



Specialisation on the cards

by Hein Kruger

Specialisation is becoming a growing necessity for Financial Advisers as an increasing number of rules, regulations and legislation with weirdly named acronyms are used to trap financial services professionals into narrower lanes of operation.

This is not all necessarily bad, although many of us might feel that the legislator and institutions are targeting the middleman unnecessary. The drastic changes in the industry forces everybody out of their comfort zones and is leading us all into a paradigm shift.

Until recently most FA's did everything for their clients short from wiping their noses. From filling in their forms, planning estates, forming trusts, writing risk cover, short term cover, medical aid, investments, savings, offshore currency to the unwinding of late estates and much more, all was done under one roof by one person.

Time is valuable

Time is becoming more and more valuable due to the constraints caused by the increasing red tape. Profit margins are shrinking due to higher costs, also caused by red tape. Here most financial institutions are not always helping by heaping their own workload and costs onto the intermediaries.

Specialisation is therefore the name of the new game. With lesser time and higher costs the best way of getting around, is to identify your own core competencies and expertise and focus the little time you have on what you are

best at. In this way you will also beat the hawkish glare of scrutiny by ensuring that you only do your best.

Enter into alliances with a specialist

If you are not a specialist in investments, enter into alliances with those who are. If tax and trusts are not your strong points, find the specialists and sell your workload to someone more competent. Offer your own expertise to those who are lacking in your field. If you feel you are a jack-of-all-trades, remember that client relations can also be turned into a benefit, which can become too time consuming for other specialists. Use it or lose it.

Investment platforms like LISP's can be excellent vehicles where different specialists can combine their skills to their and their clients' joint benefit by offering various services cost effectively under one roof whilst outsourcing the administration to the financial institution and split the fees at the source.

Remember, every threat can be turned into an opportunity!

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