

BETTER BUSINESS TECHNOLOGY REVIEW

Intelligent integration?



Loosmore

Continuing his exclusive series for *Professional Adviser*, Mark Loosmore from technology consultancy AT8 Group analyses planning tools for advisers. Each week Mark selects a tool currently available to UK IFAs and assess its strengths and weaknesses. Our aim is to help advisers compare and contrast solutions so they can identify the tools that may be most suitable for their businesses.

This week: IntelliFlo

I have written about many of the leading financial planning tools on the market over the past weeks. I have been impressed at the quality of most of the tools and the real business benefits they provide their users.

However, I have been concerned consistently that the tools are largely standalone and fail to integrate to other key tools in an IFA's technology infrastructure.

Typically an IFA would already have entered huge amounts of the data into their back-office and/or Point of Sale systems but are then usually expected to re-enter this data into their planning tool.

Integration points

Thankfully the business benefits of using the tools have, for many, justified this extra effort. However, this does not make it a business process I would recommend to anyone if an integrated alternative exists. To be fair, some of the tools do have integration

points: Truth from Prestwood is probably the most advanced, with integration to both 1st and Plum, but it still leaves some big user groups operating without any integration.

With this in mind, I was pleased to see IntelliFlo launch its planning tools, sold as an

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extension to its Intelligent Office and so fully integrated. The first release is not pitched as a full cashflow analysis tool, but is aimed instead at what

IntelliFlo describes as 'product planning'. It takes a client need (limited to investment or pensions in the current version) and analyses that using some of the techniques and processes derived from financial planning methodologies.

Fact-finding mission

How does that work in practice? The adviser will have completed the fact find in Intelligent Office (IO), including goal setting and ATR. The default ATR is based on the Towers Perrin financial model covering up to 14 questions. But the ATR can be configured to ask any number of questions, to change the ratings derived and the asset models they drive. The ATR can be run at either an overall client level or for each need area. It can also be overridden for each goal but provides an audit trail if this is done. Added to this, the ATR can also be varied by time to allow for lifestyles.

The forecasting part of the tool identifies how close to the

KEY FEATURES

NEEDS AREAS COVERED		METHODOLOGIES USED	
Retirement	✓	Stochastic	✓
Protection	✗	Deterministic	✗
Investment	✓	Balance sheet	✗
Estate	✗	ATR	✓
Education	✗	ShortfallCalcs	✓
Mortgage	✗	Light Touch modelling	✓
Specific goals	✓	Life time cashflow	✗
Debt analysis	✗	Iterative 'What if?'	✓
LTC	✗	Interactive 'What if?'	✓

PRICE

£25 per user per month for existing I/O users

This data summary is part of a wider survey conducted by AT8. For more specific information, contact: marketing@at8-group.com

goal the client is and then allows the adviser to add the necessary investment to address this goal. A suggested asset allocation is produced using the Towers Perrin stochastic engine, with a forecast of possible returns. A number of scenarios can be set up to see their effect and any changes made can be seen dynamically in the graphs on screen. The graphical tools are some of the most interactive we have reviewed so far and the process looks to be extremely quick and easy to undertake.

Action stations

Following this stage, the adviser can then enter the action section of the tool where they can adjust the client's portfolio, buying and selling funds to balance the portfolio as appropriate.

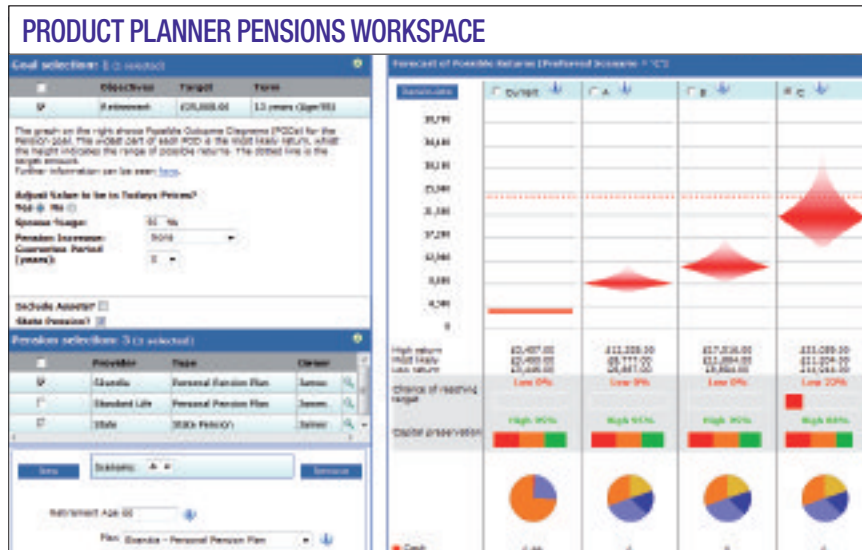
When the adviser is ready to execute the plan a snapshot version is produced and a list of transactions is created. The adviser can then commit to the changes and their back-office information is updated accordingly. This level

of process improvement would need two-way integration in other solutions to ensure everything is in sync. Here, because you are working from a single platform they are in sync by default.

IntelliFlo's launch into this market is welcome because it offers a more 'holistic' solution superset. Also, although the functionality is currently limited compared with the leading financial planning tools, what it does, it does very well.

The logical extension of IntelliFlo's entry to the market is to provide a broader set of tools including a cashflow planning capability. The effect of IntelliFlo's entry and integrated approach will put pressure on other technology providers to look at how they deliver planning tools from within their solutions or through integration with other specialist planning providers.

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0845 230 3700 info@intelliflo.com www.intelliflo.com