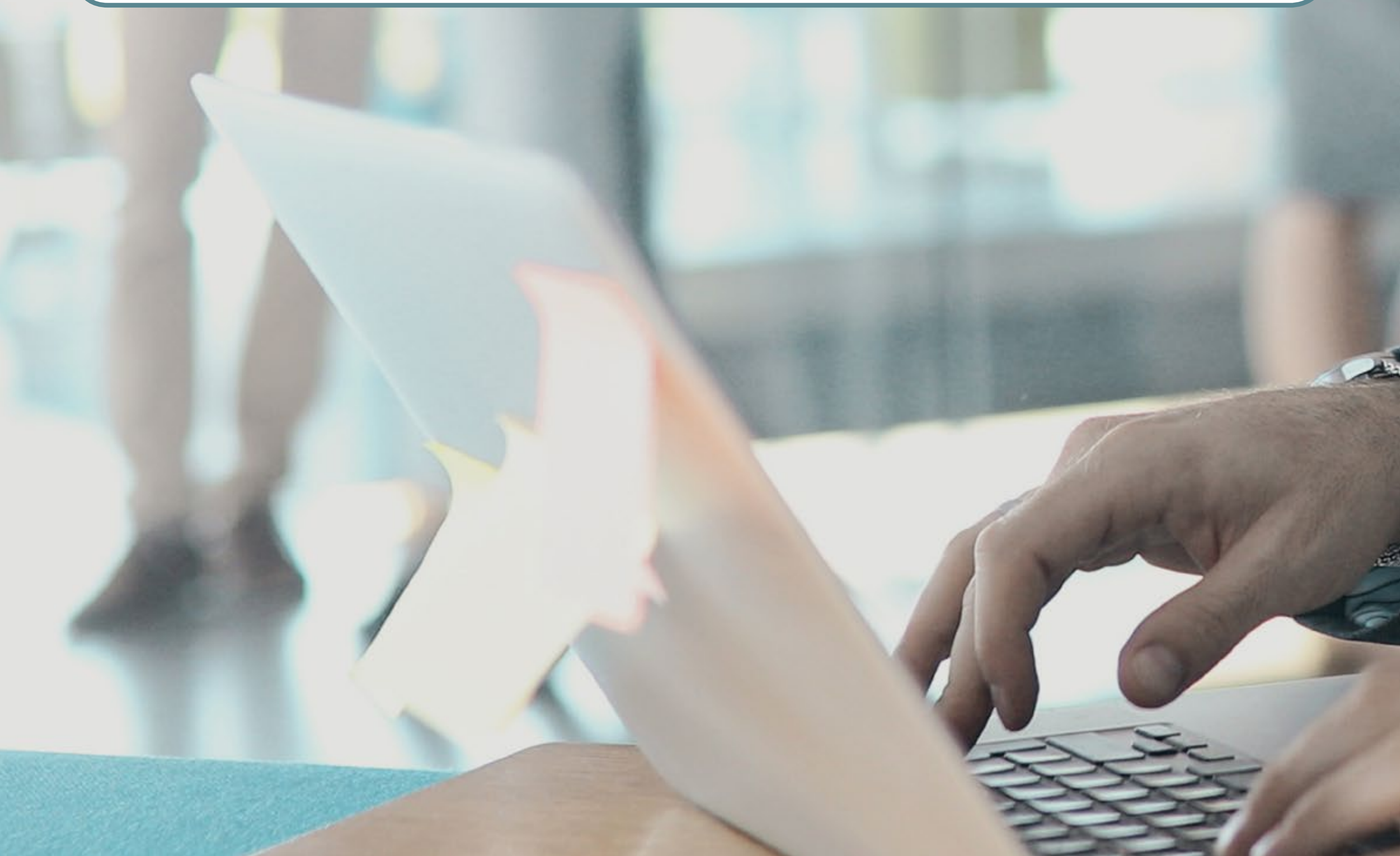
"Happy to accommodate part-time advisers and have done so with a couple of staff and hope to have more in the future."

TIP

With an increasing trend for part-time staff and advice businesses providing flexible working conditions it is crucial that you implement solid systems and workflow processes and most importantly that everyone uses them! The key to managing flexible working conditions is good communication. Using online software that is easily accessible from any location is the first step. Utilising task management tools such as Asana or using workflow threads through your planning software will assist with managing workflows and are great tools for communicating between employees. It will enable employees to pick up on where the last conversation was left with a client and what is the next step required in the process to ensure that things keep moving along. Most importantly it will ensure that things don't fall through the cracks.

Speaking from experience, the key to any workflow tool that you adopt is getting everyone on the same page and using them. Incorporating them in your day to day task list or using them exclusively will help with the take-up. Referring to, referencing and reporting on workflow tasks in your weekly WIP meetings will help reinforce your message for all staff to use the task system and assist to keep staff members accountable to using it.

Another key point is to ensure clients have more than one contact point in the business. Clients having access to a number of relationships at every level within the team is really important not only from the perspective of temporary absence of employees but also from a pure time and workflow perspective. Do you really want your advisers taking a request to change an address from a client? We are not talking here about diminishing the value of the adviser–client relationship we are talking about right job, right person. Managing a client's expectations on who can help them in the business means that the relationship is not dependant on the adviser, it empowers team members to be engaged with the client at every level and instils confidence with the client that everyone in your team can be of assistance. This culture can be reinforced by a remuneration package that recognises team performance and not just the 'sales' activities of individual advisers.



Chapter 5

Adviser Performance

Managing adviser momentum, tracking performance and sharing figures with the team.

We asked our participants how they managed their advisers' momentum, how they set and track their advisers' key performance indicators (KPI's) and if they shared the practice figures with the team.

Managing adviser momentum and communications is typically done in a weekly meeting. Advisers are asked to report on their client workflow and their weekly activity, including pipeline revenue coming in. Monthly meetings are often held with the adviser team to check in on how advisers are tracking to their KPI's and how the business is tracking to budget. It was consistent across most businesses to hold one-on-one meetings if an adviser needed extra coaching, motivation or guidance/support to meet their activity targets. Some practices held quarterly board meetings where the advisers would need to formally present their activity, actuals v targets and any wins or losses for the quarter.

All participants tracked adviser activity. Lead indicators such as number of appointments, conversion percentages, new clients, new activity from existing clients, client reviews, and SoA pipeline were tracked.

The systems used to track these lead indicators varied considerably. Many had built reports in their Financial Planning software to get data, or used a combination of Outlook calendars, revenue data and purpose built Excel spreadsheets to capture and track the information required. Some practices had purchased specific programs to assist with tracking the data including Pipedrive and Beyond 19 Diamond Model (adviser goals/ behaviour model).

We found that

90% of the participants

share the business figures with the advisory team, and

72% of the participants

share figures with the whole team.

These statistics don't come as a surprise to us as these are our experiences with our own coaching clients at Elixir. Those that favour this in-depth level of communication indicate that it really helps with advisers understanding what their contribution means to the overall business. Providing clarity to advisers around the numbers helps them understand what they get paid and why, moreover it motivates them to be striving for better outcomes for both their clients and the business.

The downside to this model can be that some staff can take the figures out of context and just see large numbers. They are either not motivated by them or they just become so overwhelmed by what might be a seemingly mammoth and impossible task.

Managing Momentum

We recommend that you implement a robust process for managing day to day communication to keep adviser activity and momentum on track. You could consider some or all of the following:

- Daily 10 minute stand up meeting/huddle with the team – each person to report 3 things only.
  - What did I get done yesterday?
  - What are my priorities for today? What is the one (no more than three) things I MUST do today
  - Where am I stuck? What will prevent me from achieving my priorities and who do I need to speak with outside the huddle to get me unstuck.

- Weekly Work in Progress (WIP) meetings updating the team on where clients are up to in your onboarding or implementation process and managing workflows. Consider including other things in this reporting function like, number of reviews due for the week/month, if they are up to date or behind with reviews.

- Monthly productivity meetings with your advisers and your business coach where you focus on KPI's (financial and non-financial), projects that are underway and adviser activity.

At a bare minimum you could do this quarterly but it is better do it monthly, enabling you to do any trouble shooting or coaching if needed.

- Quarterly board meetings. Whether you have Non-Executive Directors, your business coach, and/or a board of advice that includes key clients, referral partners etc; a quarterly strategic meeting with some external stakeholders/advisers who are not involved in the daily mechanations of the business can be incredibly effective at propelling your business forward. These meetings are designed to look at higher level tracking against the medium to long-term business strategy, key decisions and opportunities to consider for the business as a whole, and of course the financials of a business. You'll want to have a structured agenda, with reports that are prepared in time for each meeting, enabling the attendees to review whatever is most relevant to your business at the time. Your reports may include items such as financial achievements (broken down into individual adviser/team contributions), number of new clients, your pipeline, marketing activities, how many clients haven't opted in, the status of your client reviews and ongoing servicing obligations, an increase in revenue from reviewing your pricing model, any compliance issues, results of compliance audits (if applicable), client feedback, plans for the ensuing 3 – 6 months, any risks the business is facing. Don't forget to acknowledge and highlight any wins too!

TIP

Sharing your business metrics with the team can have a really positive effect, but before doing so for the first time it is important that you think about how these are going to be received. Ask yourself which figures you are happy to share. If you share revenue only, the numbers can look large and provide limited context as to what costs and liabilities the business may have. We advocate sharing targets and tracking your actuals against those targets on an ongoing basis, and consider including tracking non-financial company KPI's. Metrics you may wish to consider include profitability, number of new clients won, number of client review activities, client retention measures, your client feedback scores. Also consider which team members see which information – will your advisers see each others' results or only their own and the company as a whole?

TIP

Having KPI's and paying your staff based on those KPI's dictates that you must track and measure your staff on their KPI's. There are a number of solutions but at the end of the day it is important to make sure that whatever system you use, it is simple and quick to use. We advise making it the responsibility of the advisers to update their data and have an overarching quality control system in place to ensure the data is cross-checked. It doesn't have to be complicated! A simple Google Sheet (similar to an Excel Spreadsheet) – is a free resource, easy to set up, easy to read, easy to analyse & easy to report from. The beauty of Google Sheets is that changes made are saved in real time and multiple users can be working on the same document at the same time. Use whatever you think will be time efficient and cost effective; we don't mind – just start loving your numbers and getting your team in the habit of doing the same.

" All planners do their prospecting phone calls together. The advisers huddle in the morning, set a plan and then off they go to make their calls. They then have lunch together to discuss their results and achievements."

"(We conduct a) monthly meeting with the team and fortnightly WIP meetings with adviser and support staff. Then we have drinks every couple of weeks as well. "

"We use a manual process using excel spreadsheets. We track new and ongoing business, updated weekly. Advisers have a pipeline report for new business. Each team meets on a Friday morning and all figures are distributed to the advice team. Quarterly board meetings where the figures are discussed on adviser behalf. Each adviser has a fortnightly meeting with their sales manager - one on one. This is a detailed meeting that drills down to client level and number of meetings, SOA's etc. We use a sales software program, The Beyond 19 Diamond Model. It assists to set goals and KPI's and focus on weakness areas and map out a development program for the individual."

"Monthly team meeting, each adviser presents for their area and team to the business. We share revenue but don't share profitability with the whole team, advisers do see profitability figures at quarterly board meetings. All adviser activity is tracked - prospects, new clients, SOA's etc and discussed and shared with the team."

"Weekly team meetings on a Monday. Quarterly team coaching. Monthly management meetings with advisers where we look at what is working and what is not."

"I meet with advisers on a monthly basis to discuss KPI's and qualitative stuff. We run a system called Pipedrive that tracks new clients. Every adviser has their own page. (Data includes prospects, engaged clients, completed, lodged, cold clients). Every week we go through each column as a team and track where clients are and what is lodged. This is shared with the whole team. Every month the data goes into suspense and we track how much in fees we expect to receive and actively manage this until it completes. We use a business diagnostic tool to track adviser new business, target meetings, track conversions and revenue. Referral partners are also tracked - clients referred, conversion rates and value to business."

Chapter 6

Offering Equity

Throughout the report we found that all bar one business either offer equity, are seriously looking at model options or would offer it to the right candidate. Over half of the participants already offer equity or are in the process of having it in place within the next 12 months. Not surprisingly the majority considered offering equity to the right candidate really, really important!

If you are thinking of offering equity there are a number of considerations you need to take into account. Firstly, whilst offering equity can and often is for succession planning purposes, often the strategy can be employed to lock in key staff, both advisory and non-advisory. Utilising equity to assist in retaining key individuals is powerful in aligning their loyalty, sparking their interest in stepping up to be a business owner and creating an accountable and proactive culture within the practice.

TIP

We suggest that you have a minimum period of time before you consider offering an employee equity and consider putting a number of controls in place that cover both behaviours and financial objectives. For example; ensure that you and your potential equity partner share similar values and they can demonstrate performance that can be relied upon.

An exit strategy is particularly important. This is your 'safety blanket' if you or your equity partner change their mind and want to exit the business. You'll want to ensure that your shareholders agreement documents your exit strategy and the necessary steps that need to be taken to exit the relationship, whether the exit is forced or mutually agreed, or even as a result of an offer of sale.

It is important to speak to an Accountant and Lawyer to ensure you have set up your business in the correct structure and have all the supporting documentation you need. Setting up your business in this way will support additional shareholders.

Equity offer - example

Below is an example of a current working equity model. This example is a multi-disciplinary firm that includes Financial Planning and Accounting.

Intangible criteria to be issued options - criterion must be met to be considered for equity offer.

- Demonstrated exceptional quality of advice to clients.
- Compliance risk rating to be low, with proven ability to be at top of game in terms of compliance.
- General attitude to be top shelf, with proven examples of putting the business and client first.
- Future growth prospects to be good, proven fee generator and budget achiever.
- KPI rating to be in top quartile of the firm.

Criteria A - to be issued Options (2 tranches totalling 5%)	**A&T**	**Fin Services**
Fees generated pa	$550,000	$450,000
Plus continue to be ticking the intangible criteria noted above		

Criteria B - to be able to exercise Options (3% first tranche)	**A&T**	**Fin Services**
Fees generated pa	$750,000	$600,000
Plus continue to be ticking the intangible criteria noted above		

Criteria C - to be able to exercise Options (2% second tranche)	**A&T**	**Fin Services**
Fees generated pa	$900,000	$750,000
Plus continue to be ticking the intangible criteria noted above		

How the Option scheme works

- July each year, nominations received for staff that have met Criteria A and Intangible Criteria.
- Nomination to include a summary of reasons why they should be considered, including how they have satisfied criteria.
- Shareholders to meet and either approve the nomination or decline with reasons and feedback on what needs to improve/change.
- Business is valued each year by end of July based on the following formula: (4.5 x EBITA) + NTA
- Discount provided on share purchase price to employee based on years of service - 1% discount for every year of service at business.
- Option holder can exercise initial 3% tranche in July/August after the financial year that criteria are met.
- Option holder can exercise further 2% tranche in July/August after the financial year that criteria are met.
- Options will not expire but Shareholder discretion will apply after 5 years.
- When options are exercised, the cash will go into the company as new issued shares and existing shareholders will get watered down.

"We will have 7 new equity owners on 1st July 2018 who will collectively own 10% of the business and by 2021 they will collectively own 30% of business. Purchased based on valuation and the practice will provide security based on balance sheet."

"Yes we offer equity once a year. Externally supported valuation (Bstar methodology) and then directors look at capital required and then make an offer to staff. E.G. last offer was $100K minimum buyin. Are looking at making a little more cost effective."

"New equity owners are offered equity, at the moment it is guaranteed but removing this. No policy around it. People are flagged as potential equity owners and then offered, must be good cultural fit. No set amount – it's discussed at the time and based on what the firm will offer."

Chapter 7

What are advisers doing for their remuneration?

Undertaking this report we felt it was important to gain an understanding of what steps in the advice process advisers were completing for the remuneration they received.

Please note as this is a small sample set, the following information is not indicative of the entire financial advice market in Australia. The below graphs demonstrate the elements of the advice process the advisers were responsible for across the participants in this report.

When it came to the tasks that advisers were responsible for, we found that generally, most advisers are completing the same steps in the advice process across all participants. Whilst we are seeing more advice businesses get their back office team more involved in the advice process, the traditional methods of advice delivery are still highly dependant upon the adviser doing all of the face to face work with the client. The exception to this is when it comes to prospecting for new clients.

Adviser responsibilty for Prospecting

Not surprisingly, responsibility of advisers prospecting for new clients often links back to the structure of the business. Multi-disciplinary businesses with numerous arms to the business can mean less reliance and need for advisers to prospect for new clients as they are referred from other parts of the business. The flipside here is that it is often the responsibility of the adviser to manage internal referrer relationships and communication with all parties. Below is what our participants in the report said about where they sourced new clients from.

"Clients are sourced predominately by via client referral. It is the responsibility of advisers to request referrals from clients. The business has built a process to follow. In addition to this, each adviser has to join a networking group to attend on a weekly basis and be actively looking for business development opportunities such as presentations and client seminars. The rest is driven by marketing initiatives such as website SEO development, ad words, running client events, Q&A sessions etc. In regards to events, advisers run the session, but the back office team will organise it, market it and co-ordinate the various components."

“Sourcing new clients is 100% responsibility of the advisers. Clients are sourced mostly by referral from existing clients, accountants and networking activity. Advisers are required to network weekly and meet up twice a week to report on what networking activities they are doing.”

“All clients are referred from accounting side of business and existing clients.”

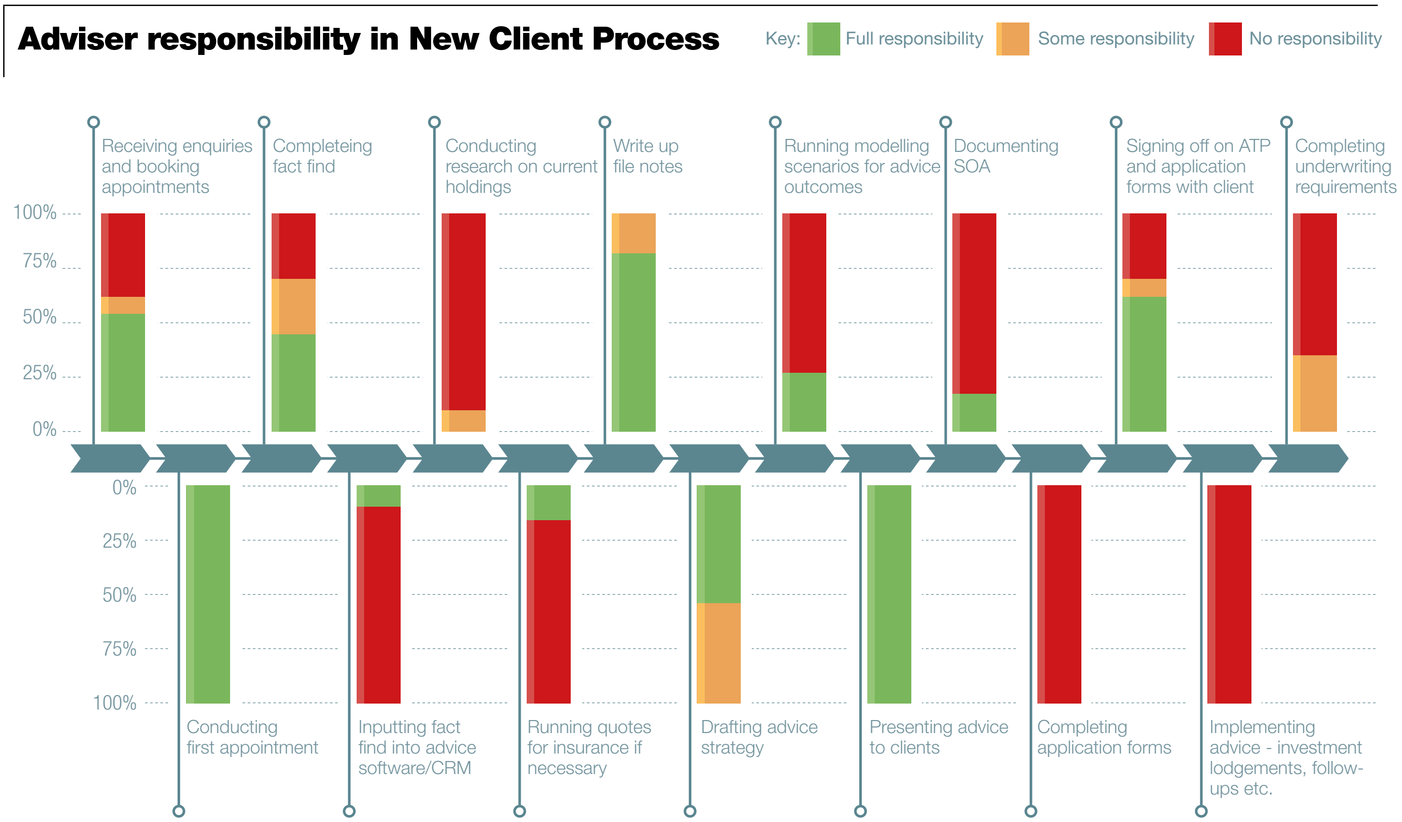
“Majority of clients are sourced from online marketing, queries from website and client referrals. The vast responsibility falls on the practice and not so much the advisers. Although some of the advisers are naturally good at it and some are not. We have a marketing plan and events that we plan throughout the year and the advisers participate in e.g. present at client seminar.”

“Clients are sought through joint ventures with accountants and client referrals. The advisers are responsible for organic referrals from clients. The directors are responsible for the joint venture referral relationships.”

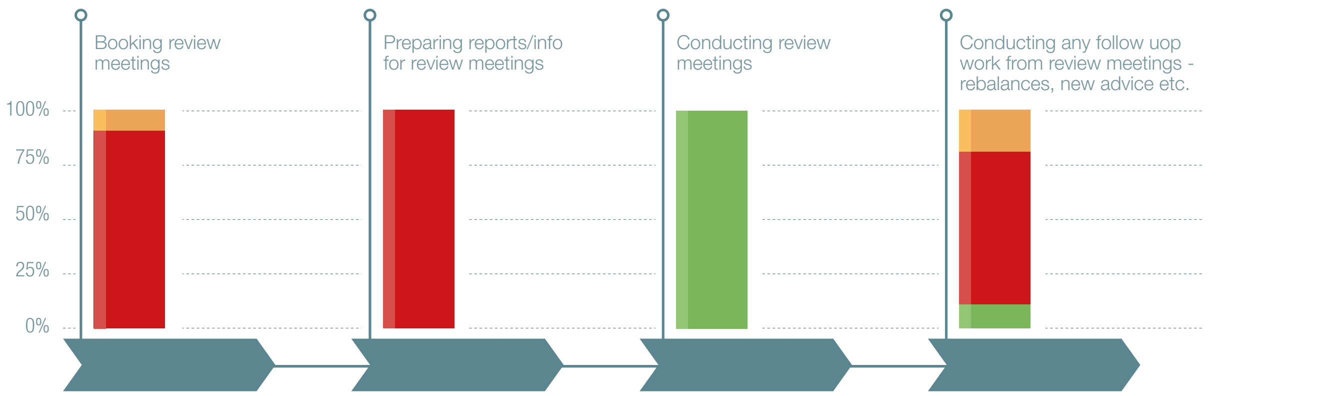
“Sourcing new clients should be 100% responsibility of the adviser. For us, clients are sourced in different ways. These include online - website, digital marketing (we get a high number of referrals through this method) and by asking clients. We would get one third from client referral, one third from digital marketing and the last third from centres of influence.”

Let’s look at the other parts of the advice process and also some functions across the business that the advisers are responsible for.

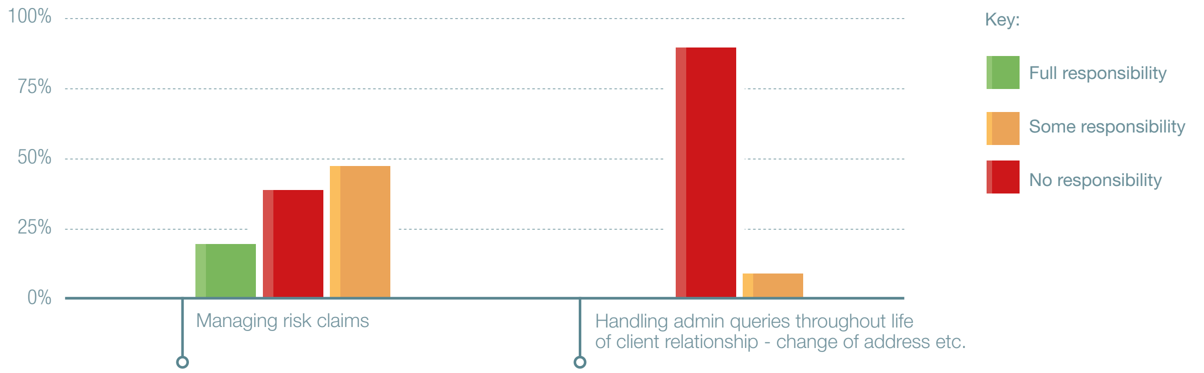
Adviser responsibility in New Client Process



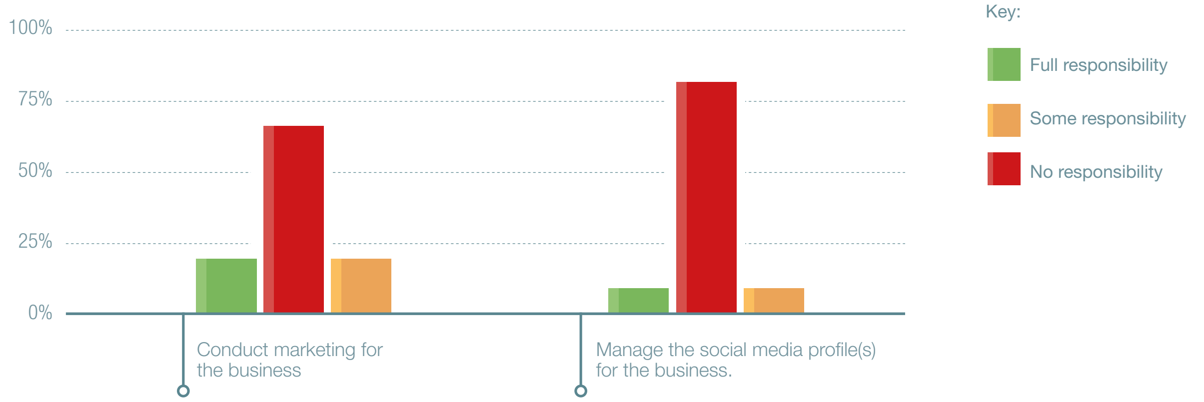
Adviser responsibility in Client Review Process



Adviser responsibility for Client management tasks



Adviser responsibility for Marketing



TIP

Are your advisers spending time on tasks that could be done by someone else?
There is a lot to be said for the power that comes from keeping advisers focused on doing what they do best (seeing clients) and providing a support team and process around them to deliver on the administrative and business management elements of serving your clients

Chapter 8

Conclusion

Undertaking this report has really highlighted to us the sheer scale of effort required to put together a solid remuneration package. There are so many elements to consider to ensure that the package reflects your business values and promotes the behaviours you are looking for. As highlighted in this report these need to start with really understanding your business vision, strategy and value proposition and from there, building a package that reflects this. You must utilise the framework that FOFA RG 246 sets out to ensure that you meet regulatory standards and that your model promotes putting your clients best interest first and high quality advice. From there, it needs to ensure that it encourages and reward the right behaviours and can be used as a tool to motivate your employees to live up to these behaviours. Finally, you need to have the systems and processes in place to track and measure employee performance.

With one of the single biggest costs and success factors in your business being staffing it is imperative to spend the time and effort to get this right!

So where to from here?

Consider a balanced approach! The balanced scorecard is essentially a performance management tool that was born and popularised by Kaplan and Norton in 1992. The concept is that it provides a framework that translates a company's strategic objectives into a coherent set of performance measures for its staff. It compliments traditional financial indicators with non-financial measures of performance for customers, internal processes, innovation and improvement activities, thereby providing a more 'balanced' view of staff performance.

The first step of a balanced scorecard approach is to translate your company strategic vision into strategy objectives. Following is an example:

Note: Elixir Consulting does not advocate or recommend one remuneration model over another. We have conducted this report for information and education purposes only and we recommend that you seek independent legal advice in respect to creating a new remuneration model for your advice team.

Conclusion

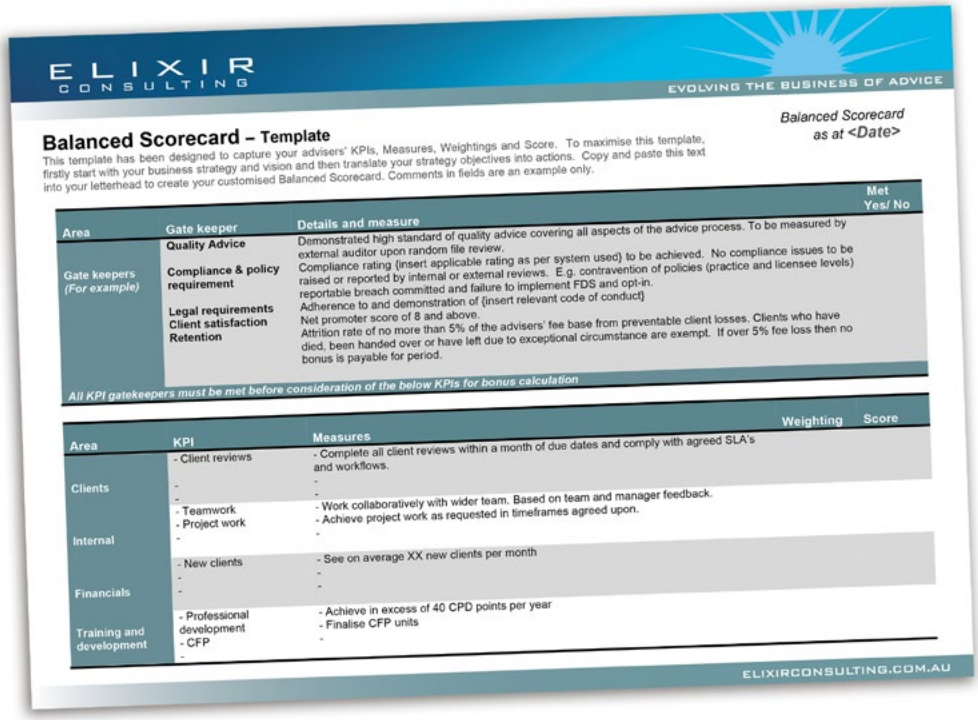
The second step is to take your take strategic objectives and translate them into workable achievable goals (KPI's) and measures. Let's take the strategic objective 'Exceptional service delivery' as an example.

Exceptional service delivery

- To be known for outstanding service
- High customer loyalty

Area	**KPI**	**Measure**
Client	Outstanding customer service Client reviews Task completion	High net promoter score. Score of 8 & above. Complete all client reviews within two weeks of due date and comply using agreed SLA's and workflows All tasks to be completed in a prompt manner, overdue tasks must be completed under 4 days of being overdue.

The final step is to add all your KPI's, measures and include a weighting of that criteria. It is important to consider which KPI's should be 'gatekeepers'. Included within your purchase of this report is a Balanced Scorecard template and checklist of questions and considerations to assist you to draft your model.
See your confirmation of purchase email that includes the link to the report and the two templates.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Balanced Scorecard – Template

Balanced Scorecard as at <Date>

This template has been designed to capture your advisers' KPIs, Measures, Weightings and Score. To maximise this template, firstly start with your business strategy and vision and then translate your strategy objectives into actions. Copy and paste this text into your letterhead to create your customised Balanced Scorecard. Comments in fields are an example only.

Area	Gate keeper	Details and measure	Met Yes/ No
Gate keepers (For example)	Quality Advice	Demonstrated high standard of quality advice covering all aspects of the advice process. To be measured by external auditor upon random file review.	
	Compliance & policy requirement	Compliance rating {insert applicable rating as per system used} to be achieved. No compliance issues to be raised or reported by internal or external reviews. E.g. contravention of policies (practice and licensee levels) reportable breach committed and failure to implement FDS and opt-in.	
	Legal requirements	Adherence to and demonstration of {insert relevant code of conduct}	
	Client satisfaction	Net promoter score of 8 and above.	
	Retention	Attrition rate of no more than 5% of the advisers' fee base from preventable client losses. Clients who have died, been handed over or have left due to exceptional circumstance are exempt. If over 5% fee loss then no bonus is payable for period.	

All KPI gatekeepers must be met before consideration of the below KPIs for bonus calculation

Area	KPI	Measures	Weighting	Score
Clients	- Client reviews - -	- Complete all client reviews within a month of due dates and comply with agreed SLA's and workflows. - -		
Internal	- Teamwork - Project work -	- Work collaboratively with wider team. Based on team and manager feedback. - Achieve project work as requested in timeframes agreed upon. -		
Financials	- New clients - -	- See on average XX new clients per month - -		
Training and development	- Professional development - CFP -	- Achieve in excess of 40 CPD points per year - Finalise CFP units -		

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Please note, when drafting your own balanced score card it is important to cross check it with FOFA RG 246 to ensure it complies with the framework. Once drafted we suggest that you seek independent legal advice on your remuneration model.

Appendices

- **Elixir templates**

– see your confirmation of purchase email that includes the link to the report and the two templates.

- **Q & A with an expert**

Q & A with an expert

We highly recommend seeking an expert opinion on your model, especially if you're unsure of the legalities and finer details. In addition to the contribution that Claire Wivell-Plater from The Fold Legal kindly provided in response to our request, we also asked Christine Bau, Principle from People Focus on her thoughts on a solid adviser remuneration package in a post FOFA environment.

What represents a good, solid adviser remuneration package?

"A good package reflects the market and acknowledges adviser expertise with a salary to match. It is best to provide an incentive structure that allows individuals to reach goals. I am seeing more and more practices provide equity to do that, but this is not always possible to for all employees i.e. servicing advisers and younger advisers with high family commitments.

I think that the pooled bonus model, based on the business units profitability is best. Where an adviser and support staff are rewarded for their contribution to that pool."

What things advisers should be doing in a post FOFA environment?

"I still get surprised by the number of firms that are hanging onto a quantitative based remuneration model. There are still a lot of connection points between bonuses and upfront revenue targets. The spirit behind FOFA is to ensure that you are operating in the clients best interest and it's important to ensure that it is in your business, clients and your advisers best interest to take a more comprehensive behavioural approach to rewarding your advisers.

Use a balanced scorecard approach. This includes financial KPI's, client KPI's (feedback, number of referrals, client audit or survey). The number of lost clients and why, business process, how do they interact with team and team leadership. Personal growth KPI's (being able to have them progress towards being the best versions of themselves). I believe this is particularly important for an employee to grow and develop and know they are supported and backed up in this area by the practice. CPD and training to be included as well."

What is the best approach to structuring revenue KPI's?

"New clients and retaining clients and then in addition to that need to take into account how many clients you have introduced into the business. A clear example of the level of service you are providing to clients is how many of those clients have referred others."

What do you recommend when putting together behavioural KPI's?

"You need to be clear on what your business values are and what behaviours are important. I see compliance as a gatekeeper for an adviser to receive their salary."

What systems and processes have you seen work to maintain a good solid package and offering to the market?

"You have to be doing local market research, have a clear understanding of roles and strong position descriptions that are reviewed regularly. Create a balanced scorecard and competency framework and look at what behaviours you are looking for and regularly review it. A good system has an element of continual improvement.

You need to constantly review and look at it to ensure it captures the latest market and business direction. For a fairly insignificant amount of money there is a lot of data available to managers on what the market is paying. Many managers fear the discussion with employees but if you can provide genuine data on where the employee sits in the market then the employee will respect that and the transparency around it. It is important to have the data and then an open discussion with the employee and what the business is prepared to pay. I truly believe that the good leaders are those managers who understand where their employee sits within the market so the employee doesn't feel that they are undersold. This provides you the chance to fix a situation with an employee if there is one. But most importantly it demonstrates to the employee that you care enough to really know and understand their skillset, where they fit in the market and you have taken the time to really understand and value what it is that they do."

References and acknowledgements

First and foremost we thank all the participants who have so openly and willingly shared their financial adviser remuneration models for this report. They have not only opened up on their businesses to provide and share this sensitive information but given up their time and have been endlessly patient and kind as we double and triple check details to ensure we have captured and represented the data correctly. THANK YOU!

Claire Wivell-Plater from The Fold Legal. Thank you Claire for your generous hours of review and contribution to the chapter on FOFA RG 246. We appreciate your time and effort and guidance to ensure that all i’s have been dotted and t’s crossed.
www.thefoldlegal.com.au

Christine Bau from People Focused for your words of guidance and support when it comes to designing a solid adviser remuneration package.
www.peoplefocused.com.au

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