PREPARED FOR THE IMAP ADVISER & MANAGED-ACCOUNTS CONFERENCE

# The Strategic Inflection Point for Managed Accounts

Key insights for financial advisers on the evolving landscape of SMAs, MDAs and regulatory change.

**More than a platform — a business partner helping advice firms navigate the next era of managed accounts.**

Technology enables. People empower. Partnership transforms.

DASH

WHY DASH IS LEADING THIS CONVERSATION

# We exist to empower advice practice success

Advice businesses deserve more than a technology provider — they deserve a genuine business partner that understands the commercial realities of running a modern advice business.

### 01 — THE PURPOSE

**A business partner, not another platform**

We help advice businesses become stronger, more scalable and more valuable — increasing scale, enhancing efficiencies and accelerating growth toward a business fit for the future.

### 02 — THE SHIFT

**Managed accounts are now strategic architecture**

Well beyond investment implementation. Done well, they strengthen governance, create consistency, improve client outcomes and release adviser capacity.

### 03 — THE STRATEGIC QUESTIONS

**What operating model will support your next chapter of growth?**

How much personalisation? How should governance evolve? Where should investment management sit? How do you balance efficiency with tailored client outcomes?

> **We don't begin with products. We begin with the business** — where it wants to go, the clients it wants to serve, and the business it wants to become.

# Managed accounts began with the investor

Created to solve an investor problem — not an adviser-efficiency problem.

**1970s – 1990s**
US: SMAs emerge for investors seeking professional management outside pooled funds

1. **Direct ownership & transparency**
   See exactly what you own
2. **Professional portfolio management**
   Institutional-quality expertise
3. **Personalisation**
   Exclusions, ethics, legacy assets
4. **Individual tax management**
   Manage gains and losses precisely
5. **Consistency & risk management**
   Systematic, disciplined rebalancing

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**Early 2000s**
Formalisation: ASIC's MDA work defines the licensing, disclosure and governance architecture

**Mid-2000s**
Standardisation: centrally governed model portfolios replace adviser-by-adviser construction

**2008 – 2015**
Industrialisation: platforms scale one portfolio decision across many client accounts

1. **Consistent outcomes**
   Same strategy, same portfolio for every client
2. **Systematic rebalancing**
   Drift monitored and corrected within mandate
3. **Prompt implementation**
   Changes applied across accounts, not client-by-client
4. **Governance trail**
   Who decided, why and when — and what changed


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04 WHERE IT BEGAN – THE ADVICE IMPLEMENTATION SOLUTION

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5. ***Released adviser capacity***
   *Efficiency as a consequence, not the purpose*

THE END
**INVESTOR**

# From investment solution to business operating model

Adoption accelerated when advice firms saw the operating-model value — consistency, governance, efficiency and scale.

## WHY ADOPTION ACCELERATED — A BUSINESS DECISION, NOT AN INVESTOR ONE

ESSENTIAL FOUNDATION

### Investor benefits held

Professional management, transparency, direct ownership and disciplined implementation stayed essential.

→

THE CATALYST

### Advice-business pressure

FOFA reforms (mandatory 2013) and the Royal Commission (2019) lifted cost-to-serve, compliance and adviser scarcity.

→

THE RESULT

### A business operating model

Managed accounts became core infrastructure of the advice business — not just a portfolio.

## SIX BUSINESS OUTCOMES BEHIND THE GROWTH

**01**
**Scale**
Serve more clients with less repeat admin.

**02**
**Efficiency**
Cleaner workflows and clearer decision rights.

**03**
**Governance**
Documented committees and disciplined oversight.

**04**
**Client experience**
Consistent implementation; talk goals, not trades.

**05**
**Growth**
A repeatable proposition across every adviser.

**06**
**Enterprise value**
Less key-person risk; a more transferable business.

**The bottom line —** investor benefits were the foundation; the acceleration was driven by the advice-business case.

# Regulation is recentering the end investor

Governance and oversight are shaping platform behaviour — not just product design.

### Regulation now shapes platform behaviour

Not only product design — oversight, trustee obligations and defensibility carry more weight.

### Platforms are becoming more selective

Greater platform scrutiny of bespoke SMAs, adviser-designed portfolios and less-established frameworks.

### Instiutionalisation, performance matters more than ever

A growing emphasis on evidence, monitoring, governance and demonstrated performance for client outcomes.

**Not a platform problem — a broader industry shift.**
Industry is being reminded not to lose sight of end client outcomes – evidence based performance matters more than ever for investors

| Attribute | SMA | MDA |
|---|---|---|
| **Nature** | Investment product (MIS) | Advice-based service |
| **Personalisation** | Generally model-based | High — client-level |
| **Tax management** | Limited at individual level | Greater flexibility |
| **Adviser control** | Lower | Higher |
| **Structure** | Responsible Entity + PDS | ASIC relief; agreed programme |
| **Scalability** | Strong | Strong, with added flexibility |

*An SMA is primarily an investment product; an MDA is an investment-management service wrapped around individual client objectives.*

**The industry is being pulled back to the end investor purpose that managed accounts were originally created**

07 THE CONSEQUENCE

# Governed personalisation — the MDA in its purest form

As regulation drives advice to fit each client's unique goals, one governed portfolio — not a suite of SMAs across a practice — delivers what managed accounts always promised the investor.

## VALUE FOR CLIENTS

- Portfolios built around each client's goals, not a model average
- Existing holdings, tax position, ethics and legacy assets accommodated
- Suitability of the investment program reviewed at least every 13 months
- The solution adapts to the client — not the client to the model

Personalisation

Governance

At scale

## VALUE FOR ADVICE BUSINESSES

- Institutional governance across one common investment architecture
- Discretion exercised within clearly defined, agreed parameters
- Efficiency, consistency and adviser capacity preserved at scale
- One repeatable proposition — less key-person risk, more enterprise value

**In its purest form, the MDA is governed personalisation —** one portfolio governed to a client's own goals, not a suite of SMAs stretched across a practice.

**The future isn't standardisation or personalisation. It's governed personalisation.**

# How advice firms thrive — not just survive

Five priorities that move a practice from analysis to strategic action.

Survive > Adapt > Thrive

1. **Review the managed-account strategy**
   Does today's structure support future growth and rising governance expectations?
2. **Assess concentration risk**
   Reliance on specific platforms or structures — diversify capability.
3. **Strengthen governance**
   Investment-committee frameworks, due diligence, monitoring, documentation.
4. **Educate advisers**
   Build internal capability; adviser understanding of MDAs remains inconsistent.
5. **Think strategically, not tactically**
   Not a product choice — an operating-model decision.

THE STRATEGIC QUESTION

Not **“which platform?”**
but **“what operating model will support the next decade of growth?”**

### LEAD WITH THE PRACTICE, NOT THE PLATFORM

This is a decision about the whole business — people, capacity, governance and enterprise value — not a product. Design the model that empowers advice practice success.

# Diagnose the fit — then implement in stages

A strategic lens for the decision, and a staged path to get there.

## A DIAGNOSTIC LENS

- ? Does the structure support future growth and rising governance expectations?
- ? Is the operating model flexible — and which client cohorts genuinely need customisation?
- ? Is portfolio construction a core internal competency, or a specialist partner's role?
- ? Does the structure improve client outcomes while creating capacity?
- ? Does it build long-term enterprise value and reduce key-person dependency?

## A PRACTICAL ROADMAP

**1 Assess the existing model**
Portfolio construction, client segmentation, platform arrangements, governance.

**2 Identify suitable cohorts**
HNW clients, multi-generational families, SMSFs and clients needing customisation.

**3 Establish governance**
Investment programmes, monitoring, rebalancing, manager oversight and reviews.

**4 Partner with specialists**
Advice-aware partners who understand regulation, governance and integration.

**The winners will build flexible, well-governed operating models designed around their clients and their business ambitions.**

# A business built for the future

THE FIVE DEFINING CHARACTERISTICS OF THE NEXT ERA

- **Governance**
- **Personalisation**
- **Scalability**
- **Client outcomes**
- **Strategic alignment**

> SMAs will continue to play an important role. MDAs — in their purest form — reconnect managed accounts with their original purpose: individual client outcomes, ownership, transparency and personalisation.
>
> Technology should help advice businesses grow, not constrain them. DASH partners with advisers to build scalable, future-ready businesses.

## The structure is the vehicle. The opportunity is a business built for the future.

*The conversation is not about product selection — it is about business strategy.*