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NOBODY LEFT BEHIND

WHEN *Eleanor Dartnall* FACED A CROSSROADS IN HER CAREER THAT LED AWAY FROM MANAGEMENT AND TOWARDS ADVICE, SHE RESOLVED TO ONLY BECOME A FINANCIAL PLANNER IF SHE COULD DO IT HER WAY. EIGHT YEARS LATER, SHE WAS RECOGNISED AS ONE OF THE PROFESSION'S BEST.

WORDS SIMON HOYLE
PHOTOS MATT FATCHES

One morning in 2006 Eleanor Dartnall was alone in her new office in the Southern Highlands of NSW, contemplating the enormity of what she'd just done after calling time on a long and successful career as a senior executive with Perpetual Trustees.

Part of Dartnall's responsibility at Perpetual had been managing the company's financial planners. She switched from managing planners to being one after a change in Perpetual's strategy that, among other things, would have seen her role become far more sales focused.

"When they suggested to me at Perpetual that [being an adviser] was a good role for me, I headbutted that," she says. "The person who suggested it said he thought I would make a fantastic adviser. How could I be? I'm not qualified. I'm not experienced.

"But I'd been watching what was happening in the industry and when I sat down and thought about it... I knew I needed to do it differently than it had been done anywhere that I'd seen it. I can't ask [someone] to sign off or agree to any advice if [they] do not understand it. And I knew that back then. That has been my total focus, right from day one."

Dartnall's career at Perpetual started in 1984 and ended in mid-2003. She was then contracted part-time to an advice practice in Wollongong, and was

employed part-time as chief executive officer of the Northern Medical Research Foundation. She says her time at Perpetual "taught me everything I know today and I can't tell you how endlessly grateful I am".

"The ethics, [being] client-centric. By its very nature, you are looking after people who are grieving. The families are grieving, [and you're also looking after] the next generation. That was a very solid base to build what I do now," she says.

What Dartnall does now is run a financial planning business, Dartnall Advisers, in the NSW Southern Highlands town of Berrima. The practice is housed in the town's old magistrate's building, an imposing sandstone structure on a quiet street just off the old Hume Highway. In October last year the Association of Financial Advisers (AFA) named Dartnall as Adviser of the Year.

EXISTENTIAL ANXIETY

But on that morning back in 2006, she experienced a moment of existential anxiety that many new business owners face: What if the phones never ring? What if this doesn't work?

"All of a sudden the downstairs door, which was very heavy, banged shut," Dartnall says.

"There was this clip-clop-clip-clop up the stairs, and this woman, who I had never seen in my life before – she's now one of my best friends; a blonde

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bombshell, the whole bit, high heels, and all I could see was this blonde hair coming further and further up the stairs.

“And when she fully emerged she had a black pig under her arm. A pig. She came up and said ‘Hi!’ and put this pig on the floor in my office.

“I laughed and laughed and laughed. And that’s what I needed to do.

“And she said, ‘Oh hi, love. I’ve been hearing all about you. I’ve just come up to see if there’s anything I can do to help. How are you going?’

“This woman has one of the largest HR firms in Australia. She also runs a piggery. As you do. [She is] somebody who left school in year nine or something, who won the university medal down at Wollongong two years ago and got into medicine – which I don’t think she’s going to do.

“I think I had two clients [at that time]. And I laughed and laughed and laughed; and when she went away I thought, ‘I can do anything.’”

A DIFFERENT KIND OF ADVICE

Dartnall was convinced she could succeed in delivering a different kind of financial advice. She had defined her area of expertise – namely, retirees – so she forged ahead developing advice based on what she perceived as her greatest strength: teaching.

“My natural way of teaching people is workshops and seminars,” she says. “I used to do them at Perpetual. So that’s how I started: running four two-hour workshops as a series. There were typically 50, 60, or 70 in the audience. [I took] them from understanding the language

of investing through to being able to construct their own portfolios.

“This is about making sure at the end of four sessions that they are not vulnerable to bullshit. That’s my goal, always.

“That’s the biggest problem in the industry today: fast-talking people. If we use a whole lot of language that you don’t understand, you’re going to have to trust us and leave it with us. I can’t do that.”

Dartnall says her philosophy revolves around working with clients in partnership. It’s not a do-as-I-say relationship.

“They know this is going to be a shared responsibility,” she says. “‘You have brought me everything you’ve earned in your lifetime. It has to be your responsibility as well as mine. We’re going to work together. If you can’t do that, I’m the wrong adviser. That means you’ve got to come to the table, and it doesn’t matter how long it takes to teach you what I know, I’m going to teach you’.

“The most important thing I give to my clients is this [a notebook]. ‘When it’s full, come and get your next one. You must ask questions and you must take notes. This is the beginning of your learning career.’”

EDUCATION THE FIRST STEP

Dartnall is adamant that educating clients is the first step in genuinely serving their best interests.

“If we had more investors with this kind of knowledge, the Commonwealth Bank [advice] debacle wouldn’t have happened,” she says.

“They’d have said, ‘Thanks for ringing, but that’s not the right advice for me.’ We’ve got to give people the knowledge to push back against what is not right.

“And how dare we say, ‘Don’t you worry about that; that’s for me’? The epiphany for me to change the way I teach...was a guy who came to me in about 2009.”

This client, aged in his early 70s, arrived at Dartnall’s office with a self-managed super fund that had declined in value from more than \$820,000 to about \$300,000 – a decline far in excess of his pension drawdowns over the period – but whenever he called his adviser for help he was fobbed off with jargon, fast talking and aggression.

“I was shattered by this meeting, because this was a really lovely man,” Dartnall says. “I said, ‘Your starting point for me today is the balance you’ve got. I can’t make that [back to] \$820,000 –

not in your lifetime – but we’ll work together to make it safer. But we need to do it with your wife.’

“That was a shattering moment for him. He had to go home and tell her. But today they’re darlings, and they’re my friends. Today, his notebook is full, and he gives me pushback [on recommendations]. And he comes to reviews with an agenda. That’s what I want.

“But that was the epiphany for me. I thought, ‘Am I at fault here too? Have I got a disconnect between my language and yours?’”

BAMBOOZLED WITH JARGON

After the traditional advice process has bamboozled clients with jargon and terminology, “the next problem is people are thrust a 100-page document into their hands”, Dartnall says. One of her proudest achievements is what she calls an “unbundled” statement of advice (SoA), delivered to clients effectively in instalments over the course of four interviews, and delivered minus much of the usual technical, legalistic compliance content, which is covered in Dartnall’s education program.

To reinvent the SoA, Dartnall says she first had to convince her licensee, Lonsdale. “I was very, very fortunate, and the head of Lonsdale could see my point,” she says. “He said, ‘Can we sit down with the head of compliance?’ He sat down and went through it and said, ‘I have no problem with this; she’s educating the clients first.’

“I’ve had nothing but an open ear with our compliance team, including allowing us to do this education instead of risk profiling.

“I’ve polished it and improved it. I’ve got a glossary of terms at the back. So now, when they come to the SoA there is nothing in there that isn’t just about them. Nothing. They get it, because they are reading about themselves.

“And remember, the investment advice, which is the thing they’re really interested in, they helped to do.”

Dartnall says the biggest risks clients face often aren’t investment-market-related at all.

“The biggest risk is the client’s lack of knowledge,” she says. “We talk about volatility and legislation and inflation and lifecycles; the biggest risk is you not knowing enough.” ■