



# The Capability Imperative

Why consultative capability has become a commercial advantage  
in Australian fund distribution

*An evidence-based briefing for senior distribution leaders | 2026*

Australian funds management is operating in a different distribution environment now. The adviser population is smaller, the advice businesses that remain are more commercially sophisticated, and product-led conversations are delivering less strategic value than they once did.

At the same time, the size of the prize has continued to grow. Total superannuation assets reached approximately \$4.1 trillion around September 2024, reinforcing the scale of capital competing for effective distribution access.

***The implication is straightforward: when relationships matter more, the quality of the commercial conversation matters more too.***

<p><b>&lt;16,000</b></p> <p>Practising financial advisers across 2024–25, based on public industry trackers and sector data</p>	<p><b>\$4.1T</b></p> <p>Total superannuation assets in Australia as of 30 September 2024</p>	<p><b>Rising ETF adoption</b></p> <p>Passive and low-cost investment options continue to intensify product competition</p>
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## Why the bar is rising and rising quickly

The adviser population that remains after a decade of structural reform is materially different from the one that preceded it. These are more commercially sophisticated professionals running larger, more complex advice businesses. They are better informed, more data-enabled, and less dependent on fund managers as a source of market intelligence than at any prior point.

The historical information asymmetry that once gave a well-prepared BDM a natural advantage in the room is compressing. When an adviser can access the same market data, fund flows, and portfolio analytics that a BDM uses to prepare for a meeting, the conversation can no longer rely on information transfer as its primary source of value.

The implication is direct: the differentiator has shifted from what a BDM knows to how they think, what they bring to the adviser's specific situation, and whether they can contribute something the adviser could not have arrived at independently.

## A distribution model built for a different market

Many fund managers still rely on a playbook shaped by a more transactional era: regular check-ins, polished presentations, performance updates, and high investment fluency. Those things still matter, but on their own they are no longer enough to differentiate a distribution team in the Australian advice market.

Advisers do not need more people who can explain a fund deck. They need external partners who understand how advice businesses grow, where they are operationally constrained, and what makes a commercial conversation genuinely useful.

### What has changed

The benchmark is no longer whether a BDM is responsive and well informed.  
The benchmark is whether they can improve the quality of the adviser's thinking and contribute meaningfully to the adviser's business conversation.

## Why this matters commercially

Relationship quality has commercial consequences because it shapes share of mind, responsiveness to opportunity, platform perception, and the durability of intermediary relationships.

In a market with fewer advisers and more competition for attention, weak conversations create drag. They slow momentum after the initial meeting, reduce the value of follow-up contact, and make the relationship easier to displace when a competitor shows up with a stronger commercial lens.

## The commercial risk

When a distribution conversation remains heavily product-led, even strong propositions can lose traction. In many cases, the issue is not the quality of the product. It is the depth and usefulness of the conversation around it.

## The capability gap hiding in plain sight

For many distribution leaders, the issue is not effort. It is that capable, hardworking people may have not been systematically developed to hold higher-value commercial conversations.

In practice, that gap usually shows up in familiar ways: meetings that stay too close to product, discovery that does not go deep enough, value propositions that feel generic, and managers who review activity without truly coaching behaviour.

## The trusted adviser - redefined

The phrase 'trusted adviser' has been used in financial services distribution for long enough that it has lost some of its precision. It is worth restating what it now actually means, because the definition has shifted materially.

In the previous era, a trusted BDM was one who was responsive, credible on their product, and reliably present. Those qualities earned access and maintained relationships. They are necessary but no longer sufficient.

In the current market, the trusted adviser is one who shapes thinking, not just delivers information. They bring something to the conversation that the adviser could not have produced independently.

A perspective on portfolio construction, an insight into how comparable advice businesses are approaching a challenge, a reframe of a problem the adviser had not considered. They influence outcomes, not just perceptions.

That is a meaningful redefinition of the BDM role. It requires a different kind of preparation, a different quality of questioning confidence and a different tolerance for the kind of conversation that does not have a product answer at the end of it.

**The redefined benchmark**  
 The best BDMs are no longer evaluated on how much they know about their product range. They are evaluated on whether they can make an adviser's thinking sharper than it was before the meeting started.

**What Taylor Healey builds**

This is the part of the problem Taylor Healey is built to address. The work is not generic sales training repackaged for financial services; it is behavioural and skill-based capability development designed specifically for BDMs and sales leaders operating in complex financial-services distribution environments.

What the market now needs	What Taylor Healey builds
BDMs who understand practice dynamics, not just products	Consultative selling capability that shifts the conversation from product explanation to business relevance
More substantive and commercially useful meetings	Discovery and questioning techniques that create depth, clarity and forward movement in meetings
Value that feels specific to the client, not generic to the market	Sharper value proposition development tailored to client context and commercial priorities
Greater confidence in complex or resistant conversations	Negotiation and influence skills suited to investment, platform and solution-based discussions
Leaders who coach capability, not just monitor activity	Sales coaching for leaders so behavioural change becomes embedded, practical and measurable

**A useful question for distribution leaders**  
 When your BDMs or relationship managers meet with advisers, how much of the conversation is about your products, and how much is about the adviser's business? If the answer leans heavily toward the former, there is a good chance the team is operating in the gap this paper describes.

**The conversation worth having**

The most commercially interesting fund managers are not relying on product quality alone. They are investing in the quality of the conversations their distribution teams are able to lead.

That is where behavioural change work matters: not as a soft add-on, and not as a generic training exercise, but as a way to build sharper commercial capability in the part of the organisation that lives closest to revenue, influence and relationship momentum. For firms seeing stalled conversations, slower conversion, or strong products failing to create the expected traction, this is the conversation worth having.

## Research base

This briefing draws on recent industry research and commentary including Adviser Ratings' 2025 Australian Financial Advice Landscape work, APRA's September 2024 superannuation statistics, industry adviser-count tracking, Money Management reporting on the evolving adviser–BDM relationship, and market commentary on changing distribution capability requirements.

## Success KPIs

### A simple framework for measuring capability change in practice

The strongest capability programmes do not stop at workshop delivery. They define a small number of practical indicators that show whether behaviour is changing, leadership is reinforcing it, and, most importantly, whether commercial momentum in the pipeline is improving.

Pipeline movement and conversion quality should anchor any measurement framework. Activity metrics matter, but they are leading indicators of the right behaviours not the commercial outcomes that distribution leaders are ultimately accountable for. The KPIs below are structured accordingly, with pipeline movement listed first.

KPI	What it measures	What good looks like	Why it matters
<b>Pipeline movement and conversion quality</b>	Rate at which priority opportunities progress through agreed sales stages and convert to outcomes	Consistent forward movement: stalled deals actively exited or re-engaged	The primary commercial measure, keeps focus on revenue-generating activity, not effort
<b>Commercially substantive meetings</b>	Share of meetings where discussion extends beyond product updates into adviser business issues and priorities	Clear upward trend within 90 days	Shows whether conversations are becoming more relevant and strategic
<b>First-to-second meeting conversion</b>	Percentage of priority opportunities that progress beyond initial contact	Improvement against baseline over 3–6 months	Indicates better conversations are creating stronger momentum
<b>Leader coaching cadence</b>	Frequency and quality of leader-led coaching against real opportunities and observed behaviours	Regular monthly or fortnightly rhythm	Capability change rarely sticks without line-leader reinforcement
<b>Value proposition quality</b>	Consistency and specificity of how BDMs link the proposition to client context	Better meeting prep, articulation and follow-up quality	Reduces generic messaging and lifts relevance
<b>Relationship depth in target segments</b>	Strength of engagement with priority adviser groups, wealth firms or key accounts	Broader and deeper access into target practices	Measures whether capability is helping the team win attention where it matters most

If what you have read here reflects a challenge you are navigating, let's talk and see where we can add value.  
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