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financialalert Person of the Year 2007

Cecilia Farrow



By ANTHONY DAVIES

In one of the financial advisory industry's most challenging years, our 2007 *financialalert* Person of the Year stands out as an outstanding adviser, and a businesswoman of rare vision – and the courage to turn her vision into a reality in which others can share...

WHAT A DIFFERENCE a year makes. Last year's winner of the *financialalert* Person of the Year Award, Ross Butler, was an almost unanimous choice, standing head and shoulders above the field. This year, it was a much more diverse race – but there can be only one winner and, in the end, Auckland risk adviser and succession planning specialist Cecilia Farrow won through.

Based in Auckland, Cecilia is a risk adviser and specialises in the business risk and succession planning markets. She has a high profile within both the New Zealand financial advisory industry and the broader business world. She features regularly in the media and is a frequent seminar and conference presenter.

She recently completed a term as an IFA board member and continues to chair the Auckland branch.

For a number of years, she has been the principal of an Auckland practice, Assurance Financial Services (AFS) and, in early 2007, she established a new national franchise, Triplejump. To date, the firm has signed 10 franchises throughout the country. Triplejump's directors include last year's *financialalert* Person of the Year, Ross Butler, and insurance broking stalwart Allan Morris.

When asked what persuaded him to join the Triplejump board (he is the vice-chairman), this is what Morris had to say.

"[Cecilia's] vision of what she was trying to create was consistent with my values. I admire her. She is at the forefront of the industry and is delivering unprecedented solutions and advice to clients. She is just so far ahead of the market.

She's breaking new ground and that's an exciting journey to take." Morris adds that in his 30 or so years in the insurance world, he has seen a lot of advisers and Cecilia clearly stands out as one of the most exceptional he has encountered.

Succession planning isn't just Farrow's job, it's her passion. It's a subject she lives and breathes and one which she strives to get other advisers to take seriously.

"There are a lot of people out there who are running very good practices – and this is not unique just to the financial advisory and risk professions. I spend a lot of time talking to accountants and lawyers, and it is a major problem for them as well. They have a very good practice which is providing great income for them. But how viable is that business? Or is it even a business that can actually be transferred to somebody else?" she asked delegates at her 2003 FPIA Success Forum session.

"It's not just about how we get out, it's about how we get out and create ongoing continuity for our clients as well," she explained.

"Because the fundamental driver for most of us in this kind of industry is client care – and client care is not just about what happens while we're alive or working in our practice with them. It is also about caring about them when we want to move on, and ensuring that whoever takes over our business, or we are giving the business to, is somebody who shares our values and the way that we deal with clients so that for the clients the transition is very smooth.

"So, thinking about exiting your business or practice, you have to start thinking about creating

a business. And, if you talk with doctors and lawyers and accountants, you will find that they are actually facing the same dilemmas as us: how do they create transferable value, and how do they bring people into their organisation to carry the business going forward?"

Her advice to advisers is to think about systems and processes, and document them. She urges them to get their businesses to the point where they are "franchisable" even if they have no interest in turning them into a franchise.

In 2007, she took her own advice and went on to franchise her own business.

"Triplejump was formed out of my dream to build a life insurance advice company that focussed on enabling its advisers to meet the needs of their clients in the most professional way possible, while at the same time helping advisers to build sustainable and successful businesses," she said. "Over 10 years in my own financial services business, I've been evolving the philosophies, values and approach that all our Triplejump advisers have now adopted."

financialalert Person of the Year

In the season of goodwill and celebration, the *financialalert* Person of the Year Award recognises and celebrates those who've had the greatest positive effect on the NZ financial advisory industry over the year. It turns a public spotlight on those whose efforts have benefited the industry, and therefore all of us – but who, while respected by many, would probably not otherwise receive the public recognition they deserve.

In deciding the winner, equal weight is to the nominations of our key three stakeholders: our Editor, Anthony Davies; our Publisher, Graham Rich; and, our Members.

continued on page 2

carry on from cover page

Veteran life insurance adviser Brian Klee of Special Risk Insurance, who has served with Farrow for a number of years on the IFA's Insurance Advisers College, says her contribution to the profession has been "outstanding." In addition to being a top adviser, he says he's extremely impressed with the quality of the work she has done on addressing compliance issues.

Risk management consultant John Sloan of Sloan Risk Management Services, is also unstinting in his praise. He describes her as a "very good ambassador for her profession" and says she has a "remarkable appreciation" of people's risk

management and insurance needs. Her nous as a businesswoman has also impressed him. "She surrounds herself with and motivates a very good support team," he says.

In addition to having a high profile in the financial advisory industry, Farrow also has a high profile in the general business community. Last year, she and Christchurch lawyer John Mackintosh toured the country and jointly ran a series of succession planning seminars for lawyers. Mackintosh says she made a strong impression. "In every respect, she was terrific to deal with. I couldn't speak highly enough of her," he says. He adds she also impressed those attending their

seminars. "They mainly asked questions of her rather than of me, which probably means she was better than me."

Cecilia Farrow is an outstanding financial adviser and businesswoman with the rare vision and courage to turn her vision into a reality in which others can share. She is someone who has made a noticeable positive difference in 2007, an extremely difficult year for the New Zealand financial advisory profession.

She is a great ambassador for the industry and a worthy recipient of the 2007 *financialalert* Person of the Year Award. Congratulations, Cecilia, from *financialalert* and its members. *fa*

A selection of our Members' nominations for Cecilia Farrow...

"I'd like to nominate Cecilia Farrow for *financialalert* Person of the Year 2007. Cecilia is recognised as one of New Zealand's leading insurance brokers. With a wealth of knowledge and experience in the financial Services industry, she is now the founder and managing director of New Zealand's first independently-owned personal and business risk advice franchise company that has established 10 franchises nationwide in its first year. With her passion and dedication to the industry, Cecilia has produced publications and articles to improve consumer and adviser knowledge and she has also contributed greatly to financial advisers by offering business insurance courses. Cecilia is a recently retired director of the IFA, chair of the Auckland branch and a member of the Insurance College Committee. She is an asset to the industry, highly respected and wonderful mentor and lady to work for and with."

"Cecilia has been in the financial services industry for 12 years and in that time has become a recognised leader in the SME and personal business markets. She is an industry leader working with consumers, advisers and insurers so that all benefit from her passion for improving the industry's professionalism. She has considerable involvement with the Institute of Financial

Advisers (IFA) including as a Director of IFA, Chairperson of the Auckland branch IFA, and Member of the IFA Insurance College committee. She has implemented business insurance courses for the adviser market throughout NZ, contributes articles to numerous publications to improve consumer and adviser knowledge and is a sought-after speaker. Triplejump has a unique business structure and leads the way in best practice philosophies that embrace the needs of insurers, advisers and consumers. This lady has phenomenal energy and has definitely made significant change in the culture of the financial services industry with her tireless involvement at all levels."

"Cecilia Farrow gives a tremendous amount of her time towards improving the professionalism within the industry that she is most passionate about. She is a sought-after guest speaker at conferences held by professional bodies in this industry and others, and has also contributed articles to numerous publications to improve consumer and adviser knowledge. Cecilia has implemented business insurance courses for the adviser market throughout New Zealand, to educate and ensure advisers work within best practice. She has set new benchmarks within the industry. Her involvement with the Institute of

Financial Advisers (IFA) has been considerable including as a director of the IFA, chairperson of the Auckland branch of the IFA, and a member of the IFA Insurance College committee. Cecilia is highly-respected and well-known by many in the industry. She is the founder and managing director of Triplejump, New Zealand's first multi-agency risk advisory firm which has already extended to 10 franchises throughout NZ since its inception in 2006. Before that she was director of her own company, AFS, for 10 years."

"I nominate Cecilia Farrow [for *financialalert* Person of the Year]. In 2007 she has:

- created a business with leading edge solutions for businesses and individuals;
- created a high quality brand;
- negotiated with insurers and re-insurers to develop better contract terms for all adviser's use and client's protection;
- maintained an on-going training role for advisers and other industry personnel; and,
- pushed the boundaries on professionalism, integrity and education." *fa*

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financialalert Person of the Year – honourable mentions

By ANTHONY DAVIES

We would also like to honour a few others for their outstanding contribution to the financial planning industry in 2006...

AS WE'VE ALREADY noted, the field for this year's financialalert Person of the Year Award was far broader than last year. And more than one member suggested no one should get the award because no one had stood out enough to earn it.

We wholeheartedly disagree. Yes, it's been a challenging year that has seen more than a few casualties and more than a few many ducking for cover. But there have also been people willing to stand up and be counted and provide some much-needed leadership to the New Zealand financial advisory industry. The following nominees are worthy recipients of an honourable mention.

Trisha Edmonds

ING's national sales manager Trisha Edmonds jointly received the second highest number of nominations. One of the nominations Trisha received summed up why she is one of our two runners-up.

"For her energy and positivity. For her professionalism at all times. Professionalism includes such things as knowing she will keep confidential everything that needs to be kept confidential, she is always totally focused on the person she is engaging with and I have never seen her 'bag' either competing fund managers or any personnel from anywhere within the industry. She has been busy this year helping advisers come to terms with some of the more unsavoury characteristics of a year when markets were turbulent. She is a leader and can be counted

on when it comes to big projects. If she can help out, she will and if she can't, she will point you in the right direction. I could go on but I won't." (Of course, Trisha also chaired the organising committee for the IFA's Success Forum 2006.)

Stephen O'Connor

Stephen O'Connor tied with Trisha Edmonds in receiving the second highest number of nominations. SOC served as President of the then FPIA in 2004/05, the period when adviser regulation started to get topical and the Webb taskforce was established. More recently, late last year, he was appointed to serve a three-year term as a director of the international Financial Planning Standards Board (FPSB), the body that controls the CFP designation outside the USA. Then, last month, he was appointed chairman of the Council of the FPSB for 2008, and in 2009, he will chair the FPSB itself. In announcing Stephen's appointments, the FPSB noted he has earned the respect of the financial planning industry both in New Zealand and internationally.

Finance Minister Michael Cullen

Finance Minister Michael Cullen makes our "honourable mentions" list for the second year running – this year, for introducing KiwiSaver and being a driving force behind the new PIE investment tax regime.

In the words of one who nominated Cullen, "One day the industry will wake up to just how

big PIE is going to be and say, 'Michael Cullen, you rock!'"

G4 APB

As a group, the G4 – IFA's David Hutton, PAA's Dave McMillan, LBA's Alex Rogers and SIFA's Murray Weatherston – rate an honourable mention for their work in pursuing talks to form a pan-association approved professional body.

Chris Lee and Gareth Morgan

Again this year, the adviser industry's two irritants Chris Lee and Gareth Morgan featured in the nominations. Love them or loathe them, there's no denying both have made an impact this year.

As one nominee noted "KiwiSaver, managed funds, debenture company failures... it all added up to a veritable feast for two outspoken challengers to the industry. But without the challengers (and, to some punters, the emerging champions of the people), we would undoubtedly get complacent and mediocre. Rising to the confrontational approach from both might actually do the rest of the industry some good, and at the very least, it will help the rest of us contemplate our processes and product choices if for no more reason but to defend what we do."

Leanne Dalziel

Last year Ministry of Economic Development officials were singled out for the work they put in on the RFPP (Review of Financial Products and Providers), designing the infrastructure for KiwiSaver and advancing the adviser co-regulatory model. This year it's the turn of their minister Leanne Dalziel. She has been prominent this year, not the least for fast-tracking stronger monitoring and reporting powers for finance company trustees. "In spite of being a politician she makes good sense!!!" was one back-handed compliment directed her way.

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AND A VERY
HAPPY NEW YEAR
FROM THE TEAM
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financialalert Christmas/holiday closure

financialalert's offices close today for 2007, and re-open on Monday 14 January, 2008. The first newsalert! for 2008 will be with you on Monday 21 January, 2008. If anything particularly newsworthy happens during the break, we'll let you know by way of a newflash. We'll be monitoring our emails during the break, and so please do contact us if you've any urgent news releases or queries...