



INVESTMENT SERVICES

Growing Your Wealth Management Firm Without Growing Your Tech Budget

The Next
Generation of
Operations

eBook





Wealth management firms have been facing increasing demands and industry complexities since giants like Netflix and Amazon ushered in an age of digital transformation, changing forever the way customers interact with their service providers.

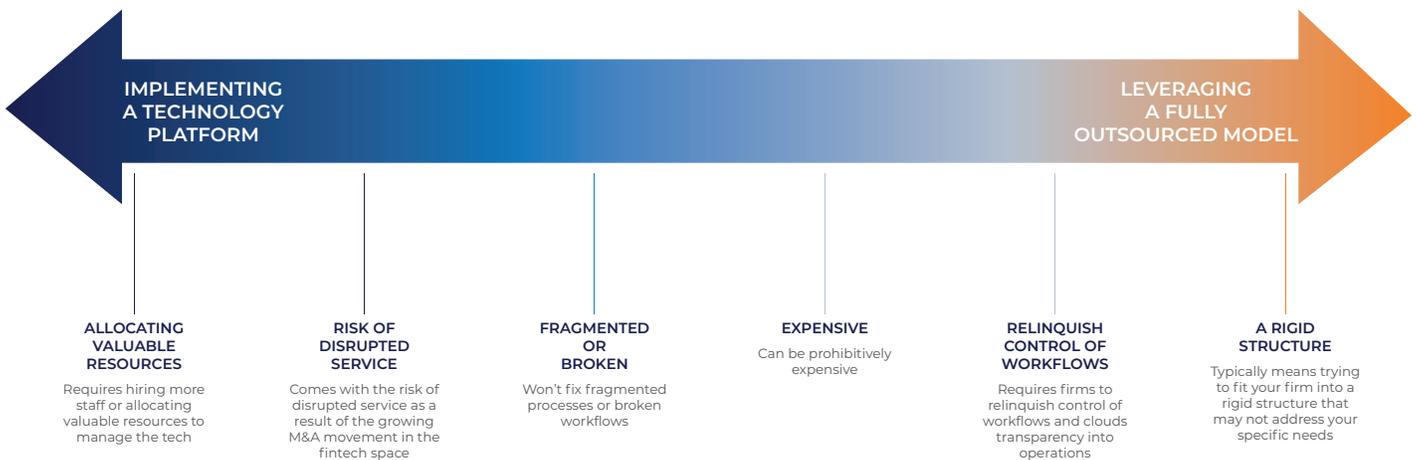
The evolution of digital delivery was only compounded by the COVID-19 pandemic, which forced businesses across every industry to reimagine the way they've always worked, or risk being left behind.

More than ever before, financial services firms are under pressure to:

- 1 Make information instantly accessible
- 2 Offer greater transparency
- 3 Be available on digital channels
- 4 Increase operational efficiencies in order to focus on client experience
- 5 Stay ahead of shifting industry trends

To stay competitive in an evolving landscape, wealth management firms need to improve operations and consistently deliver an exceptional client experience. And there is no shortage of resources available to help them do so, ranging from do-it-yourself technology stacks to fully outsourced operational models.

But both traditional technology platforms and turnkey outsourced offerings pose their own challenges for financial services firms.



Fortunately, there are more than two distinct options to choose from.

If your firm needs to improve operational efficiencies in order to grow while continuing to offer a modern client experience, you'll be best served to evaluate a potential partner based on how they'll help you reach your goals, not the way they define themselves.



Keep these seven characteristics in mind as you navigate the technology and service landscape:

1. What Is the Provider's Core Focus?

Increasing demands and complexities aren't reserved solely for wealth management firms; many tech providers are also being called upon to expand their business lines, introduce new services or leverage M&A to remain relevant.

But so much shifting focus draws resources away from the solutions clients already rely on, causing service disruptions, delays and costly errors.

To streamline workflows, accelerate efficiencies and deliver on client experience, you need a partner who understands which aspects of your business will benefit most from a laser focus on operational improvements.

What to Look for:

- ▶ A deep understanding of your pain points
- ▶ Dedication to finding the best solutions for challenges your firm faces
- ▶ Proven prioritization of reliability over their own platform expansion

2. How Does the Provider Define and Execute Innovation?

Along with mergers and acquisitions and building new business lines, tech and service providers also view innovation as a way to remain relevant and competitive—sometimes at the expense of reliable service.

But true innovation isn't making the biggest splash in the press; it's embracing progress in the places it matters most, and trying to find ways to make daily operations run more smoothly in the most cost-effective way.

What to Look for:

- ▶ A mindset for advancement in a fail-forward culture
- ▶ Innovations that drive efficiencies by replacing traditionally tedious manual tasks with smart automations

3. Does the Provider Offer Customization Capabilities?

One major drawback of most fully outsourced models is the expectation that your business will snap into their rigid structure, instead of adjusting their offering to meet your operational needs. Tech platforms, too, can only be implemented in so many ways to solve a finite number of challenges.

Your unique business has unique needs, unique goals and unique roadblocks. Maybe you want to offload data reconciliation but keep trading functions in house. A platform built for flexibility and control will allow you to do so, while keeping costs down.

What to Look for:

- ▶ The flexibility to implement the solutions you need now, and scale later as your needs change
- ▶ A willingness to co-create if off-the-shelf capabilities aren't enough to address your biggest challenges

4. Can You Rely on the Provider's Data Expertise?

Clean data is your firm's foundation. It's also the most difficult, tedious and time-consuming operational function to get right. To do its job for your business, data needs to be accurate, reliable, secure, accessible, and easy to digest.

But most legacy tech systems and data warehouses aren't flexible enough to accommodate the complex data types large firms use to make informed decisions—and disparate data is cumbersome, inaccurate and unreliable.

A partner that understands data as a top priority for wealth management firms will accommodate all the data you need across every business line, as well ensure you're able to use it effectively.

What to Look for:

- ▶ An open API and cloud-based data warehouse
- ▶ The ability to instantly and intuitively access the data you need
- ▶ A source-agnostic solution that supports all the data types you use to run your business



5. How Does the Provider Create Transparency for Your Firm?

Financial services firms looking for the efficiency of complete outsourcing may balk at the traditional lack of transparency that model offers into their data and daily operations. But in order to meet compliance regulations, make the best decisions for your business and effectively serve your clients, you need to understand what's going on with your operations at all times. The ideal solution combines the efficiency of full outsourcing with the transparency of running your own tech stack.

What to Look for:

- ▶ An intuitive way to view your daily, monthly and quarterly tasks
- ▶ Proactive communication about upcoming deliverables
- ▶ Automated audit and regulatory support

6. Do You Have Access to Knowledge and Thought Leadership?

World-class technology and streamlined operations will undoubtedly help drive efficiencies for your firm. When you combine those operational improvements with access to subject matter experts across service lines and deep industry expertise that can advise you on best practices, you'll see exponential growth.

But access to experts can be hard to come by when you're working with traditional tech and outsourced models. Often, you're expected to communicate only with your service rep or a support line when problems arise. That's the difference between a provider, and a partner that acts as an extension of your team.

What to Look for:

- ▶ Unlimited access to subject matter experts that support every facet of your operations
- ▶ A partner with a proven track record of helping firms like yours reach the next level of success

7. Is Service a Top Priority for the Provider?

Transparency. Efficiency-driven innovation. Customization. Access to subject matter experts. Dedication to finding ways to improve operations for your firms.

All of these characteristics add up to one thing: A commitment to service above all else.

What to Look for:

- ▶ The ability to easily decide which solutions to deploy
- ▶ A globally diverse team that brings a variety of expertise and perspectives to your challenges
- ▶ A range of platform and resourcing options to help you reach your goals, on time and on budget

Customizable Outsourcing: The Modern Choice for Wealth Management Firms at Any Stage of Growth

Wealth management firms of all sizes at every stage of growth have one thing in common: They need more time to reach their business goals.

On the wide growth spectrum, your firm could be:

- ▶ Just starting out and doesn't have the time or the staff to vet, implement, and manage an entire tech stack;
- ▶ In a high-growth phase but looking to scale quickly without compromising on the things that matter most;
- ▶ Established but looking for a partner to help you navigate the complexity of your growing firm.

In any scenario, everything you're trying to achieve comes down to time. How can you reduce the burden of tedious operational tasks to create the efficiencies that free up valuable resources?

Across the continuum of traditional technology platforms and service providers available to wealth management firms today, **STP Investment Services** offers an alternative: An institutional-grade operational model that balances the efficiency of outsourcing your front, middle and back office with the transparency and control of running your own tech stack.

Ready to see how a tech-powered, service-first outsourcing partner can help you transform your operational outcomes?

Learn more about how we work with wealth management firms at stpis.com



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