

## Stephen Gay: A trade association must represent the whole not the part

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Aifa's announcement last week that it will open its membership to restricted advisers was received well by the market. The underlying issues are thorny ones, so inevitably it provoked considerable discussion.

Many agreed the decision to broaden our membership criteria was rational and reasonable but some questioned Aifa's motives and root causes.

Is it just about money? The critical consideration is a moral one. Aifa will not expel loyal members and refuse them representation just because the regulator has changed the goalposts regarding the definition of independence.

Aifa operates in a political environment and policymakers here and in Europe do not want to engage with competing factions in any industry.

They want a clear message from a source that represents a broad community of interest. Unless you accept that, you are consigned to the margins of regulatory and public policy.

Of course, it is also about money. Representation costs money and serious representation costs serious money.

There are those who feel influence is just a matter of vocality but the reality is that the world we work in is mainly about due process, and build-ing a sustainable influence across a breadth of policy issues is labour-intensive.

It is about taking strong positions based on research, consultation, analysis and relationships. The output is proportionate to the resources available.

Our governance is designed to protect the influence of small firms but it is not possible to run a trade association without a major contribution from medium-sized and large firms.

Those larger firms in particular are embracing a future based on more than one advice model and need an association that will represent the whole of their firm, not just part of their activity.

We are entering a crucial phase of development for our community. There are things we will have to fight and things we will need to accommodate - and we will need to be wise enough to know the difference. Above all, we need to present our industry as cohesive, rational and professional.

A trade association acts as a lens through which policymakers see its membership. Aifa is not just a small group of people working in Austin Friars. It is you, the members.

How you involve yourselves, together with your appetite to fund effective representation in the future, will determine whether our community can be a force to be reckoned with - or just voices in the wind.

**Stephen Gay is director general of Aifa**