

Jo Little: Hi, I'm Jo Little, CEO at Emery Little, and I'm thrilled to be joined today by one of our longstanding clients, Mark Wilson. Mark, thank you so much for being so gracious with your time today. Can you tell us a little bit about yourself and your relationship with Emery Little, please?

Mark Wilson: Yeah, sure. I'm really pleased to be here. I first met your dad in, probably 1996. In a little meeting room in Britannic Tower, many of your clients will remember. Where he was giving a seminar on PEPs and BP share schemes and things. So I thought it was free, I'd go along. Then he made the sales pitch at the end and I've been a client ever since. I think one of the things that's interesting is Andy and I are about the same age. So we've sort of grown up together, but as Delyth, my wife and I reflect on our life, as we get older, he's been with us at some of the very big decisions, challenging us and pushing us. We wouldn't have some of the things in our life now that we have without him and that's... We often talk about the house we live in now. We wouldn't have bought it without Andy pushing us and saying, "Well, you really want it, so stretch yourselves."

That's the relationship that we've had with the firm. Just where we are in life, we live in Pembrokeshire and with Andy's pushing, we built a house in Bali that we can't visit at the moment. I left BP four years ago, after about 28 years there, done a couple of jobs since then, but I'm doing consulting and advisory now, but really pleased to be here.

Jo Little: Brilliant. Thank you. Oh, I love that story, really warms my heart and hopefully lots of clients resonate with that as well. You are here today. We've gone through lots of changes at Emery Little and we thought it would be a really good idea for you, as your client hat on, to ask any questions of me with regards to any changes, the future of Emery Little, spokesperson, hopefully for lots of our clients.

Mark Wilson: Okay. Well, let's start talking about you a little. How long have you been CEO now?

Jo Little: The transition actually started in 2018. So I have officially been CEO since 2018, albeit the leadership transition between dad and myself has taken, well, all of that time and it's culminated in February this year. And I think it was the pandemic that really accelerated our conversations and actually brought it to head, because as I'm sure, with lots of people, you think about what's important in life: health, family, and certainly, work. Even though the client relationships are the most important thing for dad, I think he saw it as a good opportunity to finally pass the mantle on.

Mark Wilson: So for you, the last 24, 36 months have been pretty tumultuous. You've taken over the running of the family firm. You've got married. You're about to move into a new house and like so many people, you've lived through the pandemic. As you look back on that period, what have you learned? What's most striking for you?

Jo Little: I think the pandemic itself really forced us to take a step back and to reflect on how we were delivering a service to clients. How were we going to continue to

deliver value to them in this completely new disrupted world? It forced us, I think, to adopt certain technologies much quicker than we otherwise would have. So things like Zoom, Teams, DocuSign, we're basically a paperless business now when it comes to client communication. In terms of the structure as a team, I think it forced us to delegate and elevate, to be honest. We realized that we'd got to a position as a really successful business that dad had built, we were so reliant on one person, which was him. And as part of this transition, realized that we needed, I guess, a bit more structure, greater resource in the financial planning team, clients needed to have more dedicated support, I think, direct client communications.

The biggest learning I think in order to deliver all of that is that there's no way I could have done it by myself. I needed a team around me, needed people who bought into the Emery Little values that I think clients work with us for, and that's family-run, individual personalized relationships and really working with clients as people, rather than it being about managing the money.

Mark Wilson: It's interesting as a client, you notice how previously it was Andy's firm with the team that supported Andy, or at least from my point of view, and now it does feel much more like a team play, which is interesting. So how's the transition going? I was brought up in a family business too, and I remember some of the issues. So how are you and your dad working that out?

Jo Little: We've been on a journey and I think both of us thought that it would be way simpler, way quicker and way less emotional than it actually has been. I think a couple of different dynamics were at play. One is the father-daughter relationship. And I think getting to a place where we see each other as equals in a work and business context has taken us a while, from both sides. For me not to over-rely on him, for answers and direction, because that's very much the family dynamic. And also from his perspective, to enable me, I think, to make my own mistakes and be comfortable with that.

But I think one of the positive things of working in a family company is certainly the pride I feel, particularly when it was originally my granddad's company. I know my granddad, when looking at dad and myself, he is just full of beans when he talks about Emery Little and what we've done. And the fact that we're both interested in financial planning still, as an industry and as a career. So I think that family pride and that extra fulfillment that comes with that, but it hasn't been easy. And I wouldn't say that it's for everyone, working with family.

Mark Wilson: No. No. What's Andy up to now? Both in terms of his role in the firm. Does he have an ongoing role and what is it? But also, is he actually doing what he's preached to all of us and living life on purpose or is he still spending a lot of time in the business, in your way?

Jo Little: He's very aware of the advice that he's given to clients over decades, living life on purpose, there's more to life than work. You and others would be familiar with his rock, pebble, sand analogy. For him, he would describe work very much

as a shiny pebble rather than a rock, a family, health, passions, music, that sort of type thing. What he's found is that the transition has been difficult and I don't think he had appreciated how difficult that would've been for clients. So I think he massively empathizes now, but he's not one to rest on his laurels. He wants to take his own advice, so he actually went through the life planning process with mum. So there's an authenticity there, he's a client of Emery Little. So again, he's trying and successfully so, to follow his own advice and find a way of working less, to be honest.

Lots of people will know he has a passion for music and live music and supporting young and up and coming bands. That's a very left field turn from financial planning, but that's one of the things that he's really enjoying doing at the moment, hosting live music venues, not live music venues, live music acts. He continues to do lots of physical challenges for charity. So a month or so ago, he did Hadrian's Wall.

Mark Wilson: Okay. From beginning to end?

Jo Little: Yeah. From beginning to end. I think it was for a week. And so he is got quite a few of those things in the pipeline, but he's still very much involved with Emery Little at a strategic level.

Mark Wilson: What does that mean? Is he still on the investment committee? How are you interacting?

Jo Little: Yes. He's taken a step back from the face to face client interactions, but he's absolutely still involved in the investment committee. He is chair of the board. And so in terms of direction of travel of Emery Little and key decisions, he's very much involved. Working about two days a week at the moment, so he's not completely removed from it.

Mark Wilson: Turn to Emery Little now, the company a little bit. For those of us as clients, we think about our own situation a lot, but for you, there must be a huge amount of change going on in your environment, whether it's regulation or digital or whatever. Can you explain some of those environmental contextual challenges and changes that are going on for you?

Jo Little: Yes. The pandemic was probably the biggest trigger of change for us in terms of how we interacted to as a team, how we made decisions when we were all working from home, how do we continue to communicate with clients in a really effective way? You're right. We work in an incredibly regulated environment and rightly so, because of the role and responsibility that we carry with regards to investments and people's money. But it does mean that there are certain standards that we have to maintain. And I don't know if you remember, back in 2012, there was the Retail Distribution Review, which required one core investment proposition, which we launched. Also, it required

all of our financial planners to have a minimum level four diploma qualification to give advice.

Now, we never want to operate at a minimum standards environment, so for example, our financial planning team will all be at or close to level six qualified to give the financial advice, but a really important part of the service as well is around life planning. So, yes, it's really important for everyone to be level six from a financial advice perspective, but we also want everyone to be registered life planner or to build their skills in that area as well. So I think one of the biggest context changes that we've seen is the evolution historically from traditional financial advice to then financial planning, which includes cashflow forecasting, to then life planning, which is very much about the client's life, their hopes, their dreams. And then now, where we're at is trying to combine the financial and the life elements in a way that works for clients.

Mark Wilson: Most CEOs a year or so in would've developed a new vision for the company. And so how would you describe your vision of where Emery Little's going, what it will be in the future?

Jo Little: What's nice is the purpose of Emery Little hasn't changed, and that's simply to create better lives through expert financial and life planning. I think our dream very much is to look, feel, and behave like the best financial planning firm in the country so that our clients and our team get a much better deal at Emery Little than they would anywhere else.

Now, we are doing a lot of work at the moment and very much into '22 is to what does that mean in practice? And I think getting feedback and input from clients particularly is going to be a really important part of that journey. We've asked clients in the past what's the number one thing that they value about working with Emery Little and 9 times out of 10, it's trust. So it's making sure that whatever we do, we're building trust, we're not breaking it down.

We've got three other core values of clarity. We want to always get to simplicity on the other side of complexity. So if something comes across as simple and clear, it doesn't necessarily mean it's easy, hopefully it means that we've just-

Mark Wilson: Simplified it for the client.

Jo Little: Exactly. And gone through a lot of difficult conversations, complexity to get to that point. Connection is really important. We are a people business. We like to actually like our clients and we hope that clients in turn really like us. So building connection has been a real focus for us in this past year, particularly when we've all been remote, how do we not lose that when we're not face to face? And progress is a big one for us. We live in a world that's constantly changing. We are not going to be able to get everything perfect, but we can always evolve, we can always get better. I think as long as we keep those things in mind, hopefully we won't go too far are wrong.

Mark Wilson: So the true wealth concept that Andy developed, I don't know how long ago, that stays the same. It's just a Jo Little vision of it.

Jo Little: Yeah, exactly. And it's, how does that evolve? I think true wealth, it's such a simple concept that is so powerful when clients really understand where we're coming from with that. We don't want to lose that because that's actually part of, I think, hopefully you agree, what clients really love about working with Emery Little.

Mark Wilson: So let's talk about the changes. You've mentioned change is coming a number of times through there, so what changes can we, as clients, expect to come in the coming months and years?

Jo Little: I think the biggest one is the change in the primary financial planning relationship, particularly where clients have worked with Andy in the past. We're going through that process now because we want to do it at annual review rather than on bulk in any way, so that's definitely going to be the biggest changes. I think for most other things, it'll be lots of behind the scenes, how do we improve our processes to then improve our turnaround times? How do we make sure that we are communicating to clients in a much clearer way? How do we also introduce more members of the team to clients, so that they're not solely reliant on an individual and they know that you can contact Mandy for this, or you have a power planner if you have any capital gains tax questions, that sort of type thing. So it feels, I think hopefully for clients, that they've got a whole team supporting them, that's dedicated to them and their family rather than just one individual.

I think lots of the changes that may come in the future, I definitely see them as an evolution of what we've done in the past, evolution rather than revolution. And I think the only difference now is that it's going to be done under my leadership, rather than Andy's leadership, but it's not to say that the core of what we're doing, our soul is changing. It's, we're always wanting to improve and get better.

Mark Wilson: One of the changes that many of your clients, and certainly we've seen over the last year is, move away from investment advice around individual funds, et cetera, to, "Let's just go passive," which actually the press has been supporting and makes sense, but how does Emery Little continue to differentiate itself when the financial product you're selling is a passive fund? What's your thinking around that?

Jo Little: I think it's really important to say that as the investment piece, I think ostensibly becomes simpler again, simplicity on the other side of complexity, it's not to say that it's any way less important for us as a business, very much the investment piece and financially, it is the engine for everyone's financial plans. So we, or I want to reiterate that that's always going to be one of the most important parts of the Emery Little proposition in the service.

But I think there will be lots of opportunities for us to differentiate. I think one is how we establish our relationships with clients and making sure that that is essentially the core of everything we do. I think the life planning element is unfortunately still very rare when it comes to financial planners, particularly in the UK. I think it's becoming more and more common in South Africa and America, interestingly. I liken it to everyone knows to be healthy, you need to exercise regularly and you need to eat well, that information is out there, but does it mean that we consistently implement it as individuals?

No, sometimes and more often than not, we need to seek external help either through coaches or other professionals to hold us accountable, to enable us to live life and not worry about the money, not worry about the tax planning, not worry about so many other aspects of the financial planning. And I think focusing more on that as well will allow us to differentiate ourselves in the financial planning community.

One question for you, if you wouldn't mind?

Mark Wilson: Nope.

Jo Little: As a client, having gone through a similar change in advisor yourself, from your perspective, what changes have you seen at Emery Little and how have you felt about them?

Mark Wilson: For us, the transition was relatively easy, because we already knew you and Michael and so we transitioned from your dad to the two of you. The only thing I'd say is it was a bit abrupt. We didn't get much notice that the change was coming, but on the positive side, I do get the sense that I'm serviced by a team now, rather than by just an individual and I don't get to see the team and whoever I talk to knows my story, knows what I'm trying to do, and that's a real positive. So thank you for that.

Jo Little: Brilliant. And thank you for sharing that. That's super insightful and I never regret actually asking clients how they feel or think about something, because there's a lot of wisdom in that, that we can take forward.

Mark Wilson: So obviously for me, the big change was from Andy to you and Micheal, but I understand that lots of the planning team have changed. So can you talk us through some of those changes?

Jo Little: Yeah. I think the positive and real thing we're really proud of now is that we have a financial planning team who are so bought into the values of Emery Little, we see at the true wealth planning side of things, and are the most qualified team that we've ever had. So hopefully, even though clients will be seeing a change in the main planning relationship they've had in the past couple of years, that they will still see a consistency in terms of the types of service that

we are delivering, the relationship and the importance of financial and life planning as a concept of true wealth.

Mark Wilson: That's a lot of change in the business and I've heard there's going to be a change in the way that clients are charged as well.

Jo Little: Yes, that's correct. There is going to be a change in how clients are charged and this will affect clients in different ways. So your plan will have a conversation with you specifically as to how it pertains to your circumstance. But the reason why we've made that change is to better reflect the cost structure that we're experiencing and incurring as a business. And we want to make sure that we are charging in a way that reflects the value that we are delivering through our financial planning service.

Thank you so much for your time and for listening. Now, Mark has asked lots of questions, very kindly, but I'm sure many of you will have your own that you would like to pose to us. So feel free to email them in or ask your financial planner directly, and we will look to answer them as best we can.