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The path to better planning

Cameron Obliubek
and the commitment
to CFP® Certification

THIS ISSUE

TPB REGISTRATION RENEWAL / ESTATE PLANNING / AUSTRALIAN EQUITIES
SUPERANNUATION REFORMS / CGT AND INHERITING THE PRINCIPAL HOME

Future proofing your business

Gihan Perera believes ‘transdisciplinarity’ is the number one skill that will help planners future proof themselves and their businesses to stay ahead of the game.



I have TPD insurance with AIA. That’s no big deal, of course – thousands of Australians are insured with AIA. But an interesting feature of my AIA insurance is that I get a 10 per cent discount on all my Qantas domestic flights. As a professional speaker who travels a lot, that is a big deal!

This is a win-win partnership: I get cheaper flights and AIA gets a loyal customer. But is there a loser? Yes! Think about the travel industry, where most travel agents struggle on margins far lower than 10 per cent.

And now they face competition not just from inside their industry, but from a completely unexpected sector.

More and more businesses are facing similar scenarios: Their biggest competitors (the ‘disrupters’, if you like) aren’t the traditional big players in their

industry, but come from completely outside their industry.

Accenture’s Technology Vision 2016 survey of Australian CEOs reported that 86 per cent of Australian businesses expect rapid or unprecedented technology change in the next three years. That’s not surprising, but it might surprise you that only 30 per cent of them think the greatest risk comes from established competitors. Most expect – in fact, they know – the biggest changes will come from new players, including unexpected disruptions from other industries.

The same applies to financial planning. We know already how technology is transforming the financial services sector – with things like automated advice, bitcoin and fintech. How can we possibly stay ahead of the changes that affect us?

Learn transdisciplinarity

The solution is to develop the skill of ‘transdisciplinarity’ – one of the 10 skills the Institute for the Future identified as key skills for the future workforce. In brief, transdisciplinarity involves applying ideas, knowledge and expertise across different disciplines and industries. In practical terms, it means you regularly look up from the narrow, highly-specialised focus of your day-to-day work and take a broader perspective.

This is a skill you can develop both for

yourself and your team. It’s simple – and easy – but you do need to commit to it. It involves four steps:

- 1. Scan the environment:** Look out for new trends and new technology, especially from outside your industry.
- 2. Share ideas:** Create an environment for people to share ideas and build on them.
- 3. Connect to your business:** Find ways to connect external ideas to your business.
- 4. Embrace the change:** Adopt the best ideas and start using them.

Scan the environment

Scan the environment for news, technology, and interesting trends that could affect your business.

There’s an old saying that there are three kinds of people: Those who make things happen, those who watch what happens, and those who say, ‘What happened?’.

Of course, the people who say that want you to be in the first group – those who make things happen. But there’s a lot of value in being in the middle group as well: just watching what happens. Instead of feeling overwhelmed by information overload, use it as an opportunity to learn from many sources. Find trusted sources in the industry, but also expand your scope

to other industries and broader sources.

This approach even has its own name: your Personal Learning Network or PLN. Offline, this includes peers in a mastermind group, mentors and trusted friends. Online, it includes the blogs you read, newsletters you subscribe to, podcasts you listen to, YouTube channels you watch regularly, LinkedIn groups, and web sites you visit frequently.

Share ideas

Share these ideas with your colleagues and staff, and encourage them to share ideas with you and each other.

That's easy to say, but also easy to forget – especially when things get busy. So create an environment that encourages this sharing:

Time: Set aside time regularly – for example, at weekly staff meetings – for people to share these ideas.

Place: Use an online forum – for example, a private Facebook group – for people to share, comment, and expand on ideas.

People: Create or join groups that stimulate new ideas and spark interesting conversations. For example, I host a monthly business book club with people from different industries – including education, health, financial services, law and engineering.

Connect to your business

As a team, find ways to connect external ideas to your business and your industry. This is the innovation step, and often the most interesting and engaging.

For example, when I spoke at last year's FPA Professionals Congress about 'The Future of Leadership', we applied this to the financial planning industry, like this:

You can imagine this scenario in the near future:

– Artificial Intelligence software will collect

big data and use predictive analytics to design customised financial plans (This is 'robo-advice', of course).

– Clients use gamification (like Pokémon Go did) to motivate and reward them for keeping to their plan.

– They use virtual reality to create and 'step into' future scenarios.

– When making decisions in daily life, augmented reality software helps them stay on track with their plan and goals.

– Genetic mapping before birth can guide the planning process even more precisely.

All of this technology is available now – it's just not connected up that way yet. Some of it (like robo-advice) is already infiltrating the world of financial advice, so it's already making waves. But the rest isn't far behind.

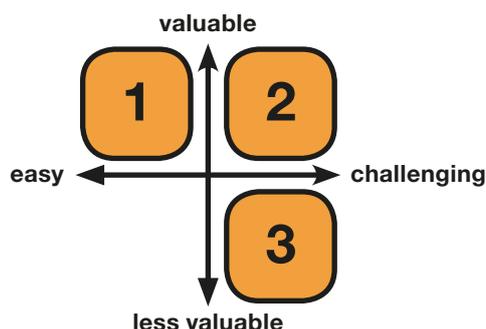
Embrace the Change

Now it's time to adopt these ideas and start using them!

Of course, some of these ideas are impractical – because they are too big, ahead of their time, or require too much investment for too little return. It makes sense to put those ideas on the back burner, and return to them later (if at all).

When you consider all your ideas, you will find some will naturally seem more valuable (that is, have a higher impact) than others. Some of them will also be easier than others. This gives you two factors to consider when setting your priorities.

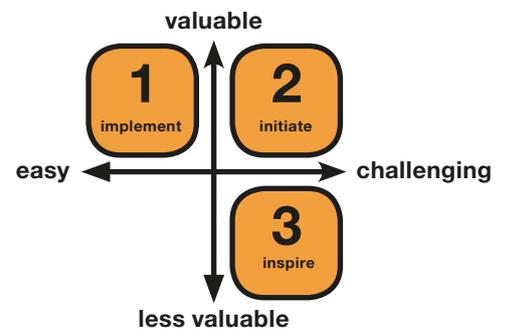
I suggest you prioritise in this order:



In brief: Start with simple things for quick wins, then tackle some more challenging things, and then take on at least one wild and crazy idea.

Put another way, you will implement, initiate and inspire:

- **Implement:** Build momentum by looking for easy things that lead to 'quick wins'.
- **Initiate:** Identify some more challenging things you can't complete immediately, but are worthwhile projects.
- **Inspire:** Find at least one big thing that might even seem crazy to most people, but you think is worth pursuing.



Ignore the bottom-left quadrant: the things that are easy to do but don't really add value. These are the Bright Shiny Objects that come your way – whether it's new technology, the latest management fad, or a new business superstar everybody wants to emulate. It's easy to be distracted by them, but don't be tempted by them unless they add real value.

What will you do?

If you follow this process, you will generate some interesting ideas for your business. But don't just settle for ideas – put them into action. Innovation is applied creativity, and it means getting things done.

If you truly want to be fit for the future, become a 'transdisciplinary' to stay ahead of the game!

Gihan Perera is a futurist, conference speaker, author and consultant who gives leaders a glimpse into what's ahead, and how they can become fit for the future.