Summary: Successful advisors chose their third-party partners wisely so that they can best use their extra time to make a greater impact on the individuals and families they serve.

The current trend in financial services is towards greater simplicity and efficiency. Just look at the technology and workflow processes, such as Salesforce, Redtail and Albridge, that many advisors have integrated into their practices.

Technology is one thing, but many advisors are still spending substantial time and energy on unproductive activities: reporting, rebalancing, creating marketing materials, acting as the “money manager.”

These are all necessary but, like changing the oil in your car yourself, not the highest and best use of your abilities.

Think of it this way — If your time is worth about $200 an hour, is everything you do throughout the day worth $200 an hour? Or could it be outsourced?

In my experience, advisors who leverage third party partners for investment management and business management functions can potentially free up close to 30% of their time. That’s the equivalent of an extra week, every month.

So the big question is: If you had 30% more time, how would you spend it?

The answer to this question, I believe, is what is preventing many advisors from reaching their true potential. It has been my experience that most advisors don’t know what to do with the extra time and just the thought of having extra time scares them. After all, it’s easy to say that you’ll use the time to enjoy your favorite hobby, or see clients more often, or do prospecting. But, if you don’t have a process or a plan that confidently allows you to add extra value during that extra time you’re more apt to succumb to inertia and accept your current status quo.
I have observed that the top advisors have overcome this dilemma by developing processes and choosing partners that help them add the extra value for clients and prospects.

Here are a few guidelines to consider when analyzing potential outsourcing partners. You want to make sure the firm:

- Clearly understands — and demonstrates by their actions every day — that you are the #1 value to your client, not the products and services you recommend.
- Helps you perfect your story and clearly articulate your value so clients feel more connected to you.
- Aligns with your investment philosophy, wealth management approach and client advisory process.
- Provides client educational events (not product seminars) and strategic alliance networking to help you grow your practice.
- Provides extensive practice management and educational events to help you grow as an advisor.

Most of the satisfied and successful advisors I've met understand the benefit of finding the right partners to outsource non-core competencies. But, they also have chosen their partners wisely so that they can best use their extra time to make the greatest impact on the individuals and families they are fortunate enough to serve. One of the greatest values an advisor can provide to the families they serve is to ease the burden they carry when their friends, colleagues or family members lean on them for advice. It is imperative that your clients know that part of your job is to reduce their financial stress and that you offer opportunities to meet with anyone asking your clients about financial or life planning matters. I have seen this best done through regular client educational events.

Here’s how it works: Imagine if you and your partners offered to host Spring and Fall educational events that are open to anyone. Your clients know that every six months there is an opportunity to learn something and direct those that are leaning on them for advice to your free educational events. The key is to not make the events a product pitch. The event has to demonstrate the human side of the advisor because clients and prospects are looking for education and advice from real people, not products.

It is easy to fall into the trap of trying to do everything yourself. But the opportunity cost can really add up, keeping you from what clients need and want most — time with you.

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