

## Case Study: Sense Network Limited

sense  
for advisory firms

Incredible efficiencies  
into the entire business

Sense commenced trading in May 2007 with a fresh and innovative approach to cater for the requirements of modern IFA practices and has a membership which is already well prepared for RDR. Owned in part by threesixty Services LLP, Sense is a whole of market IFA network built upon fundamental principles of value for money and quality of delivery. It provides comprehensive range of services to help IFA firms operate efficiently, profitably and compliantly.

All IFA members and central functions use the same back office solution, and plenty of time and resource have gone into keeping the network's payroll slim by deploying technology well. This foundation allows Sense to price its services competitively, grow its membership and make money in the process – a rare combination in today's world.

Ownership is a cornerstone of the Sense proposition, and this operates on two levels. Firstly, all member firms are owner-managed – Sense has no equity stake in its members' businesses. Secondly, Sense offers a unique opportunity for IFAs to benefit from real ownership of the network itself. Over 25% of Sense is owned by its members, a figure which will increase further via the network's equity participation scheme.

## Case Study: Sense Network Limited



Tim Newman, Managing  
Director at Sense, says:

“We had the opportunity to embrace the UK’s industry leading web-based system from outset. This offers our members a multitude of benefits over the inflexible traditional options”

Managing Director Tim Newman said “we derive huge benefit from IFA firms owning part of their network. It creates a completely different dynamic to the ‘them & us’ scenario seen in many of our competitors”.

Shared ownership drives a sense of common responsibility and nurtures strong relationships between the network and its affiliated AR firms. The business has seen steady continual growth from inception and today has 41 member firms constituting 125 advisers.

Results (unaudited) for the year ending May 31st 2011 show a very healthy growing business:

- Turnover increased by 48% to £7.1m (£4.8m in 2010)
- Pre-tax profit increased to £259k (71K in 2010)
- First dividend paid out in July at 15p per Ordinary share

The directors are confident that both turnover and profit will see significant increases in the current (2011/12) year.

Newman continues “IFA networks and nationals should operate on solid financial foundations, rather than over stretching themselves as is so often seen. Our business is about delivering value-for-money services in a secure and stable environment, which is what we believe people want.”

The network operates very much in partnership with its members, a partnership in which innovative ideas are encouraged and shared, and one in which the delivery of quality advice and exemplary service to clients are commonly held values.

As the name suggests, Sense adopts a straightforward, common sense approach to the provision of services to IFAs, aligned entirely to RDR requirements. These services are provided in a user-friendly manner, efficiently, effectively and at the right price. File audit is undertaken by threesixty Services LLP, who own a minority stake in the business.

Sense has a fundamental belief in the benefits of technology, and recognised at an early stage that these benefits can only be fully realised by deploying a single system across the entire business. It utilises the full functionality within Intelligent Office to streamline and simplify time-consuming processes, and provide full visibility and transparency across the network.

In the design phase of their proposition, Sense recognised that having all advisers within the network using the same back office, document management and point of sale software would bring incredible efficiencies into the entire business. A common system used by the adviser, through the AR firm and to the network would allow effective auto-reconciliation of commissions, no-hassle visibility for case review and instant access to accurate management information. The cost savings generated would ensure that a low charge environment could be maintained for member firms and create a compelling proposition for the modern IFA.

John Netting, Compliance Director at Sense, said: “The Intelligent Office system has a huge range of features relevant to both the front and back-office. Adopting it has meant we have a single joined-up system that includes Fact Find, Research Tools, Suitability Letters, Client Management, Management Information, Document Management, Lead Management and Commissions Management. As the system is centrally hosted, ensuring that all users are always working from the same live information regardless of location, we are able to provide areal time service for all members.”

**Can we help you?**

T: 0845 230 3700

Managing Director Tim Newman says “We had the opportunity to embrace the UK’s industry leading web-based system from outset. This offers our members a multitude of benefits over the inflexible traditional options. Accurate and meaningful MI allows our members to have real control of their businesses, and also makes TCF implementation much easier. Commissions payments are spot on, compliance monitoring is less intrusive and everyone has access to the information they need”

“The key is to choose the right system, implement it fully and ensure everyone uses it. This is the only way to derive the real benefits of technology, you can’t do it half-heartedly. Get it right and it’s a dream come true.”