

Industry insider – Nicola Wealth Management’s president offers expert advice



by Nicola Middlemiss | 01 Oct 2014

Adaptable, motivated and engaged – [Nicola Wealth Management](#) is becoming a key player in the financial world and president David Sung says you need to have the right team to succeed.

Important assets

“It may sound a little bit cliché, and lots of business owners say this all the time, but when you have a fast growing firm, your most important asset is your people,” says Sung. “One of the main challenges of managing [a fast growing firm] is making sure that you have the right people on the bus, sitting in the right seats.”

Earlier this month, the NWM bus headed to Toronto and officially opened their fourth national branch and their first Eastern Canadian location. We asked Sung how the journey went and what he did to

ensure the ride was as smooth as possible.

“We’ve started small in Toronto and the bricks and mortar part is very easy; setting up a new office and outfitting it with all the equipment and furniture is not a problem. So we spent a very large portion of our preparation time going through and meeting lots of individuals, advisors and managers and making sure that we were choosing the right person to lead the office for us.”

In the end, industry veteran Kostas Andrikopoulos was carefully chosen to lead the Toronto team. After spending the last decade of his career managing others, Andrikopoulos took a step back from face to face advising long ago but remained deeply involved with

both his advisors and clients. It's this that Sung says is vital in running a successful firm.

"I think that services businesses find it a challenge when the individuals running that firm are just simply professional managers and they themselves are not engaged at the individual client level," says Sung. "If there is too much distance between the individuals running the company and the strategies that are decided by the company then perhaps there's a disconnect between what the company ends up doing and what the end client is actually looking for. Our view is that a professional services firm needs to have leadership where the leadership themselves has been, and continues to be, engaged at a client level."

Sung practices what he preaches too - both he and founding CEO John Nicola divide their time between working with clients, what they call "working in the business", with management duties or "working on the business".

NWM currently manages over \$2.8 billion in assets and has increased annual revenue by 1300% since the company was first founded, in 1994. In that time, we've seen considerable changes to the industry and Sung identifies the ability to adapt that can put you ahead of the rest.

"The people here and their ability to be adaptive is one of keys to our success," says Sung. "I think a lot of times businesses and their leaders have the ability to set a great vision but that vision may require the people within the organization to make changes. If the individuals are not willing to be adaptive and if they're not willing to learn and change then, even if the vision is fantastic, your ability to execute on that strategy is going to fail."

"I think one of the most important things we've seen here at NWM is all of the people here are open to change and they're aggressive and motivated to learn new things. We couldn't succeed without that."

Resistance

"I see a lot of resistance right now to transparency around fees," says Sung. "The financial industry is coming up with all of these studies on the value of advice but the bottom line is all you're seeing is resistance to change, rather than embracing what might

be a challenge ahead and looking at ways to turn that into an opportunity.

One key area of change that's hitting the financial industry right now is the recent arrival of robo-advisors but NWM certainly hasn't shied away from the subject. The firm is acutely involved with the movement as John Nicola's son and daughter-in-law, Chris and Tea Nicola, established [WealthBar](#) earlier this year, one of Canada's first robo-advisory firms.

"There's a large portion of the population that want to be able to engage financially in different ways and I think if the existing incumbents within the financial advisory community don't pay attention, it's amazing how fast you can find yourself outdated," warns Sung.



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