A perfect match

Martin Mercer offers a quick guide to finding your perfect adviser

It has now been a little over a year since pension scheme trustees needed to put in place objectives for their investment consultants, following the Investment Consultants Market Investigation by the Competition and Markets Authority. While these would typically be reviewed in detail every three years, it could well be worth kicking the tyres after the first year to see how your consultant is performing. But what will you do if your investment consultant is not performing in line with your expectations? You might want to take proactive action to ensure that your scheme receives the best possible advice, so how can you go about reviewing your consultant and what should you be looking for?

Often one of the easiest options is to talk to someone at your current adviser's firm and ask to meet other consultants to see if they might be a better fit for you. This can be a quick and easy way to reinvigorate and bring a new lease of life to the service that you receive.

Unfortunately though, it is not always the right solution and really the only way to improve the service, hear new ideas and different ways of thinking, is to go to market. But how can you differentiate between the different consultancies?

When looking at the firms that you invite to tender, you may want to consider the following:

- Having corporate stability and certainty means your consultant will be around to help you on your journey to your long-term goal.
- Receiving independent whole-of-market advice will ensure that your adviser can provide unbiased advice on the wide range of available investment options out there.
- Choosing a firm that specialises in schemes like yours means you directly benefit from that expertise and experience on other schemes.

One of the most difficult tasks when choosing an adviser is to determine value for money. The more specific you can be in outlining the services that you require, the better placed you will be to compare different firms. A great example here is regular investment reports: these can vary significantly, from a one-pager once a year to a 40-page document every quarter! But value for money is also about the quality of advice and the proactivity of your adviser in promptly raising new (and relevant) ideas that can benefit your scheme. Ask for examples of how they have helped other schemes.

Given that no two pension schemes are exactly the same, it should go without saying that no two services should be either. Your new consultant should take their time to get to know you, know the specifics of your scheme and its sponsor before they can even start to think about what ideas to bring to you. If they don't take the time to get to know you, how can they deliver an appropriate service? Make sure you're receiving a bespoke solution focused on you rather than an off-the-shelf service, only then can you be sure that your exact requirements will be considered.

This doesn't just go for any initial project either if you are looking to appoint an adviser to help you reach your long-term goal. Appointing a consultant that has all the tools and experience required to help you along your journey might mean that your next investment consultant is the last one you need.

Appointing a new adviser is often straightforward once you know what you're looking for and could also be the start of an exciting and fruitful working relationship.

At Cartwright (I had to mention us at some point, right?), we offer truly tailored solutions, focused on each individual client, to small/medium sized pension schemes. If you are actively tendering, or even just looking for a second opinion, we'd love to hear from you.

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