

The Perfect Match for Advisors in Transition



Advisors in transition are breaking away from brokerages and switching between firms at an accelerating rate.

But what goes into making a good connection between advisor and new parent firm, or between a newly independent firm and its third-party service providers? Part of the answer, according to Tom Croxton, Vice President of Business Transitions at the Financial Services Network (FSN), is in what firms themselves are looking for.

“Are they a business fit for us? Who our ideal client is, we’re looking for folks who understand the fiduciary relationship,” said Croxton. “Our average advisor is 70% fee-based or advice-driven, and they understand they are a fiduciary or they want to be that fiduciary for their clients.”

Croxton, who was speaking on “Power Your Growth Through a Network of Elite Advisors,” our recent webcast, also said that cultural fit is important to ensure that advisors in transition will actually be able to maximize resources offered by the Financial Services Network, and that the product mix preferred by the advisor also plays a role. The product mix needs to jive with how FSN provides services to its clients.

FSN is a platform built to support the growth and development of independent advisors and helps both breakaway and already independent advisors create their ideal practice.

“I would say that the majority of our initial conversation is trying to understand what is important to the advisor,” said Brian Leitner, Head of Mariner Platform Solutions. “We want a really deep understanding of what they want and what they

might want to accomplish, the services they are providing to clients, the services they don't provide but might include in the future, and where they think the future is."

Mariner Platform Solutions is an outgrowth of Mariner Wealth Advisors, a giant Midwest RIA, built to serve the needs of independent advisors with many of the same services Mariner provides to its employees.

"We believe in comprehensive planning over investment and advice," said Leitner. "Investment is a piece of the puzzle, but frankly, many aspects have been or are being commoditized and that will only continue. So the question is what is your value proposition? What will you do for clients?"

Breaking away and transitioning between firms are not decisions to be taken lightly, said Leitner, so Mariner engages in a discovery process to make sure advisors are aligned with its culture and values, analogous to the discovery work advisors do with their clients and prospects.

Ask the Right Questions

One problem, according to Croxton, is that advisors in transition rarely know the questions they should be asking to make sure they are affiliating with service providers, partners and/or parent firms that are a good fit.

The questions advisors should be asking, Croxton said, include "are you prepared to be thoughtful about being a business owner?" and "Have you thought about staffing?" as well as "Have you thought about your investment in technology?"

"Let's peel back the layers and show you this bright, expansive universe we can use to help you build an ideal practice," said Croxton. "If you're looking for a reason, hopefully that reason is 'I don't think I'm doing the best I could for my clients, and I know I can be doing better.'"

Just as with the connection between advisors and prospect, or advisor and client, the connection between advisor and service provider, or advisor and parent firm, has been forever changed by technology. Advisor recruitment is a much different experience today than it was a decade, or even five years ago.

Croxton said the world's pace has changed exponentially because there's more technology involved and recruiting experiences have gone virtual. Not only do

many communications and meetings now take place via Zoom or other video-chat and conference platforms, but the initial connections are often made online rather than at in-person events.

But that doesn't mean that face-to-face meetings will be eliminated entirely.

"First and foremost, it's a people business and we all know that" said Leitner. "I don't think we will ever replace the face-to-face nature of the business, I think that advisors feel that way too. We're always willing to meet folks the way they want to be met, and that includes physically."

Take a Virtual Test Drive

Throughout the pandemic, advisors in transition discovered that it was not only feasible to find prospects, clients, and service providers virtually, but that there were also some efficiencies and other benefits to be found in doing so.

"What occurs to me is that when we think about our advisors, their experience is becoming not so much the car buying experience, but people are able to research us ahead of time just like a lot of folks are now going 'I'm not going to the car lot to test drive something, I already know what I want,'" said Croxton. "We're already providing these avenues, there's social media out there and content articles about us. You can look us up or yourself ahead of time and gain an understanding of 'this is what this firm is about' which is really cool."

Towards that end, early this year, we launched the Orion Network, a collection of practice management resources and a network of potential partners to help advisors go independent and grow their businesses.

The Orion Network also uses technology provided by Chalice to serve as a matchmaker between advisors and firms. Orion users can either access the Network and its tools on their own or use Orion's strategic relationship consultants to help make matches with service providers and firms.

Whether you're looking to join an existing practice or start your own, we can help you receive the support, technology tools, and resources you need to map out a long-term strategy for success.