

2017 Tech Roundup

Trends, advice, and best practices from technology experts



TECHNOLOGY. It can be as daunting as it is exciting, but it doesn't have to be. We know *Journal* readers have technology questions—from what you should be asking various vendors and your custodian to what defines an

adviser as “tech-savvy” to the latest tech trends. We asked more than 20 technology experts to share their knowledge. And we know there are many other experts and viewpoints, so to share your own answers to these

questions or to introduce additional tech experts to your peers, visit the All Member Open Forum on FPA Connect and look for the *Journal's* technology discussion.

—Ana Trujillo and Carly Schulaka



Joel P. Bruckenstein, CFP®

Publisher, Technology Tools for Today; producer, T3 Conference
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What tech question should every adviser ask their custodian?

Do you offer totally digital, totally seamless straight-through processing of new account applications?

What is your favorite web cam/screen share product or program?

It really depends on the use case, but Join.me will appeal to many financial advisers.

“The tech-savvy advisory firm has as much data as possible being shared among multiple software programs.”

—Jennifer Goldman, CFP®



Jennifer Goldman, CFP®

President, My Virtual COO
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What question should advisers ask when shopping for software that enables and supports outsourcing work?

Will this software allow me to delegate the work to someone else without feeling a loss of quality or control over the work produced? Will it guide my staff or outsourcer on how to do the work so I don't have to establish a detailed how-to manual or continually train and monitor the person?

What separates a tech-savvy adviser's operations from a less tech-

savvy adviser's operations?

The tech-savvy advisory firm has as much data as possible being shared among multiple software programs. They believe in process and strive to build workflows that guide their staff on the best use of the tech to reduce the workload and free up time to serve more clients.

What is the one piece of technology you could not live without?

My multi-calendar software—Google, Salesforce, and Office 365—combines my work (CRM), home, kids, and volunteer committee schedules.



David Lyon
 Founder/CEO, Oranj
 @runoranj/runoranj.com

What is a tech term every financial adviser should know?

Although not as popular as #fintech, #wealthtech is the term to specifi-

cally describe wealth management technology services. It is an automated, smart-technology-enabled wealth management experience that encompasses and proactively guides all aspects of a consumer's financial and personal prosperity, well-being, and lifestyle.

What role does technology play in the client-adviser relationship?

Technology enables the delivery of human advice at scale, transcending geographic boundaries, in a time-efficient, convenient manner, 24/7. The rapid evolution of wealth management technology presents exciting opportunities for clients and advisers to communicate and collaborate without lengthy in-

person meetings.

By leveraging certain #wealthtech tools, advisers are able to provide clients with single-login portals, dashboards that create total pictures of their wealth, communication in real time, automated investment management, and timely, holistic, goals-based planning.

Most importantly, financial technology empowers the client. It puts them at the center of their financial destiny while making it simpler for advisers to grow their business. Proper use of technology enables timely, clear, and relevant communication essential to any relationship—especially for perhaps the most impactful one: the client-fiduciary relationship.

“Financial technology empowers the client. It puts them at the center of their financial destiny while making it simpler for advisers to grow their business.”

—David Lyon



Tom Embrogno
 Chief information security officer, Docupace
 @docupace/docupace.com

What is the best question for advisers to ask vendors when shopping for a secure document management system?

They should first ask how long the provider has been operational and verified as a secure system. If the system has a track record of seven-plus years as a designated third-party provider service, you're able to show retention and security of documents and data. At the very least, companies should also look into a firm's independent penetration testing, financials, and insurance coverage for data breaches.

What is the first piece of technology an adviser should invest in to create a virtual office?

A secure and SEC/FINRA-compliant platform should be the first step. It should be built on a proven, open technology framework that is

easy to integrate with third-party providers in a secure manner. This provides a backbone for ancillary systems to plug and play and inherit the rich compliance and security attributes of the platform.

In terms of cybersecurity, what do you think advisers need to do to better safeguard themselves and their clients?

Start with awareness and training. If advisers understand the risk associated with the data they are in custody of, they can learn to look for weaknesses or backdoor errors within the system and correct them with several rounds of testing. This provides clients with a greater feeling that their data and information is secure.



Kevin Knull, CFP®
President, MoneyGuidePro®
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What does “integration” mean to you?

There are two types. Small “i” integration are cases in which a firm needs us to pass data back and

forth between our system and one or more other systems. We have around 170 small “i” integrations, and we add more as our clients require it. The second is capital “I” integration. These are fewer, but they’re firms that we want to have a very tight, seamless, beautiful experience. When you see a capital “I” integration, you’ll recognize the difference. We are about to release some of the finest integrations with our firm’s platforms that we’ve ever seen in the next few months.

What is the best question for financial advisers to ask any tech vendor?

I suggest all of these:

- Can you show me your software, not “slideware”? (It has become a

common practice for technology firms to sell from PowerPoint presentations. I don’t believe this is a sound or particularly honest practice, unless it is clearly disclosed that what is being shown isn’t real.)

- Is what you’re showing me actually being used by firms/advisers? If so, would you provide me a list of five firms I could contact?
- What is the real differentiator between you and your peers?
- Who are your enterprise clients? Have you ever lost an enterprise client? If so, why?
- How long will it take to implement your solution at my firm?
- Will your solution save me time, money, increase my revenue, etc.? Can you prove it?



Rich Cancro
CEO, AdvisorEngine (formerly Vanare)
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What role does technology play in the client-adviser relationship?

Technology is increasingly important for the client-adviser relationship. We believe that in the very near future financial firms of all sizes will recognize that their brand identity will be closely associated with their technology design and capabilities. This will be true for the firm’s client acquisition/marketing as well as their goals for recruiting advisers to their firm. Also, as fees are compressed, having a truly inte-

grated platform that automates as many tasks as possible will be critical for firms to grow and maintain their margins.

What is the one piece of technology you could not live without?

Slack. Our global team uses it for messaging, file sharing, search, and archiving. It’s a wonderful tool that helps us get more done, spend less time in meetings, and it reduces email.

“In the very near future financial firms of all sizes will recognize that their brand identity will be closely associated with their technology design and capabilities.”

—Rich Cancro


Bill Crager

President, Envestnet
@ENVCrager/envestnet.com

What separates a tech-savvy adviser's operations from a less tech-savvy adviser's operations?

We recently worked with the Aite Group on research ("Technology Integration Turbocharges Adviser Productivity: Making Time for

Clients") that found that having advanced technology integration allows advisers to reallocate time from operations and investment research tasks toward client activities and investment management. Advanced technology integrations include: single sign-on functionalities between applications; manual data sharing as well as automatic data sharing between business applications; and functional integration across multiple business applications. The median RIA with advanced technology integration has 78 percent more assets, and the median IBD adviser has twice the assets of peers with basic or no technology integration.

What has been the best technology advancement in financial services within the last three years?

It's hard to point to a single development, but together something powerful is happening—software and financial wellness applications are integrating more tightly with powerful datasets, creating smarter solutions for investors.

What tech trend are you watching closely in 2017?

Software technology and data analytics are powering the life cycle of advice—financial planning to portfolio strategies to comprehensive information—that can shape into intelligent financial planning. This intelligent, holistic approach to planning focuses on identifying a client's goals, driving them to a solution that is in their best interest, and maintains and updates comprehensive household information and data for the client.

“Software technology and data analytics are powering the life cycle of advice.”

—Bill Crager


Marguerita Cheng, CFP®

CEO, Blue Ocean Global Wealth
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What is the best technology for streamlining operations?

There is no shortage of tools to help streamline operations. We have implemented AppRiver for secure

email. There is also an e-signature feature. What has been most exciting for prospects and clients of all ages is Riskalyze. The simple yet powerful questionnaire helps advisers identify an investor's unique risk tolerance. When investors understand their risk tolerance, they are educated and empowered to make better decisions.

What is your favorite client data aggregation tool or technology?

Some financial advisers may not need data aggregation because they can access tools through their custodian. However, if their performance reporting capabilities don't offer specific connections, they may need to work with an external aggregation partner like ByAllAccounts or Albridge. Because financial planning

is the foundation of every client relationship, we work with two financial planning software providers. We use Finance Logix for our client portal; it retrieves data from many financial service companies. For more complex planning, we also use Advicent's NaviPlan.

What do you think has been the most revolutionary product to enter the financial planning space?

I had the opportunity to meet Shachar Kariv, chief scientist of Capital Preferences, in September at the FPA Annual Conference in Baltimore. I really appreciate the combination of the research and discipline to better understand how investors make decisions. This is as inspiring as it is groundbreaking.

“Advisers need not fear robo-advice, but figure out how to harness what robo-advisers do to really market their firms, especially with millennials.”

—Stephen Swensen



Alex Baghdjian

Senior offering associate for financial markets and wealth management, IBM
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What role does technology play in the client-adviser relationship?

Technology companies provide a

wide range of solutions for financial advisers and wealth management firms to help advisers in their various tasks. However, good technology should really be about augmenting and improving the financial adviser’s client relationships. It should allow an adviser to have more personalized relationships with their clients, automate manual tasks, help clients plan better for their future, and in some cases empower clients to choose the type of service they prefer.

What is the future of artificial intelligence in the financial advisory industry?

Artificial intelligence is definitely going to change the financial advisory industry for the better. It will aug-

ment the adviser’s knowledge and ability. In the front-office, advisers will be able to focus more on servicing their clients (and potentially more clients with better service), rather than working on manual tasks. There will be more proactive advisers, rather than reactive ones—with the ability to service a client’s need before it arises or in real time. In the compliance space, AI will allow for the quicker understanding and implementation of new regulations, in addition to the ability to analyze a wide range of data sources to detect adviser misconduct as it happens. Overall, we’re going to see a much more efficient, proactive financial adviser with a stronger relationship between the client and adviser.



Stephen Swensen

Founder/CEO, Bucket Bliss
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What is a tech term every financial adviser should know?

It’s one that all advisers should be keen to, but I think it’s one that

they need to redefine: robo-adviser. Advisers need not fear robo-advice, but figure out how to harness what robo-advisers do to really market their firms, especially with millennials. The appeal of technology and robo-advice will bring the millennial in the door just enough for them to realize that the human element of financial planning is always going to be necessary.

How can firms best integrate technology to appeal to older clients?

Use technology during account reviews so clients get comfortable seeing you use it, and thereby comfortable trusting what it does. You could even have a portion of the [client meeting] dedicated to edu-

cating clients on the ways advisers are using technology to better serve clients. If they know their adviser is doing this to better serve them, they may better utilize technology to get the full value out of it.

What holds some planners back from adopting more technology?

In the past it’s been a fear that the adoption of new technology would require additional compliance approval and additional hoops to jump through, but a new ruling effective January 9 (Regulatory Notice 16-41) indicates that FINRA will no longer require review of third-party analysis software used by financial advisers. I think that will go a long way toward advisers adopting new technology.



Casey Rockwell

Chief technology officer, Prairie Smarts
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What does “integration” mean to you?

Integration is the buzz word in the industry right now, and hopefully, many advisers know that all are not created equal. Integration should

imply a seamless coupling so that it's impossible to tell what's an internal part of a system and what is being drawn from an outside tool. There is a big disparity between a single sign-on solution versus a full integration, and it's important an adviser can differentiate between the two. Before making an investment in new technology, be sure to understand what level of integration you are investing in.

What tech question should every adviser ask their custodian?

When discussing technology with a custodian, don't let the newest tech trend derail you from getting to the heart of two critical questions: (1) How will your technology allow me to stop worrying about my technology? and (2) What is the vision

for technology that creates more efficiency in my practice?

What one piece of technology do you think all advisers would benefit from?

A centralized communication hub. The technology is there, the key is to find a solution that works well with the way the adviser conducts business. To complement an adviser's work, an integrated client portal that displays the value the adviser brings to the client in words is also critical. Any visual that can add clarity, including charts and graphs that help the clients understand the work and effort the adviser is putting forth, will be essential as advisers work to keep share of wallet.

“Before making an investment in new technology, be sure to understand what level of integration you are investing in.”

—Casey Rockwell



Anthony Stich

Director of global marketing,
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What tech trend are you watching closely in 2017?

At Advicent, we continue to study what we are calling the “evolution of advice delivery.” As we move into 2017, we will witness the full implementation of the new DOL fiduciary standards. With this, we anticipate a surge in fintech adoption—especially around financial planning software. Considering that fiduciary advice is best done after fully understanding the client, we feel that holistic, comprehensive financial planning will best assist advisers in meeting this new standard. (Read more about technology and the DOL fiduciary rule on page 32.)

What one piece of technology do you think all advisers would benefit from?

That's easy—financial planning software. It will best assist advisers in compliance under the new fiduciary standards; allow advisers to service a broader client base more efficiently (think generational wealth transfer), which improves profitability; and best position themselves to compete against emerging technology competitors such as robo-advisers.



Abby Schneiderman

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What role does technology play in the client-adviser relationship?

Technology is the glue that holds the client-adviser relationship together, and it's the tool that assists advisers in evolving the relationship with not only the client, but the client's heirs. With the great wealth transfer looming, advisers should be

consciously seeking opportunities to reach out to the next generation of clients. According to a recent survey Everplans conducted with Cerulli, the key to developing a business relationship with the next generation of clients is to simply ask. Nearly 70 percent of the advisers surveyed say they ask their clients and spouses to get their children involved. The right technology can play a large role in making that ask.

In terms of cybersecurity, what do you think advisers need to do to better safeguard themselves and their clients?

Advisers have a lot on their plates, which means issues like cybersecurity often get pushed aside. For this reason, I believe advisers can better protect themselves and their clients by appointing or outsourcing a designated person who is responsible for cybersecurity initiatives.

What tech trend are you watching closely in 2017?

The evolution of financial planning software. Portfolio selection and investment management is becoming commoditized due to the Internet and an increasing variety of robo-solutions. I believe that financial planning and personalized advice—beyond just their financial matters—is what clients really value and are paying for. Historically, financial planning software looked at an individual's wealth through a goals-based planning approach or a cash-flow type of scenario. Technology providers have begun to look more broadly at wealth accumulation and have started to include such things as life insurance, college savings, and Social Security. I believe this will evolve in 2017 and extend to something I call the "sixth element"—life and legacy planning.



Josh Nelson, CFP®

Founder/CEO,
Keystone Financial Services
keystonefinancial.org

What is your favorite interactive planner-client technology?

I love eMoney, and so do my clients. It is easy to understand and use, for both the client and the adviser, yet it can run very advanced financial plans and reports for my clients.

What is the best adviser dashboard you've used?

My team and I use Salesforce combined with Orion Advisor. For advisers who want ultimate flexibility, it is the best solution that I am aware of.

What is your favorite mobile app for work?

Google Calendar is still my favorite. It syncs to Salesforce and it allows my team and me to see where everyone is and their commitments when we are on the go.

“Technology is the glue that holds the client-adviser relationship together.”

—Abby Schneiderman

“In my practice, technology does not create the financial plan, it *is* the plan.”

—John Robinson



John Robinson

Co-founder, Nest Egg Guru; owner, Financial Planning Hawaii
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What is the biggest reason for technology integration failures?

There are many, but the most common reason I see is that advisers are wowed by the “cool factor.” Many

new fintech offerings have done such a great job with the UX [user experience] that advisers don’t immediately realize that the engine under the hood in some financial planning platforms is more akin to a lawn mower than a Ferrari. Similarly, I think many advisers make purchasing decisions based on what’s popular rather than finding the best solutions for their particular practices.

What’s the best question an adviser has ever asked you?

An adviser recently asked me how I use technology to generate a financial plan at Financial Planning Hawaii. This was a great question because, like many advisers, his perception of a financial plan was as a paper document. In my practice, technology does not create

the financial plan, it *is* the plan. A financial plan is no longer a 50-page computer-generated document filled with charts and graphs and jargon-rich text. Instead, the right technology platform enables clients to easily centralize, organize, monitor, and maintain all aspects of their financial lives.

What separates a tech-savvy adviser’s operations from a less tech-savvy adviser’s operations?

Advisers who are embracing technology tend to have highly visual, scrolling, mobile-friendly websites. The sites have minimal text and tend to include professional video content. These advisers also tend to incorporate client-facing software as an educational tool.



Brian McLaughlin

CEO, Redtail Technology
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What will be a top tech trend for 2017?

The big trend for fintech in 2017

centers on the DOL fiduciary rule. Broker-dealers and technology providers have been scrambling to figure out what their strategies will be and how they will assist advisers in preparing for April 2017 and beyond. Much of the focus has been on increased documentation and the implementation of tools that assist in demonstrating that the fiduciary requirements are being met.

How much CRM does a firm need?

This is influenced by many variables, including AUM, size of client base, sales pipeline, staff size, etc. We believe advisers should maximize the use of their CRM, but we understand that not all firms need to use

all the bells and whistles. There are, however, baseline components for any CRM an adviser should consider. The CRM should:

- allow one to easily document all client interactions in a compliant way (documentation must be either non-editable or edits must be logged for easy retrieval);
- be designed specifically for financial professionals that offers meaningful integration with other fintech tools they use; and
- actually deliver on the promise of creating efficiencies in their office.



Dan Skiles

President, Shareholders Service Group
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What will be a top tech trend for 2017?

One of the bigger trends in adviser technology is the improved collabo-

ration between the adviser and their client using various technology tools. From financial planning to performance reporting to common financial requests and tasks, advisers will benefit from more solutions and tools that allow them to more efficiently interact with clients. Technology at both the adviser and client level is becoming more personalized with a consistent experience across multiple devices and platforms. Essentially, all of us are building our own digital fingerprint where the technology adapts and ultimately enhances our experience based on our past interactions and historical requests.

What is the first piece of technology an adviser should invest in to create a virtual office?

Contact management with workflow process features. This will become your hub for maintaining and tracking engagements with prospects, clients, and business partners.

What do you think has been the most revolutionary product to enter the financial planning space?

Mobile technology has revolutionized how we conduct business in our profession. Previously, all work (from a technology perspective) was done at the office or home using a desktop or laptop computer. Now, advisers can travel the country conducting business, responding to requests, reviewing information—all through using their smartphone and/or tablet.

“All of us are building our own digital fingerprint where the technology adapts and ultimately enhances our experience based on our past interactions and historical requests.”

—Dan Skiles



Jon Stein, CFA

CEO, Betterment
@Betterment/betterment.com

What tech question should every adviser ask their custodian?

The best custodians leverage

technology to enable advisers to streamline their operations and deliver a best-in-class client experience, so a good question is: “What is the account opening process like—not only for me, but for my client?” It’s about seamless money transfers, transparency into their portfolios, and timely and paperless delivery of important documents such as quarterly statements.

What technology trend are you watching closely in 2017?

The biggest trend I’m watching is in regard to automation and sophisticated wealth management strategies. Throughout the financial services landscape, we’ve started to see more

planning capabilities enabled by technology. Many of the advisers on Betterment for Advisors, our wealth management platform for advisers, work with some or all of their clients on the platform in a completely virtual manner, using screen share services and video conferences to hold periodic meetings that were once only conducted face-to-face. At the same time, we’re seeing advisers develop and become experts in more specialized niches. So, clients have access to the adviser who is best equipped to help them on a particular financial need. In sum, advisers are able to focus on specialties that they are passionate about and clients are able to access best-in-class advice.



Blaine Aikin, AIFA®, CFA, CFP®
Executive chairman, fi360
@fi360/fi360.com

What role does technology play in the client-adviser relationship?

Technology-enabled human advice is increasingly necessary and required in the competitive marketplace for professional advice. The more complex the client's needs, the greater the need for more sophisticated and

well-integrated human and technological capabilities. Technology plays an important role in creating consistency and accuracy with client-adviser communications. It's critical that technology supports advisers' core prudent practices, as opposed to expecting advisers to adjust their practices based on limitations or constraints in their technology platforms.

“It's critical that technology supports advisers' core prudent practices.”

—Blaine Aikin, AIFA®, CFA, CFP®



Greg Friedman, CFP®
Founder/president, Private Ocean and Junxure
@JunxureCEO/junxure.com, privateocean.com

What is the biggest misconception among advisers about CRM?

That CRM is for client information and managing relationships. This is a misconception in that a good CRM should do this and much more, including managing and systematizing

workflow, tracking and managing prospecting and business development activities, and it should build the cornerstone to helping run the business effectively and efficiently.

What one piece of technology do you think all advisers would benefit from?

A purpose-built CRM, built specifically for our industry.



Bill Winterberg, CFP®
Founder/president, FPPad.com;
host, FPPad Bits and Bytes
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What tech trend are you watching closely in 2017?

I hope that cognitive computing will begin to be adopted by CRM and financial planning solutions, where existing data on client profiles and activity can create suggestions and

recommendations for the adviser to act upon. Arguably, advisers already do this today, but they can't consider recommendations for thousands of clients simultaneously like a cognitive computing engine can.

What is the best question for financial advisers to ask any tech vendor?

How does the solution help me deliver more consistent and actionable advice to my clients?

Best Tech for 100 Bucks or Less

Q: What is the best technology investment financial advisers can make for \$100 or less?

MailChimp. It's a great tool for small RIAs to amp up their digital marketing efforts. The basic version is free and provides contact management; branded, mobile, responsive email marketing; analytics; and marketing automation drip campaigns that allow advisers to tailor communications to potential clients based on behavior and preferences. At the most basic level, it allows advisers to send out a personalized, professional newsletter to prospects and clients.

—David Lyon
Oranj

Here are a few ideas: get a free Android tablet if you sign up for 4G service with T-Mobile, that's an excellent deal; then pair it with a Bluetooth keyboard (approximately \$20 from Amazon). Invest in a good computer mouse; the ones that come with your computer—if one comes at all—are generally very poor quality. I like the **Logitech MX wireless mouse** for about \$59. The new **Amazon Fire Stick** with an Alexa voice remote for about \$39.95 is a great investment—it can stream Netflix content, original Amazon content, and much more. If your phone or tablet batteries don't last a full day, the **Anker Powercore 10000** packs a lot of power into a small package for \$23.99 from Amazon.

—Joel Bruckenstein, CFP®
Technology Tools for Today and the T3 Conference

After talking to a lot of financial advisers, I've heard multiple times that switching to a **great CRM** system can really make a substantial difference in productivity, as well as the level of service provided to clients. Some advisers even talk passionately about their CRM system. Another technology investment to heavily consider would be **good financial planning software**. More and more clients are looking to advisers to provide some sort of financial planning service, so having a robust, intuitive tool that can assist in meeting that need is crucial.

—Alex Baghdjian
IBM

My best technology investment under \$100 would be the **RØDE VideoMic Me** microphone. Advisers have more options than ever to create video content using just their smartphone. While smartphone cameras have excellent quality, smartphone microphones are designed for phone calls when the phone is held up to your head, and not for recording videos at a distance. By using a higher-quality microphone, advisers will be able to take advantage of apps like Facebook Live, Periscope, Instagram Stories, and more, and not worry about poor audio quality in their content.

—Bill Winterberg, CFP®
FPPad.com

Several come to mind. The first answer has to be **Redtail CRM** (\$99/month for up to 15 users). CRM should be where an adviser starts with technology. A good CRM is going to be able to integrate with all those other technologies and make an adviser's life much easier. Advisers should also look at using a password manager; there are several good ones out there. From experience I recommend **LastPass**, which offers a free version (that probably does everything you need) or a premium version for \$12 a year. Finally, a **battery pack** for mobile devices can be a lifesaver, and you can pick one up for under \$100. I suggest getting one that can do at least a few full charges.

—Brian McLaughlin
Redtail Technology

The best investment advisers can make is to talk to their compliance and management teams and invest in a solution like ours at an enterprise level. For teams of advisers, **IRAFiduciaryOptimizer** can be rolled out at \$100 a month or less. In addition to economies of scale, standardization of our platform across an organization is advantageous for consistency, control, training, and support—all of which result in time savings and business efficiency.

—Don Harding
RiXtrema

Fiduciary, Meet Technology

Q: How do you describe the impact technology will have on a financial adviser's ability to comply with the DOL's Conflict of Interest Final Rule?

The fiduciary standard is principles-based and process-oriented. This is reflected in the DOL Conflict of Interest Final Rule, and it is the basis for what we have been teaching and enabling since 1999.

For a client seeking professional advice, especially when the issues involved are complex, the best-case scenario is to find the most skilled professional backed by technology aligned to his or her practices. Ideally, it is a matter of leveraging human intelligence with technology, as opposed to asking the adviser to adjust based on technology constraints. Technology can do a great job of assuring reliably accurate computations and recordkeeping with superb efficiency. Human advisers are best at truly understanding the client, applying skills that are highly facts-and-circumstances specific, and making sure that the best solutions for the client make sense in the aggregate and are well integrated. Humans can also help deal with uncertainty and adapt actions to changing circumstances.

Consider, for example, the requirement for advisers to have impartial conduct standards in place under the DOL rule. That typically involves adopting processes that serve clients' best interests, such as capturing material information about clients, preparing investment policy statements, conducting objective asset allocation and due diligence analysis, producing meaningful client reports, and carefully documenting decision-making processes.

—Blaine Aikin, AIFA®, CFA, CFP®
fi360

Q: How does your product/service help advisers be compliant with the new DOL fiduciary rule?

IRAFiduciaryOptimizer facilitates the straightforward creation of reports proving a rollover is in the investor's best interest. It uses quantitative measures—fees, back-test performance, risk-adjusted returns, portfolio risk versus risk tolerance; and qualitative measures—

additional services provided by the adviser versus the current 401(k) portfolio.

First, to load prospects' 401(k) portfolios, we offer streamlined data aggregation from virtually any retirement platform.

To calculate the best interest report, advisers need to enter out-of-pocket fees that investors currently pay in 401(k) portfolios. A database of retirement plan fees covering over a million plans in the U.S. is available from our partner, Larkspur Data. Also available from Larkspur is a database of retirement plan red flags. It will flag things like low participation rate, poor performance, or lack of proper documentation within a plan.

Next, our proprietary database, FeeComp, helps advisers create various benchmarks from fees charged by thousands of advisers. Finally, the admin portal stores every report created in a secure, encrypted system. The DOL rule enables litigation in state courts, which is easy to bring, so it's imperative to have a prudent process to prevent breaches and to have every data point at your fingertips.

—Daniel Satchkov, CFA
RiXtrema

With our existing product, NaviPlan®, we already have a comprehensive financial planning solution that will best position financial professionals (and firms) with their compliance efforts. We've identified eight core functionalities within our existing technology to aid in compliance, and we've introduced The Compliance Blueprint—a three-part offering that includes unique DOL-ready financial planning software functionalities; thought leadership and expert consultation services; and a commitment to future product enhancements.

The first component of The Compliance Blueprint is a technology review. We've reviewed NaviPlan internally and externally leveraging our partner North Highland, and North Highland has identified NaviPlan as a DOL-ready option that could be used to help meet the new standards of compliance.

—Anthony Stich
Advicent

Q: What changes do you plan to make, or have already made, to your software in response to the DOL fiduciary rule?

In April 2016, we dramatically enhanced MoneyGuidePro® in anticipation of the DOL fiduciary rule. This included making the user experience friendlier, more engaging, and placing an enhanced emphasis on the quality of the data collected. We're adding both qualitative and quantitative data such as a client's expectations of retirement, concerns, and a deeper exploration of goals—all to help better understand one's client.

In May 2016 we released Best Interest Scout™, a scalable client discovery and prospect onboarding tool that is seamlessly integrated with MoneyGuidePro, and walks a client/prospect through a thorough discovery process, thus making the adviser/firm far more efficient.

We've released two new iterations of myMoneyGuide®, our scalable financial planning and self-evaluation tool. The new enhancements further simplify the process of entering information and help better assess the results. myMoneyGuide passes the data in real time to MoneyGuidePro for optimal efficiency.

Upcoming enhancements include an integration with Envestnet and Tamarac (portfolio management/proposal generation), MX (aggregation), Morningstar (fee analysis and proposal generation), and Covr Financial Technologies (robo-insurance solution).

—Kevin Knoll, CFP®
MoneyGuidePro

Our profile assessment tool allows financial firms and advisers to ask any questions they need to determine the target asset allocation/model for their clients. Further, we have highly automated and flexible client onboarding workflows supported by e-signature, delivery of disclosure documents, approval checkpoints, a compliance dashboard, and document storage. These elements support, in a highly scalable way, the financial adviser and/or financial firm in documenting their logic.

—Rich Cancro
AdvisorEngine

With The Compliance Blueprint, Advicent is accelerating the development of key functionalities to be released in early 2017, including collaborative fact-finding, account aggregation, and synopsis reporting. These technologies will expedite data gathering, eliminate inconsistencies, and assist financial professionals in ensuring they are providing the best advice for their clients. Advicent had been developing these prior to the announcement of the DOL Conflict of Interest Final Rule, but the project was fast-tracked to be included in The Compliance Blueprint as they align with the Advicent DOL strategy.

The fact-finding enhancement is designed for the client to provide details through an interactive fact-finder that includes questions about demographic information, financial accounts, insurance, and goals. By leveraging account aggregation technology, the adviser can update their clients' financial plans with real-time account values. Through synopsis reporting, advisers will receive a breakdown of assumptions and data entered into a financial plan to facilitate transparency. These updates enable advisers to obtain a deeper understanding of their clients' financial situation, enhancing their best interest compliance efforts.

—Anthony Stich
Advicent

Note: This is just a sample of the technology available to advisers that can aid in DOL fiduciary rule compliance. To share additional resources, visit the All Member Open Forum on FPA Connect and look for the Journal's technology discussion.

Learn More



Join Junxure's **Greg Friedman**, Blue Ocean Global Wealth's **Rita Cheng**, and other technology experts on **January 25** at 2 p.m., Eastern for a **Journal in the Round** virtual roundtable. Visit OneFPA.org and click on "Virtual Learning" to register for this free event.