

New Group Risk benchmarking process announced

Leading independent financial services operations consultants F&TRC has announced the findings of their latest survey of group risk providers, which identifies the individual benchmarking on a range of different adviser facing e-commerce services across the IFA market.

With the advent of consultant charging, group risk offers a valuable opportunity for advisory firms to achieve significant additional income. At the same time auto enrolment looks destined to create an increasingly competitive market in the pensions arena and the need for automated processes to ensure employers full compliance with the pension regulators requirements will result in a situation where the majority of data necessary to populate electronic group risk systems should be readily available. There is a major opportunity at this time for organisations building new systems to include not only the data for pension contributions, but to supplement these with the additional requirements to automate group risk.

In total 50 different areas of group risk provider's current propositions were including product options; quote flexibility, extranet services, new business processing, security and many more. The four companies who took part in the survey were Canada Life, Ellipse, Friends Provident and Legal & General.

Each provider was measured against the same objective scoring model for each specific area on the basis that they either have the functionality in question – or they do not. There are no subjective or opinion based elements to the scoring process. The results will provide advisers with an unprecedented level of measurement of the propositions offered by the participating suppliers.

Ian McKenna, Managing Director of F&TRC said: "F&TRC has not examined e-commerce in the Group Risk market since 2007. At that time what was available was very limited indeed and the Group Risk market is still a long way behind the rest of the industry. However, some providers have clearly made a significant investment in technology to bring this sector kicking and screaming into the 21st Century. It is clear that these firms are committed to continued investment to deliver further process automation and greater efficiency for the benefit of employers and advisers."

The results of this analysis represent an unprecedented level of information being delivered for advisers to help them identify the best business partners to work with.

Notes to editors:

In arriving at the overall “E” rating different sections of the survey are weighted of greater or lesser importance based on the overall feedback we receive from the market.

Consequently the organisation with the highest number of five star ratings will not necessarily score highest of overall, indeed consistent four and five star ratings across the board and a strong performance in the highest rated categories may achieve the highest overall results.

Some organisations choose to develop propositions that are strong in particular areas without wanting to offer a broad based proposition.

The information contained in F&TRC’s press releases is intended solely for journalists and should not be used by consumers to make financial decisions. Further information can be found at www.ftrc.co.uk.

Media enquiries

Ian McKenna, F&TRC

Tel: 020 7659 2345

Mobile: 07901 555515

Kevin Carr, Kevin Carr Consulting

Tel: 020 7183 8033

Mobile: 07887 838811

About F&TRC

Established in 1995, the Finance & Technology Research Centre (F&TRC) is a specialist consultancy advising a wide range of financial e-commerce and software companies, trade bodies and financial institutions on the use of technology in the personal finance market. F&TRC also runs a number of other industry collaboration groups including Adviser Forum, Protection Forum and Investment Forum.

Adviser Forum was established as an environment for major adviser and product provider firms to meet and discuss key business issues and identify how to address them co-operatively for the benefit of consumers and the industry. It is a collaborative forum involving major distributors and manufacturers and its objectives are to improve the efficiency of the market for the benefit of consumers and the industry.