

Lifecycle



● To your left is a photograph of two financial planners. Take a good look, because not as many of them are going to be around as there used to be.

The big reforms coming to the way financial advice is offered may be the last straw for many of Australia's 12,000 planners.

To survive in an environment with no new trailing commissions, where your clients must agree to pay you an advance fee every year, you'd better be a fantastic adviser. A professional, in fact.

Virginia Heyer and Venn O'Neill, directors of the StrategyOne Advice Network, are backing themselves on that belief.

The clearest evidence for that is not the \$500 million entrusted to their business after more than two decades apiece as advisers. It's the fact that when they sold a 25 per cent stake in StrategyOne in June, they knocked back the highest bidder in preference for DKN Financial Group, whom they believed would be their best partner for the next 10 years.

Frankly, I don't think the big banks or other potential buyers were used to a professional approach

"We ran a formal tender [through consultancy Hunts']," Heyer says. "Frankly, I don't think the big banks or other potential buyers were used to a professional approach. Or to people who are interested in more than the money."

New regulations putting pressure on revenue meant efficiency and customer service would become more important, which was why the merger to form StrategyOne went ahead early this year. Hunts' was called in to find a new dealer group, under which the new entity could operate a financial planning licence, and

for a financial backer to aid investment in systems.

Both practices had been members of the Godfrey Pembroke dealer group, owned by life company and National Australia Bank subsidiary MLC, but neither were happy with inefficiencies they saw in the platform and less-flexible processes they had to use.

As members of DKN's Lonsdale dealer group, they are now happily away from big bank and life insurance owners. Heyer says the big institutions still tend towards pre-reform practices.

"One of our shortlisted buyers wanted to pay us rebates for using its platform, but my staff just didn't want to have to tell that story to clients," she says.

The 10 staff knew little of the DKN deal until it was finalised and Heyer worked hard at keeping them motivated and happy.

"To me change is interesting," she says. "But you have to remember there are people behind you freaking out a bit." **BRW**

Interview: Michael Bailey

Virginia Heyer and Venn O'Neill

StrategyOne Advice Network

Position	Directors
Milestones	2001: O'Neill joins Godfrey Pembroke group
	2007: Heyer buys four Godfrey Pembroke practices
	2011, January: Practices merge
	2011, June: StrategyOne sells 25 per cent to DKN, joins Lonsdale Financial dealer group