Jillian: You're listening to Advisor Insights, brought to you by Sun Life. I'm your host Jillian farrow, the Director of Strategic Business Developments Client Engagement Mandate. With me today is Wayne Miller, who is the Associate Vice President of the Strategic Business Development team. Wayne is an actuary by training and has held a variety of different roles in his 30 year career at Sun Life. Wayne is a thought leader, a published author keynote speaker and has made it his personal and professional passion to lead the advice revolution. Today we're going to be talking about the future of advice and this is the last topic of our three part series. So welcome back Wayne and thanks again for joining us today.

Wayne: Thank you, Jillian.

Jillian: So we're going to dive right in and talk about what the future state of financial advice looks like. And we're going to start by looking at your vision for the industry. I know, Wayne that you are very passionate about advice and so I want to ask, what's your dream for the future of our industry?

Wayne: Yes, thank you for asking me because I like to share this as many times as I can. My belief though is, in life, whether it’s financial services or anything else, that in life no advice leads to procrastination. And if procrastination is ultimately preventing you from achieving your goals then this is a very important topic and hence the my passion for it. So I do have a vision for the future. Sometimes we call it a dream and the sort of five parts to my dream. This isn't going to take long. The first is that one day all Canadians will choose the right advice channel for them. Which in fact may very well be the robo-advice channel for a segment of the population. The second part is that one day all Canadians will know how and when they can benefit from working with a human advisor, because that's certainly not the case today. And a dream that one day financial advisors will be viewed as trusted professionals even by lawyers and accountants. That's certainly not the case
today. The dream is that all advisors can articulate their unique value proposition and certainly some can, but the majority can't today. And then finally, tied into what I talked about in the two previous podcasts, is that all advisors will act like business owners instead of sales people. In the end basically rid the industry of salespeople.

Jillian: I think those are fantastic dreams. So I want to ask what does it look like if dreams come true? And I hope dreams come true.

Wayne: Well, dreams do come true. Sometimes you've got to expend some effort to actually make them come true. But if all five of those things did come true, or even the majority of them, then the results are quite profound. First off, if they were all true, more Canadians would actually seek out financial advice and human advisors then they are today. Mental health, which is on a downward slide in the last few years, would actually improve. Certainly the anxiety associated with financial anxiety is going to diminish because their financial concerns and goals would have been addressed. Family wealth would be maintained because there would be better state planning, more insurance and investments. And when that happens more advisors will be successful, certainly those that remain in the industry, because they'll have more clients that are purchasing more things from them. As a result, the manufacturers either product mutual fund manufacturers or SEG funds or insurance products, they'll also be a lot more successful as well. So it's sort of a cliché - win, win, win - but it sounds like a win, win, win, win, in this case if those dreams come true.

Jillian: It certainly sounds like that. So what is Sun Life doing to help this dream come true?

Wayne: Sun Life, as I've mentioned earlier, somebody's got to expend some effort to achieve these goals and dreams. And it can't be just Sun Life. It's something that we all have to band together. The industry at large frankly, to work together to achieve these goals but somebody has to take a lead. I'm just kind of type of guy that once I believe in it, I just want to make it happen. Sort of impatient that way. So we are in fact doing a
bunch of stuff. We've been doing some storytelling. We do know that, again, not specific to the financial services industry but storytelling is so important. People love to hear stories. They don't like to read textbooks. It just comes back to the limbic brain element. People are attracted to stories. So if we get more advisors to tell stories about what they actually do, why they do it and how they do it, and share that with a generally uneducated market, that's going to be a good thing. And if we get more clients, clients of good advisors to share those stories as well, Canadians will get a better perception of what actually happens if they sit down with a good advisor. So that's just one sort of tactic, but frankly, it should be a tactic that we're employing as many true advisors as possible to tell stories because the stories are generally quite compelling. I mentioned earlier in the first podcast that most Canadians don't know where they would go to find a good advisor, short of talking to a friend or a family member that has a good advisor. And if you think of any other industry, it's pretty clear where you would go. You just go onto Google and find some sort of app or something that's going to get you to the company or the industry that you're looking for. And that doesn't really...it's starting to happen for the financial advisor community but it's just, it's very much in its infancy. So that really has to become prevalent in Canada. That people can go to some sort of online source and search, put in what they're looking for, and then have that search engine come back with a bunch of options that are targeted to people exactly like them. Likewise ratings is not very much used in our industry, but virtually every other industry. So we do need to get to a point where we're rating, like every, either [a] distribution company or manufacturer is rating, you're asking the client if they'd like to rate their advisor. That happens to me all the time on other industries. So it just seems obvious that the company would ask me how my experience was with the advisor. So I think that kind of rating methodology will also be prevalent in the game, you have to drive that. If Sun Life happens to be the company that drives in a big way, that's a good thing. Beyond that, we have to play our part to create more trusted advisors. Those that are essentially salespeople but they have it in their DNA to be a trusted advisor. They just need the help. The development. Let's get in front of them and develop them. Make sure that they understand everything that we're talking about in these podcasts and a bunch of other relevant information. If they have it incorporated in their model, they are actually acting like a trusted advisor and so
my area actually is designed to do exactly that. We've got professional development, which is content to help advisors understand who the right client profile is for various products and concepts and how you actually position, those with those clients. Practice management, like if you’re going to be a business owner, you’re going to need some help on how to actually run a business frankly. Talked about marketing and branding. I can't promote a hundred thousand advisors to the end consumer. We need to the advisors to do some branding and marketing of themselves as we talked about before. In that, start with your why. Explain your how and then also indicate what you do. And then finally, the sort of the softer side of the business, which we call client engagement, which in fact is the mandate team that that you lead Jillian in our team. How do you take an advisor who talks to one client, to then talk to a whole family. Why is that important. How do you do it. How do you treat men and women differently as opposed to exactly the same. How do you deal with aging clients that are reaching into an incapacity stage. All that type of content is what we develop, or you develop on your team, that we socialize in the marketplace to help advisors. So that's sort of sums up how we're helping but really it's not just a Sun Life thing. It’s an industry wide problem, it’s an industry wide solution frankly.

Jillian: So what, then, do you believe the future state of advice will be?

Wayne: Well if I go back to my goals and dreams I think the future state of advice is frankly more advice and less salespeople. And in the existence of omni-channels and robo-channels they’ll all coexist in very happy way, frankly. There's a place for all of them. And it's a good thing to have all of them. If you were with a robo-firm, you might feel a little bit different. Maybe specific to robo-advice, and Andy Ratcliffe from Wealth Front made a comment a few years ago. He said: “The idea of robo-advice is to make financial advisors as obsolete as travel agents”, which I get that that would be their goal. And frankly I kind of hope that’s true too. But it’s not all advisors, it's the salespeople. Salespeople will be obsolete. And if you look at the travel agency industry and its decline essentially 75% over the last 20, 25 years. Those that remain are very good travel agents and doing
a very good job and they're here to stay. It's all those that weren't doing a very good job that are no longer in
the industry. I think that's very much going to be the case and the gap will be replaced by non-human advisor
channels. We also did some research, we did a lot of research, but we did some research thinking about the
future and we came up with a bunch of things that we thought could potentially happen over the next five
years. Then we went over Canadians to sort of rank them. And then we also went back to Canadians to say
what would be the consequences if those things happen. Very interesting exercise and foresights, but the long
and short of it, is there were four key things that came out of it. They were predicting that it's going to be a
very easy, do it yourself model that Canadians would be able to complete most financial planning activities on
their own. Using on demand tools to guide them through every step of the prospect or the process. That's
actually a good thing because if they've gone through that at a very novice level, they're going to actually
understand the process and then get to the point where “Hey this is too complicated. I need to sit down with a
human advisor”. Second one was advice on demand which ties into that convenience factor. That all Canadians
would be able to access financial advice on demand, whether its face-to-face or essentially in real time with a
click of the button. Again, this is a very good thing. The idea of an e-portfolio. I think if you've got your
investments in multiple locations and maybe your insurance in multiple locations, there's a different statement
for every one of those. So this idea of all this data being compiled into one statement that that lists off your
overall financial situation, that would be a reality in the not too distant future. And last but not least is the idea
of a one stop shop. This whole idea of team-based planning because most advisors don't do everything for all
people. But if it's a team of advisors that collectively do all things to all people, that's probably the best
solution. So you're going into a firm and let's say it's XYZ Financial and in that firm, you're speaking to
specialists in each of those financial planning categories. You've got all aspects of your financial health
addressed in one stop. So those are the things that they're predicting, that would happen in next five years,
frankly, I think they're all good things.
Jillian: Thank you so much, Wayne. I know that I’m excited about the future of advice and for the industry as a whole, and I really do hope that the dream you shared does in fact come true. So over the course of this series we've looked at a couple of things. The first podcast looked at disruption as a whole. And talked about what we can learn from other relevant examples, and more importantly what an advisor can do to avoid being disrupted and ultimately forced out of the industry. The second podcast looked at the landscape of advice and highlighted what clients expect from their advisor and what an advisor can do to deliver on that. And this final podcast looked at the future of our industry, both from your perspective and of Canadians who we've surveyed this past year. So I want to thank you, Wayne, for joining us and sharing your thoughts and your insights today. And just a reminder to everybody to access this and other podcasts, please go to sunlife.ca/podcast. I’ll end by thanking everyone and hope you enjoyed this series.