Automating the Client Onboarding Process for New Advisor Recruits

Financial services firms are facing increased competition in their efforts to attract and recruit successful, established advisors to grow their firms. Successful advisors often bring experience and expertise, along with an extensive client base increasing a firm's asset base as well as enhancing its presence. These highly sought after advisors may increase the range of services a firm is able to offer existing clients and provide opportunities for succession planning and the asset retention such programs provide.

In 2010, advisors managing $68.3 billion in client assets moved to another company or created a new firm, according to data collected by Investment News[1]. Planning and management are essential for a successful advisor transition program which traditionally involves large amounts of paperwork and raises many challenges both within the advisor's practice itself and within the firm's head office.

Arius Software offers an automated transition solution that captures existing client and account information, prefilling the account application, reducing the time and resources required to efficiently and effectively transition a book of business from one firm to another.

"Arius gives us the confidence that our account opening system exceeds expectations and provides comfort to prospects that our back office system and process will improve their business," said Bob Goodish, CEO, Equity Associates Inc.

Objectives of automating account transitions for new recruits are:

- Accelerate existing client account transitions
- Increase transparency for both the client and the advisor
- Minimize risk associated with legal or regulatory requirements
- Integrate with existing back office platforms and 3rd party solutions for seamless account opening

This white paper will examine the benefits of automating account transitions during the new advisor recruitment process, including increasing transparency across the entire organization.

For over 12 years, Arius Software has worked with leading financial services firms to automate the account opening process. Arius OpenAdvantage® has been implemented by clearing firms, institutional, on-line, retail, mutual fund, full service and high net worth brokerage firms in both the United States and Canada.

ACCELERATE EXISTING CLIENT ACCOUNT TRANSITIONS

With an automated account opening solution, existing client address information can be imported by simply importing the data in spreadsheet format from Microsoft Outlook or a Blackberry. The partially completed applications are then automatically generated, which are ready for client signature before funding. Client signature can be done in several ways. Clients can use a traditional signature after which the hard copy forms are scanned, recognized by bar code and stored directly into the system.

[1] Investment News: "Top advisers with $68B in client assets jumped ship in 2010", Liz Skinner. December 15, 2010. http://www.investmentnews.com/apps/pbcs.dll/article?AID=/20101215/FREE/101219957

Advisor's can also utilize OpenAdvantage® directly on the Apple iPad™, allowing the client to electronically sign the account documents which are then submitted to the back office remotely over a 3G network. This eliminates repetitive manual data entry commonly associated with the traditional account opening process, while significantly decreasing the amount of paperwork to be processed and eliminating many of the delays commonly associated with this process.

Key benefits of Arius OpenAdvantage®:

- Save time transitioning valuable client accounts
- Reduce manual paperwork requirements
- Meet with clients across the kitchen table and submit account information instantaneously
- Spend more time recruiting new clients

INCREASE TRANSPARENCY ACROSS THE ENTIRE ORGANIZATION

An advisor's most valuable assets are their existing clients. During the advisor's transition to a new firm, communication and professionalism are key drivers in retaining the clients' assets and bringing them to the new firm. With OpenAdvantage®, advisors have the tools necessary to guide clients through the account transition process with accuracy and transparency. Account transitions can be completed in a timely fashion as all of the necessary paperwork is automatically generated by OpenAdvantage® and once reviewed and signed by the client, can be tracked by across the entire organization, mitigating the risk of a funding delay.

In addition, automatic notifications can be generated upon receipt of assets and sent to the advisor and/or client. Information can be tracked, stored and viewed at any time directly in the OpenAdvantage® portal.

With Arius OpenAdvantage®, financial services firms and advisor's can:

- View account status on demand during the approval process, saving time and resources
- Access all documentation and account information, enhancing the advisor's meeting with the client
- Eliminate delays in tracking account status and time spent on making inquiries

SUMMARY

Automating the transition of existing client accounts can now be completed through an automated system that allows the advisor to focus on maintaining and acquiring new client relationships. This removes the burden of tracking paperwork and allows accounts to be funded rapidly.

OpenAdvantage® enables advisor's to join a new firm and immediately begin growing their assets, while significantly reducing the costs associated with the onboarding process for the financial services firm. For more details on Arius' transition solution, contact:

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