

REBOOTING SALES PERFORMANCE MANAGEMENT IN FINANCIAL SERVICES

I've been around the financial services industry for quite a while, almost 30 years. I started as a front-line advisor, then worked in various brokerage operational roles, before I got the opportunity to become the owner of a growing and successful advisory firm.

Then, almost 20 years ago I joined Xtiva because I believed that technology could (and would) make investment firms and their advisors better. Xtiva was a classic start-up back then, full of engineers with great ideas and even greater customers, all of whom believed in what we were delivering. Together, we have built Xtiva into the leading provider of commission processing technology in the US.

That was back before industry consolidation started, before the word 'advisory' became commonplace and before the proliferation of financial products and services. The industry was more straight-forward. But that's all history now. Let me explain.

A ONCE-IN-A-GENERATION SHIFT

Throughout my career, I've observed that financial services firms continually struggle with the challenge of ensuring the performance of their frontline staff, most commonly, although not exclusively, their financial advisors. This challenge weighs heavily on their financial results and impacts their overall success as businesses.

Many approaches have been taken to improve performance and profitability over the past two decades. Tools have been added and technology has been tweaked to improve salesperson efficiency. Teams and support for more teaming has been pursued. Product breadth has been widened to win a bit more the of the customer wallet. Changes in pricing approaches have garnered considerable attention too. When [all these efforts failed to really move the needle](#), firms have had to allocated more capital to recruiting front line staff. The result: [little performance improvement, no margin expansion](#) and recurring waves of consolidation and dispersion in the marketplace and heaps of capital tied up in advisor retention.

As we approach the end of the second decade of the new century, it is plainly evident that digital technology is no longer merely a tool, but is now fueling a dramatic reinvention of financial services in the form of [fintech](#), [insurtech](#) and [wealthtech](#). Artificial intelligence and machine learning are rapidly evolving and disrupting traditional value chains. Human-lead advice and service models are facing unprecedented challenges. Yet, these challenges also represent a profound opportunity for change and a dramatic enhancement of value to customers.

WHAT DOES ALL THIS MEAN?

While it's tempting to blame the recent rise of automated investing solutions - such as robo-advisors - for the profitability pressures facing traditional advisory businesses, this trend has, in fact, been underway for some time. As industry observers argue [here](#) and [here](#), today's profitability pressures are more about the investments firms are making in operational competitiveness, regulatory compliance and addressing consumer needs more effectively.

In the not too distant future, there will be [fewer advisors servicing more clients](#) through the assistance of intelligent technology. These advisors will play more of a quarterback role, coordinating an array of services for clients and

adding value for their premium fees.

The go-to-market strategies of financial services firms are changing dramatically. And connecting these strategies to front-line execution is more critical than ever. At Xtiva, we believe making that connection and successfully driving execution is the final frontier of performance opportunity for most financial service organizations with a field force.

INTRODUCING THE NEW XTIVA

In order to help financial services companies reboot their businesses, we first had to reboot ours.

To start, we have built a powerful, [future-proof technology platform](#) that both Xtiva and third-party applications can leverage – separately and in collaboration – to drive sales performance innovation.

We are taking a fresh approach to incentive compensation that will enable organizations to challenge historical norms and dramatically improve their execution of their business strategies, while ensuring compliance with relevant regulations.

And, we are enabling new performance management tools to help users go beyond compelling enterprise insights and see metrics unique to each user – front-line, operations or executive. And we won't be satisfied with simply shining a light on performance, we will light the path to improved performance.

Finally, we are empowering our users with machine learning and artificial intelligence tools, enabling them to make even better and faster decisions that lead to recurring, material progress.

Now is the time to rethink, reboot and re-imagine your financial services business. We, at Xtiva, welcome the opportunity to help you, your team and your customers achieve more.