

## Transcript

### **Better conversations. Better outcomes.**

#### **Episode 35 – Goals-based advice for client-based outcomes**

*Rebecca Jacques* - Goals-based investing says I'm interested in essentially different metrics, right. I'm interested in your time frame, I'm interested in your priority, and I'm also interested in your probability to achieve that outcome. So, it's a very different model and skill set to talk about probability than it is to just talk about variance to a market. It is a lot more on how it's managed because you're not lumping all of their investments into essentially one portfolio. What you're doing is managing each of those goals and priorities with their own distinct portfolios, and essentially cash flow or liability modeling that sits over the top of that.

*Ben Jones* - Welcome to Better conversations. Better outcomes. presented by BMO Global Asset Management. I'm Ben Jones.

*Emily Larsen* - And I'm Emily Larson. In each episode, we'll explore topics relevant to today's trusted financial advisors, interviewing experts and investigating the world of wealth advising from every angle. We'll also provide you with actionable ideas designed to improve outcomes for advisors and their clients.

*Ben Jones* - To access the resources we discussed in today's show or just to learn more about our guests, visit [bmogam.com/betterconversations](http://bmogam.com/betterconversations). Again, that's [bmogam.com/betterconversations](http://bmogam.com/betterconversations). Thanks for joining us.

*Emily Larsen* - Before we get started, one quick request. If you have enjoyed the show and found them of value, please take a moment to leave us a rating or a review on iTunes. It would really mean a lot to us.

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*Ben Jones* - Today, we're going to be unpacking our understanding of goals-based investing, and goals-based advice. We'll talk about how the two are different, what some of the differences are compared to non-goals-based frameworks, and how advisors can develop these goals-based practices into their business.

*Emily Larsen* - Our guest today is Rebecca Jacques, the general manager for the Association of Goals-Based Advice in Sydney, Australia. The organization, known as AGBA for short, has a global reach and you'll find her views and the information for advisors in this interview to be universal as well.

*Ben Jones* - As we get started, I thought it would be helpful to hear Rebecca and AGBA's backstory as well as to do some level setting around goals-based investing and advice.

*Rebecca Jacques* - So, I've been -- it's getting close to in excess of 20 years that I've been essentially in the wealth management space. I started my life as an investment analyst. I

ended up running a research company that would have been the equivalent of Morningstar globally, but it was an Australian domiciled research company called ASSIRT that we eventually sold to Standard & Poor's. I then went on to running a hedge fund and running the operational side and the due diligence side of long-short equity strategies. And then I became an investment specialist with investment banks. Then essentially I went out on my own as an investment consultant largely because typically investment banks, women, and children are not a good mix. So, that's actually what I did. And I ended up getting involved with AGBA probably about two and a half years ago when a bunch of the -- the history behind AGBA is it's actually an industry association for advisors built by advisors. So, I've spent my career assisting advisors in understanding how to build portfolios and how to look at managers and configurations and risks and what-have-you. And essentially, the association came to me about two and a half years ago to ask if I could come and oversee that side of it through the title of general manager and oversee the content and delivery. So, that was essentially how I came to work for AGBA.

*Ben Jones* - Wonderful. And when you talk about AGBA, tell me a little bit about AGBA. What is it all about and why does it exist?

*Rebecca Jacques* - So, particularly in Australia, we went through this period -- and it's still there -- where largely the four big banks decided to acquire wealth management businesses. And as a result of that, not only did they acquire technology asset management or funds management businesses, but they also acquired the advice piece. So, there was quite a lot of -- that sort of 10 years ago when it really started, a lot of acquisitions by the majors in acquiring advice businesses. What comes with that is, unfortunately, a very prescribed way of doing advice. They control the compliance side of it. They control the investment side and the Australian industry has -- is still going through this now. Quite a lot of fragmentation whereby the advisors that are classified as independents no longer wish to be owned by the four major banks and they want to run their business the way they want to run their business. The problem that they face is obviously you go from being part of a large organization with a central buying power to obviously sitting out on your own, or there's 15 of you in a group or what-have-you, and you lose sort of, one, the buying power, but also the collective group working towards a better objective. So, that was one catalyst that gave birth, essentially, to AGBA. The other really was the fact that these guys that set it up -- and there was only 15 of them to start with that were involved in it -- believed that there was a better way of providing advice and investment solutions to clients. And they wanted to challenge the status quo. And to do that, they were looking for partners through -- all the way through the advice facets. So, right -- through legal, through compliance, through investments, through operations to basically challenge what has been the standard way of delivering financial advice, I think, probably globally, not just in Australia, and look at a better solution. And that's essentially how it was born. So, we don't preclude the large, major institutions from being involved. And in fact, a number of our members still come from those large groups. But, we are challenging the existing frame work and we are trying to find better solutions and better outcomes that deliver to what the client actually wants rather than what the industry wants.

*Ben Jones* - You know, I know over the last 10 years, the topic of goals-based or outcome-based investing has been a hot discussion topic. And it's defined differently by lots of different people. How do you defined goals-based advice in its most basic form?

*Rebecca Jacques* - Right. So from our side of it, and we look at it that I think there's been a little -- and I agree with you. Right, so first I totally agree with you. It's out there, it's very topical, particularly in the most recent period, right. The problem that we see is that the

language of goals-based advice, objective-based advice, all this sort of stuff is sort of bandied around to cover a whole range of topics. It's actually -- essentially, we classify it as this goals-based wealth management, right. And within that wealth management framework, you do have one side of the coin, which is goals-based advice, but then you've got this other side of the coin called goals-based investing. Whilst the two of them are actually linked and it's difficult to claim you can do one without the other, they are quite distinct pieces. What AGBA's trying to do is get those distinct pieces defined clearly without being prescriptive. So, we don't prescribe only one way of being a goals-based advisor, nor do we prescribe there's only one way to deliver goals-based investing. We are trying to get the industry to understand the two different camps that they sit in, and this is a -- you need to look at them distinctly, but also understand their interconnectedness.

*Ben Jones* - I like that. So, maybe we could tackle the differences between the two briefly. Tell me a little bit about what fits into the goals-based advice side of the coin and then maybe you could talk a little bit about how portfolios are then constructed on the goals-based investing side of the coin.

*Rebecca Jacques* - Yeah. So, for us, goals-based advice, and it's interesting because a lot of advisors would argue they've always been in the business of doing goals-based advice, right. They've always been talking to clients to find out what their goals and aspirations were. And we don't disagree with that. What we do disagree with is that the framework by which they took that information or collected that information tended to be in a framework that was based not on a goals-based framework. I -- they typically would define a client as having one or -- one risk profile. And they didn't really look at the relative dimensions of risk at even a profiling behavioral level. They typically utilize software packages that want to look at things in a very linear pathway, and we would argue that goals-based advice is multi-dimensional. A risk profile does not just generate your asset allocation type framework and your statement of advice. So, advice for us is very much focused on how do you elicit from the client meaningful information sources that can be used with reliability to form the basis of goals-based investing? So, things like what is their capacity for risk, what's their tolerance for risk? How do they -- what's the priority that they place over certain goals versus other goals. Are things a need, or are they just a want? This sort of stuff. But, it's got to be elicited in a manner that they can genuinely form a basis for building an investment solution for it.

*Ben Jones* - And with respect to the goals-based advice, is the reason that advisors historically have done singular risk profiles, we actually had an episode on the risky business of risk profiled, but is the difference in goals-based advice that maybe each goal is assigned a different kind of attitude towards risk as well as a time frame, and so as such, they'd need to understand the way that those variables influence the ultimate investment implementation.

*Rebecca Jacques* - Absolutely, and that's sort of -- that's what we talk about to a large extent of being multi-dimensional. You no longer can just say a client has a balanced risk profile and therefore this portfolio will meet their needs. Right. People's -- whilst risk profile -- and I'm not an expert on risk profiling, right, so I understand that there's quite a lot of academic rigor around the terminology that they use, but it's very clear that within a risk profile, there are actually something like six to eight different variables. And up until now, people just used that one singular outcome of a risk profile rather than saying there is actually all these different variables and some of those variables actually change quite significantly depending on your goal, your priority, and your time frame. But, as an all-encompassing whole as a risk profile, probably not a lot does change. But, it's these components inside it that are changing. So, I think, absolutely, it becomes something that advisors have got to understand and then how do you

track that and monitor that in an appropriate manner to deliver genuine statements of advice and financial plans.

*Ben Jones* - And why do you think that advisors should care about the topic of goals-based advice?

*Rebecca Jacques* - For the simple reason that that's what the client cares about. If you look at any studies that have been done on what a client values in financial advice or what they think that they're getting from a financial advisor, is they think they've got someone managing their goals and priorities. They're not particularly interested in I'm a balanced investor and you gave me a balanced portfolio. It doesn't mean anything to them. The language that we use, the rhetoric, is largely meaningless to any client. So to me, if a financial advisor wishes to remain relevant and remain being able to charge the fees that they charge in particularly a wealth management industry which is under massive cost pressures across the whole entire spectrum of wealth management, we need to deliver to the consumer. And I don't think that's any different to any other industry. I mean, other industries are under very similar pressure where the consumer is saying guess what? I'm at the center here and you need to start to deliver to what I want. And I don't understand what you're talking about when you talk to me about risk profiles and variance and volatility, but I do care whether I can retire in 15 years' time.

*Ben Jones* - Yeah, that's a great point. I mean I remember a lot of the surveys I think that were done by Allianz back in 2010, and they asked people about their attitudes about retirement and risks. And what they found overwhelmingly is when they explained it in financial jargon, no one understood it. And when they said would you like to run out of money before you run out of life, people all of a sudden said oh, well I understand that.

*Rebecca Jacques* - Yeah, and this is -- I mean I think -- look, finance as an academic profession has recognized that too. You've started to see, I guess, the acceptance of behavioral finance now within the confines of modern financial theory that says, look, a lot of this stuff we developed on what was efficient portfolios made sense if you're an institution and you are not dealing with the behavioral aspects. But the reality of it is governments all around the world handed the responsibility of your retirement to you, right. There is no back-stop. When we get to 80-odd and we've run out of money, we've run out of money. There is no pension that people can fall back on. So, as we've handed responsibility to the client, we also have to accept the fact that the client now wants to be obviously more in control and wants things delivered in a framework and in a manner that makes sense to them. And trying to force their behavior to change hasn't worked. We've seen it. We know all the catalysts of fear, greed, when they -- the worst possible time investors redeem. The onus really sits with our industry to say we understand that that behavior exists. It's been modeled, it's been proven. We now need to build a better system that accommodates that behavior and helps to still deliver the right outcome to the client.

*Ben Jones* - And so in essence, we've transferred the funding risk to individuals, but we couldn't transfer the knowledge and so now you see individuals seeking out advisors who have the knowledge, but want them to tailor it specific to their desired objectives.

*Rebecca Jacques* - Yeah, and I think at the same time we've had massive advances in technology, right. So, a lot of this stuff was being done, but it was being done for ultra-high net worth individuals or large institutions because that's where the computing technology was held. Because, it's costly to do this. I mean, let's face it. You're going from a one size fits all too basically a customizable solution for each individual.

*Ben Jones* - And so, what are the shortcomings of the traditional asset allocation approach?

*Rebecca Jacques* - There's two sides to it. I mean, from our side, I also run a research company, right. And my research company basically believes that it's very difficult to say that you are going to achieve somebody's goal, right, with any degree of certainty or probability if you form that view in total isolation to the environment that you sit in today. Alright, so this is not about market timing. It's not about trying to trade the market. But, it's understanding that the long run historical averages, whilst have been useful and they still are useful in modeling, you need to understand that these long-run averages hide an awful lot of periods of abnormality basically where asset classes that you think traditionally are defensive asset classes can go through periods of 10, 20 year cycles where they're not defensive or they don't behave as to the long run averages. So, traditional non goals-based investing largely just says we're going to form a view through a strategic asset allocation and guess what? You'll be fine in the long run. And you know, the problem is there's two sides to that; there's the market side of well, what is -- where are we today and how are these asset classes going to behave? But then there's also the investor's actual own time frame. Are they here for 150 years? Or have they got five years to go and they actually need all that money in five years? And so, these sorts of variables need to be factored in and factored in in a much more rigorous manner than what they have been done in the past.

*Emily Larsen* - Goals-based advice falls in line with existing consumer trends around mass customization. In this case, it's all about the client's end product of your work; their goal. As advisors look for ways to remain relevant, enhance client experiences, and deliver more for their customers, this framework of advice is getting more and more attention. Technology has changed the landscape, but clients still want advisors with deep knowledge, plus the ability to navigate and adapt to real life in real time.

*Ben Jones* - It seems to me that when you were talking earlier about advisors and what AGBA's trying to do is to get people to understand the behavioral aspects of investing and advice, and then matching it with the goals-based investing itself. We probably skipped over the idea that even Markowitz himself, and I think you quote in one of your papers Markowitz and Statman who, interestingly enough, Statman's work was what we based our entire episode one on investor archetypes about, but they kind of have redefined risk in the last, call it five or six years, and they kind of define risk now as falling short of obtaining or meeting a minimum threshold for that goal, and so that shortfall component plays an outsize role in modeling a goals-based investment. Could you talk a little bit about why?

*Rebecca Jacques* - Yeah, I mean, it's essentially because the shortfall is what's got to be managed at all times, right, so I mean people focus on probability because it's a number that typically a client can understand. Oh, I've got an 80% probability of winning, right? I like the odds. But you've still got to manage that shortfall, and that's-- that's the real I guess the science behind it, of trying to understand the priority of those buckets and how you manage the shortfall risk in there, so it's -- You know, you can model shortfall basically based on how far short are you of these goals and what's happened within each time frame if the assets don't -- haven't behaved as you had forward anticipated they've behave, right, so what does that now do to your total risk? Or shortfall risk that says okay, we really are now going to fall short of this goal, we're far greater than what we thought we were and we need to manage that. So it's a complex arena to be honest because we could shortfall does actually require you to define quite explicitly your target or reference point so you really do have to understand what you're actually able to achieve and you've got to model that appropriately so you're no longer saying essentially I'm

trying to do what the market is trying to do because to a client invariably your client doesn't actually you know I mean people care about what the markets do when they scream ahead, right, and not everybody cares because did you make 20% or did you make 22% or what have you but you know when you're dealing with an environment not only where markets can fall but you're talking about returns in the single digit they actually care more about their shortfall to actually achieve the goal that they wanted. Which is invariably a lifestyle type of goal.

*Ben Jones* - And how do you recommend that advisors kind of get or have that conversation to get kind of really explicit with the shortfall discussion?

*Rebecca Jacques* - I think it's-- To me it's about pulling apart to a certain extent that risk profile so understanding really what is there. So you're trying to elicit from the client in a meaningful way and there are groups that are really delving into this in quite a lot of areas to actually get some more science around it, right, or more robustness around it, but you know clients will say like I want to retire in 20 years, okay right you might want to retire in 20 years but you know when I talk to you about what happens if you've got a-- you've got a shortfall here, that means that you probably can't retire, you can't live on this standard of living once you've retired for 20 years you've only got 15 years that you can live for. Then they sit there and go "ah well wait a minute", okay so I've still got these levels of time frame, I've got cash flow and I've got my priority, basically, to a certain extent and they might say look the time frame isn't going to change. I'm mainly going to retire, I want to retire in 20 years, I can't do this catching the bus into work or the Tube or what have you, you know, I'm too old and I don't want to work anymore. But what I can do is cut my spending in the short-term because it's not acceptable for me to have that degree of shortfall in my life expectancy or what I'm going to do, so you've got to bring, unfortunately for an advisor, and this is the tricky part, the implementation side of it, you've got to get that conversation that's really about a bunch of numbers and a bunch of skewnesses and variances and all sorts of things and you've got to distill it down into a conversation that makes sense to a client but you've also got some anchor points to explain it to them as. So what does shortfall mean to the client? Don't just give them a figure; you've got to translate that back into a lifestyle objective and goal.

*Ben Jones* - You know I really like the way that you frame that because I would imagine that having that conversation with an individual as you're early in the relationship or even if they've been a client for a while that you can anchor back to allows you to really anchor them in the fact that an investment portfolio can't overcome a savings rate issue or a time frame issue which I think a lot of times kind of clients shop advisors to see who can give them the best hypothetical so that they cannot adjust their lifestyle or not adjust their timeframes.

*Rebecca Jacques* - Absolutely. And that's the point, the anchor point is that you look at it and this is why we pull it apart and say there's goals-based advice and there's goals-based investing. The conversation that an advisor has speaks variably in goals-based advice around finding those reference points, right, the time frame, the priority, the cash flow and what is it the goal that they want and how many goals have they got, right? Unfortunately our industry they just went well here here's the portfolio, this sort of seems to fit what you're doing, right? And that's where the challenge of goals-based investing is is to say well wait a minute probably the advisor's got some of this information but we need to just bucket it under one topic called risk profile or one topic called asset allocation and we need to give them one portfolio. Well now we need to strip it apart and pull it apart but we've also got to give them back meaningful figures that can be converted to the language of the consumer because the consumer is driving their retirement basically now and so that's what they do and if you promise to deliver something that you have no control over, we have no control over where markets go, we have no control over

their cash flow or their time frame we can get them to understand that these are things they can -- not withstanding markets, but you can start to manage and control better to achieve an outcome that you want to achieve. But we can't -- we're not printing money here, it's never about printing money, we've just got so many levers that we can work with and hopefully we can get you there.

*Ben Jones* - So conceptually I agree with the concept of focusing people on goals and not market returns but if we kind of shift to the client experience you know one of the things that I do see and you brought this up earlier is that clients still want to know well how did I do in absolute or relative terms, and so how do you tackle or recommend that advisors tackle the topic of kind of benchmarking and reporting the performance of the individual's portfolio?

*Rebecca Jacques* - So one of the challenges is exactly that, right? If you look at our industry we're very very good at reporting how well we've behaved or done or achieved relative to the broader market. What we're not so good at is reporting it relative to a goal and that is a challenge that still exists in Australia we're working with a lot of software companies you know both globally and domestically to try and get a reporting system that enables financial advisors to easily put in a goal and track it relative to that goal. And what the client actually really wants to know is okay, my portfolio lost money, what have you, but what does that mean for me in terms of still being on track to achieve my goal, right? What's happened to my probability, what's happened to my shortfall, what's happened to my time frame, what do I need to do to manage this, right? And that's -- that is a challenge that a lot of people are still grappling with.

*Ben Jones* - And so from a consumer perspective how would a consumer know if their advisor is doing a good job or not with their portfolios if they can't benchmark them to some sort of objective or relative measure? How do you think advisors can kind of answer that question because I know that I've seen a lot of clients get confused by this particular issue?

*Rebecca Jacques* - It's one of the biggest issues we tend to find, right, because if you go down the path of building goals-based investing typically as a general rule, and this is a general rule, so you know but a lot of times during periods of market outperformance for want of a better word your portfolios don't look as good, and the reason is is because you're managing a lot of downside risk and shortfall risk. It's a bit like carrying an insurance policy all the time. Invariably their clients -- what they've found is their communication actually completely flips, in the sense that when markets have bad periods, of either underperformance or losses, typically the client is no longer particularly stressed and they don't tend from an advisor perspective to be spending their whole time on the phone going "I'm just ringing you to let you know your portfolio's lost money but stay the course." What they're actually finding is the conversation is when the markets rally and the clients go "oh, so I didn't seem to get as much of that upside as I thought I would" so their whole communication piece is shifting dramatically. From a client's perspective how they work out whether they've got money and this is the biggest problem with all of investing is if you don't get there, well you don't get there but it's too late isn't it? I mean you know so what do you do, your faced with retirement, your advisor lost you all your money or what have you and you never achieved your goal but guess what you got to retire so it's too late.

*Ben Jones* - That makes sense. Now I think there would be some folks listening to this in the audience that would be particularly upset if I didn't ask this question, which is ultimately what's wrong with benchmarking portfolios to indexes or the components of the portfolio?

*Rebecca Jacques* - Strictly speaking there's nothing, right? Despite everything, I mean I've studied downside risk and all the variances that come with it for years. Understanding the risk inherent in a market is part of the equation but linking your whole sort of investment outcome to a market that is largely irrelevant to you and your personal goal, is where the disconnect happens, so you know people talk about I shouldn't care about what the market does. You should care, right, to a certain extent, because it makes a difference to how you invest today and going forward, you need to understand the risks that are inherent in the market but no you shouldn't care how it behaves on a day to day basis relative to your individual outcomes because the market is going to do what the market's going to do. What you need to do is manage those risks appropriately so that you're achieving your outcome, so benchmarking yourself to a market that is running on very different variables to what you're trying to work for is where the disconnect happens, unfortunately so they would talk about oh I don't need to care about the market. You do need to care about it, you just don't need it as your reference point. It's not your point of success or failure.

*Ben Jones* - One challenge that still exists with goals-based investing is how to measure and report progress on the client's goals when all they really want to know is how they've performed on maybe a relative basis, relative to a benchmark or their neighbor or a sister, etc. As Rebecca says it really comes down to translating those numbers into their own unique objectives, and this is usually some sort of lifestyle example. Rebecca shares some of the opportunities she sees out there to make goals-based advice more scalable and accessible to more consumers. So I'm curious about the issue of kind of scaling goals-based advice because if you start customizing and tailoring multiple portfolios to multiple clients, one you have to have a really robust technology to be able to do that, but also how many clients, I mean they hit capacity pretty quick, no?

*Rebecca Jacques* - They do and the reality of it is if you look at where goals-based investing is being applied at the moment it still tends to be in those advice practices that have high net worth clients so they don't have a lot of clients but the dollar values of those clients are significant. So the challenge to the industry is to make it more scalable. Right? In a manner that still works for the average consumer. It's a massive issue in Australia because we -- and it probably is globally but we have in excess of 60% of all sort of Australians that have no financial advice. Now they're responsible for their own retirement, so this is a massive chunk of the population that don't have financial advice because it's too costly. Basically and this is not even going down the path of goals-based, this is just doing the standard status quo. So the challenge for the industry is exactly that, how you make it more scalable and technology is playing a part in it but at the moment what you're seeing is if you look at particularly what I would classify as robo-advice out there, it is nothing more than a digitalized version of the old methodology. That is a massive challenge to implement the new methodology. To me it's about the industry, wealth management as a whole has been built by people essentially working very much in silo operations right? So I build the software and I'm never going to let anybody else put any input into it, or something or I build a product and I won't build anything else, it's just this product and I'm not going to tailor it in any way. That culture's got to change and you're starting to see it, you're starting to see organizations around the globe start to work with one another and understand, you know, I've got a value proposition but I don't need to control the whole value framework to make money from that value proposition.

If you're an advisor what does it feel like when you get kind of the goals-based conversation right with a client?



*Rebecca Jacques* - So I'm not an advisor so let me preface that right? just to say that the advisors in our network, the very first thing they say is that the satisfaction level from the client is just you know quite a much different level, a much higher level so from an advisor's perspective they're not actually having -- what they use to classify as a really terrible conversations, like ringing a client out and telling them they've lost a lot of money but it's okay, so they don't tend to have those conversations anywhere near as much, so from an advisor's perspective they actually are freed up to actually focus on what they do best which is work with the client to deliver to their expectations so they spend a lot more time I guess having more meaningful conversations with the client rather than just saying it's okay, I know we've charged you fees and you've lost 20% but it's fine, we're still going to get there. You know, they tend to-- the conversations tend to on a much more positive note and also a much more diverse note. They tend to learn more about their clients and probably get more involved with them, basically.

*Ben Jones* - And if you're the client of an advisor that uses a goals-based approach, how does it feel from that perspective? How do you think they feel?

*Rebecca Jacques* - Invariably the client one of the resounding things they say, they feel that they're being listened to. So the value proposition seems to line up. I think we spend a lot of time in our world of numbers and jargon and we sort of forget the client not only doesn't understand it but actually really doesn't care. They don't understand it, they don't care about it, they just want to be able to either retire or pay for their daughter's wedding or buy a new car or go on-- and that's all they care about, right? So they-- I guess they from the client's perspective what a lot of them get coming back is saying it's a rewarding experience to deal with these people as opposed to I could have seen my financial advisor, and try and look intelligent in front of them and oh I have no idea what they're talking about really.

*Emily Larsen* - Rebecca said that the advisor is freed up to focus on what they do best in a goals-based advising framework. The power of a goals-based framework shifts from talking at clients about fees and returns to listening to clients about their hopes, dreams, and aspirations. This shift results in more diverse and better conversations allowing you the advisor to gain insights into your client's preferences about money and life. These insights can lead to potentially better advice and much deeper and enduring relationships with your clients.

*Ben Jones* - Stick around to the end of our show to hear Rebecca's parting thoughts on this topic. Now whether you're using a goals-based framework or not we hope that the viewpoints and resources that we've discussed today can help you along in your journey. Thanks again to Rebecca for joining us all the way from Australia on our show and remember to check out the show notes with links to AGBA and other resources at [bmogam.com/betterconversations](http://bmogam.com/betterconversations). Thanks for listening to Better conversations. Better outcomes. This podcast is presented by BMO Global Asset Management. To learn more about what BMO can do for you, visit us at [www.bmogam.com/betterconversations](http://www.bmogam.com/betterconversations).

*Emily Larsen* - We value listener feedback and would love to hear what you thought about today's episode, or if you're willing to share your own experiences or insights related to today's topic, please e-mail us at [betterconversations@bmo.com](mailto:betterconversations@bmo.com). And of course the greatest compliment of all is if you tell your friends and coworkers to subscribe to the show. You can subscribe to our show on iTunes, Google Play, the Stitcher app, or your favorite podcast platform. Until next time I'm Emily Larson.

*Ben Jones* - And I'm Ben Jones. From all of at BMO Global Asset Management, hoping you have a productive and wonderful week.

*Rebecca Jacques* - If advisors don't change to make what the consumer wants, someone's going to come from outside and deliver it, because you know disruption is all through the world at the moment. It doesn't have to be a wealth management business that will solve this need because it's a massive need that's out there. When you have greater than 50% of your population that gets no advice and yet they are now responsible for their own retirement governments aren't going to let this sit by. They can't afford to because the degree of social unrest that will occur if we let the elderly become homeless because we didn't look after them through that advice journey we can pretend this issue's going to go away and that it's a short-term trend but I think that if you look at one of the key drivers, it is the consumer driving this and the financial profession at an academic level agrees with the consumer and the industry is now working very hard and very fast to try and implement this scalable in a robust and compliant fashion.

*Emily Larsen* - This show and resources are supported by a talented team of dedicated professionals at BMO, including Pat Bordak, Gayle Gipson and Matt Perry. The show is edited and produced by the team at Freedom Podcasting, specifically Jonah Geil-Neufeld and Annie Fassler.

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