

## STAR PROFILE

Suzanne Allen is playing to her strengths and along with co-director Peter Dunn has fine-tuned Heritage Financial Advisers in Newbury to offer tailored lifestyle planning to dentists

# Channelling what you do best

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Whether or not you believe in destiny, Suzanne Allen's journey from an office junior to managing director of Heritage Financial Advisers is quite remarkable.

Eight years ago as a 24-year-old, Allen upped sticks to move to her newly-wed husband's home in the Berkshire town of Newbury. Sitting at breakfast one morning, she wondered aloud whether a job might somehow materialise before her very eyes. Minutes later, it did.

The local Newbury newspaper slid through her letterbox and fluttered to the floor. Buried in the back pages was an advert for an administrator for a firm working with self-employed financial advisers.

Having previously worked at two IFA firms, Reading-based Hogg Robinson and then Henley-based Courtiers, the position stood out instantly although Allen wasn't entirely convinced it was suited to her in the long term.

'I applied but I wasn't sure about the role because I really wanted to progress to be an adviser and do more paraplanning,' she recalls. 'Anyway, I met up with the owner, and that went well. We decided I would be supporting a local

self-employed IFA as an administrator and giving paraplanning support.'

Eight years later and Allen is running the show at Heritage Financial Planning, with co-director Peter Dunn, the same IFA she began working as an administrator for back in 2001.

But despite the clear career progression, Allen is modest when it comes to her achievements. This may have something to do with the rare balance she has found between her work and leisure.

The managing director takes to the towpath that lines nearby Newbury Canal three times a week, running 16 miles with friend Julie in what can only be described as an exemplary athletic routine. In addition, she finds time to play netball for the local league and is training to become an umpire so her team can compete in more local matches. She has finished a number of marathons and half marathons and the day I meet her, she has already traversed five miles of the Berkshire countryside in a dawn run with a friend.

'Initially I began running because I wanted to lose weight, which I did, and now I've got the running bug and do it to keep fit. I think it's really important when you're so busy at work that you take time to go out.

I just forget about everything in the office for an hour and come back with a clear head. And I do always try and make time – even if I'm really busy – because I think I am more productive when I get back,' she enthuses.

## FINANCIAL DATA: HERITAGE FINANCIAL ADVISERS

	2007	2008	2009
No. of employees	3	4	4
No. of active clients	100	150	180
Funds under management	£15m	£15m	£25m
Total income	£230,000	£240,000	n/a
% recurring income	35%	60%	65%

## Joining financial services

Allen joined financial services at the age of 18 with A-levels and GCSEs. Her first job was as an office junior for the Reading-based IFA Hogg Robinson and after three years she moved to retirement specialist Courtiers.

Under the guidance of Jamie Shepperd, the firm's chief executive, Allen had her first taste of advising clients, learning the rudimentary ropes of a profession she would become increasingly tied to.

By 2005, four years after joining First Financial Consultancy – the compliance firm with a self-employed IFA arm – she had successfully gained her diploma in financial planning and built a loyal client base. A year later Allen and Dunn took the strategic decision to take ownership of their services. They set up the independent financial planning firm they run today but retained personal ties to the compliance arm that sits just a floor above their office.

## Company profiles Pages 26-27 >>>

AES International and Nolan Baptist & Bond

STAR PROFILE



### Dentists

By August 2006, the Heritage Financial Planning brand had been born and together the team began working to develop its reputation as an adviser for the dental market.

Initially, the focus on dentists stemmed from co-director Dunn's previous position, when he had been a financial adviser for a company catering predominantly for dentists, but Allen says the entrepreneurial nature of dental practitioners was something that appealed to her having previously worked for a retirement-focused IFA.

'When I was at Courtiers they were very much trying to look after retired clients and concentrating on IHT planning which was great but I just found that it was not for me. I wanted to work with clients who were building their own businesses and younger clients rather than retired older clients. I felt that was where I would be best placed as a younger adviser,' she explains.

Since then, the firm has build up a solid base of dental professionals hailing from the Lake District, Sussex, Chichester, Brighton and Scotland. The age range is equally broad, stretching from recently graduated dentists in their 20s to retired octogenarians.

But their position in the dentistry field did not happen automatically, Allen is keen stress. Both she and Dunn worked hard to build the client base they enjoy today and she admits this at times led them to neglect other areas of the business.

'After taking control we worked closely on building up our profile within the dental profession and on getting our reputation established within the market place. But if I am honest we did not concentrate as much as we should have done on our business writing and getting new clients at that point,' she confesses.

However, she believes the efforts have paid off and the company's financial figures tell the same story.

Active adviser numbers have risen steadily over the past three years. In 2007, the firm had 100 active clients. By 2008, this number had grown to 150 and this year the firm counts 180 active clients in a total client base of 220.

Allen is realistic when it comes to setting targets and an ideal scenario would be to have another 40 active clients by the end of the year. Any more, and the business will need to rethink its strategy, she says.

Another contributor to the rising levels of active clients seen within the business have been the firm's

**TIME OUT:** Allen believes in a healthy work/life balance and is a keen runner and netball player

run of seminars, held for the first time this year in two different locations and gaining almost instantaneous results.

### Seminars

After purchasing a list of all dentists in the UK from the British Dental Association (BDA), Allen segmented the extensive list into those that were self-employed and living in regions accessible to Heritage Financial Advisers.

She then took the shrewd step of gaining sponsorship from discretionary fund management group Williams de Broe, and enlisted the help of an outsourced mailing company to prepare and send out invitations to 3,000 dentists.

The result? Two oversubscribed seminars with prospective clients paying £99 plus VAT to attend. Held in the prestigious Charing Cross Hotel in London and the Wessex Dental Specialist Centre in

## STAR PROFILE

## CV

## SUZANNE ALLEN

**Hogg Robinson**

Aug 1995-Sept 1998

- central new business processing department

**Positions held**

Office junior, administrator, team leader

**Courtiers, Henley-on-Thames**

Sept 1998-Sept 2001

**Positions held**

Client service administrator/paraplanner

**Heritage/First Financial Advisers**

Sept 2001-July 2006

**Positions held**

Paraplanner

Financial adviser

**Heritage Financial Advisers**

Aug 2006-present

Managing director and financial planner

**Industry qualifications**

December 2000 – FPC

Diploma in financial planning – April 2005 (G10, G60, SV1, CeMAP, pension simplification)

Currently studying towards chartered status

**Interests**

- Netball – key role in organising the Heritage sponsored team. Currently training to become an umpire.
- Running – run about 15 miles a week and take part in various fun runs and half marathons (including Reading and Bristol)
- Concerts, gigs
- Travelling – skiing
- Spending time with family and friends

## TOP 5 TIPS

Build long-term relationships with other professionals – most of our new clients are from professional referrals

Don't try and be an expert on everything – we are in the process of outsourcing all our investment management, including pensions, ISAs etc. We are also considering outsourcing mortgages

Always do what you promise to do in an acceptable timescale

Have a plan in place to achieve chartered status as soon as possible

Always deal with challenges straight away, don't put your head in the sand!

Fareham, each seminar drew 28 prospective clients and yielded six new clients.

Success came down to a number of factors, says Allen, but at the top was meticulous planning and the ability to adapt to feedback after the first seminar.

'We spent an enormous amount of time putting together our presentation because it had to be professional. We got feedback after the first presentation and we changed our presentation for the second one. We had done a section on the NHS pension scheme and the feedback was that it was a little bit confusing. I think we had made it a bit too complicated, so we simplified it and it was much better a second time.'

The seminars didn't just produce referrals, they reinforced the relationships Heritage had with the other organisations that had sponsored and presented during the events, firming up relationships that continue to produce referrals both ways.



**STANDING PROUD:** (left to right) George Adams, client services co-ordinator; Steve Walker, client services co-ordinator; Suzanne Allen, managing director; Peter Dunn, director and senior consultant

### Catalyst

One of the main catalysts in Heritage's evolved business model came from an unlikely source, says Allen. A course on ethical sales for dental practitioners would prove a turning point in terms of the business' approach to remuneration as well as the way they viewed the business.

Delivered by business coaching guru Ashley Latter, the course was aimed at dentists who wanted to boost their business skills.

'Ashley specialises in running ethical sales courses for dentists because dentists are very good at the clinical side but when they are talking about the patient treatment plan a lot of them freeze up,' recalls Allen.

She and Dunn were invited onto the course because of their role within the dental field but Allen says it held as much significance for her as it did the other attendees.

'We are not aggressive sales people. We explained who we were when we went along and if anybody wanted to chat to us then fine but we were very much there to learn and develop as ourselves,' she says. 'It taught the same principles for whether you were selling treatment plans or trying to sell your services and it really concentrated on building rapport with clients and asking them what they want so it fits in very well with the lifestyle financial planning,' she says.

It is perhaps testament to Allen's approachable personality that she picked up a client from this event without actively trying to.

### Remuneration

Following the seminar, the firm's remuneration structure really started to change. Allen and Dunn have worked hard to evolve towards a purely fee-based financial planning firm but they also credit the input of IFA transition experts FP Advance who have recently become an important part of this continuing transformation.

The percentage of recurring income has steadily increased, from 35% in 2007 to 60% in 2008 and 65% at present. Total income and funds under management have also risen and the team has added a fourth member of staff to the business.

Total income in 2007 stood at £230,000. At the end of 2008 it was £240,000. Funds under management stood at £15 million across 2007 and 2008, reflecting the tough economic conditions imposed by the credit crunch but this year they have skyrocketed to £25 million. This may in part be due to the increase in clients over the same period.

Interaction with FP Advance began earlier this year after a less than enthralling experience with previous business consultants Allen does not name. Second time round, the outcome has been far more positive and the team have no regrets about bringing on board FP's Steve Billingham.

'Peter had a chat with [FP Advance director] Brett Davidson and we had an hour-long telephone conversation with Steve Billingham. Based on that we were really impressed. I also went along to one of their workshop days.

Steve now comes to see us every month. He spends a day here, gives us homework to do, checks up on us and really pushes us to do things. He gives

## We are good at lifestyle financial planning and looking at the bigger picture. That is what really excites us: talking about clients, their goals and visions

us ideas, we can chat to him. He is like a third person in the practice, really efficient, gets back to you and is really honest. That is what I like,' she smiles.

The firm's present remuneration structure has evolved from a traditionally hybrid structure of fees and commission to the predominantly fee-based one it is today.

The business charges between £1,200 and £3,000 for an initial financial plan. There is then an implementation fee of, typically, 1% of assets under management and an ongoing fee of £75 a per month plus 0.75% funds under management.

### Investing

A switching issue when dealing with Skandia's Selestia platform last year led to a long-term change in the firm's approach to investing. Allen and Dunn moved from actively managing clients' money to outsourcing it to a third party.

'We did a switch and it was to do with clients who had money phasing into the markets and when we acted we wrongly assumed that the money [in client portfolios] that was in cash would not be switched because it was waiting to be phased in. However, it switched the whole thing – moving clients out of cash.'

Although Allen admits Selestia was not to blame and Selestia put every client back to where they needed to be with no clients requiring compensation, the process took some time to correct and highlighted the level of risk inherent in active fund management.

'It was an incredibly stressful time for Peter and I,' remembers Allen. After reviewing their business structure, they came to the conclusion that the platform didn't suit them and decided to focus on other strengths.

'[Selestia] just doesn't suit our model and that was one of the reasons we decided to outsource but another reason was the fact that it really made us think about what we are good at,' she reflects.

'We are good at lifestyle financial planning and looking at the bigger picture. That is really what excites us: talking about clients, about their goals, visions and what they want out of the life from the planning process.'

They use Prestwood software to help with lifestyle financial planning and pride themselves on coming up with solutions that cater for their clients' myriad needs.

'When we go and see a new client we offer them a meeting at our expense and we really talk to them about their goals and their visions for the future and you often find they have never been asked this before.

'All dentists are very different because some dentists want to retire at 55 and get out because they do not like dentistry any more whereas some clients say "well actually I would like to sell my practice at 55 but I would like to stay on as an associate a few days per week until I am 60". So there are all those different factors that we need to bring into their planning.'

At present, one of Allen's clients is looking at retiring to buy a boat and live on that for part of the year. Others are building up portfolios of practices and developing retirement plans for the future.

### Goals

While the firm is still relatively new, having gained its independence just three years ago, Allen has high hopes for the business going forward. She wants to develop long-term relationships with another 40 dentists and increase funds under management by another £5 million by the end of the year. She is also considering outsourcing paraplanning to a third party to free up more time for seeing clients and developing relationships.

With this energetic and ambitious approach to doing business, it is clear this is one company that is on course for a strong future.



Visit the New Model **Adviser** video centre at [www.citywire.co.uk/adviser](http://www.citywire.co.uk/adviser) this week to hear **Suzanne Allen** talk more about her company.