

A vintage camera with a wooden body and leather accents stands next to a modern smartphone. Both are placed on a white reflective surface. The camera is on the left, and the smartphone is on the right. A green vertical bar is on the far left.

OLDMUTUAL

# FUTURE-READY FINANCIAL SERVICES

BUSINESS TRANSFORMATION SERVICES  
WHITE PAPER FOR 2024



WEALTH

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# INTRODUCTION

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Welcome to the second edition of our annual Business Transformation Services (BTS) White Paper for 2024. With a global presence and a dedication to driving meaningful change in financial services, our mission is to offer fresh insights and practical solutions that prepare you for the future.

Building on the success of last year's edition, which received high praise from both financial advisers and industry peers, our 2024 white paper examines the key trends of 2023 and their business impacts – ranging from the rise of digital tools to the growing demand for personalised client engagement. These shifts have reshaped industry strategies, presenting new challenges and opportunities.

Looking ahead, we explore transformative trends set to define 2025, including artificial intelligence (AI) integration, generative financial planning and immersive virtual reality experiences. These innovations promise to enhance client engagement, offering tailored, data-driven solutions and immersive advisory interactions.

Our goal is to equip you with actionable insights that empower you to navigate the evolving market. Through practical examples and expert guidance, we are here to support your journey as we shape the future of financial services together.

Enjoy the read!

# UNLOCK YOUR BUSINESS POTENTIAL

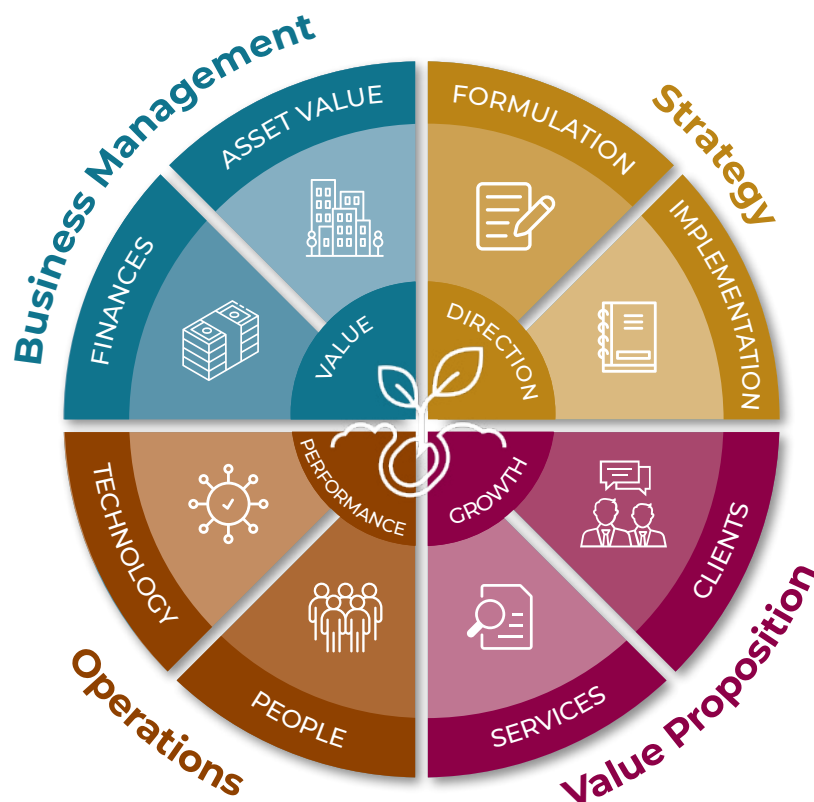
## How our Business Transformation Services drive growth

Our Business Transformation Services (BTS) are designed to tackle a wide range of challenges, from resolving operational issues to aligning your strategic goals, all aimed at boosting efficiency and driving growth and profitability.

We bring extensive industry knowledge to the table, focusing on increasing asset value, optimising financial management, and implementing adapted operational improvements for the South African market. What sets us apart is our hands-on, proactive consulting approach. We act as your accountability partner, offering fresh insights and practical recommendations to help you keep abreast of industry trends, engage clients and teams effectively, and maintain a competitive advantage.

Our BTS framework focuses on four key pillars:

- **Strategy formulation and implementation:** Sharpen and execute strategic business plans that drive growth and client success.
- **Client-centric value proposition:** Evolve your services to meet the changing needs of your clients and stand out in a competitive market.
- **Operational excellence:** Tackle technology, staffing and process hurdles to enhance productivity and improve client service.
- **Business financial management:** Ensure your finances and asset management are in sync with your long-term business goals.





## HOW WE EMPOWER YOUR FINANCIAL ADVISORY PRACTICE

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- 1. Strategic growth:** We align your business goals with actionable, measurable strategies designed for sustainable growth and long-term success.
- 2. Succession planning and business valuation:** We simplify the entire succession and transition process by providing business valuation and stakeholder coordination, ensuring a seamless leadership transition and protecting your practice's future.
- 3. Leadership and team development:** As your accountability partner, we help sharpen your leadership skills and enhance team performance, balancing your roles as both a business owner and a financial planner.
- 4. Streamlined operations:** By streamlining your operations and processes, we eliminate inefficiencies and boost productivity, giving you more time for meaningful client interactions and strategic priorities.
- 5. Performance appraisal and talent recognition:** We simplify performance reviews and implement recognition strategies to motivate your team, exploring options like synthetic equity and profit-sharing to align rewards with business success.
- 6. Development tools:** By leveraging tools like the Enneagram, we help improve self-awareness and team dynamics, fostering collaboration and resilience within your practice.
- 7. Talent culture and wellbeing:** Enhance your workplace culture and employee wellbeing through our expert insights, creating a motivated, balanced and high-performing team.
- 8. Industry remuneration survey:** Gain annual insights into compensation practices to benchmark your pay structures against industry standards and stay competitive.
- 9. Industry wellbeing survey:** Monitor team wellbeing and benefits through our annual survey, identifying key trends and opportunities to improve workforce health and engagement.
- 10. Client and employee sentiment surveys:** Gain valuable feedback through targeted surveys to improve satisfaction and loyalty, and align your services with client and employee expectations.

We ensure that your business remains agile and competitive, ready to meet both current and future demands.



# A RETROSPECTIVE ANALYSIS OF 2023'S PREDICTED TRENDS FOR 2024

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As the curtain falls on 2024, we find ourselves reflecting on the predictions that shaped our expectations for the past year. From economic forecasts to technological breakthroughs and evolving consumer behaviours, many trends promised to define 2024. But how did these predictive trends fare? In this retrospective analysis, we explore which predictions have come to fruition, which predictions fell short, and the unexpected shifts that emerged along the way. By examining the intersection of anticipation and reality, we aim to uncover valuable insights for navigating the future with greater foresight and adaptability.

## 1. TOKENISATION

### **Navigating the future of financial advisory practices**

The token economy, which involves the digital representation and exchange of assets (such as cryptocurrencies and tokenised securities to digital collectibles through blockchain technology), is rapidly transforming various industries, including financial advisory practices. The tokenisation of assets allows for more efficient, transparent and decentralised financial transactions. This shift is expected to have profound impacts on financial advisory practices, both in South

Africa and internationally, as the adoption of tokenisation and blockchain technology accelerates.

### **Global and local adoption in 2024**

In 2024, the global token economy has seen significant growth, with the adoption of tokenisation expanding across various sectors. Notably, Europe and North America are leading in the development and implementation of tokenised financial systems. The global market is expected to continue growing as more asset classes, including real estate, art and even energy units, become tokenised. In Europe, regulatory advancements are enabling the smoother integration of tokenisation into traditional finance.

In South Africa, the adoption of cryptocurrencies and tokenised assets is also rising, driven by increased interest from both individual investors and financial institutions. A recent report highlighted that the number of first-time cryptocurrency buyers in South Africa increased by over 43% in early 2024. This surge reflects a growing acceptance of digital assets in the country, particularly as financial advisers begin to endorse these investments as part of diversified portfolios.



## IMPACT OF TOKENISATION ON FINANCIAL ADVISORY PRACTICES



### 1. Regulatory compliance and education

- o Stay informed about evolving regulations around tokenisation, both locally and globally.
- o Ensure compliance to help clients navigate the developing regulatory framework.



### 2. Technological integration

- o Adopt blockchain and tokenisation tools to enhance operational efficiency.
- o Use digital tools to manage tokenised assets, track transactions and provide real-time client insights.



### 3. Client engagement and education

- o Educate clients on tokenised assets, highlighting their benefits, risks and volatility.
- o Simplify the investment process for clients who may be new to these concepts.



### 4. Diversification and risk management

- o Leverage fractional ownership through tokenisation to diversify client portfolios.
- o Integrate tokenised assets into investment strategies to manage risk.



### 5. Opportunities in new asset classes

- o Explore new asset classes like tokenised real estate or art to offer innovative investment options.
- o Provide tailored solutions to attract tech-savvy clients.

## PRACTICAL STRATEGIES FOR SUCCESS IN THE TOKEN ECONOMY



### 1. Embracing technology

Incorporate blockchain and AI to streamline services and boost operational efficiency.



### 2. Staying informed

Keep up with global tokenisation trends and regulations to offer compliant advice.



### 3. Educating clients

Help clients understand tokenised assets and guide them through the investment landscape.



### 4. Diversifying offerings

Include tokenised assets to appeal to younger, tech-friendly clients.



### 5. Collaborating and networking

Work with fintech firms, regulators and industry players to stay at the forefront of innovation.

## ADDITIONAL KEY POINTS FOR FINANCIAL ADVISERS



### 1. Security and custody concerns

- o Ensure that the platforms used are secure and have robust measures to protect digital assets from cyber threats and fraud.



### 2. Regulatory arbitrage opportunities

- o Be aware of differing regulations across jurisdictions. This may impact the advice given on international tokenised investments.



### 3. Volatility and liquidity considerations

- o Assess the liquidity and volatility risks of tokenised assets and incorporate these into client strategies.



### 4. Integration with traditional assets

- o Develop hybrid portfolios that mix tokenised assets with traditional investments for balanced diversification.



### 5. Client segmentation and personalisation

- o Tailor investment strategies for different client segments, particularly for younger investors who may prefer digital assets.



### 6. ESG and sustainable investing

- o Explore tokenised assets that align with environmental, social and governance (ESG) criteria to meet growing client interest in socially responsible investments.

## 2. NAVIGATING O2O EXPERIENCES AND THE “PHYGITAL” REVOLUTION IN FINANCIAL SERVICES

The online-to-offline (O2O) and “phygital” revolution represents a shift in how businesses engage with clients by blending physical and digital experiences. In financial services, this trend is reshaping client interactions, service delivery and operational efficiency.

- **O2O:** Refers to strategies that drive clients from digital platforms to physical locations, integrating online interactions with offline experiences.
- **Phygital:** Combines physical and digital elements to create a seamless, interactive customer experience.

### Global and local adoption in 2024

The global financial services industry has seen a significant rise in the adoption of O2O and phygital models. The Covid-19 pandemic accelerated the digitisation of financial services, with over 70% of global financial institutions implementing phygital strategies.

According to a 2024 Deloitte report<sup>1</sup>, 65% of financial institutions globally have invested in AI and machine learning to enhance the phygital experience, with a projected increase in customer satisfaction by 20% over the next five years.

In South Africa, the adoption rate of phygital experiences in financial services has been slower but is gaining momentum. As of 2024, about 45% of financial advisory businesses have implemented some form of O2O strategy, up from 30% in 2022.

A study by PwC South Africa in 2024<sup>2</sup> indicates that 55% of South African clients prefer a hybrid approach, combining online tools with traditional in-person advice. This reflects the need for financial planners to adapt to evolving client expectations.

<sup>1</sup>State of AI in the Enterprise 2022 | Deloitte US

<sup>2</sup>Global Workforce Hopes and Fears Survey 2024 – African Perspectives | Press release



## IMPACT ON FINANCIAL ADVISORY PRACTICES



### 1. Enhanced client engagement

- o **Personalisation:** Use data analytics to tailor advice based on clients' online behaviour and offline interactions.
- o **Seamless experience:** Clients expect integrated digital tools (e.g. robo-advisers) combined with in-person consultations.



### 2. Operational efficiency

- o **Automation and AI:** Streamline administrative tasks using AI to focus on client-facing activities, allowing advisers to handle more clients.
- o **Digital tools:** Utilise CRM systems, virtual meeting platforms and digital document management to boost productivity and improve client service.



### 3. Client trust and security

- o **Data security:** Ensure clients' sensitive data is protected across all digital interactions.
- o **Transparency:** Provide clear communication to help clients compare online and offline advice.



### 4. Adapting to change

- o **Skills development:** Stay competitive by continually learning new digital tools and platforms.
- o **Hybrid advisory models:** Combine digital and in-person services to cater to varied client preferences.

## IMPACT ON CLIENTS



### 1. Convenience and flexibility

- o Clients can choose between digital and physical interactions based on their preferences.
- o Financial services become more accessible through mobile apps and virtual consultations.



### 2. Informed decision-making

- o Real-time access to financial data enables clients to make better-informed decisions.
- o Transparency in fees and services builds trust and satisfaction.



### 3. Improved financial literacy

- o Digital platforms provide educational content, empowering clients to better understand financial products.

## PRACTICAL STRATEGIES FOR FINANCIAL PLANNERS TO SUCCEED



- o **Investing in technology:** Embrace digital tools like CRM systems, AI analytics, client portals for real-time tracking, e-signature platforms, chatbots for automated support, and cloud-based accounting to enhance client engagement and streamline operations.



- o **Continuous learning:** Stay updated on the latest technology and continuously develop your digital skills.



- o **Client-centric approach:** Provide personalised, seamless experiences that integrate online and offline interactions.



- o **Collaboration and partnerships:** Work with fintech companies to incorporate innovative solutions into your services.



- o **Regulatory compliance:** Ensure all digital interactions comply with regulations on data security and privacy.



## ADDITIONAL KEY POINTS THAT COULD BE CRUCIAL FOR FINANCIAL ADVISERS



### 1. Consumer behaviour shifts

- o **Younger demographics:** Millennials and Gen Z prefer digital services and are less loyal to traditional advisers. Tailoring services to meet their expectations is key for future growth.
- o **Behavioural insights:** Use behavioural finance principles to predict client actions and improve relevance of advice.



### 2. Integration with emerging technologies

- o **Blockchain and smart contracts:** These technologies improve transaction transparency and can automate advisory tasks.
- o **Augmented reality (AR) and virtual reality (VR):** Immersive experiences like visualising financial futures through AR can enhance client engagement.



### 3. Regulatory developments

- o **Global and local regulations:** Keep abreast of global (GDPR) and local regulations to avoid compliance risks and maintain client trust.



### 4. Sustainability and ESG

- o **Sustainability trends:** Integrating ESG factors into your services meets growing client demand and aligns your practice with global trends.



### 5. Client experience beyond service delivery

- o **Emotional intelligence (EI):** Even in a digital environment, maintaining trust through emotional intelligence in interactions is critical.
- o **Client education:** Beyond delivering services, focus on educating clients about digital tools and the financial landscape to build loyalty.



### 6. Resilience to disruption

- o **Scenario planning:** Prepare for potential disruptions (technological, economic, regulatory) by having flexible strategies to ensure service continuity.



### 7. Digital inclusivity

- o **Bridging the digital divide:** Offer support to clients with lower digital literacy to ensure they're comfortable with digital tools.

## 3. NAVIGATING THE GREEN REVOLUTION

Green investing, which focuses on supporting environmentally sustainable projects and businesses, is gaining significant traction globally and in South Africa. This trend is reshaping our industry, presenting both opportunities and challenges for financial planners and their clients.

### Global and local adoption in 2024

Globally, the green investment market has grown exponentially, with the global impact investing market now valued at over US\$1 trillion. This growth is driven by increasing awareness of climate risks and the demand for investments that contribute positively to the environment. However, despite its growth, green investing still represents less than 1% of the global financial market, indicating substantial room for expansion.

In South Africa, the National Treasury, with the support of international partners like the Carbon Trust, has been proactive in establishing a green finance taxonomy to guide sustainable investments. This framework is designed to prevent greenwashing, ensure credibility, and attract both local and international capital into sustainable projects. The development of this taxonomy is a key step in aligning South Africa's investment landscape with global best practices, and it positions the country to be a leader in sustainable finance on the continent.

The growth of green investing in 2024 is expected to continue, with increasing interest from institutional investors, including pension funds, which are beginning to integrate impact considerations across asset classes. The adoption of green finance practices is set to accelerate as the green finance taxonomy comes into full effect, guiding more investment into sustainable projects.



## IMPACT ON FINANCIAL ADVISORY PRACTICES



- o **Green investing and ESG criteria:** Financial planners must adapt to the increasing demand for environmentally responsible investments by becoming experts in ESG criteria. This includes understanding sectors like renewable energy, sustainable agriculture and clean technology.



- o **Navigating regulations:** With growing regulations like the EU's Sustainable Finance Disclosure Regulation (SFDR), financial planners must stay informed and compliant with sustainable finance rules, including South Africa's evolving green finance taxonomies.

## PRACTICAL STRATEGIES FOR FINANCIAL PLANNERS TO SUCCEED



- o **Enhancing ESG knowledge:** Continuously educate yourself on ESG criteria and stay updated on green finance taxonomies.



- o **Client education:** Explain the benefits, risks and long-term impact of green investing to clients.



- o **Leveraging technology:** Use tools to measure the environmental impact and performance of green investments.



- o **Aligning with client values:** Offer investment strategies that reflect your clients' environmental values.

## IMPACT ON CLIENTS



- o **Sustainability and financial returns:** Clients can invest sustainably while aiming for financial growth. However, green markets may be more volatile, so managing expectations is key.



- o **Long-term outlook:** Help clients understand that green investments often yield long-term results rather than quick returns.

## ADDITIONAL KEY POINTS THAT COULD BE CRUCIAL FOR FINANCIAL ADVISERS



1. **Regulatory influence:** Keep abreast of global and local regulations to ensure compliance.



2. **Risk management:** Develop robust risk strategies for green investments, including scenario analysis for regulatory and market shifts.



3. **Greenwashing concerns:** Conduct thorough due diligence to avoid investments falsely claiming environmental benefits.



4. **Short-term vs long-term performance:** Clearly communicate the potential trade-offs between short-term returns and long-term sustainability.



5. **Market trends:** Monitor trends like green bonds and sustainability-linked products to identify new opportunities.



6. **Integration into portfolios:** Incorporate green investments into diversified portfolios to balance financial goals and sustainability.

## 4. INVESTMENT-BACKED LENDING (IBL) IN FINANCIAL SERVICES

Investment-backed lending (IBL) allows clients to borrow funds against their investment portfolios. The portfolio serves as collateral, enabling the client to access liquidity without having to sell assets. This is particularly useful in scenarios where the client wishes to retain their investments while needing cash for other purposes.

### Growth and adoption of IBL in 2024

The global market for IBL has been growing steadily, driven by increasing demand for liquidity among high-net-worth individuals (HNWIs) and the rising value of investment portfolios. In 2024, the global IBL market is estimated to have grown by approximately 10% year on year.

In developed markets like the US and Europe, IBL has become a mainstream financial service, with a significant uptake among HNWIs and family offices. The accessibility of these products has expanded, with digital platforms offering streamlined processes for loan applications and approvals. Factors such as low interest rates, a strong equity market and the increasing wealth of HNWIs have contributed to the growth. Additionally, the trend towards

using digital platforms to manage financial services has further facilitated the adoption of IBL.

In 2024, the global adoption rate of IBL products among HNWIs has been approximately 35%, with higher penetration in the US and Europe.

In South Africa, IBL is still in its emerging stages compared to more developed markets. However, there has been noticeable growth in 2024, with an estimated 15% increase in the adoption of IBL services among HNWIs and ultra-high-net-worth individuals (UHNWIs), up from 17% in 2023. This growth is expected to continue as more financial institutions offer IBL products and as awareness increases. The South African regulatory landscape has been evolving, with the Financial Sector Conduct Authority (FSCA) increasing oversight on IBL products to ensure consumer protection. This has led to more transparent offerings and better risk management practices by financial institutions.

The potential for growth remains significant, particularly as more South African financial institutions begin to offer these products and as awareness among clients increases.

The adoption rate of IBL among HNWIs and UHNWIs has been around 20% in 2024.

## IMPACT ON FINANCIAL ADVISORY PRACTICES



- o **Enhanced client offerings:** Advisers can offer more comprehensive solutions by using IBL, allowing clients to access liquidity without disrupting their investment strategies.



- o **New revenue streams:** IBL creates additional revenue through fees and interest spreads, offering competitive differentiation for financial advisers.



- o **Client retention:** By providing IBL, advisers strengthen client relationships by meeting liquidity needs while maintaining long-term financial goals.



- o **Digital integration:** Digital platforms enable seamless, efficient IBL services, improving both client satisfaction and operational efficiency.

## PRACTICAL STRATEGIES FOR FINANCIAL PLANNERS TO SUCCEED



- o **Education and awareness:** Advisers must educate themselves and their clients about the benefits and risks of IBL, ensuring sound financial advice.



- o **Partnerships with lenders:** Building relationships with financial institutions offering IBL helps planners secure competitive rates and terms for clients.



- o **Customised solutions:** Tailor IBL options to each client's investment portfolio, liquidity needs and risk tolerance.



- o **Regulatory compliance:** Stay updated on regulatory changes to ensure compliance with local laws governing IBL products.



## IMPACT ON CLIENTS



- o **Increased financial flexibility:** Clients can access liquidity while keeping their investments intact, which is particularly useful during market volatility or unexpected expenses.



- o **Risk management:** IBL introduces leverage risk. Clients must understand potential downsides, such as margin calls or losing collateral if investments decrease in value.



- o **Tax considerations:** Borrowing against investments may offer tax benefits by deferring capital gains, but requires careful planning with a financial adviser.

## ADDITIONAL KEY POINTS THAT COULD BE CRUCIAL FOR FINANCIAL ADVISERS



### 1. Competitive landscape

- o **Emerging players:** Fintech companies and wealth management platforms are entering the IBL space, offering innovative solutions, driving down costs and improving accessibility.
- o **Product differentiation:** Financial institutions are enhancing IBL products with features like flexible repayment and the ability to draw additional funds without reapplying.



### 2. Economic conditions and market volatility

- o **Interest rate sensitivity:** IBL's appeal fluctuates with interest rates. Rising rates can increase borrowing costs, making IBL less attractive, especially with variable rate loans.
- o **Market volatility:** During downturns, the value of collateral can decrease, leading to margin calls. Advisers must prepare clients for these risks.



### 3. Client segmentation

- o **Target market:** IBL is suited for high-net-worth (HNWIs) and ultra-high-net-worth individuals (UHNWIs), though it is expanding to affluent clients. Identifying those who benefit from IBL versus those who may over-leverage is crucial.
- o **Client communication:** Regular communication about IBL's risks, benefits and costs is essential to ensure clients fully understand its impact on their financial strategies.



### 4. Future trends

- o **Sustainability concerns:** As ESG principles gain importance, some clients may seek IBL tied to sustainable investment portfolios that align with their values.
- o **Regulatory developments:** Stay vigilant about regulatory changes affecting IBL, including potential updates to disclosure requirements and eligible collateral types.



### 5. Technology integration

- o **AI and analytics:** AI is increasingly used to assess creditworthiness and manage risk in IBL. Advisers should understand how these technologies personalise lending solutions.
- o **Digital platforms:** IBL's digital platforms streamline the client experience, offering features like online applications, real-time portfolio monitoring and automated risk assessments.



### 6. Global vs local opportunities

- o **Cross-border lending:** Clients with international portfolios may benefit from borrowing against investments in other jurisdictions, but tax and regulatory implications must be carefully managed.
- o **Local adaptation:** While global trends are valuable, advisers should focus on adapting IBL strategies to South Africa's unique market dynamics and client needs.



### 7. Ethical considerations

- o **Advisory ethics:** Ensure that IBL aligns with clients' long-term financial goals without encouraging unnecessary risks. Avoid conflicts of interest, especially when advisers gain from promoting IBL products.



## 5. THE RISE OF AFFLUENT FEMALE INVESTORS

The rise of affluent female investors is a significant trend in the financial services industry, impacting how financial advisory practices operate and the strategies they need to implement for success.

### Growth and adoption in 2024

In more developed markets, such as the US and Europe, the trend is more pronounced. For instance, in the US, women control around 51% of personal wealth, and this is expected to increase as women inherit wealth from older generations.

In 2024, the number of affluent female investors globally has increased by approximately 10% year on year. In the US, women now represent nearly 40% of the investor base, up from 35% in 2020.

The landscape of investing in South Africa is undergoing a quiet yet powerful transformation, driven by a rising force: affluent female investors. Though still trailing behind some international markets, the momentum is undeniable. A 2023 report highlighted a growing trend of South African women taking charge of household finances and seeking professional financial advice in greater numbers than ever before. In 2024, the number of female investors increased by 8%, with a significant surge among younger women under 40 entering the market. While cultural and socioeconomic

factors continue to shape the pace of this change, the rise of female investors in South Africa is a development worth watching closely.

We also found that women are more likely to invest in sustainable and impact-driven investments, with 67% of women expressing a preference for socially responsible investments compared to 49% of men.

### Male vs female investors: Key differences

- **Investment goals:** Women often prioritise financial security, retirement planning and intergenerational wealth transfer, while men may focus more on asset growth and risk-taking.
- **Risk tolerance:** On average, women exhibit lower risk tolerance compared to men, which affects their investment choices. This conservatism has proven to be beneficial during volatile market conditions.
- **Advisory preferences:** Women tend to value collaborative relationships with their financial advisers, preferring advisers who listen, communicate clearly and offer education as part of the advisory process. Men may be more transactional in their approach.

## IMPACT ON FINANCIAL ADVISORY PRACTICES



- o **Need for gender-specific strategies:** Financial planners must develop gender-specific strategies that cater to the unique needs of female investors. This includes understanding life stages, such as career breaks for child-rearing, and how this affects financial planning.



- o **Focus on financial education:** Advisers should emphasise financial literacy and education, particularly for women, to empower them in their investment decisions.



- o **Holistic financial planning:** Women often seek comprehensive financial planning that goes beyond just investment management. Advisers should incorporate estate planning, tax planning and retirement strategies into their services.

## IMPACT ON CLIENTS



- o **Increased confidence:** As financial planners cater more effectively to women, their clients are likely to feel more confident in their financial decisions, leading to better long-term outcomes.



- o **Enhanced client relationships:** Tailoring services to meet the specific needs of women can lead to stronger, more loyal client relationships.



## PRACTICAL STRATEGIES FOR FINANCIAL PLANNERS TO SUCCEED



- o **Enhanced communication:** Financial planners should focus on clear, transparent communication, addressing the specific concerns and goals of female clients.



- o **Personalised services:** Develop customised financial plans that consider the unique financial journeys of women, including career breaks and longer life expectancy.



- o **Educational initiatives:** Provide educational resources and workshops tailored to female investors, empowering them to make informed decisions.



- o **Diversity in advisory teams:** Financial advisory firms should consider diversifying their teams to include more female advisers, as female clients often prefer working with female advisers.

## ADDITIONAL KEY POINTS THAT COULD BE CRUCIAL FOR FINANCIAL ADVISERS



### 1. Intergenerational wealth transfer

- o **Women as wealth beneficiaries:** As women increasingly outlive their male counterparts, they are expected to inherit significant wealth. This phenomenon, combined with rising divorce rates among older couples, means that more women will control large sums of wealth, particularly among Baby Boomers and Generation X.
- o **Focus on estate planning:** Financial planners should emphasise estate and succession planning services for female clients, who are more likely to prioritise family and legacy in their financial decisions.



### 2. Technology and digital engagement

- o **Digital platforms:** Female investors, particularly younger ones, are increasingly engaging with digital platforms for financial management. Financial planners should leverage digital tools to offer more accessible and user-friendly services, integrating technology into their advisory practices.
- o **Online communities:** Women are more likely to participate in online communities and social networks focused on financial education and investment strategies. Financial planners should consider creating or participating in these communities to build trust and establish themselves as thought leaders.



### 3. Impact of ESG and sustainable investing

- o **ESG preferences:** Environmental, social and governance (ESG) investing is particularly important to female investors. Financial planners should be well versed in ESG criteria and offer investment options that align with the values of female clients, who often prioritise impact alongside financial returns.
- o **Leadership in sustainable finance:** As the demand for sustainable investment options grows, financial planners can differentiate themselves by becoming leaders in this space, offering tailored advice and portfolios that reflect the social and environmental priorities of their female clients.



### 4. Cultural sensitivity and inclusivity

- o **Cultural nuances:** In markets like South Africa, cultural factors can significantly influence the financial behaviour of women. Financial planners need to be culturally sensitive and aware of the diverse backgrounds and values of their female clients.
- o **Inclusivity:** Developing inclusive practices that resonate with women from various socioeconomic backgrounds can help financial planners expand their client base and serve a broader segment of the market.

## ADDITIONAL KEY POINTS THAT COULD BE CRUCIAL FOR FINANCIAL ADVISERS CONTINUED



### 5. Networking and referrals

- o **Women-centric networks:** Women are more likely to seek financial advice from peers and networks they trust. Building strong relationships within women-centric networks and communities can lead to increased referrals and business growth.
- o **Empowerment through advocacy:** Positioning your financial practice as an advocate for women's financial empowerment can enhance your reputation and attract clients who value this commitment.





## WHAT WE LEARNED IN 2024

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### **Lessons on culture and wellbeing**

This year, we've gained a deeper understanding that future-proofing your business goes beyond strategy and financials – it's about fostering a strong, supportive culture within your team. A healthy culture drives client satisfaction, enhances team performance and ensures long-term business success.

One growing trend we've observed is the struggle many individuals face in disconnecting after work, whether they're in the office or working remotely. This constant sense of obligation, known as workaholicism, often leads people to continue working even when they've met their responsibilities or need personal time to recover. It is important to be aware of these signs, as they indicate an unsustainable culture that could lead to burnout, negatively impacting both individual wellbeing and overall productivity.

We're not advocating "clock-watching" – far from it – but it is crucial to recognise when work-life boundaries are blurred. By monitoring workloads and fostering a culture that values balance, you can ensure your team prioritises tasks effectively without compromising their wellbeing. A balanced work environment is essential for a thriving, resilient team.

### **Future-proofing your business**

What we've learned this past year has made it clear: culture is no longer a "nice-to-have" or something we address only when there's time. It has emerged as a critical factor, especially in the context of succession planning, mergers and acquisitions (M&As). When culture is misaligned, the strategy and the success of client relationships, team dynamics and overall business outcomes are compromised.

In fact, the absence of cultural alignment can leave both clients and teams with an unsettling sense that "something intangible is missing", leading to more than just a decline in morale – resulting in significant business value erosion and a high rate of client and revenue attrition.

### **Future-proofing your team**

Your team's wellbeing and cultural alignment are the foundation of success. When they are fully supported and engaged, they become the driving force behind improved client outcomes, stronger relationships and sustainable growth. In today's evolving business landscape, investing in culture isn't just optional – it is a necessity for long-term success.



In 2024, our thought leadership and practical implementation highlighted the pivotal role culture plays in enhancing business valuation, aligning teams, safeguarding client relationships and ensuring the seamless execution of succession planning and M&As. Now is the time to prioritise culture as a key strategic asset for your business.

## 1. WORKING “MY” WAY: ADAPTING TO FLEXIBLE WORK ARRANGEMENTS

The traditional five-day, in-office workweek is quickly becoming obsolete. Once considered a bonus, flexible work options have now become essential. What was once a niche trend – teams working from various locations – is now the norm. The shift from anytime, anywhere work (ATAW) to remote-first or flex work emphasises results over rigid location and hour constraints. This flexibility allows teams to align their work with personal productivity rhythms while meeting business needs.

Business leaders must now focus on creating intentional in-person interactions. Combining work tasks with social activities centred on team development, culture-building, onboarding, project kick-offs and role-specific training encourages more genuine connections. This approach

helps teams balance their work and personal lives while nurturing a cohesive work environment.

**Practical example:** In a financial advisory practice, adopting a project-based model where support teams focus on specific goals and deliverables rather than fixed hours or locations. For instance, assign a team to develop and implement a new internal process within a set timeframe, concentrating on the quality and impact of the solution. To strengthen team culture through meaningful in-person interactions, consider organising events such as innovation workshops for collaborative problem-solving or quarterly retreats that include business strategy reviews, new technology or skills training, and social or physical activity. These events improve relationship-building and collaboration, while still enabling flexible and efficient work on project goals.

**Return on investment (ROI) insight<sup>3</sup>:** Adopting flex work and outcome-based work models often results in a 30% reduction in employee stress and a 20% increase in job satisfaction. These approaches not only attract a more engaged talent pool but also reduce turnover rates, leading to improved productivity and overall team morale.

### RED FLAGS TO LOOK OUT FOR:



**Unclear expectations:** Vague roles or deliverables lead to confusion and hinder productivity.



**Employee disengagement:** Declining participation in team activities or delayed responses indicate disengagement.



**Lack of in-person connections:** Weak collaboration and fractured relationships stem from insufficient face-to-face interactions.



**Resistance to flexibility:** Business leaders show reluctance to embrace flex work/outcome-based work arrangements, which can limit overall effectiveness.



**Ineffective communication:** Poor communication practices discourage the alignment of team goals and expectations, affecting performance.



**Inadequate support for remote work:** Insufficient resources or tools to support flexible work can lead to frustration and decreased productivity.

<sup>3</sup>[Flex for Success: Five Practices That Build a Flexible Workforce | Bain & Company](#)



## 2. UNLOCKING TEAM POTENTIAL: HOW AI TRANSFORMS MORALE AND DRIVES EFFICIENCY

Teams often hear about new AI technologies but struggle to find time to explore them. They're eager to learn how these tools can simplify their work and enhance efficiency. Generative AI and automation can take over routine tasks, freeing up time for more strategic and creative activities. This shift allows business owners, financial planners and support teams to focus on high-value work, explore AI solutions and find new ways to improve client interactions. By integrating these technologies, teams can streamline processes, scale operations and create room for innovation, ultimately enhancing their roles and contributions.

**Practical example:** In a financial planning business, AI can boost efficiency by automating tasks such as workflow management, appointment scheduling, CRM updates, report generation, client reminders, expense tracking and

risk assessment. AI can also personalise emails with tailored follow-ups, automated responses and dynamic templates that adapt to client preferences. It can generate engaging content, including infographics and interactive charts. This automation helps support teams manage administrative tasks more effectively, creating capacity for new initiatives and maintaining a competitive edge.

**ROI insights<sup>4</sup>:** Integrating AI and automation can increase team morale by 25% and reduce stress levels by 20%. Automating routine tasks frees up time for creative thinking and innovative activities. This shift not only improves efficiency but also encourages teams to explore "outside-the-box" ideas, engage in employee-led initiatives, participate in creative problem-solving sessions, and use design thinking workshops to tackle challenges. These efforts ultimately drive the bottom line.

### RED FLAGS TO LOOK OUT FOR:



**Low engagement:** Teams are reluctant to explore AI tools, indicating a lack of interest or awareness.



**Manual overload:** Routine tasks remain manual, hindering overall efficiency.



**Stagnant innovation:** High task loads prevent teams from dedicating time to creative initiatives.



**Cybersecurity gaps:** Inadequate cybersecurity training leaves teams vulnerable to breaches.



**Resistance to change:** Hesitance to adopt new technologies may signal a lack of support or motivation for innovation.



**Limited resource allocation:** Insufficient investment in AI tools and training can impede potential gains in efficiency and morale.

## 3. SUPPORT TEAMS' CALL FOR A CULTURE OF CONTINUOUS DEVELOPMENT

Support teams are actively seeking opportunities to continuously build their skills and advance their careers in an interconnected and a competitive world. They understand that lifelong/active learning and upskilling are crucial for staying ahead in a rapidly evolving job market. It's not that teams are looking to leave your business; rather, they are eager to evolve and grow with it. Driven by a desire for personal growth and professional development, they are

asking for more chances to enhance their expertise and build a strong CV. By addressing these needs, businesses can support their teams in achieving long-term success and ensure that their business is known for having competent, well-trained staff.

**Practical example:** Active learning is essential for staying competitive. To elevate your support team's skills and leadership, consider hosting virtual workshops with experts, like a top cybersecurity specialist or an AI consultant, to







<sup>4</sup>Key Benefits of Integrating AI into Your Business



provide the latest insights. Offer online certifications and set up peer learning sessions to enhance your support team's knowledge. Additionally, provide access to interactive learning platforms, invite guest speakers to chat about emotional intelligence (EQ), and introduce cross-training programmes to enhance skills across your teams. Launch mentorship initiatives and create a skill-sharing platform for team members to exchange expertise and grow together.

**ROI insights:** Investing in employee upskilling through these initiatives enhances crucial skills like cross-functional collaboration, digital literacy, cybersecurity awareness, and AI and automation proficiency. This investment boosts productivity and strengthens your market position. Keeping your team up to date fosters a culture of continuous improvement and innovation.

#### RED FLAGS TO LOOK OUT FOR:

-  **Stagnant skill growth:** No new training or certifications being pursued.
-  **Lack of career progression:** Teams express frustration with limited growth opportunities.
-  **Low engagement in learning:** Little interest in peer learning or development or mentoring programmes.
-  **Lack of cybersecurity training:** Insufficient training on cybersecurity best practices may expose the organisation to cyber threats.
-  **Inadequate technology support:** Limited access to up-to-date tools and platforms for learning can hinder employee growth and productivity.
-  **Data protection risks:** Engaging in online learning and sharing expertise may expose sensitive information if proper data protection measures are not in place.

#### 4. THE GROWING IMPORTANCE OF HUMANITY-DRIVEN SKILLS IN A TECH-DRIVEN WORKPLACE

As AI and automation take over more technical tasks, humanity-driven skills (people skills) such as communication, emotional intelligence and collaboration are becoming essential. These interpersonal skills are key to maintaining strong team dynamics, nurturing effective client relationships and ensuring overall workplace harmony. Prioritising these skills helps build a resilient and cohesive team culture, even as technology continues to advance.

**Practical example:** A financial planning practice can improve team culture by incorporating humanity-driven skills training into its development programmes. Offering personal

development courses and team-based workshops – such as the Enneagram, culture or wellbeing workshops from Old Mutual Wealth – can enhance individual self-awareness and strengthen team dynamics. These humanity-driven skills bring the human side into the business, improving the client experience and fostering a cohesive team spirit.

**ROI insights<sup>5</sup>:** Investing in humanity-driven skills training boosts workplace culture and delivers significant financial returns, with up to a 20% increase in productivity and a 30% lift in team collaboration. Satisfied clients often refer new business, e.g. each referral generating R10 000 annually represents a direct financial gain, highlighting the value of a people-focused approach.

<sup>5</sup>[How companies can improve workplace productivity | McKinsey](#)



## RED FLAGS TO LOOK OUT FOR:



**Poor communication:** Misunderstandings and lack of clarity in interactions lead to inefficiencies and errors.



**Low emotional intelligence (EQ):** Struggles with empathy and conflict management hamper team dynamics and client relationships.



**Weak collaboration:** Difficulty fostering teamwork persists despite the availability of advanced technology.



**Neglect of soft skills development:** Failure to prioritise training in humanity-driven skills indicates a risk of disengaged teams and weakened client relationships.



**Resistance to feedback:** Team members show reluctance to receive constructive feedback, limiting personal and professional growth.



**High turnover rates:** Frequent turnover suggests poor team cohesion and may signal a lack of emphasis on interpersonal skills and workplace culture.

## 5. EMPLOYEE EXPERIENCE: ALIGNING CAREER DEVELOPMENT, REWARDS AND CULTURE

To create a fulfilling work environment, business owners and leaders should align career paths, rewards and wellbeing with both individual goals and business objectives. This involves crafting personalised career tracks, integrating performance appraisals, and offering incentives such as profit sharing or synthetic equity. Enhancing non-financial benefits is equally important, including expanding professional development opportunities, such as sponsorships for advanced certifications and industry conferences, boosting recognition schemes to acknowledge achievements, and providing flexible working policies and comprehensive family care support. Additional rewards like extra time off, vouchers, bonuses and study subsidies, combined with effective mentoring and wellbeing benefits, can significantly boost job satisfaction and engagement.

**Practical example:** A financial planning practice can strengthen its culture by launching a “Wellbeing 360°” programme. Start by having one-on-one conversations

with employees to understand their career goals, personal aspirations and wellbeing needs. From there, develop personalised career plans and align performance reviews with these objectives. Offer tailored rewards, such as additional time off, wellness vouchers, or subsidies for professional development. Given that 26% of respondents have cancelled gym memberships due to unaffordability (according to the 2024 Old Mutual Savings & Investment Survey), consider offering partial or full gym subscriptions to help reduce stress.

Include a flexible mentorship system, allowing employees to choose mentors aligned with their interests. Regular feedback and surveys will keep the programme adaptive and ensure your team feels valued and supported.

**ROI insights<sup>6</sup>:** Investing in targeted employee experiences directly influences and strengthens business culture. Businesses that implement career development and mentoring programmes not only see up to a 25% increase in employee retention and a 15% boost in job satisfaction, but also foster a culture of growth and engagement.

<sup>6</sup>[Career Development and Employee Engagement: Key Strategies](#)



## RED FLAGS TO LOOK OUT FOR:

-  **Misaligned career paths:** Lack of clarity in career progression opportunities can lead to employee frustration and disengagement.
-  **Insufficient recognition:** Failure to acknowledge employee achievements can diminish morale and motivation.
-  **Ineffective mentorship and development programmes:** Lack of effective mentorship and limited access to professional development resources delay employees' growth and prevent them from acquiring essential skills and insights for career advancement.
-  **Neglect of wellbeing benefits:** Absence of comprehensive wellbeing initiatives lead to increased stress and lower job satisfaction.
-  **Inconsistent feedback mechanisms:** Lack of regular feedback sessions result in stagnant employee growth and unmet expectations.
-  **Rigid work policies:** Inflexible working arrangements can lead to employee dissatisfaction and difficulty balancing personal and professional responsibilities.

## 6. A DELIBERATE FOCUS ON TEAM HEALTH AND WELLBEING

Our 2024 Wellbeing Survey highlights a significant rise in stress levels, jumping from 39% in 2023 to 61% in 2024. To foster a supportive team culture, business leaders must prioritise holistic health through mental health support, wellness programmes and work-life balance initiatives. Despite rising stress, the survey also shows an improvement in mental health ratings, increasing from 7.4 in 2023 to 7.9 in 2024. Leading industry efforts include implementing hybrid or flexible working options, regular workload check-ins, mental health days, wellbeing topics in team meetings, no meetings on Fridays, and dedicated "ME time".

**Practical example:** A business could partner with external providers, such as ICAS (Independent Counselling and

Advisory Services), which offers Employee Assistance Programmes (EAPs) focused on mental health support and wellbeing services for employees. To boost team engagement, consider organising a fitness "team challenge" and offering lunchtime yoga/meditation sessions. You could also run stress management workshops or share a list of free online courses. Additionally, incorporating wellbeing discussions into regular team meetings can help reduce the stigma around mental health and create a more supportive work environment.

**ROI insights:** Investing in wellness programmes yields a strong return on investment, with recent data showing an ROI of R2.50 to R4.00 for every rand spent, due to reduced absenteeism and lower healthcare costs.



## RED FLAGS TO LOOK OUT FOR:



**Rising stress levels:** Significant increases in stress levels nearing burnout contribute to a decline in team wellbeing.



**Inadequate mental health support:** Insufficient access to mental health resources and support programmes can lead to employee burnout and dissatisfaction.



**Lack of work-life balance initiatives:** Absence of flexible working options and policies like “No meetings on Fridays” suggests a failure to prioritise employee wellbeing.



**Neglected team engagement activities:** Failure to implement team-building initiatives, such as fitness challenges or wellness workshops, can diminish morale and cohesion.



**Stigmatisation of mental health discussions:** Avoiding conversations about mental health in team meetings can perpetuate stigma and prevent employees from seeking help.



**Limited access to wellbeing resources:** Lack of partnerships with external wellness providers for services like Employee Assistance Programmes (EAPs) restricts employee support options.

## 7. CULTIVATING A FAIR AND AN INCLUSIVE WORKPLACE CULTURE FOR ALL

True diversity, equity and inclusion (DEI) go beyond policies – it’s about creating a workplace where diverse perspectives are respected, valued and integrated into daily operations. This fosters a culture of belonging, improves job satisfaction and empowers employees to bring their best, leading to personal and professional fulfilment. However, our latest Wellbeing Survey reveals that turning DEI principles into tangible actions remains a challenge, with many businesses still relying on surface-level commitments. A genuine DEI focus strengthens business culture by ensuring fairness and inclusion for all.







**Practical example:** A financial planning business can take meaningful steps towards genuine DEI by implementing a comprehensive training programme on diversity and

inclusion best practices. Appointing a “DEI Champion” to lead these efforts and fostering open conversations among team members can further support a culture that truly values diverse talent. To deepen this engagement, consider hosting events like a “Share your heritage” morning, where employees can celebrate their backgrounds and learn about each other’s cultures. Actively involving all employees in DEI discussions and initiatives helps build a more inclusive and connected workplace environment.

**ROI insights:** Workplaces with strong DEI practices are often seen as industry leaders, attracting top talent and boosting overall performance. In South Africa, 69% of employees believe their workplace should be more inclusive, underscoring the importance of genuine DEI efforts. By prioritising authentic DEI, businesses not only enhance their reputation but also create a more engaged and motivated workforce.



## RED FLAGS TO LOOK OUT FOR:

-  **Surface-level commitments:** Relying on superficial DEI policies without genuine implementation signals a lack of true commitment.
-  **Limited employee involvement:** If employees aren't engaged in DEI discussions, it suggests a disconnect between leadership and team members.
-  **Lack of DEI training:** Absence of comprehensive training programmes indicates inadequate focus on building awareness and understanding.
-  **Low representation:** A lack of diverse representation in leadership positions reveals systemic barriers to equity and inclusion.
-  **Negative employee feedback:** Surveys showing employees feel excluded or undervalued indicate serious cultural issues.
-  **Failure to celebrate diversity:** Not hosting initiatives or events that recognise diverse backgrounds reflects a lack of commitment to fostering belonging.

## 8. BLENDING GIG ROLES WITH IN-HOUSE TALENT: ADAPTING TO THE GIG ECONOMY AND ENHANCING TEAM CULTURE

Transitioning to a gig-based model involves first leveraging the unique skills of your in-house talent by assigning them to internal projects that match their expertise. This approach boosts staff retention and motivation by offering greater autonomy, allowing employees to work on projects that align with their skills, and providing flexible schedules and remote work options. Once internal skills are maximised, consider engaging freelancers for specific short-term projects or part-time contracts. This adds new skills and perspectives, enriching the team's overall capabilities. Integrating both in-house talent and freelancers into your culture enhances work-life balance and supports a dynamic, flexible work environment.

**Practical example:** A financial advisory business can effectively adapt to the gig economy by incorporating gig-based roles alongside full-time positions. For instance, the business could hire freelancers for specific tasks like market trend analysis or social media marketing while simultaneously leveraging the skills of in-house staff. An employee with graphic design expertise could lead a project to refresh client presentations. This strategy allows

the business to tap into specialised skills as needed and keeps current employees engaged by involving them in projects that match their abilities.

In addition, staying true to your "core value add" to clients is crucial. Consider outsourcing functions that don't directly contribute to this core value through strategic alliances with preferred product providers. For example, partnerships with Old Mutual Wealth can enhance service offerings through solutions such as Private Clients, family office offerings, Tailored Fund Portfolios and discretionary fund management (DFM) capabilities. This approach not only optimises resources but also ensures that the advisory team remains focused on delivering exceptional value to clients, reinforcing the business's commitment to quality service and expertise.

The Old Mutual 2024 Savings & Investment Survey reveals that 57% of respondents are polyjobbers, meaning they have multiple income sources from various jobs.

**ROI insights:** Employee retention, engaging in-house staff in projects aligned with their skills and offering performance-based rewards can reduce turnover rates by up to 15%. Motivated and satisfied employees are more likely to stay and contribute effectively.



## RED FLAGS TO LOOK OUT FOR:



**Underutilisation of in-house skills:** Failing to assess or leverage existing in-house talent's skills may lead to disengagement and loss of valuable expertise.



**Poor communication channels:** If there are unclear or ineffective communication practices between gig workers and in-house staff, it can create confusion and prevent collaboration.



**Inconsistent onboarding:** A lack of a structured onboarding process for freelancers can result in misalignment with business culture and expectations.



**Limited project alignment:** Assigning gig roles that do not align with team objectives or individual skills can lead to frustration and reduced productivity.



**Neglecting team integration:** If gig workers are not included in team-building activities or communication, it can create a divide and hamper team cohesion.



**Resistance to flexibility:** A rigid approach to work schedules or project management may alienate both gig workers and in-house staff, undermining the intended benefits of a flex work culture.

## 9. FOSTERING TEAM UNITY: LEVERAGING ADVANCED COLLABORATION TOOLS FOR A STRONGER BUSINESS CULTURE

The rise of advanced collaboration tools is defining how financial advisory teams function, particularly in remote-first or flexible work environments. These tools boost productivity and simplify communication, but their real value lies in enhancing team cohesion and fostering a unified culture, whether working locally or globally. This integration leads to more effective client interactions and a stronger, more connected team culture.







**Practical example:** A financial advisory practice could enhance its humanity-driven skills strategy by implementing advanced collaboration tools like Microsoft Planner for task management, Asana for project management, and

Google Workspace for real-time document sharing. These tools facilitate efficient collaboration across various time zones and locations, allowing advisers and support staff to work flexibly. Additionally, the growing trend of remote work and work-life balance is reflected in practices where employees might work half day and enjoy leisure activities locally or abroad during their breaks. This approach not only ensures prompt and effective client service but also supports a more balanced and fulfilling work experience.

**ROI insights:** Investing in advanced collaborative tools can yield significant returns. Business owners that have adopted these technologies report up to a 20% increase in productivity and a 15% reduction in operational costs. Additionally, teams using effective collaboration tools are 30% more likely to meet their project deadlines.



## RED FLAGS TO LOOK OUT FOR:

-  **Tool overload:** Implementing too many collaboration tools can overwhelm staff and reduce productivity instead of enhancing it.
-  **Lack of training:** Insufficient training on collaboration tools may lead to underutilisation and frustration among team members.
-  **Poor integration:** Incompatibility between different tools can disrupt workflows and create confusion among team members.
-  **Inconsistent usage:** If all team members do not consistently use the same tools, it can lead to silos and communication breakdowns.
-  **Neglecting face-to-face interaction:** Over-reliance on digital tools may reduce meaningful in-person interactions, impacting team cohesion.
-  **Ignoring feedback:** Failing to solicit and act on team feedback regarding collaboration tools can result in low morale and disengagement.

## 10. SUPPORT TEAMS COMMITTED TO ETHICAL AND PURPOSEFUL WORK

Employees are increasingly drawn to employers who align with their values and prioritise social and environmental responsibility. This trend is compounded by the growing phenomenon of “conscious quitting”, where employees choose to leave roles that do not align with their ethical or personal values. In the financial services industry, this highlights the need for businesses to integrate ethical practices and purpose-driven initiatives into their operations, ensuring that their values resonate with their workforce and fostering a more committed and engaged team.


**Practical example:** A financial advisory practice can foster a strong, purpose-driven culture for support teams by implementing several key initiatives. Start with ethical training programmes to ensure staff members are aligned with the practice's values and standards. Maintain transparent communication about these values and regularly update

staff on how their contributions support broader goals. Embrace sustainable office practices, such as recycling and energy-efficient lighting, and encourage team participation. Provide opportunities for purpose-driven activities, like paid volunteer time, which allows employees to take time off to support causes they care about. Offer inclusive benefits that address diverse needs, such as family support services, which provide flexibility for childcare or eldercare. Finally, recognise and reward staff who actively contribute to the practice's ethical and social responsibility efforts.

**ROI insights:** Businesses that prioritise ethical and purpose-driven practices often see significant benefits. Businesses with strong social responsibility programmes report up to a 25% increase in employee retention and a 20% improvement in employee engagement. Additionally, clients are increasingly selecting advisers based on shared values, which can lead to enhanced client loyalty and business growth.



## RED FLAGS TO LOOK OUT FOR:

-  **Lack of value alignment:** Employees expressing dissatisfaction due to a disconnect between their values and the business's ethical practices can indicate a misalignment.
-  **Inadequate ethical training:** Absence of comprehensive training programmes on ethics and social responsibility can leave employees uninformed about the business values.
-  **Poor communication:** Ineffective or unclear communication about ethical initiatives and how team contributions support broader goals can lead to confusion and disengagement.
-  **Minimal employee involvement:** Limited opportunities for staff to engage in purpose-driven activities, such as volunteer programmes, may signal a lack of commitment to social responsibility.
-  **Neglecting diversity needs:** Failing to offer inclusive benefits that address diverse employee needs can alienate team members.
-  **Low recognition of ethical contributions:** Lack of acknowledgment or rewards for employees actively participating in ethical initiatives can diminish motivation and commitment to the business values.



## RETAINING TOP TALENT: A STRATEGIC APPROACH IN THE EXPERIENCE ECONOMY

In today's world, investment performance and service efficiency are no longer differentiators – technology has made them the baseline. As we move through the experience economy, client loyalty depends on more than just financial outcomes. It's about understanding life stories, shaping financial identities and helping clients build meaningful legacies.

In this context, managing and retaining top talent is crucial. With deep-pocketed industry giants attracting the best talent with lucrative offers, retaining your skilled employees becomes a pressing challenge. Furthermore, succession planning also adds another layer of complexity, especially when it comes to finding and preparing an internal successor who can handle a buyout.

### Creating an “ownership mindset”

A successful strategy involves instilling an “ownership mindset” among employees, making them emotionally and financially invested in the business's success. Here's how you can build and retain a high-performing team:

**1. Core components:** Establish a solid foundation with competitive salaries, fixed annual bonuses tied to role-specific outcomes, and employee wellness programmes. These elements promote financial stability, job satisfaction and overall productivity.

**2. Growth components:** Enhance engagement with employee benefits, project-based bonuses and commission incentives that reward quality and strategic contributions. These elements foster teamwork, encourage innovation and align efforts with business objectives.

**3. Strategic accelerators:** Implement profit-sharing and synthetic equity to motivate long-term value creation:

- o **Profit-sharing:** This strategy aligns individual goals with overall operational excellence, fostering a culture of continuous improvement. It is especially effective for positions directly connected to operational efficiency, serving as a motivating reward incentive.

- o **Synthetic equity:** It mimics the benefits of real equity without issuing actual shares. It links compensation to long-term value growth, encouraging employees to drive ongoing business success. This serves as a leadership development incentive.



### Implementing a future-focused plan

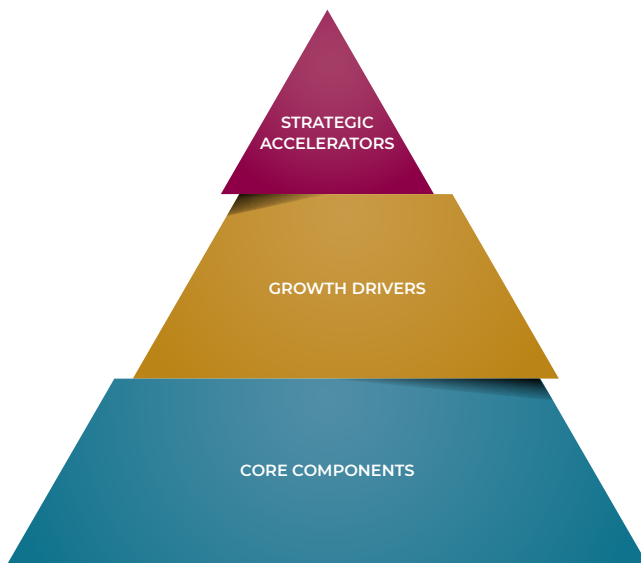
Before rolling out a compensation plan, prepare by evaluating your current and desired structures, setting measurable key performance indicators (KPIs) and determining the compensation elements that will most effectively align with your business goals. Key steps include:

- **Designing compensation plans:** Decide on the percentage of profits to allocate to profit-sharing, select roles based on impact, and establish distribution

formulas. For synthetic equity, choose the type of shares, set vesting schedules, and define valuation methodologies.

- **Administration and compliance:** Maintain accurate records, consult with legal and tax professionals, and ensure compliance with relevant regulations.
- **Communication and evaluation:** Clearly communicate the plan to employees, provide regular updates, and review the plan's effectiveness periodically.

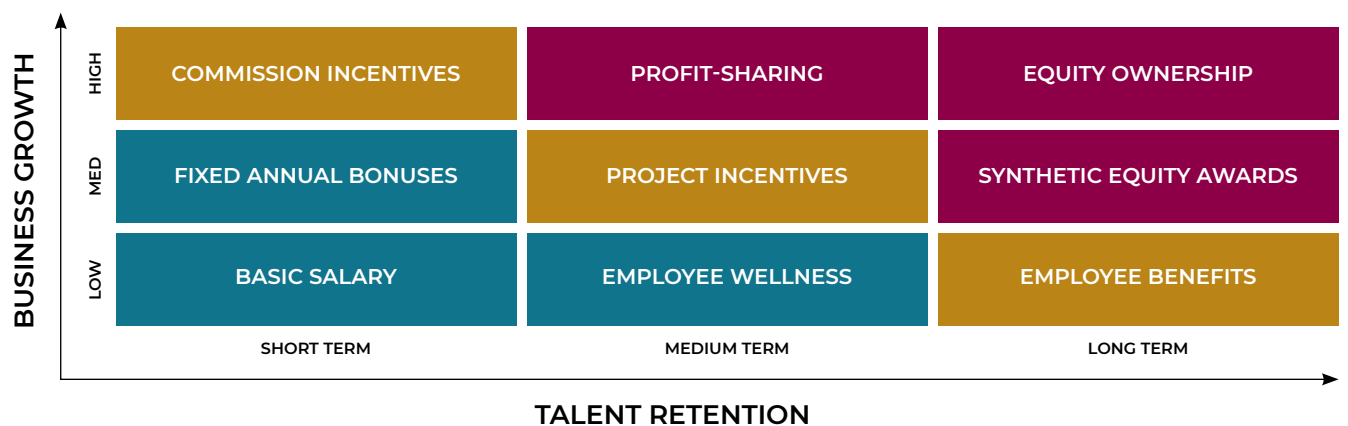
### THE 'TOTAL REWARDS' TOOLBOX



- Business-Aligned | Ownership mindsets

- Team-Aligned | Collaborative mindsets

- Role-Aligned | Performance mindsets



By thoughtfully structuring compensation and incentivisation, you can cultivate a dedicated and an entrepreneurial team that drives the growth of your business and secures its future.





## INDUSTRY INSIGHTS

### INDUSTRY LENS ON OUR 2024 EMPLOYEE REMUNERATION SURVEY

The 2024 Employee Remuneration Survey offers valuable insights into the shifting dynamics of compensation within the financial services sector. In response to a constantly evolving operating environment, this survey updates our 2023 findings with contributions from a diverse range of financial service providers (FSPs), both large and small, across South Africa.

Alarming, 14% of respondents reported receiving retirement benefits while only 1% received risk benefits, highlighting important gaps in employee support. As an industry dedicated to educating clients and safeguarding their financial futures, it is concerning to see business owners neglect applying the same level of care to their teams. This data is critical for shaping future remuneration strategies and building resilient, competitive financial planning firms capable of attracting and retaining top talent.

Click [HERE](#) to view the full report.

### A DEEP DIVE INTO THE 2024 WELLBEING SURVEY

In August 2024, we conducted our annual Wellbeing Pulse Check-In Survey to assess the state of mental health, burnout, psychological safety and work-life balance within the financial services industry.

This year, we examined how business leaders engage in meaningful performance appraisals and how effectively they tie business goals and profit-sharing to individual performance. We also explored how businesses are evolving beyond traditional incentives like a 13<sup>th</sup> cheque, to offer more dynamic rewards.

The survey highlights how socio-economic pressures – unemployment, caregiving responsibilities, rising living costs and stagnant wages – are increasing stress levels, affecting both financial stability and mental health. Additionally, we addressed the growing trend of conscious quitting, offering valuable insights for industry leaders.

Click [HERE](#) to view the full report.

### BUSINESS VALUATIONS – FINANCIAL PLANNING BUSINESSES

As all industries rapidly evolve due to advancements in technology, shifting client expectations and new business models, understanding the true value of your business or client book is more important than ever. The trends shaping the future – from the culture created, to AI integration, to leveraging advantages offered by the emerging gig

economy – aren't just altering how businesses operate or how clients engage; they're redefining the very factors that drive long-term value. For those preparing for leadership or adviser transitions, capturing not only the accumulated value but also the potential future opportunities is essential in determining the true worth of a business or client book.

Our Valuation Service goes far beyond rule-of-thumb estimates or financial snapshots. It provides a comprehensive, qualitative and quantitative assessment of the capitalised present value of future cash flows, accounting for past patterns and emerging trends that will shape its trajectory under a successor. This approach ensures that successors can fully appreciate (and will willingly pay for) both the existing value created and the long-term opportunities embedded within the business or book under assessment.

For more information, contact [OMW Business Transformation Consultants](#)

### NEW ONLINE BUSINESS TRANSFORMATION COURSE

As we have seen, the trends shaping 2024 are rapidly transforming the business landscape, and 2025 will bring even more change. Success in this evolving environment requires immediate action – small changes today can unlock long-term success. But it's not enough to focus solely on daily operations; you need to work on your business, not just in it.

We call this approach "strategic double vision" – keeping one eye on the present to ensure stability while focusing on the future to stay relevant. This mindset is key to thriving in a world where clients and business environments are continuously evolving.

To help you adapt, we've developed a self-paced online course that lays the foundation for business transformation. This course equips you with essential tools and insights to build a strong base for future growth. It is designed to fit into your busy schedule, offering flexibility without overwhelming your day-to-day operations.

By starting with these core fundamentals, you'll be prepared for more advanced strategies that will future-proof your business for long-term success.

So, the question is: Are you ready to build that foundation?

Click [HERE](#) for an overview.





## TRENDS TO WATCH FOR 2030

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### THE FUTURE OF FINANCIAL ADVISORY PRACTICES – CAN YOU BELIEVE IT'S JUST SIX YEARS AWAY?

These emerging tech trends are poised to influence everyone in the financial advisory space, touching both our professional practices and personal lives. You may notice that some of these trends are already embedded in our daily routines, shaping how we interact with technology and with each other. This shift affects you, your team, your product providers, strategic alliances and external resources. As these trends unfold, it is crucial to grasp this new language and the implications of the trends, and to stay informed. Doing so empowers you to proactively shape your business model. Don't allow external forces to dictate your future – take control and define how these changes will enhance your future business model and operations.

As business owners, financial planners and advisers, keeping up with industry trends is essential. At Old Mutual Wealth,

we track changes that are transforming financial services to help you stay effective in your work – whether it's offering lifestyle financial planning, strategising, managing teams, ensuring compliance, or even building your reputation as a finfluencer.

As we look towards the future, these emerging tech trends may seem forward-thinking, but they hold significant potential for transforming how financial advisers and teams operate and engage with clients. While embracing these advancements, it is equally crucial to prioritise building your team's humanity-driven skills, as these skills will be essential in fostering meaningful connections and effective collaboration. Here's a detailed snapshot of what to keep on your radar, including how each future trend supports lifestyle financial planning.





IN PROGRESS

## 1. QUANTUM COMPUTING IN FINANCIAL MODELLING AND PLANNING TOOLS

- **Detail:** Quantum computing is poised to transform financial modelling and planning tools with its ability to perform complex calculations and data analysis at unprecedented speeds. Unlike classical computers, quantum systems can efficiently solve problems that are currently difficult. Major players like IBM, Google, Microsoft and D-Wave Systems are leading the way. These advancements will enhance financial planning tools by improving data analysis with predictive accuracy.
- **Practical application:** Financial planners can use quantum computing to enhance portfolio optimisation, risk assessment and fraud detection. Quantum algorithms can also assist in lifestyle financial planning by offering more accurate simulations of various life scenarios, such as retirement planning and long-term healthcare needs. For instance, quantum computing can be used to analyse the potential impact of lifestyle changes on financial goals and to develop highly personalised and adaptive financial strategies. Whether you, as the business owner, choose to invest in-house by adopting new applications and tools, outsource externally to specialists, or start asking your preferred product providers what they are doing in this space, it is essential to keep abreast of these advancements.
- **Practical example:** A support team at a financial advisory business uses quantum computing to manage and optimise their client appointment scheduling. The quantum-powered system quickly processes complex variables, such as client preferences, adviser availability and office resources, to create the most efficient schedule. This reduces conflicts and minimises manual adjustments, allowing the team to handle more appointments smoothly and focus on other critical tasks.
- **Supporting lifestyle financial planning:** Quantum computing will empower product providers to create cutting-edge financial planning tools that are highly dynamic and precise. These advanced tools will enhance lifestyle financial planning by anticipating and adapting to clients' evolving needs, ensuring that financial strategies remain effective as personal circumstances change. As a result, financial advisers and planners will have more time to focus on their core strengths – listening to clients, offering tailored advice, engaging in behavioural coaching and working on business development.



COMING SOON

## 2. SPACE ECONOMY INVESTMENT

- **Detail:** Frontier innovations, like those found in the space economy, are at the start of the S-curve of adoption. This economy includes commercial activities such as space exploration, satellite technology and space tourism. Innovations in rocket technology, private spaceflight and satellite deployment are creating new investment opportunities. Space technologies, alongside quantum technologies, are still in their early stages of adoption, offering the potential to change industries and unlock entirely new markets for investors.
- **Practical application:** Financial planners can assist clients in investing in the space economy by recommending specialised funds or exchange traded funds (ETFs) focused on aerospace, satellite industries or space tourism. Advisers should also stay informed about developments in the sector to provide up-to-date guidance and help clients navigate these emerging investment opportunities. In your role as a financial planner, portfolio construction might be outsourced to specialist teams who follow a specific investment strategy. We're not suggesting that you become a fund manager; instead, your main focus should be on staying up to date with these emerging trend opportunities. By doing so, you'll be better equipped to provide your clients with informed and strategic advice, leveraging the expertise of specialists while ensuring that your practice remains at the forefront of industry developments.
- **Supporting lifestyle financial planning:** This trend allows clients to diversify their portfolios with forward-thinking investments, potentially boosting long-term financial growth and aligning with their interests in innovative technologies and future-oriented sectors.





THINK OF YOUR  
MOBILE PHONE

### 3. THE SURGE IN BIOMETRIC SECURITY AND IDENTIFICATION VERIFICATION

- **Detail:** Biometric security utilises unique physical traits – such as fingerprints, facial recognition or iris scans – to authenticate identity and secure access to sensitive information. This technology is becoming increasingly integral in securing digital transactions and personal data. As biometric security systems become more prevalent, financial advisers and their teams can enhance client security by integrating these technologies into their platform. As we increasingly rely on technology in our daily lives – such as using mobile phones for facial recognition or fingerprint authentication – we become more exposed to advanced biometric security measures.
- **Practical application:** Financial advisers can start embracing this trend by integrating biometric authentication methods, such as facial recognition or fingerprint scanning, into their client portals and mobile apps. For example, an adviser could implement Touch ID or Face ID for clients to securely log into their accounts, approve transactions or access sensitive financial documents. This not only enhances the security of client data but also provides a seamless and convenient user experience.
- **Note:** For most financial advisers in South Africa, adopting biometric authentication would likely involve a moderate monthly fee if using third-party solutions, with costs ranging from R500 to R2 000 per month. Custom development options, which could range from R50 000 to R200 000, might be more suitable for larger practices with specific needs. The key is to balance cost with the level of security and convenience offered to clients, ensuring that the investment aligns with your business model and client expectations.
- **Supporting lifestyle financial planning:** Implementing biometric security offers clients peace of mind by safeguarding their financial data, contributing to a stress-free financial planning experience. Secure, seamless transactions ensure that clients can focus on their lifestyle goals without worrying about the safety of their information, enhancing the overall quality of the financial planning process.



WE'RE IN IT  
ALREADY

### 4. NEXT-LEVEL PERSONALISATION WITH ENHANCED FINANCIAL ECOLOGIES

- **Detail:** Personalised financial ecologies leverage AI and data analytics to craft bespoke financial solutions and experiences based on individual client data and preferences. This technology integrates various financial elements into a unified, tailored system that adapts to client needs.
- **Practical application:** Financial advisers can leverage customised financial dashboards to integrate various aspects of a client's financial life, including investments, budgeting and more. For example, businesses in the US are using AI to analyse spending patterns and provide personalised investment recommendations. These dashboards offer a comprehensive view of a client's financial health by combining net worth, investment performance, savings goals and risk management. They also feature real-time alerts, tailored recommendations and interactive tools to support informed decision-making and progress tracking.
- We are familiar with retail ecologies and loyalty programmes such as Woolworths WRewards, Clicks Clubcard and FNB's eBucks. According to the Old Mutual 2024 Savings & Investment Survey, 66% of respondents have used points or rewards earned through loyalty programmes in the past year. Similarly, start envisioning what your financial ecosystem could look like and how you can begin gathering client insights to ensure it is relevant and valuable. Consider how your financial ecology can offer unique experiences and benefits by integrating various financial tools and services to enhance client engagement and satisfaction. This approach will help you create a more dynamic and responsive financial practice that addresses clients' evolving needs and preferences.





WE'RE IN IT  
ALREADY

#### 4. NEXT-LEVEL PERSONALISATION WITH ENHANCED FINANCIAL ECOLOGIES

- **Supporting lifestyle financial planning:** By creating adapted financial ecologies, advisers can tailor strategies to each client's unique lifestyle and goals. This approach offers a comprehensive view of financial health and delivers customised advice that evolves with clients' changing needs. Affording your clients a dashboard to view what's important to them – available 24/7 as if you were there in person – ensures that they have constant access to their financial information and insights. This dashboard tool is not meant to replace your role as a financial planner, but to enhance your service offering, providing clients with real-time access to their financial data and supporting their decision-making process. Their dashboard could include real-time portfolio performance, budget tracking, retirement projections, risk assessment, cash flow analysis, goal setting and tracking, and customised alerts for their next review meeting or important financial events, such as the tax season, investment opportunities, or significant changes in their financial status.
- **Picture this:** As a financial adviser, you hold up a mirror to your clients' spending habits and behaviour patterns, helping them gain insights into their financial decisions. This guidance allows them to develop healthier money habits and build a better relationship with their finances, ultimately empowering them to achieve their goals.



THINK OF  
THE GAMING  
WORLD

#### 5. ELEVATING CLIENT ENGAGEMENT WITH IMMERSIVE REALITY TECHNOLOGIES

- **Detail:** Immersive reality technologies enable real-time interactions within three-dimensional virtual environments, which can blend with or completely recreate the physical world. These virtual spaces range from fully computer-generated environments in virtual reality (VR), to mixed reality (MR) and augmented reality (AR), where digital objects are overlaid onto the real world. These technologies use spatial computing to understand and interpret physical space – such as recognising gestures through sensors and cameras in a VR headset – and simulate the integration of data, objects and people into the virtual experience. This offers immersive experiences that enhance client interactions by visualising complex financial scenarios and plans in an engaging way.
- We're already seeing the impact of these technologies in popular games like Pokémon GO, where players interact with digital creatures overlaid in their real-world environments. Similarly, games like Roblox, Minecraft and Fortnite showcase the potential for immersive experiences in everyday life, allowing kids to create, explore and connect in vibrant digital worlds. Additionally, titles like Harry Potter: Wizards Unite and Ingress Prime further illustrate how augmented reality can enhance our interactions with the real world, engaging players in magical adventures and strategic territory battles right in their own neighbourhoods.
- **Practical application:** Advisers can use VR to conduct virtual client meetings or create interactive simulations of financial goals and projections. For instance, clients can take a virtual tour of their projected retirement lifestyle and view visual representations of investment growth over time. VR can even be used to educate clients on important financial planning concepts – e.g. risk trade-off discussions. VR can also be used to present various investment scenarios, allowing clients to engage with and understand their financial future in a more dynamic manner.
- **Supporting lifestyle financial planning:** By integrating VR into financial planning, advisers can provide interactive and immersive sessions that help clients better visualise and comprehend their financial future and lifestyle goals, making the planning process more engaging and insightful. Imagine the ability to take your clients to a specific future event in their plan, allowing them to see and feel the experience they are working towards, which can profoundly enhance their connection to their financial goals and planning.





IN PROGRESS

## 6. GENETIC FINANCIAL PLANNING

- **Detail:** The future of financial planning could see a significant influence from advances in genomics, where genetic data plays a key role in shaping bespoke financial strategies. By incorporating genetic insights, financial advisers can align their advice with each client's unique health profile, offering a more precise approach to health-related financial planning and life expectancy projections.
- **Practical application:** For financial advisers and support teams, this means integrating genetic data into client profiles to offer tailored advice on health and wellness investments, insurance needs and retirement planning. For instance, genetic insights could be used to customise health-related insurance policies, ensuring clients are adequately covered for potential risks, and to develop wellness investment strategies that align with their unique health outlook.
- **Supporting lifestyle financial planning:** By factoring in genetic data, financial planners can provide an even more individualised approach to lifestyle financial planning. Understanding a client's potential health risks and longevity allows for more informed decisions regarding health-related financial needs, such as long-term care, retirement savings and wellness investments. Imagine having the insights to identify potential genetic conditions as if peering into a crystal ball, enabling you to plan for probable future health issues and their financial impact with greater accuracy. This approach empowers clients to plan for their future with a clearer understanding of how their health (DNA) may affect their financial goals and family dynamics, leading to more secure and tailored financial planning.



IN PROGRESS

## 7. GLOBAL DIGITAL CURRENCIES

- **Detail:** The rise of global digital currencies, including central bank digital currencies (CBDCs), is reshaping how financial transactions and currency exchanges are conducted. These developments are poised to transform the way we manage money on a global scale.
- **Practical application:** For financial advisers, staying informed about digital currency trends and the evolving regulatory environment is crucial. This includes identifying new investment opportunities in digital currencies and advising clients on how to incorporate CBDCs into their financial strategies. Whether it's understanding the risks and benefits of digital assets or exploring how CBDCs could be integrated into long-term financial planning, advisers will need to be proactive in guiding clients through this conversation.
- **Supporting lifestyle financial planning:** Global digital currencies offer clients innovative ways to invest and manage their wealth, particularly in a world that's increasingly interconnected. By facilitating easier and more cost-effective international transactions, digital currencies can support clients' global financial interests and needs. Whether clients are looking to invest in emerging markets, manage cross-border transactions or diversify their portfolios with digital assets, these currencies provide new opportunities that align with their lifestyle and financial goals.





DOING IT  
ALREADY

## 8. CONTINUED BLENDING OF TALENT AND AI

- **Detail:** Combining human expertise with AI technologies enhances decision-making by merging data-driven insights with intuitive human judgement. As AI capabilities advance, focusing on this blending of AI and talent is important for creating capacity for more strategic, client-focused work.
- **Practical application:** For independent financial advisers (IFAs) and support teams, AI can address common bottlenecks such as manual data entry, routine compliance checks and basic client queries. For example, AI-powered tools can automate client information processing and compliance reporting, reducing administrative workload. This allows advisers to allocate more time to strategic tasks, like deepening client relationships and proactively addressing evolving needs. By streamlining routine tasks, advisers and support teams can focus on personalised interactions and provide tailored advice that aligns with clients' unique financial situations.
- **Supporting lifestyle financial planning:** This integration of AI and human talent allows advisers to focus on building stronger client relationships and understanding their personal and financial goals. AI oversees routine tasks and provides actionable insights, freeing advisers to explore clients' life circumstances, anticipate future needs and offer bespoke advice. This approach ensures financial planning remains data-driven while being deeply personal and responsive to clients' priorities.



HERE  
ALREADY

## 9. GENERATIVE AI – THE NEW COGNITIVE INDUSTRIAL REVOLUTION

- **Detail:** Generative AI, often referred to as applied AI technologies, has the potential to transform the financial services industry by transforming the creation of financial reports, personalised recommendations and client servicing. By processing vast amounts of data, it enables more efficient and accurate outputs. A future trend in this space involves the application of advanced machine learning models to generate new content, such as text, images, music or even code, based on existing data. Generative AI is used to solve specific problems, enhance capabilities and create new opportunities across various industries, including financial services. For example, it can create unique client interactions, automate content creation and improve decision-making processes, with emerging technologies like "generative Pi" adding an emotionally intelligent layer to client services.
- **Practical application:** To effectively implement AI tools, begin by ensuring that your client data is accurate and well organised. This foundational step is critical for leveraging AI technologies successfully. Next, use generative AI to streamline tasks such as automating financial reporting templates and client communications, generating campaigns and presentations. This will free up your time to focus on delivering strategic advice. Familiarise your team with both traditional and generative AI tools.
- **Traditional AI tools:** Banks and businesses like Clicks and Telkom use serviced chatbots to streamline customer service. Banks deploy chatbots for handling routine banking queries and transactions, Clicks uses them to assist with product inquiries and online orders, and Telkom integrates chatbots to manage customer support and troubleshoot issues. In your business, for example, a chatbot could handle appointment scheduling, answer common questions about financial products and provide preliminary information, allowing your team to focus on more complex client needs.
- **Generative AI tools:** Generative AI tools – such as those found in Microsoft Excel with AI features, GPT-4, Pi, ReadAI and Fathom – offer advanced capabilities, including text generation for detailed reports, image synthesis for realistic visuals and AI-driven financial reports. Integrating these tools into your workflows isn't just about leveraging new technology – it's about harnessing their practical benefits. These models can translate between languages, as well as from English to code or images. ReadAI automates report generation and transcribes meetings, while Fathom records, highlights and summarises conversations, allowing you to stay focused on your client conversations.





HERE  
ALREADY

## 9. GENERATIVE AI – THE NEW COGNITIVE INDUSTRIAL REVOLUTION

- **Supporting lifestyle financial planning:** Generative Pi supports lifestyle financial planning and behavioural coaching by automating and personalising client interactions based on their values and preferences. For instance, if a client prioritises environmental sustainability, Pi can tailor investment recommendations and reports to reflect these values. It also enhances presentations by converting complex investment strategies into dynamic 3D visuals and creating personalised visual stories that turn textual insights into images reflecting the client’s financial journey. This approach ensures that financial communication is not only aligned with lifestyle goals but also visually engaging and memorable, enriching the overall client experience and supporting effective behavioural coaching.



HERE  
ALREADY

## 10. CLIENT DEMOGRAPHICS – THE SHIFT TOWARDS DIGITAL-FIRST INTERACTIONS

- **Detail:** The emerging client demographic for digital-first interactions includes tech-savvy millennials and Gen Z, who prioritise seamless online experiences. Remote workers and social media natives seek flexible services with real-time updates. Eco-conscious clients look for transparency and ethical options, while younger investors prefer user-friendly platforms. High-net-worth individuals are adopting advanced digital tools for wealth management and real-time portfolio tracking. Many clients now favour self-service options via apps and chatbots. Overall, they value convenience, efficiency and unique digital experiences.
- **Practical application:** To effectively implement a digital-first approach, start by integrating online platforms and mobile apps into your client communication and service delivery. This strategy is particularly useful for managing the “tail end” of your client base – those who prefer minimal direct contact but value high-quality digital interactions.
- Identify which client groups could benefit from this approach. For example, consider whether you need to scale down direct interaction with your “tail end” Category D clients, or if your strategy involves qualifying potential clients to complete essential information online. Additionally, assess if your high-net-worth clients are demanding 24/7 access to sophisticated digital tools. By targeting these groups effectively, you can enhance client engagement and streamline your operations while meeting diverse client needs.
- **Supporting lifestyle financial planning:** These digital tools support lifestyle financial planning by aligning financial strategies with clients’ unique needs and preferences. For instance, tech-savvy millennials and Gen Z can interact with their investments and track their financial progress through mobile apps, while remote workers and digital natives can manage their finances from anywhere. Eco-conscious clients can easily access information about sustainable investment options, and high-net-worth individuals benefit from sophisticated tools that offer real-time insights into their portfolios. Overall, these innovations offer clients the convenience and flexibility they seek, creating a seamless and an effortless experience when interacting with their financial planner. Financial planners who embrace digital tools and offer a seamless “phygital experience” are likely to see a 15-20% increase in client retention and satisfaction by 2025.

While these future trends might seem far off or overwhelming in 2024, it is important for leaders and financial professionals to start adapting and preparing for the changes ahead. Getting used to new challenges and equipping yourself and your team for the future will help you stay ahead and succeed in the changing world of financial services.

For more guidance on aligning with these trends and supporting your team’s needs, contact us to learn how we can assist you on this journey.



# TO WRAP UP

As we conclude this year's white paper, it is clear that significant changes are shaping the future of financial advisory businesses. We've examined the latest trends and insights that will influence how you navigate these developments within your own business. Adapting to these changes and integrating new strategies will enhance your ability to serve clients and support your teams effectively, and drive your business forward.

All this change can feel overwhelming and might even lead to a sense of paralysis, but that's not the intention. The goal is to keep you informed and remind you that progress is often about taking small, steady steps. As Siya Kolisi aptly puts it, ***"Success is built on the small steps you take every day. Embrace the journey and keep pushing forward."*** By making incremental adjustments, you'll steadily improve your business and its adaptability.

Let's use these insights to innovate and strengthen our industry for continued growth and improvement!

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## OLD MUTUAL WEALTH BUSINESS TRANSFORMATION TEAM



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**Industry experience:** 20 years (2004 to present)  
**Old Mutual Wealth Business Coaching experience:** 11 years (2013 to present)  
**National Diploma in Information Technology** from Oval International  
**Artificial Intelligence: Business Strategy** from MIT  
**Management Development Programme certificate** from the University of Stellenbosch  
**Executive Management Coaching** from the University of Cape Town,  
**Digital Business Strategy** from MIT  
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**SHANNON LOOTS**

**Industry experience:** 25 years (1997 to present)  
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**Certificate of Proficiency (COP)** from the Insurance Institute of South Africa  
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**MANDY MURPHY**

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**Business Management** from Unisa  
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**JACKIE SEITZ**

**Industry experience:** Over 20 years  
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**Certificate of Proficiency (COP)** from the Insurance Institute of South Africa  
**Diplomas in Project Management Fundamentals and Software Development** from Milpark Business School  
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**Digital Business Strategy** from MIT  
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**PRECIOUS GOMBA-RAMARA**

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