

FINANCIAL  
SERVICES, MILLENNIALS  
AND OPPORTUNITIES  
THIS CREATES

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LUIZA TODD - DIRECTOR

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**BTS** | BESPOKE  
TRAINING  
SOLUTIONS

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# AGENDA

- ▶ Introduction
- ▶ Millennials as consumers
- ▶ Demographic position of the financial advice market
- ▶ Millennials, apprenticeships and careers in financial services
- ▶ Bespoke Training Solutions
- ▶ Summary

# BESPOKE TRAINING SOLUTIONS

- ▶ Founded in 2003
- ▶ Learning & Development company
- ▶ Specialists in regulated training at all levels
- ▶ Design and delivery
- ▶ Project and programme management
- ▶ Large client base including SJP, Ernst and Young and Intrinsic

# DIFFERENT GENERATIONS

- ▶ Silent Generation 1926-1945
- ▶ Baby boomers 1946-1965
- ▶ Gen X 1966-1980
- ▶ Millennials (also know as Gen Y) 1981-2000



# MILLENNIALS AS CLIENTS

# THE MILLENNIALS

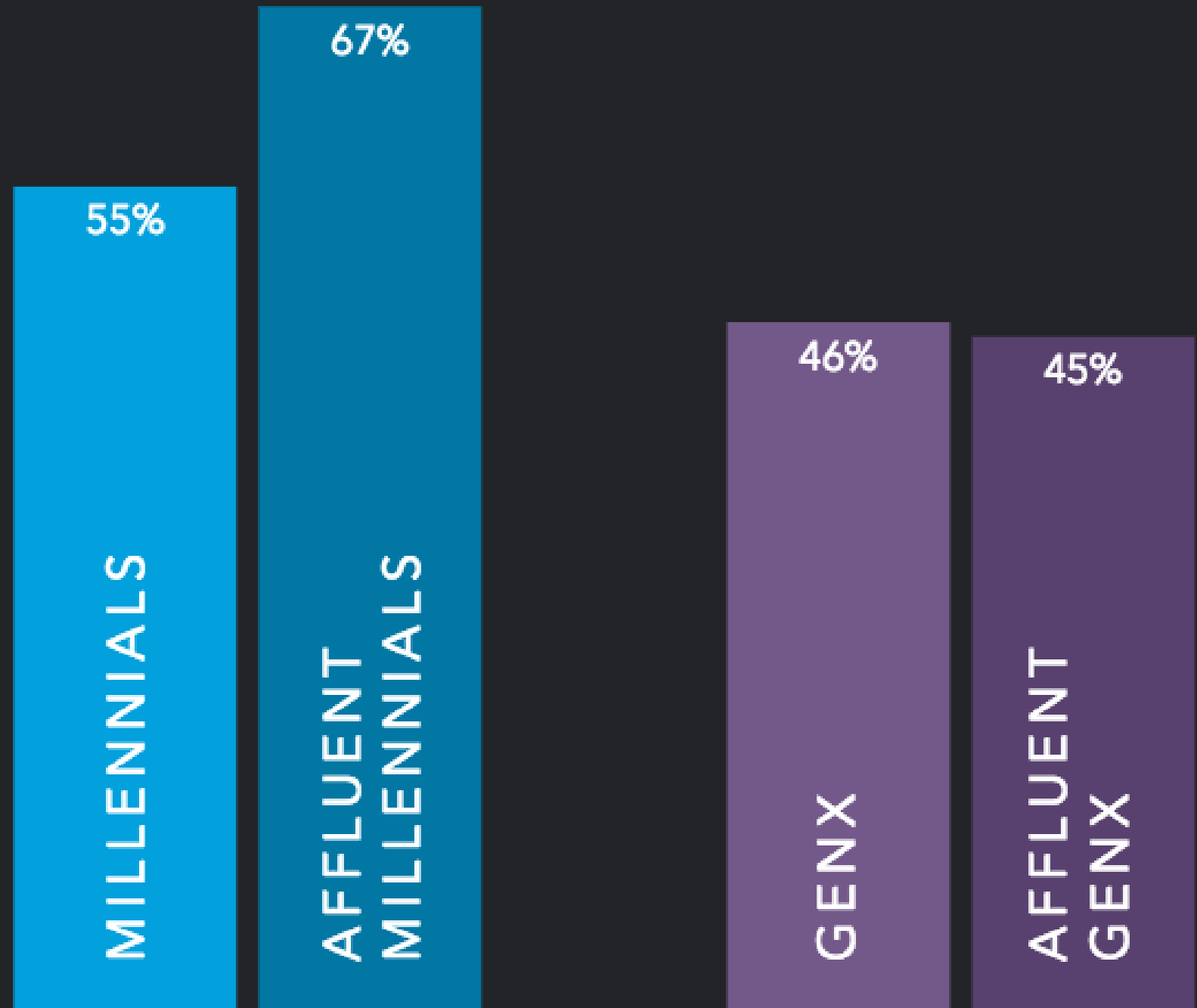
- ▶ Born between 1981 and 2000
- ▶ First digital natives
- ▶ **Social and Connected**
- ▶ Different World View
- ▶ Sharing Economy
- ▶ Access **NOT** Ownership
- ▶ Dedicated to **Wellness**



# THE MILLENNIA

**Affluent Millennials Are  
Open to FS Offerings  
from Traditionally  
Non-FS Brands**

Likelihood to Try Services from a  
Non-FS Brand



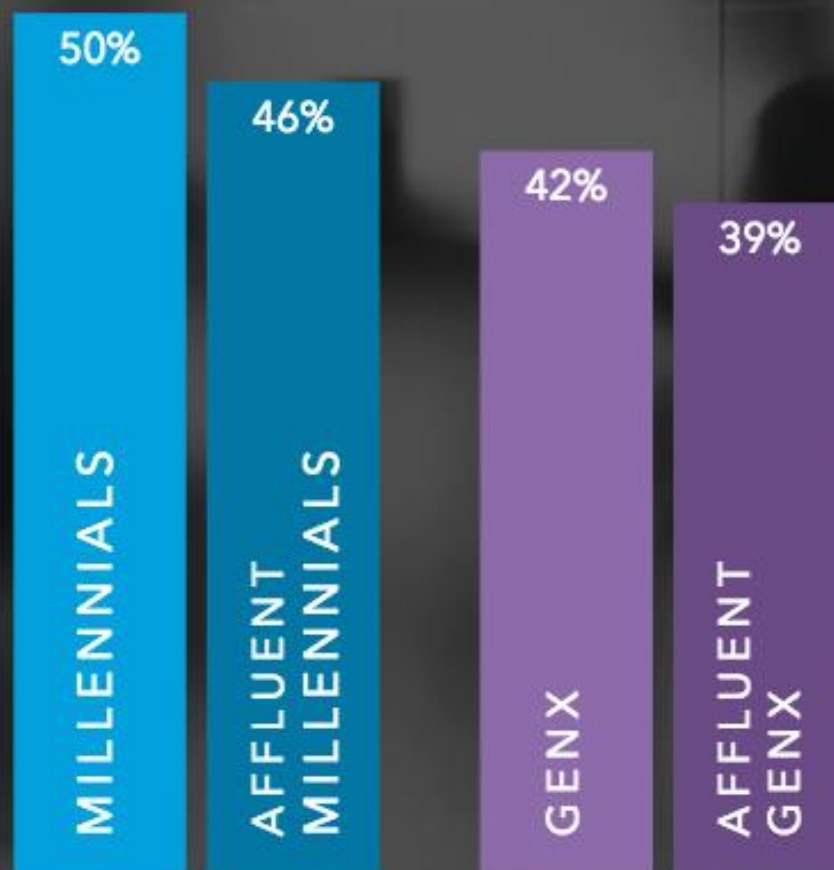
76% OF AFFLUENT MILLENNIALS  
WOULD SEEK INFORMATION  
ABOUT PERSONAL INVESTING ON  
A SOCIAL NETWORK, AS  
OPPOSED TO 18% OF GEN X

Laura Shin

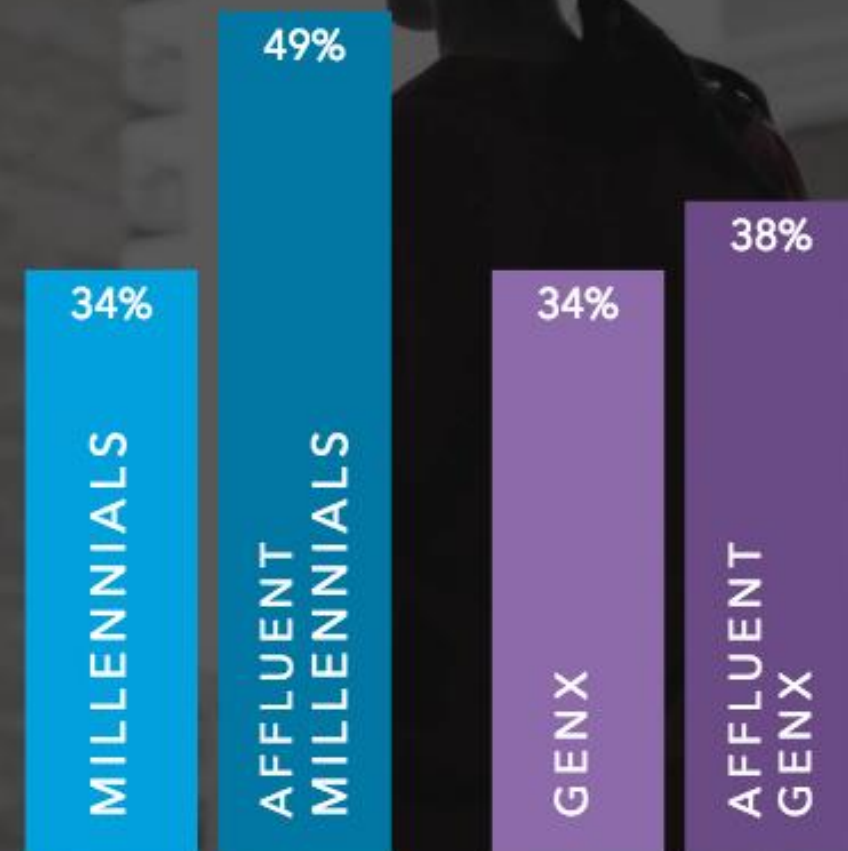


# THE MILLENNIALS

## Affluent Millennials Seek Greater Involvement & Control in Financial Decisions



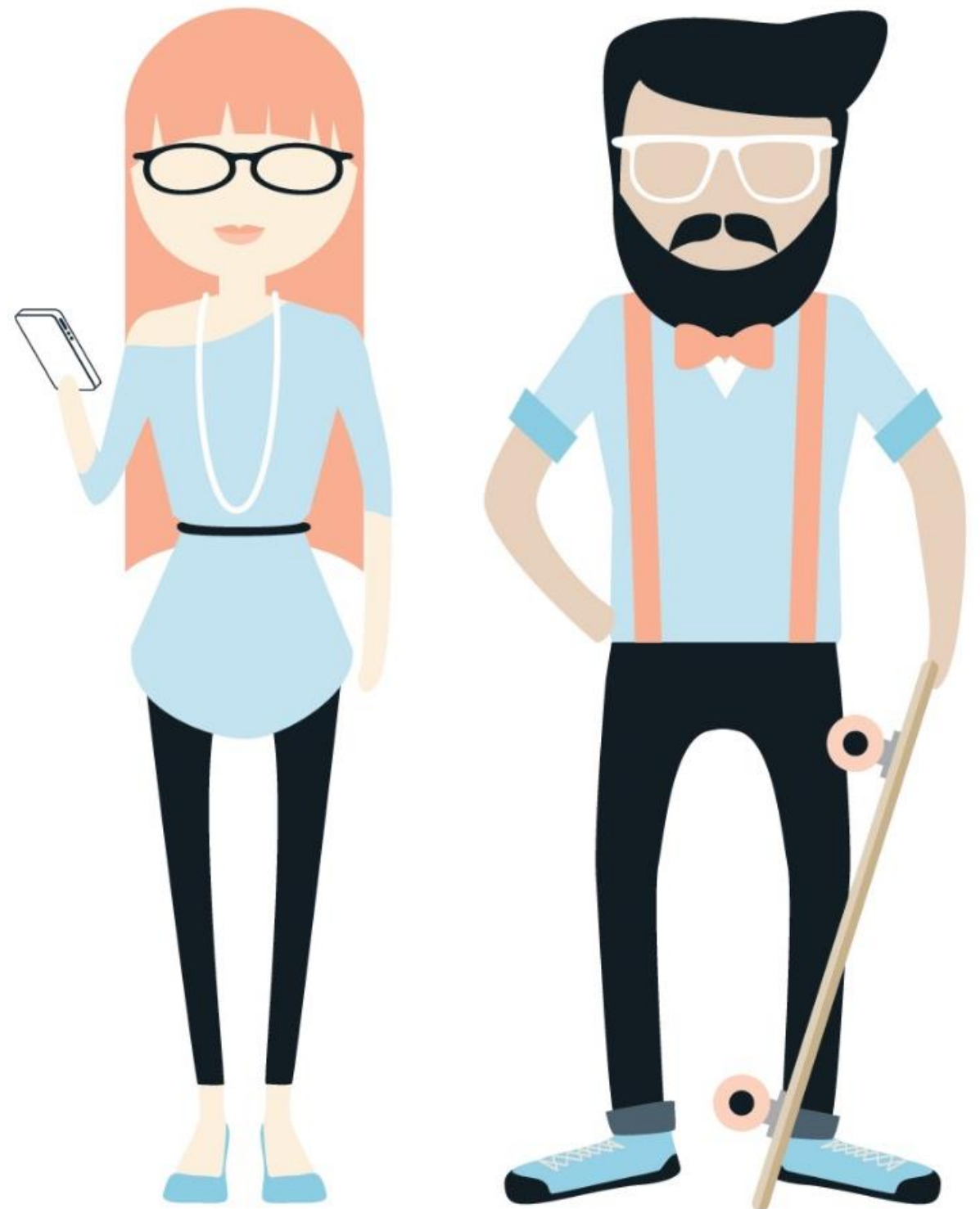
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# THE MILLENNIALS

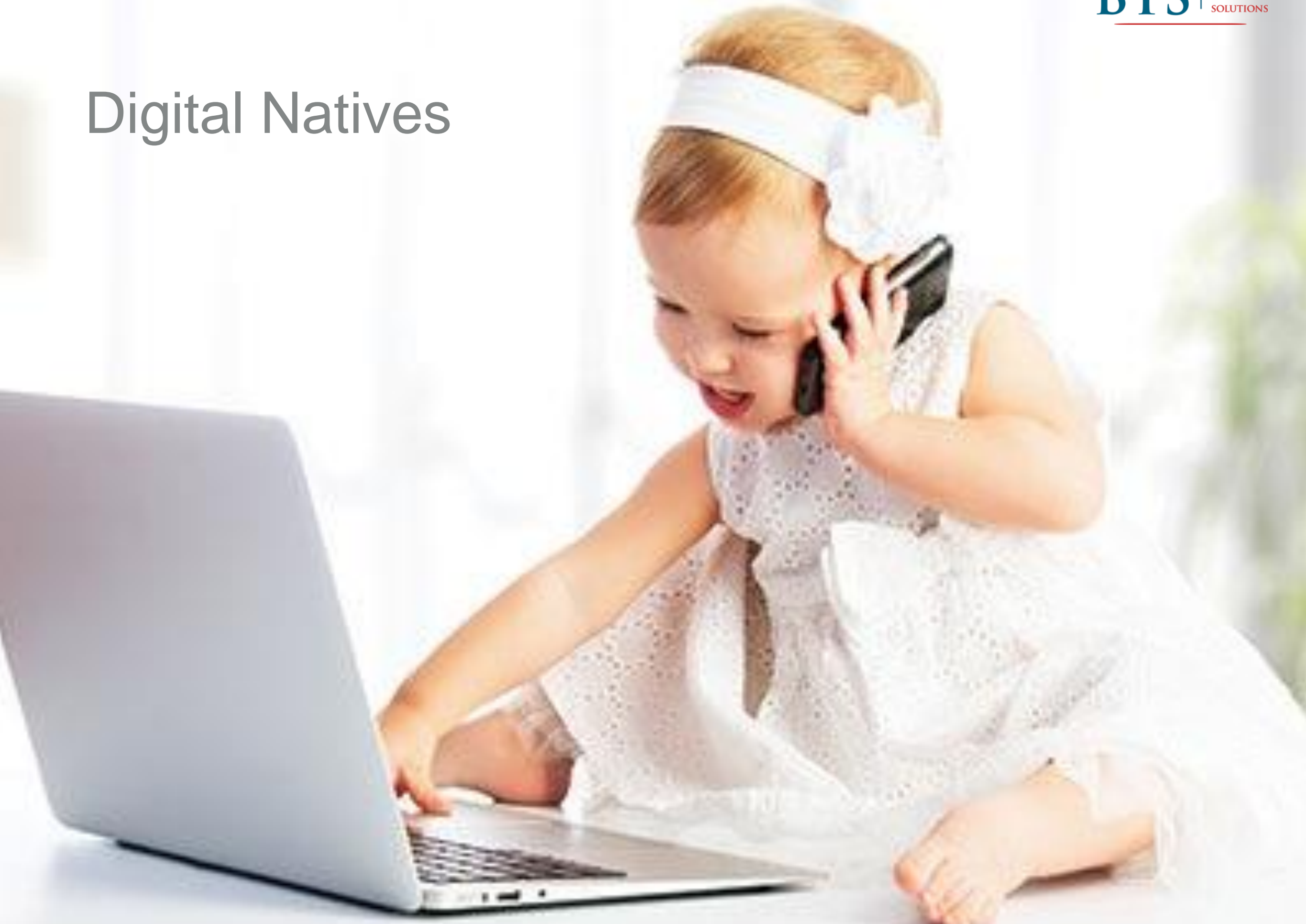
- ▶ Projected to inherit \$41 trillion in US alone by 2050
- ▶ Brand Values
- ▶ Apple, Google, Nike
- ▶ Communities dominate brands
- ▶ Price conscious but require quality



“IF YOU LOOK AT THE WEALTH AND THE PASS DOWN OF INHERITANCE, THEY ARE PROJECTED TO EARN QUITE A BIT IN ASSETS AND SO ARE A HIGHLY LUCRATIVE AUDIENCE,”

Jen Grazel

# Digital Natives





- ▶ 90% own a smartphone
- ▶ 50% own a tablet computer
- ▶ 88% class Facebook as a news source
- ▶ 69% check the news at least once a day



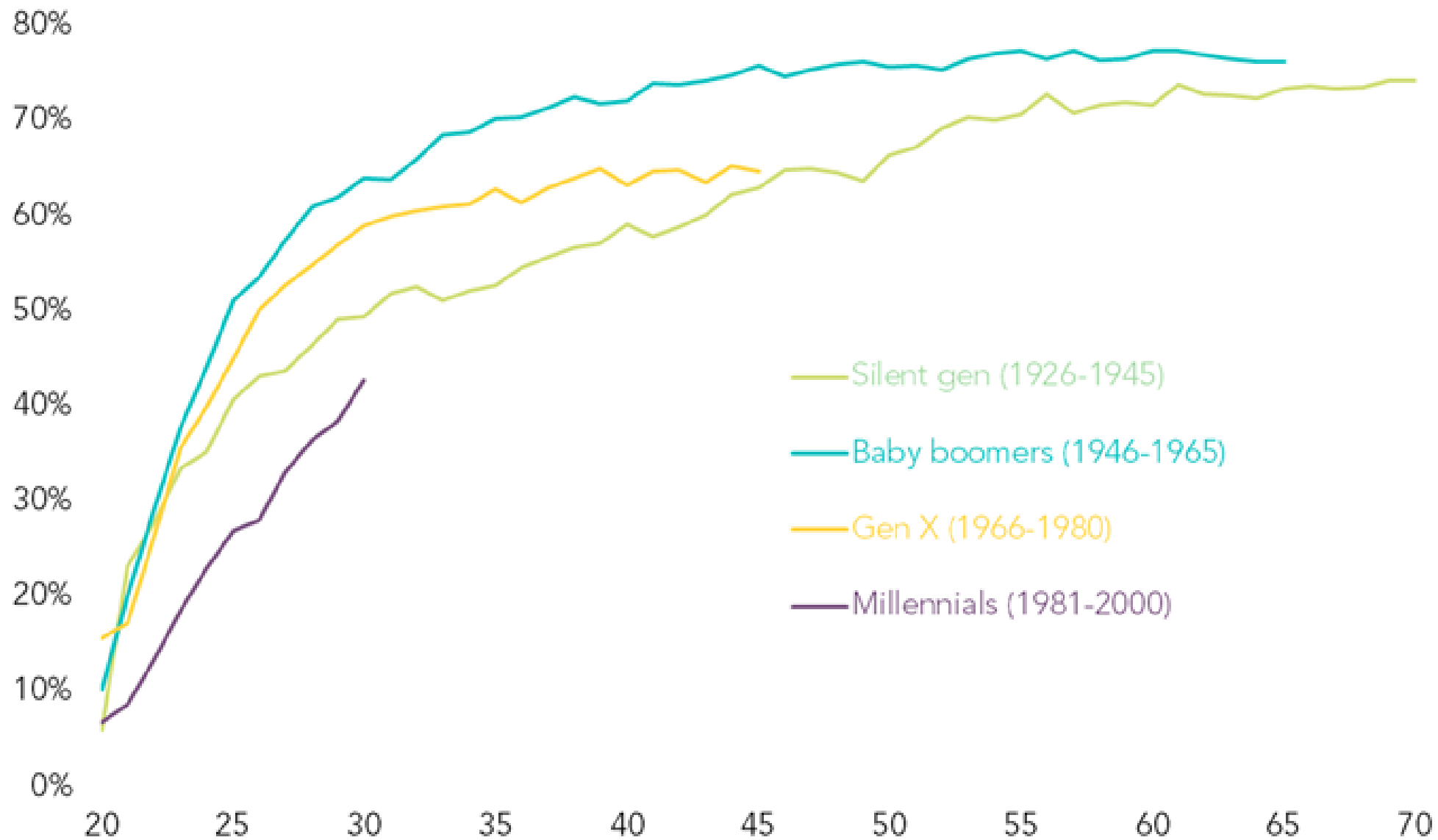
# WHY SO UNHAPPY?



## WHY SO UNHAPPY?

- ▶ Lower Incomes (8% lower than in 2008)
- ▶ Lower Home Ownership
- ▶ Poorer Pensions
- ▶ Higher Student Debt
- ▶ Inflation rate 3x higher than Baby Boomers.

Home ownership rates by age for each generation: UK, 1961-2013-14



Source: The Resolution Foundation



GenX rent paid by age 30 = £9k

VS

GenY rent paid by age 30 = £53k



# MILLENNIALS IN THE WORKPLACE

# FINANCIAL ADVICE MARKET

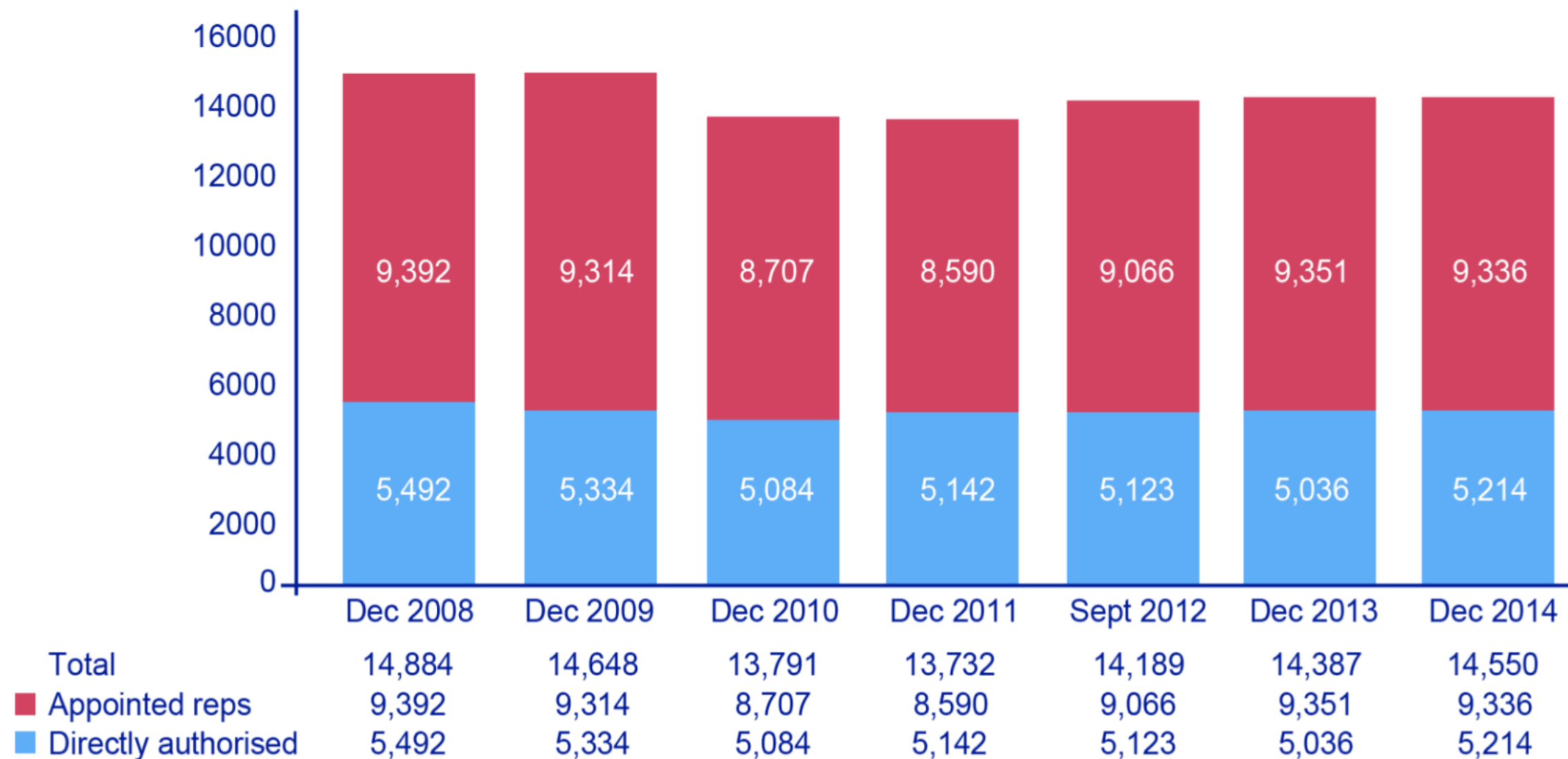
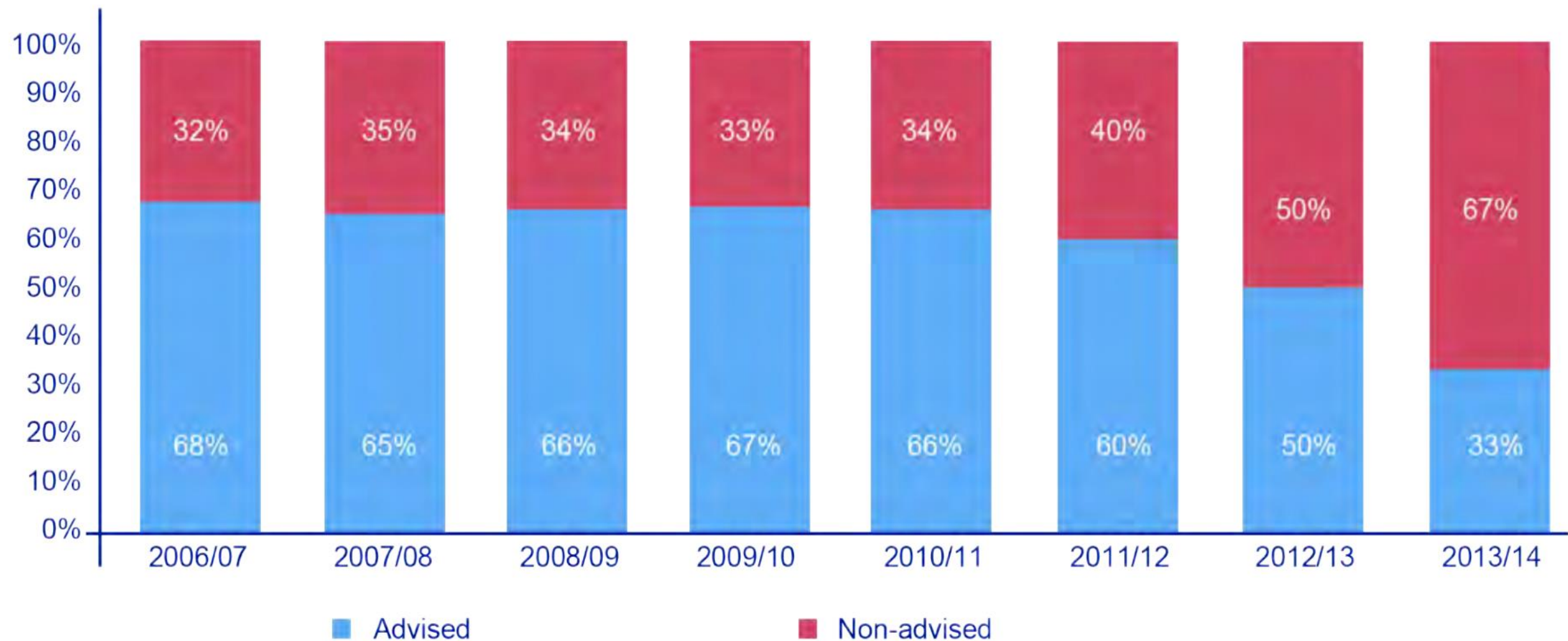


Figure 1: Total number of financial advice firms registered with the FCA as at 31 December 2014

Source: APFA: The Financial Adviser Market: In Numbers (Edition 3), April 2015

# FINANCIAL ADVICE MARKET



*% advised vs non-advised sales (all firm types)*

Source: APFA: The Financial Adviser Market: In Numbers (Edition 3), April 2015

43% OF FINANCIAL  
ADVISERS ARE OVER  
AGE 55

50.9

ALMOST 30% OF  
FINANCIAL  
ADVISERS  
CONSIDERING  
RETIREMENT IN  
NEXT 5 YEARS

77%

OF EMPLOYERS  
BELIEVE  
APPRENTICES  
MAKE THEM  
MORE  
COMPETITIVE

82%

OF SIXTH  
FORM  
STUDENTS  
PLAN ON  
GOING TO  
UNIVERSITY



78%

OF  
EMPLOYERS  
SAY THAT  
APPRENTICES  
PROVIDE  
HIGHER  
OVERALL  
PRODUCTIVIT  
Y

ONLY  
20%

OF SIXTH FORM  
STUDENTS WOULD  
CONSIDER AN  
APPRENTICESHIP

82%

OF COMPANIES  
THAT HAVE AN  
APPRENTICE SAY  
THEY BUILD  
LONG-TERM  
SKILLS AND  
CAPACITY

ONLY  
20%

OF STUDENTS  
FEEL THAT  
CAREERS  
INFORMATION IS  
INSPIRING

APPRENTICESHIPS ARE IDEAL,  
PROVIDING NECESSARY SKILLS AND  
KNOWLEDGE WHILST AT THE SAME  
TIME LEADING TO NATIONALLY  
RECOGNISED QUALIFICATIONS.

Anne Entwistle - Bluefin

# OPPORTUNITIES IN FINANCIAL SERVICES

- ▶ Trailblazer Apprenticeships
- ▶ Financial Services Degrees
- ▶ Chartered Insurance Institute
- ▶ Institute of Financial Services
- ▶ Chartered Institute for Securities and Investment

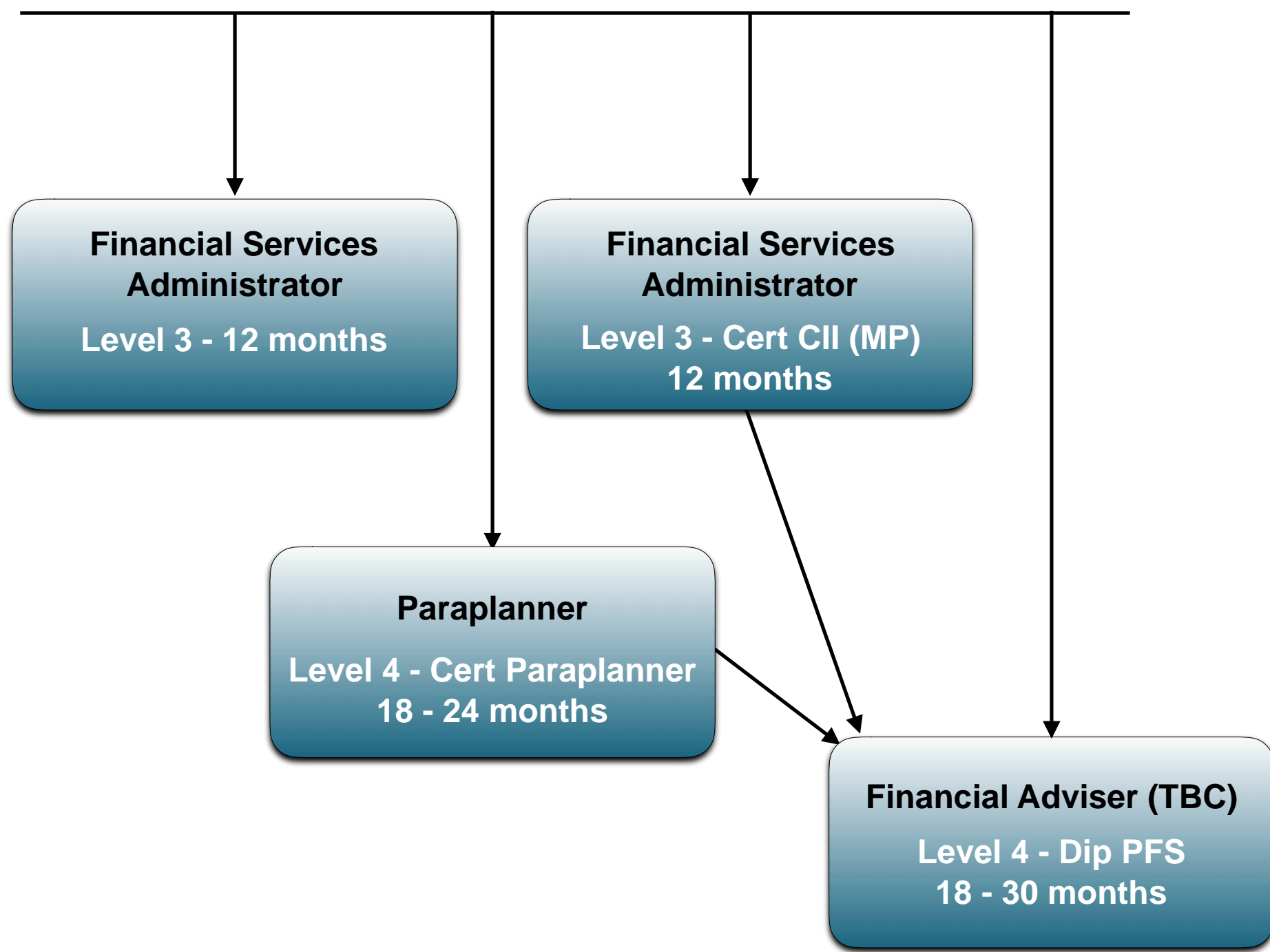


# APPRENTICESHIPS

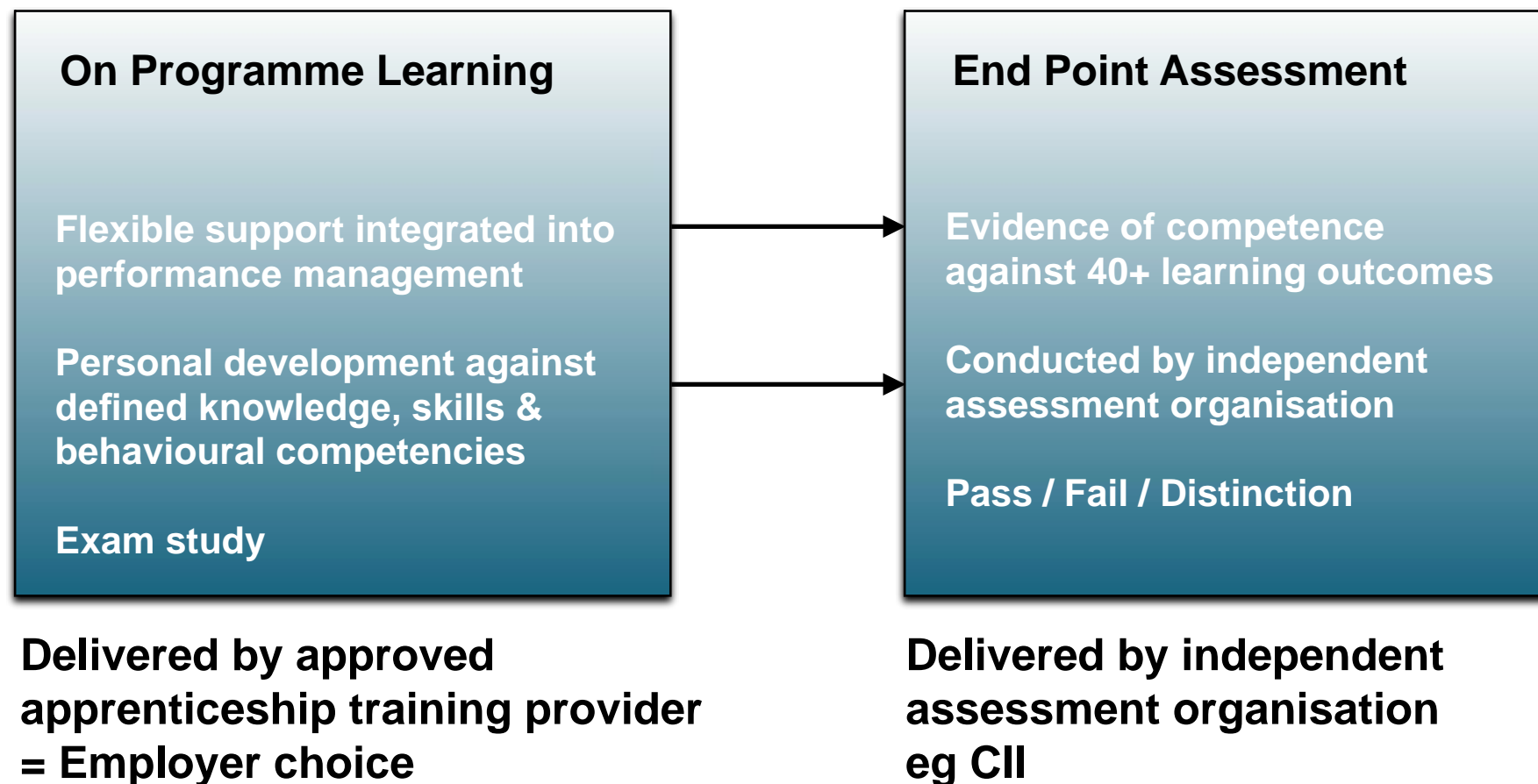


- ▶ QCF levels 2,3,4 and 6
- ▶ Administrator (Level 2)
- ▶ Mortgage Adviser (Level 3)
- ▶ Compliance and Risk (Level 4)
- ▶ Paraplanner (Level 4)
- ▶ Financial Adviser (Level 4)
- ▶ Compliance and Risk (Level 6)

# FINANCIAL SERVICES TRAILBLAZER APPRENTICESHIPS



# FINANCIAL SERVICES TRAILBLAZER APPRENTICESHIPS



# FINANCIAL ADVISER TRAILBLAZER APPRENTICESHIP

## QUALIFICATIONS

- ▶ **Chartered Insurance Institute:** Diploma in Regulated Financial Planning; designation DipPFS or;
- ▶ **IFS University College / Institute of Financial Services:** Diploma for Financial Advisers; designation DipFA or;
- ▶ **Chartered Institute for Securities and Investment:** Investment Advice Diploma; designation ACSI



# FINANCIAL ADVISER TRAILBLAZER APPRENTICESHIP

## TRAILBLAZER DESIGN PROCESS

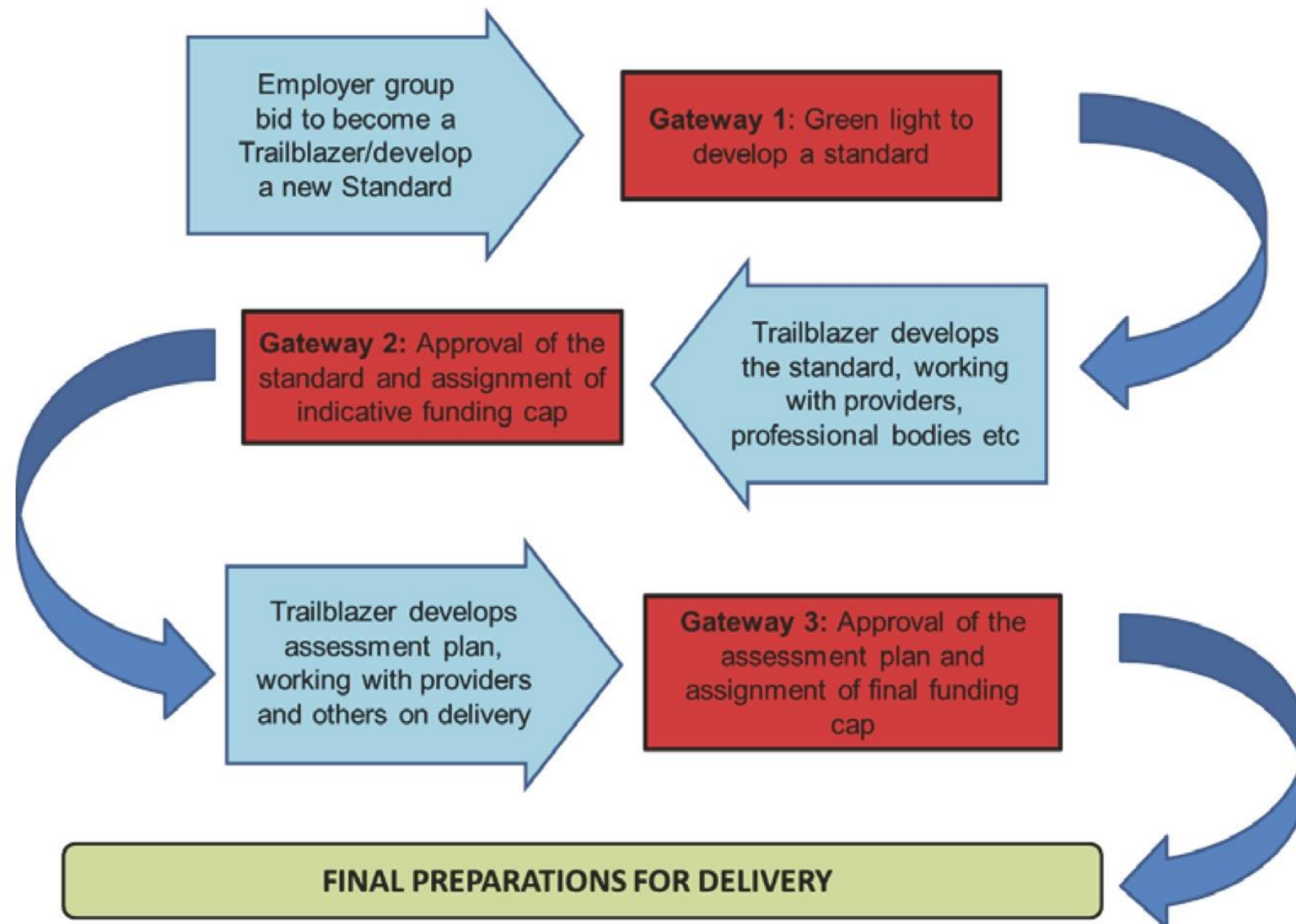


Diagram 1 – the end to end process

# FINANCIAL ADVISER TRAILBLAZER APPRENTICESHIP

- ▶ Two initial cohorts – London and Birmingham
- ▶ Minimum 1 year 1 day
- ▶ Up to 30 months
- ▶ Entry level requirements set by employers
- ▶ Progression from Administrator or Paraplanner apprenticeships
- ▶ Accessed via accredited training provider
- ▶ Funding from Skills Funding Agency plus Employer Contribution
- ▶ Trailblazer Employer Group Chairman: Adam Owen

# FINANCIAL ADVISER TRAILBLAZER APPRENTICESHIP

- ▶ Full time employment
- ▶ Individuals aged between 18-64
- ▶ Minimum wage must be paid
- ▶ New joiners or existing employees
- ▶ Initial employer financial contribution (likely to be around £3,000)
- ▶ Balance from Skills Funding Agency (SFA)
- ▶ Employer bonus payments from SFA (likely to be around £2,100)

# FINANCIAL ADVISER TRAILBLAZER APPRENTICESHIP

- ▶ Some initial issues
- ▶ Two cohorts pulled – Bristol and Manchester
- ▶ General election put a slight spanner in the works
- ▶ Confusions on funding
- ▶ Post general election should become clearer!

# BESPOKE TRAINING SOLUTIONS

- ▶ Experts in level 4 support
- ▶ Designed alternative RO study guides
- ▶ Years of experience in facilitating RO workshops
- ▶ High quality engaging facilitators
- ▶ Usual Chartered or Fellow standard
- ▶ Outstanding results.

# CII DIPLOMA EXAMS

<b>Exam</b>	<b>2016 Pass-rates</b>	<b>2015 Pass-rates</b>
<b>R01</b>	57.01%	58.71%
<b>R02</b>	57.92%	54.00%
<b>R03</b>	50.46%	50.90%
<b>R04</b>	54.07%	49.53%
<b>R05</b>	72.11%	67.09%
<b>R06</b>	73.23%	71.27%

# BTS RESULTS

<b>Exam</b>	<b>2015 Pass-rates</b>
<b>R01</b>	100%
<b>R02</b>	83.90%
<b>R03</b>	81.07%
<b>R04</b>	81.34%
<b>R05</b>	94.02%
<b>R06</b>	100%

# CII DIPLOMA EXAMS : BTS RESULTS

Exam	2016 Pass-rates	2015 Pass-rates
<b>R01</b>	57.01% <b>100%</b>	58.71%
<b>R02</b>	57.92% <b>83.90%</b>	54.00%
<b>R03</b>	50.46% <b>81.07%</b>	50.90%
<b>R04</b>	54.07% <b>81.34%</b>	49.53%
<b>R05</b>	72.11% <b>94.02%</b>	67.09%
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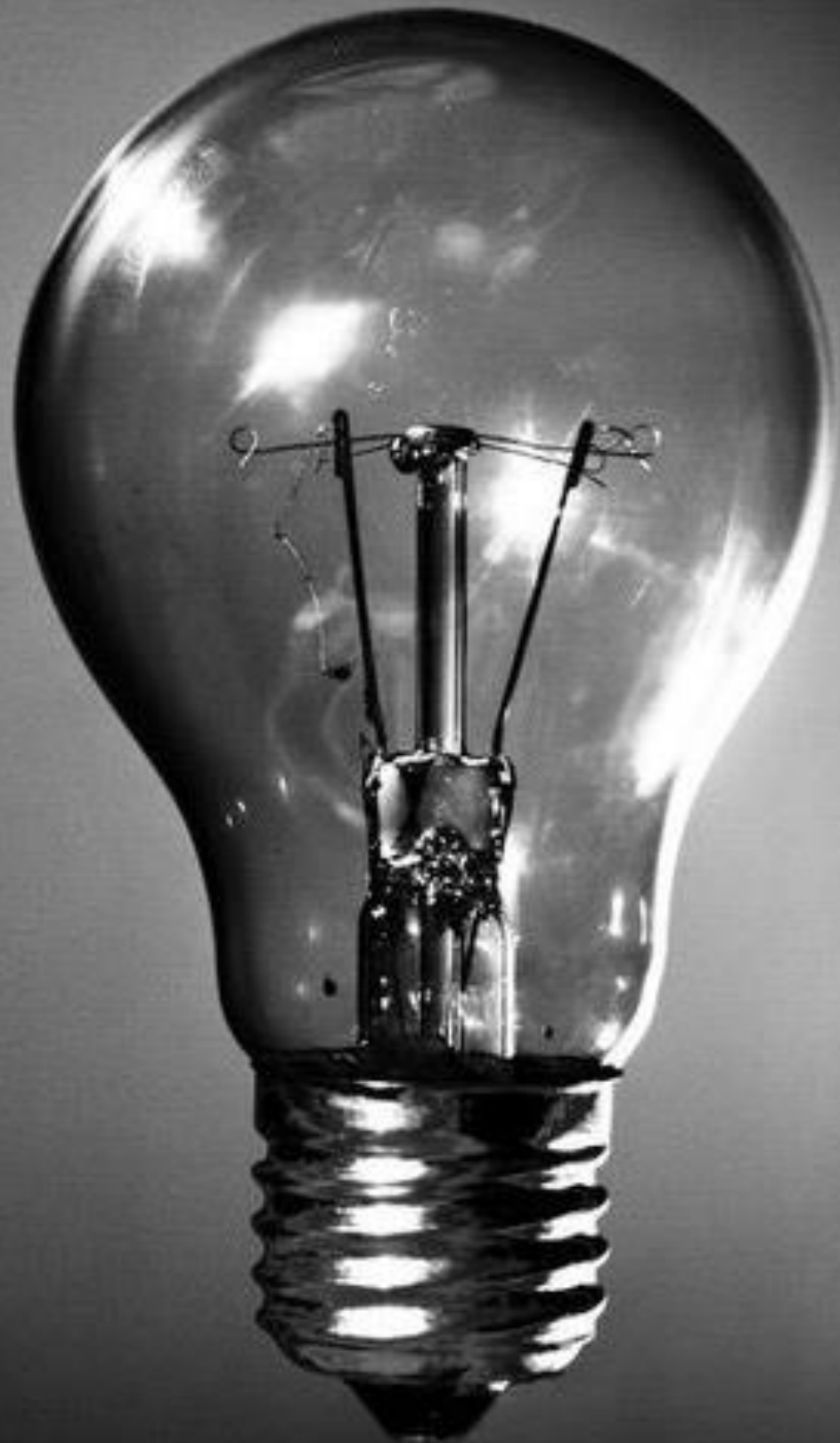


# BESPOKE TRAINING SOLUTIONS

- ▶ **BTS study guides**
  - ▶ RO1 through to RO6
  - ▶ Plain English
  - ▶ Graphics, visuals and practice exercises
- ▶ Practice end of exam style questions
  - ▶ Commensurate with RO exam standard
- ▶ Sample specimen exam
  - ▶ Commensurate with RO exam standard.

# BESPOKE TRAINING SOLUTIONS

- ▶ **BTS App**
  - ▶ RO1 through to RO5
  - ▶ Downloadable to smartphones and tablets
- ▶ Practice exam style questions
  - ▶ Completed electronically
  - ▶ Same style as an actual exam
  - ▶ Whole exams
  - ▶ Selecting problem LOs specific questions.



ANY  
QUESTIONS?

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TRAINING  
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