

Compare:Super

Choosing the right super fund will never be a walk in the park, but a new software solution from COIN called Compare:Super aims to make it easier for financial advisers to guide their clients along the right path. MICHELLE BALTAZAR writes.



On last count, the number of superannuation funds that exist in Australia is nothing short of overwhelming. Prudential regulator APRA reported that in March this year, there were 171 corporate funds, 154 retail funds, 65 industry funds and 39 public sector funds.

On top of that, there were 81 pooled superannuation trusts, 106 single-member approved depository funds (ADFs), 3,878 small APRA funds and 416,145 self managed super funds.

If those numbers are swimming in front of your eyes, spare a thought for the finan-

cial adviser who needs to choose just one for their client.

That's the conundrum that Macquarie-owned Coin Software (COIN), one of the leading planning software solutions provider in the country, tried to solve when it embarked on a new project 12 months ago.

Robert McCabe, head of product and technology for COIN/Web at Macquarie Adviser Services, said they wanted to offer a solution where advisers can make comparisons of various features under a single, user-friendly and interactive system.

Historically, many advisers would have to resort to using several software programs and aggregate the results themselves, which can be taxing and prone to error.

"We feel that a one-stop shop, where the adviser doesn't have to act in [multiple] systems when making super fund comparisons, is a key feature for us," he said.

Compare:Super allows financial advisers to compare new and existing products side by side (Figure 2). The COIN Web interface guides the adviser through a step-by-step process until they come to the

most appropriate advice for the client. Once both parties have agreed on the advice, all the details flow straight into the necessary advice documents.

Mercer supplies the product research data while Rice Warner provides the insurance premium estimations.

McCabe said they realise there are comparison products already out there but what makes Compare:Super different is how much it relieves advisers from the admin and compliance burden.

"Certainly we looked at what's available in the market but we also wanted to achieve a high level of compliance. This goes beyond the minimum levels of compliance, which satisfies all of the ASIC requirements."

He also pointed out that Compare:Super can be tailored within the parameters of a financial adviser's business model – from choosing products that are within their approved products list (APL) to providing the right insurance cover within or outside super.

The product's main drawback is its breadth of features that allows advisers to really go through the options open to their clients.

For example, Compare:Super can generate scenario reports, compare fees based on asset mix change, and compare fees based on full or partial rollovers.

It can also calculate fees based on 'before' and 'after' positions (see Figure 1) and project fees based on monthly calculations.

The adviser can then make notes recording what are the potential lost benefits of each scenarios that their client wants to consider. This is particularly important for those with higher superannuation account balances or retirees with substantial insurance cover.

McCabe said Compare:Super builds on COIN's philosophy to provide advisers with all the tools they need to give advice without the hassles.

"The thing we're trying to achieve for the advisers is the efficiency of advice, which allows them to focus on other advice areas or provide more services to their clients."

COIN boasts a solid track record on matching its software solutions with adviser needs. For example, it has won the 2008 Investment Trends Awards for Best Plan Production, Best Modeling and Best Reporting.

No doubt the number of superannuation funds will contract and expand as the industry grows. But if market forecasts that super will reach \$3 trillion by 2020 are right, then Compare:Super goes a long way in giving advisers the right technology to prepare for the rising consumer interest in their super savings. ●

Figure 1. Project the effect of fees on super plan balance (screenshot illustration only)

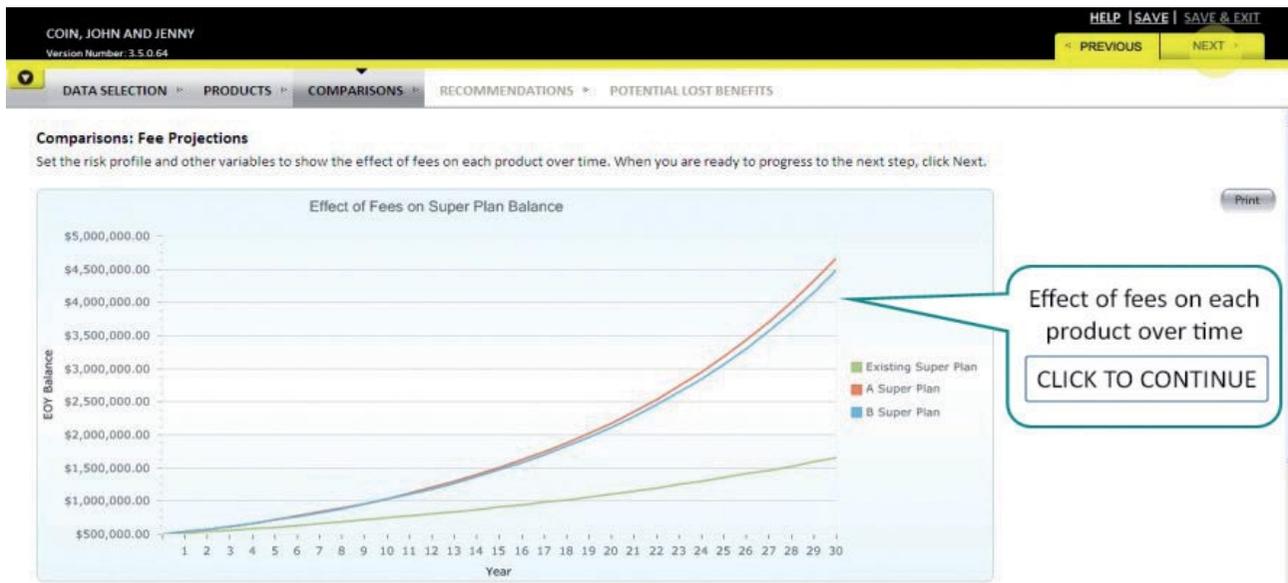


Figure 2. Compare the proposed insurance side-by-side (screenshot illustration only)

Estimate Data	Existing Existing Super Plan	Proposed A Super Plan	Proposed B Super Plan
Plan Type	Not Available	Not Available	Not Available
Occupation Category	Professional		
Death Benefit Type	Death		
Death	\$ 500,000	\$ 500,000	\$ 500,000
TPD	\$ 0	\$ 0	\$ 0
SCI Monthly Benefit	\$ 5,000	\$ 5,000	\$ 5,000
Waiting Period	30 days	30 days	30 days
Benefit Period	2 years	2 years	2 years
Death Premium	\$0.00	\$0.00	\$0.00
TPD Premium	\$0.00	\$0.00	\$0.00
SCI Premium	\$0.00	\$0.00	\$0.00
Total Annualised	\$0.00	\$0.00	\$0.00