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Technology is only a servant, service is still king

Ever noticed what happens when you mention the word 'rollercoaster' to a bunch of people? Some will get excited and say, "Let's go, I'm sitting up the front." Others avert eye contact and feel immediately queasy; their palms sweat at the very thought of it, never mind what seat they might choose. Technology is also one of those words.

Mention the word and you'll draw a mixed bag of responses from people.

You'll have the so-called 'early adopters' who grab the latest thing and run with it, despite the inevitable teething problems in the first release of a device or software.

They're up the front of the rollercoaster with their arms straight up in the air.

Others will be 'slow adapters', happy to take a wait and see approach until there's an overwhelming groundswell of support for this 'latest thing'.

Generally, I think it's fair to say that the financial services industry has been a slow adapter to technology.

To my mind, the 9.5% SGC, while a fantastic social construct, has also enabled the entire industry to get paid very well without needing to innovate much. The money continued to roll in, regardless of good times or bad. Self-managed super has put somewhat of a dent in that gravy train, but not to an extent that anything much changed across the industry.

But times, they are a-changing.

Driven by the general public's embrace of all things online, the financial services industry is finally starting to catch on.

Technology is now an integral and relatively safe part of our everyday lives, with smartphones, tablets, laptops and even wrist devices becoming increasingly popular.

We can all tell an apple from an android, we know an 'app' is not a typo and that some clouds store data, not rain.

So it's good to see that the industry that's keeping us all afloat is also finally on the same path.

Banking on technology

When it comes to technology adoption, the major banks have been at the forefront of the financial services charge.

This has occurred for two main reasons: (1) they needed to streamline business processes to maintain their significant profits while cutting costs; and (2) they had to respond to customer demand for more convenient experiences, especially online.

Those conveniences now include not having to travel to a branch, the ease with which you can check account balances, transfer money between your accounts or to other people's accounts, and of course pay your bills.

Some banks are now offering free smartphone apps to use in the event that customers lose their cards but still need to withdraw cash or make a purchase.

In the financial advice world we're now seeing a range of technological developments that are aimed at improving customer service as well as creating more efficient business and back office processes.

For example, we now have data feeds that provide businesses with up-to-date reporting without the need to rekey everything. This in turn offers clients the convenience of being able to access their SMSF portfolios any time of the day, any day of the year.

Process automation enables a business to pass data between their software systems and between an adviser/accountant and an SMSF administrator. This too leads to a more seamless service for clients.

By way of example, the highly successful Xero brand is making waves in the accounting software arena.

Xero offers online accounting solutions that make life easier for practitioners and their clients, taking advantage of real time processing, mobile technology and cloud-based storage.

These solutions allow accountants and bookkeepers to run their businesses anywhere and at any time.

We're also seeing a range of apps entering the market, for example MyProsperity, where you can see all of your bank accounts, property, shares, superannuation and other assets in one place. The app allows you to track your money and have a better chance of achieving your financial goals.

In a similar vein, the MoneySoft app offers a budget planner with money management software that aims to help people take some control of their spending and saving.

Aside from offering clients greater convenience at their fingertips, these types of products serve as value-adds for the financial advice businesses who use them to engage with their clients.

Beware a technology war

As more and more financial services-related software is developed and brought into the market, we should ponder this thought before

embracing the latest thing in a bid to stay ahead of competitors:

Technology is simply a means to an end; it's not an end in itself.

It's just too easy to get caught up in the latest and greatest gadget without fully thinking through the impacts of another piece of software or technology in your business.

The road to technology heaven is littered with good intentions!

It's what technology enables that matters – delivering an outstanding service for your clients.

That means things like improved customer interactions and business efficiencies that free up time for person-to-person interactions and more business development activities.

With the right user-centred design approach and using minimal, jargon-free language, technology can create greater engagement with potential clients.

It can also be used to re-engage existing clients who have zoned out for any number of reasons.

One thing is for sure: it's not about engaging in a technology war, because service is still king.

Service will always be king, with technology its faithful servant.

People haven't changed

We might have dragged ourselves out of caves (into bigger, high-tech caves no less), but people haven't fundamentally changed.

We still thrive on communication. And on being part of a 'tribe' or community.

Our need as individuals to feel included has come to the fore through the phenomenal rise of social media.

Via Facebook, LinkedIn, Twitter and others, we're now connected with people not just locally, but globally. Quickly and easily.

It didn't take too long for businesses to see the potential of social media as alternative communication channels. Well, non-financial services businesses, that is.

Many businesses in Australia now have a social media presence.

They've learned that it's not about 'selling' products, but about building a following through posting regular content that your audience might find informative or helpful.

When your 'likers' or 'followers' are ready to buy, there's a better chance they'll think of you first. You should never underestimate the power of the 'Share' button!

Social media is another example that underscores how technology can enable businesses to connect with clients and prospects, albeit in a less pushy, non-marketing way.

Grow your reputation

Of course technology doesn't have to be something your clients directly use or engage with, either.

Making some smart back-office technology investments can save you so much time (and cost) that you're in turn able to use on client service enhancing activities.

Let's face it: a client's self-managed super fund is an asset dear to their heart, behind the family home or maybe a business asset they own.

The more relaxed and in control you can help them feel about their self-managed super fund, no matter what the prevailing market or economic conditions, the better your reputation in an area that's growing annually. **FS**



The quote

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