

# FPA fintech buyers guide and checklist



FINANCIAL PLANNING  
ASSOCIATION *of* AUSTRALIA

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# Introduction

When looked through the lens of technology, the current financial planning landscape is a kaleidoscope: there is a lot to see, but it's difficult to make sense of it. The more you look, the more the landscape keeps changing.

To help navigate through the changing technology environment, there are study tours and white papers, and even the 2017 FPA Fintech Report which added to the discussion around the potential of new technology into the financial advice process.

What last years' FPA Fintech Report and many other papers and commentaries have not addressed, is how a financial planning business should approach the process of engaging with a technology provider in regards to the buying process. There are many considerations, which without proper due diligence and guidance, can introduce further complexity.

Before you get caught up in the shiny technology landscape on offer, we recommend you pause and determine: what is the problem that you are solving for?

This paper seeks to navigate through the key considerations for a financial planning business as a technology buyer, starting with the fundamental question of: should you be buying technology in the first place, through to once you've decided that your business can be enhanced by means of a technology solution, what are the key considerations and processes that maximise the possibility of your success?

This paper presents a case study of selecting a customer relationship management (CRM) system to bring the issues and considerations you need to work through in your business. The steps and considerations discussed can be replicated with any aspect of your business or advice processes.

# What are you trying to solve?

**A frequently asked question of financial planning businesses, usually through frustration, or with hope (after they have read a snippet about technology) is “what’s a good Customer Relationship Management (CRM) tool?”**

This simple question is not an easy one to answer. It should warrant a question in response, namely “what do you want it to do?”

The definition of a CRM is dependent on the viewpoint of the financial planning business. Is the CRM what you define as your advice production engine (your modelling and Statement of Advice [SOA] production tool) that draws on client data, or is it a client engagement tool that you use to first connect with a client, collect data, communicate with them, track all of these interactions and even supply them with a log-in where they can map their financial situation and have a single snapshot of their finances? Is it even more advanced than this and should it provide the financial planning practice with business metrics and partnerships, and track management functions such as the AFSL compliance framework?

And in reading this, is your answer “all of the above”?

The question, should also expand from “what do you want it to do?” to “why?” And the answer to this depends on your business strategy.

# Your business strategy defines what technology you may need

**At its most basic level, your business strategy defines the promise you will deliver to your clients, whomever they may be.**

What follows next is what capabilities you have within your business to deliver on that promise, and what subsequent activities you will undertake.

There should be an alignment between your target client, the services you will deliver to them and how you deliver them.

From there depending on the calculated cost to serve, based on your efficiencies in delivering your services, your price structure will be set, assuming an appropriate margin for the risk you take on in conducting your financial planning business.

If we ignore the nuances an individual business and assume the general principles of the six step financial planning process applies, then it is relatively easy to highlight whether or not the equation of efficiency and cost to serve stacks up.

Last year, the financial advice process map\* that formed part of the Fintech Report was designed to start financial planners thinking about the efficiencies in their advice process and look for opportunities to enhance the process (whether or not that was through using technology).

The question, should also expand from “what do you want it to do?” to “why?” And the answer to this depends on your business strategy.

Once you understand the time taken, people involved and cost to serve in your advice process, the next step is determining what services you want to deliver at the price point that is amenable to your target clients. Where does the process need improvement from an efficiency point of view?

The answer depends on what you need to achieve. Is it efficiency to free up capacity? To reduce costs? Is it engagement to secure longevity and conversion? Is it overall growth in your target market or beyond?

Technology that enables front-end engagement targeted at a 30-50 year old non segmented age group, is inconsequential to your business strategy if your business strategy delivers retirement advice and suffers from cost and time inefficiencies in modelling and SOA production.

A CRM that provides an engaging portal, with automated marketing, diary management and text message reminders to clients, would be underutilised in a business that has a focus on aged-care advice.

\* Refer to diagram in Appendix 3, Page 18.

# Determining the best solution

**Looking through the technology kaleidoscope, a CRM is at the top of most wish lists. With so many options available it's important to first understand what a CRM is, and what it can do for your business.**

Customer Relationship Management (CRM) tools, as a concept, are largely unchanged since the late 1970s. The technology powering them has evolved, but the basic structure of tracking the relationship between your business and its clients remains consistent.

The challenge is that business has changed, and with it, what is needed from this type of software has also evolved. CRM-based solutions can be largely divided into three main categories; sales focused (Pipedrive and Salesforce), functionally focused (Xplan and Midwinter etc), and more recently, comprehensive business management platforms (PractiFI).

When you're weighing your options in this space, there are common questions across all categories that you should consider:

## What percentage of new business comes through pure sales channels and not referrals from existing clients or partners?

If the volume is <20%, you should reconsider whether a sales focused CRM is right for your business. While these systems can be extensively customised to meet other needs, it may not be addressing the problem you started with.

## How many different groups need access to the customer record?

This is a big one for multi-disciplinary firms. If you have a combination of planners, accountants, brokers or other specialist groups, then locking the core client record away in one of those specialist systems will negate the value of having a CRM at all. The value of a single client view is only realised when it is shared across all parts of the business, so be sure to consider this early when looking into CRM solutions.

## What are you hoping to achieve by introducing a CRM?

This is a broad question but really critical to selecting the right tool. For example, if you're hoping to achieve big gains through streamlining workflow processes then you need to be sure the tool you select provides for easy configuration of processes across the business, from new client on boarding to handling compliance audits and more. By contrast, if your primary goal is managing an upfront sales cycle, you'll likely need a different tool.

## What is the level of technology capability in your firm?

Choosing a tool that requires extensive customisation gives you the potential to have everything you've ever contemplated. Doing so also commits you to a future of maintaining and evolving those customisations. Unless you manage this internally, you need to be aware of the costs involved with third-party developers.

## How important are referral partners to your business?

For a lot of firms, referral from aligned professional services firms is the primary channel for new business. The ability to track these 'Centres of Influence' is critical to the ongoing success of the business. If this is the case, it's unlikely sales or functional CRMs will be capable of meeting your needs.

## How complex is your business structure?

Increasingly, financial planning firms span multiple locations and are extended through acquisition or merger activity. These businesses will require cloud-based solutions capable of segregating users and client data within a single environment. All data needs to be combined for reporting and compliance management but must also have the flexibility to be unwound in the event of a structural separation.

## What systems are required for each role?

With many firms outsourcing some or all paraplanning, dependence on advice tools has shifted dramatically. In these firms, the need for modelling software and SOA generation no longer resides internally. Under this model, the business management platform is the ideal tool. Even where technical functions remain internal, it is possible to take a role-based approach to technology, moving advice tools to only those planners and paraplanners involved in the technical aspects of the advice process.

## What is the volume of clients per adviser?

Firms with higher volumes of clients per adviser achieve larger benefits from automation than those with a lower servicing ratio. Revenue growth by increasing the adviser/client ratio is a highly effective strategy and can be directly impacted by the introduction of an appropriate CRM.

### **There are key indicators that a CRM will improve business efficiency, reduce risk and provide a platform for growth. Which of these relate to your business?**

- Information on clients, partners or providers is stored in Excel sheets
- Client related emails are stored in your inbox, not on the central client record
- Client information exists in more than one system within the firm
- Details of work in progress are not centrally accessible across the firm
- Reporting is compiled manually when needed
- Revenue data is held in a separate system to client data
- Client files are made up of data stored in several systems

**If any of these are true in your business, you should be considering a CRM.**

# Overview

Considering all this, some guiding questions to ask yourself and your business are listed below:<sup>1</sup>

**What is the right service model across your various client segments?**

**How could digital tools change your current cost structure?**

**What should you outsource?**

**If you introduce technology engagement is it in line with your demographic?**

**Who will be the champion of the technology?**

**How will this solution be integrated with your other systems?**

**How do you prioritise this against other initiatives?**

**Do you have the right people and culture to deliver this enhancement?**

**Is this in line with your business vision?**

To better answer these questions, it's important to carefully consider the buying process.

<sup>1</sup>Advice goes virtual, how new digital investment services are changing the wealth management landscape, EY 2015

# Buying considerations

**The challenge to streamline the process of financial advice delivery and client engagement can be made easier in the current technological landscape by the numerous options offered in the fintech space.**

As the FPA Fintech Report identified, across the elements of the advice process, there is software available to deliver efficiencies. Many of these are not complete solutions however and it is likely that different financial planning businesses will build different technology stacks<sup>2</sup> designed around their unique service proposition and client demographic.

The detail around data security, disaster recovery and the longevity of the provider all warrant any buyer, be it a planner or an AFSL, asking detailed questions and reviewing a submission from the software provider. This still does not guarantee success or continuity of the service, however, it is certainly a big step in the right direction.

As a starting point, having concrete questions answered before you make a purchase is a significant part of selecting the software that will most benefit you and ultimately your clients.

Suggested areas of initial investigation should be:

## WILL THIS SOLVE MY PROBLEM?

Irrespective of any of the technical details of the software, is determining if the software will actually solve your problem. Again, there is onus on the financial planner and/or the advice business to have enough awareness of the advice and business processes, business strategy, and corresponding client demographic to enable the identification of the problem to be solved and an assessment of the benefits of the solution being considered.

## PRICING

Pricing is integral to any decision; albeit it shouldn't be the only factor. Purchasing more expensive software because it has a long list of extra features isn't necessarily the correct move.

Customisable and functional features of the software you purchase should be researched thoroughly before you pull the trigger to ensure you make a financially sound decision. Just because you spend more money doesn't mean you're getting the software that works most efficiently for your particular system. Think of the skill in your team and their ability to customise software. If that skill set isn't there, what is the unknown cost of software consultants to customise the software?

Additionally, you want to choose a software that your employees will be able to adopt quickly and easily. Choosing a highly complex model that takes a considerable amount of time to master will negatively affect adoption rates. So, there is a clear need to research potential software options thoroughly, so you can make the most efficient and beneficial decision for you and your team.

Remember, pricing involves more than the upfront purchase or subscription cost. You should investigate support and maintenance costs, fees for additional modules/features, integration costs (these should be avoided), implementation costs and any charges for updates or future changes you may wish to make. This is referred to as the Total Cost of Ownership (TCO). For most technologies you should compare the TCO on a 3-year basis to get the most accurate reflection of comparable charges.

Most cloud-based software is priced on a per-user per-period basis which brings benefits of costs scaling as you add new users. Published pricing is almost always on an 'annual-in-advance' basis, with monthly or quarterly charging attracting a higher rate.

## UPDATES

This may be considered a “nice to have”. In other words perhaps not a critical piece of the puzzle but it does give you an indication of the vision of the provider, their capacity to grow and their willingness to adapt with their clients.

Will what they have on their agenda match with your business strategy? To that end, good questions to ask and investigate include what is on the list of development for the software and request an approximate delivery timeframe for the items on the list. Press for the list because, your goal is find out what features they might be including so that you can plan ahead for your business.

1. If you know that a feature is forthcoming, you can notify users beforehand and seek feedback from them on whether this is something they would like also.
2. If the item on the list is something needed, be sure that you make it known to the provider.
3. When you are given such a list, review it carefully, you should be able to determine the direction that the software company is going. Are they on a path dictated by their client requests? Or are they adding items in an effort to get you to purchase add-on items that you will never use?

If a provider is unable or unwilling to provide a view of their product direction this should be cause for reconsideration. Also, make sure the provider understands the financial planning profession and is evolving in line with broader market and regulatory changes. New features designed to meet the needs of another industry in a foreign market are unlikely to benefit you, this is particularly the case when reviewing broad-based, multi-industry global systems.

## SERVICE

System uptime and performance are also critical, especially if you need a solution that you will use outside of normal business hours. So you need to look for 24 x 7 system monitoring and services, scheduled daily backups, and other procedures that will eliminate the risk of downtime and prevent data loss in the event of an outage or system failure.

This is an area where bigger is definitely better. Seek an understanding of the quality of the underlying infrastructure. How many customers does it serve? There is relative safety in numbers so look for large international infrastructure providers like AWS, Salesforce and Microsoft.

Even at the most basic level, understanding what the service level agreement as the buyer of a solution is important. How quick will they get back to you when you have a query?

## REPORTING

Data is everything. Interpreting the data is even more. The solution you are considering especially if you are capturing a lot of client data you should offer plenty of flexibility in reporting, such as the ability to build custom and ad-hoc reports, as well as dashboards and visualisations, so you have the tools you need to address your specific information requirements. Preference those systems that provide interactive, real-time analytics over those that provide simple extracted reporting. Also be sure to identify if data is easily extracted/exported for use in other tools if you're looking to introduce standalone business intelligence tools.

<sup>2</sup> The term 'Technology Stack' refers to the combination of tools used with an individual business to perform all functions. Across the spectrum of advice firms this may include advice software, CRM, marketing, email etc, payroll/HR, client portal, document generation and storage amongst others.

## APPLICATION PROGRAMMING INTERFACE (API)

Stay with us here, as this is not easy to get your head around.

The phrase API appears regularly in computer-science fields. But what does it mean? Well, definitively put, it refers to a tool, or library, that assists developers in writing code that interfaces with other software. These can range from the low-level tools that allow Windows and OS X applications to use aspects of the underlying operating system, to those powering the apps on your phone. In short, it defines a way in which a computer program communicates with another computer program.

Software as a Service APIs facilitate the connection between cloud-based software/functionality and say an internal system. A typical example is using APIs for connecting to a cloud-based CRM or CMS platform (content editor) to connect them to the entire underlying system infrastructure in a business (eg: SuiteBox connecting to XPlan).

The most common scenario in companies today is to coexist with several providers in the cloud, where each one offers services with very varied engagement concepts, from Platform as a Service or Infrastructure as a Service to Software as a Service. APIs are the most effective way to manage increasingly complex models. They are the keys that open all the doors.

Still with us? Let's just talk about integration and what you need to know is:

- Where is the vendor proactively integrating with others
- Where is the vendor accepting integrating requests from others
- Does the vendor have open integration model (open API) freely for anyone/any provider to tap in without approval?
- Which providers are already integrated and the level of integration delivered between providers?

In summary, can you connect your software together easily and without data migration issues?

If a potential provider can't, or won't integrate with other tools you'd like to use, you should strongly reconsider having them as part of your technology stack.

## DATA SECURITY

**Data storage location:** You should know exactly where your data is being stored. A cloud service could be anywhere in the world, and different regions have different laws about who might be able to access your information. Remember, data stored but not accessed outside of Australia isn't necessarily an issue. Check with the provider and make sure you inform yourself of any risks and/or obligations that arise.

**Data accessibility:** For data to be usable, it must be both correct and available. Therefore, you need to ask your service provider for uptime statistics and whether there are any guarantees for safety.

**Facility security:** A key to keeping online data safe is ensuring that where it is being stored is properly protected, so make sure the provider has/is using data centres that are manned 24/7 365 days a year and has appropriate levels of physical security.

**Disaster preparedness:** The facility where their online data is being stored should be prepared for any type of disaster that may hit. Fire, floods or earthquakes are just as likely to happen in the cloud data center as they are in your office, so make sure that the provider has appropriate detection and mitigation solutions in place.

**Reputation:** Who is the cloud provider? Are they reputable like Microsoft, Amazon, Salesforce and Rackspace or small local providers who may have higher risk?

# Appendix 1:

## Conducting due diligence on a technology provider

In this technical section, we have gone beyond the base understanding and discussion so far. This means some areas of explanation are decidedly technical.

Also we have replaced “fintech” with “startup” as it is important to recognise that some of the players in this broad space are in their infancy.

By definition a start-up is a firm that is any of the following:

- A firm within the first three years of operation
- A firm with recurring revenues <\$2m (including pre-revenue firms)
- A firm with fewer than 10 staff (where they would reasonably be expected to have a larger number over time)
- A firm where the gap between revenue and expense is >50%

Due diligence category	Sub elements	Short description
Security/ Compliance	Development of software	Applications and programming interfaces (APIs) should be designed, developed, deployed, and tested in accordance with leading industry standards.
	Privacy and data retention	Privacy and Data Retention Policies and procedures should be established and maintained in support of data security to include (confidentiality, integrity, and availability) across multiple system interfaces, jurisdictions, and business functions to prevent improper disclosure, alteration, or destruction.
	Employees	Software providers employment agreements should incorporate provisions and/or terms for adherence to established information governance and security policies.
	Audit plans	Audit plans should be developed and maintained to address business process disruptions. Independent reviews and assessments should be performed at least annually to ensure that the organization addresses nonconformities of established policies, standards, procedures, and compliance obligations.
	Data integrity and maintenance and storage and transmission	Assess the processes and technical measures implemented, for the use of encryption protocols for protection of sensitive data in storage (e.g., file servers, databases, and end-user workstations), data in use (memory), and data in transmission (e.g., system interfaces, over public networks, and electronic messaging) as per applicable legal, statutory, and regulatory compliance obligations.

Due diligence category	Sub elements	Short description
		<p>An Information Security Management Program (ISMP) should be in place, documented, approved, and implemented that includes administrative, technical, and physical safeguards to protect assets and data from loss, misuse, unauthorized access, disclosure, alteration, and destruction. The security program should include, but not be limited to, the following areas insofar as they relate to the characteristics of the business:</p> <ul style="list-style-type: none"> <li>• Risk management</li> <li>• Security policy</li> <li>• Organisation of information security</li> <li>• Asset management</li> <li>• Human resources security</li> <li>• Physical and environmental security</li> <li>• Communications and operations management</li> <li>• Access control</li> <li>• Information systems acquisition, development, and maintenance</li> </ul>
	Encryption	<p>There should be processes and technical measures implemented, for the use of encryption protocols for protection of sensitive data in storage (e.g., file servers, databases, and end-user workstations), data in use (memWory), and data in transmission (e.g., system interfaces, over public networks, and electronic messaging).</p>
	Mobile device operation	<p>Cloud based services accessible by mobile devices should have extra security measures considering the client data accessible via the software being used. This is a key concern for advisers and AFSLs in regard to the device security in place.</p>
Regulation	Regulatory and legal requirements	<p>Privacy and Data Retention Policies and procedures should be established and maintained in support of data security to include (confidentiality, integrity, and availability) across multiple system interfaces, jurisdictions, and business functions to prevent improper disclosure, alteration, or destruction.</p>
Business continuity	Business continuity and disaster recovery plans	<p>Ensure all business continuity plans are consistent in addressing priorities for testing, maintenance, and information security requirements. Requirements for business continuity plans include the following:</p> <ul style="list-style-type: none"> <li>• Defined purpose and scope, aligned with relevant dependencies</li> <li>• Accessible to and understood by those who will use them</li> <li>• Owned by a named person(s) who is responsible for their review, update, and approval</li> <li>• Defined lines of communication, roles, and responsibilities</li> <li>• Detailed recovery procedures, manual work-around, and reference information</li> <li>• Method for plan invocation.</li> </ul>
	Incident response	<p>Incident response plans should be subject to testing at planned intervals or upon significant organizational or environmental changes. Incident response plans should involve impacted customers and other business relationships that represent critical intra-supply chain business process dependencies.</p>

Due diligence category	Sub elements	Short description
	Operational resilience	Backup and recovery measures should be incorporated as part of business continuity planning and tested accordingly for effectiveness.
	Product sustainability	Check for procedures that support business processes and technical measures implemented, to ensure the development and/or acquisition of new data, physical or virtual applications, infrastructure network, and systems components.
	Key people risk	Which people in the business; CTO (chief technical officer), key sales people, etc are critical to the success of the provider. For smaller Startups the coders are critical for the running and development of the service. For others sales revenue is critical for the survival of the enterprise. The CEO ay be involved in capital raising. Understanding the resourcing of the Startup provides an idea as to its longevity.
	Third party reliance	The provider should be able to ensure the consistent review of service agreements (e.g., SLAs) between providers and customers across the relevant supply chain (upstream/ downstream). Reviews shall be performed at least annually and identify any non-conformance to established agreements. The reviews should result in actions to address service-level conflicts or inconsistencies resulting from disparate supplier relationships.
<b>Change control</b>	<b>Critical assets</b>	<p>Should be classified in terms of business criticality, service-level expectations, and operational continuity requirements.</p> <p>A complete inventory of business-critical assets located at all sites and/or geographical locations and their usage over time should be maintained and updated regularly, and assigned ownership by defined roles and responsibilities. Security perimeters (e.g., fences, walls, barriers, guards, gates, electronic surveillance, physical authentication mechanisms, reception desks, and security patrols) should be implemented to safeguard sensitive data and information systems.</p> <p>Procedures should be established for the secure disposal of equipment (by asset type) used outside the organization's premises. This should include a wiping solution or destruction process that renders recovery of information impossible. The erasure should consist of a full overwrite of the drive to ensure that the erased drive is released to inventory for reuse and deployment, or securely stored until it can be destroyed.</p>
<b>Management</b>	<b>Structure and ownership</b>	Who owns the company? Who are the investors? Who are the board of management? Is it privately owned, listed? Does the structure impact the ability of the company to raise capital or enhance it?

Due diligence category	Sub elements	Short description
	Experience	Do the leaders of the company understand the problem they are solving for? In the advice space having leaders who understand the advice process is a key advantage. Managers should have in their responsibilities: maintaining awareness of, and complying with, security policies, procedures, and standards that are relevant to their area of responsibility and should review the information security policy at planned intervals or as a result of changes to the organization to ensure its continuing alignment with the security strategy, effectiveness, accuracy, relevance, and applicability to legal, statutory, or regulatory compliance obligations.
Longevity	Capital adequacy	One of the biggest issues for a Startup is having a desired amount of capital resourcing to take them through development phases and into a sales cycle. Development resources required are high cost as are the resources required for continual maintenance and development. This requires seed capital and subsequent capital raisings from investors. Understanding the profitability of the provider (which is rare) or the depth of funding is key. Some Startups operate on a knife's edge with capital raising required every few months for survival let alone growth.
	Product development	A product development map, or list should be able to be produced or spoken to indicating on one hand a focus on customer development needs and on the other keeping ahead of competitor and technology developments.
	Distribution depth	Number of AFSL relationships and number of underlying licenses, use cases, scenarios etc should be easily able to be demonstrated and quantified.
	External parties	Ideally the provider should be able to demonstrate that there are secure, established and contracted arrangements with partners for distribution that are in line with the companies stated sales and distribution objectives.

# Appendix 2:

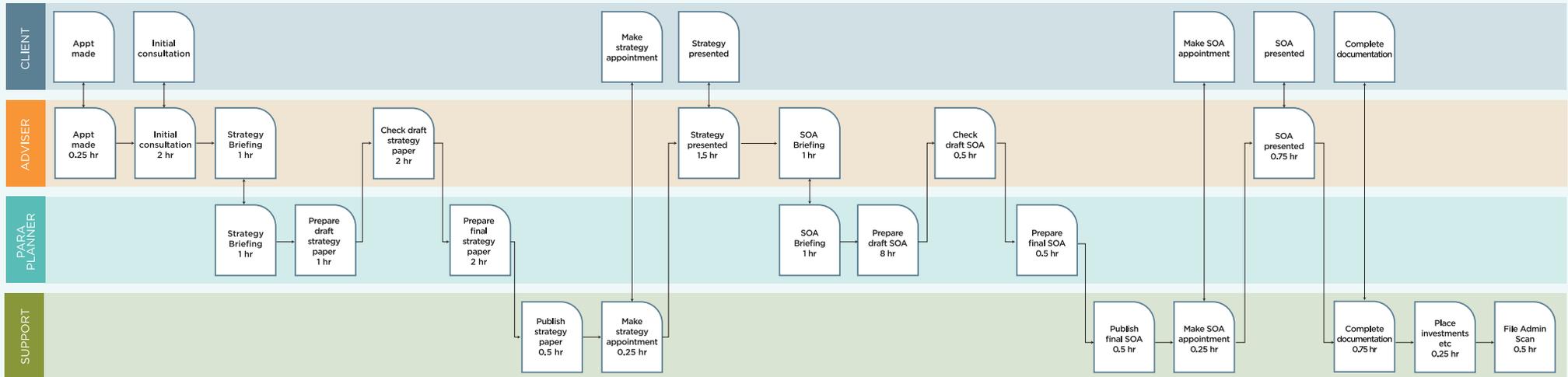
## Technology Assessment Checklist

This checklist can be used to guide the software selection process. It is not intended to be an exhaustive questionnaire or RFP. Rather, it is a simple tool to maximise the likelihood of selecting both a partner and system to meet your needs.

Vendor Assessment	Points to consider
<b>Where is your company registered?</b>	It is preferable to select companies where the entity is registered in Australia, particularly for dispute resolution should the need arise.
<b>How many years have you been offering the product to similar businesses to mine?</b>	Just because the company has been registered for a long time doesn't mean they've been providing a similar product or even operating within a relevant industry.
<b>What is the ownership structure of your company?</b>	Try to understand whether the firm is exposed to just its founders and firms at this stage are more volatile. Ideally, a mix of founders, staff and at least 1 sophisticated investor (VC, PE or Angel).
<b>What is the company vision? Do you have stated mission/values?</b>	Look for firms aligned to your vision for your firm and with similar values. These will help inform the nature of the relationship they're looking for with clients.
<b>How much available capital does the company have?</b>	You don't need financial statements for this. Seek a statement from the firm that they have a minimum of 6mths and optimally 12mths+ in available capital. Remember, there are no guarantees of financial stability, but early indicators are helpful.
<b>What is the rate of growth (revenue, team size, customers) over the past 12 months?</b>	Perhaps the best of these indicators is growth in team size as this often highlights growth against the other metrics too. Remember, growth rates will be faster in newer firms.
<b>What is our escalation path if issues arise?</b>	After you sign-up, it's typical for the sales rep to cease being engaged. Who will you call? In more mature firms you'll have a 'Customer Success Manager'. Who is beyond them? Are they accessible?
<b>How well do you understand the Australian financial planning industry?</b>	A common mistake is to seek out large global providers in the belief that they offer some type of protection. Whilst they offer financial strength, it is often countered by limited understanding of vertical industry needs.
<b>How frequently is the product updated and are updates included at no additional cost?</b>	Most contemporary systems are updated at least twice (many 3-4 times) per annum. Product updates should always be implemented by the vendor free of charge and without disruption.

Vendor Assessment	Points to consider
<b>How 'turn-key' is the implementation?</b>	Look for systems that are easily configured at implementation. Anything up to 12 weeks for a major system implementation is reasonable (many will be 8 weeks or less). Implementation should be free of charge.
<b>How configurable is the system?</b>	Can you add/remove fields, configure reports/analytics and tailor workflows? This should be offered free as part of implementation and ongoing support services. If third-party developers are required be aware that this is customisation and is not for the faint-hearted.
<b>How extensive is the ecosystem?</b>	Look for quality over quantity here. 3000 integrated applications is meaningless if 2990 of them don't align with your needs. Understand what is integrated and whether you can request additional integrations. New integrations should not cost you if they are useful to other clients.
<b>What is the compliance record of your company?</b>	Have they ever experienced a breach? What did they do about? Are there outstanding enforcement actions?
<b>What is your companies knowledge of the financial planning regulatory obligations?</b>	Vendors who operate in deeply in your market should have a clear understanding of the regulatory environment you operate within and should be able to explain how their systems assist you to comply.
<b>What data protections are in place?</b>	Is the vendor aware of the requirements around data storage and do they adhere to ISO27001 or better?
<b>How long is the contract and what are our options for termination?</b>	Most contracts should be annual and automatically renewable. Be wary of vendors looking for longer terms, even for price advantage as these are typically hard to exit, even if the product doesn't meet your needs.
<b>Is a free trial period available?</b>	Free-trials can be a useful way to see how much of the product exists as a turn-key solution and how much customisation will be required. Even a one-week trial is worth a look.
<b>Are reference clients available?</b>	Always check with an existing client, preferably one who has been with the vendor for over 12mths. Ask them not only for their satisfaction with the system but also what the implementation journey was like.
<b>Is ongoing training available?</b>	All good vendors should offer free training on implementation and also each time a new release is made. Additional training should be available at a reasonable fee.

# Appendix 3: Comprehensive Financial Planning Process





FINANCIAL PLANNING  
ASSOCIATION of AUSTRALIA

ABN 62 054 174 453  
GPO Box 4285  
Sydney NSW 2001

1300 337 301  
[policy@fpa.com.au](mailto:policy@fpa.com.au)  
[www.fpa.com.au](http://www.fpa.com.au)