ADVISOR SOFTWARE TOOLKIT

COMPILED BY: YCHARTS

AS IT DOES EVERY YEAR

The 2018 Software Survey provided a slew of valuable insights to the RIA industry. T3, Inside Information, and Advisor Perspectives leveraged their extensive networks of advisors to compose a comprehensive outlook on the state of technology in the industry.

At YCharts, we are proud to see that we were named as one of the top tools people are thinking about adding this year. We are even prouder to say that over 3,000 professionals have added YCharts to their "toolkit," to date.

BUT THIS GOT US THINKING...

What about some of the other software tools the survey covered? In what ways is the advisor toolkit evolving? We decided to build upon the conversation this survey sparks every year and take a deep dive into some of the other top tools advisors are adding to their arsenals. Specifically, we looked at those tools that, like YCharts, the greatest number of survey respondents are thinking about adding.

To do this, we synthesized everything we've heard on the topic of technology in the investment advisor industry — conversations with YCharts clients, information gathered at industry conferences, the commentary from the 2018 Software Survey itself, and our own extensive research on each of the software tools outlined.

TECHNOLOGY IS ALWAYS EVOLVING

Even if you're not looking to overhaul your firm's technology this instant, staying informed and up-to-date on how you can leverage new technology can only benefit you, not to mention your clients, down the road.

PORTFOLIO MANAGEMENT

ORION

TOOL OF THE TRADE

The number one portfolio management software advisors are thinking about adding, according to the 2018 Software Survey, is the **Orion Advisor Services** platform. All of Orion's reports are customizable on a client-by-client basis – you can adapt the quantity and variety of reports you deliver to each client based on their individual investing approach.

Orion Advisor Services is fully integrated with every major custodian as well as CRMs such as Redtail, Junxure, and Salesforce, allowing for seamless client management. Orion's Trade Order Management (TOM) tool is fully scalable across all client portfolios, integrates with every custodian, and even records which individual within your firm actuates a trade.

DRILLED DOWN

Orion divides the platform's onboarding into "Learning Trails," allowing you to choose which "trails" you walk down. These paths range from billing to quarter-end processing and cover every functionality of the platform. This allows you to prioritize the features you use and ultimately saves you time.

Orion allows you to tailor your interactions with clients by building a branded mobile app. Through the app, clients can check their portfolios at will, further solidifying your brand in your clients' eyes. With the ability to create trading sleeves – virtual accounts existing within a client portfolio with different model portfolios and fee structures – TOM is like an additional analyst supporting your team.

WEIGHED & MEASURED

Orion Advisor Services focuses mainly on two things – customization and integration. Overall, we feel that these two factors are driving both advisors' demand for technology and the development of that technology. With onboarding "Learning Trails," branded mobile apps, and highly automated trading, Orion streamlines portfolio management and the advisor-client relationship.

RISK TOLERANCE

riskalyze

TOOL OF THE TRADE

A common dialogue between advisors and their clients is centered around the risk-reward relationship — and it's often a challenging topic. **Riskalyze** sets client expectations about portfolio performance from the other side of the risk-return relationship.

This approach is popular with clients and highlights a disconnect in the minds of investors who want "safe" investments and outperforming returns. Riskalyze simplifies the concept of risk that many investors have difficulty internalizing, and that some struggle to articulate. It does so by turning the concept into an easy-to-grasp metric that advisors can use to educate prospects and clients alike.

DRILLED DOWN

Riskalyze uses scientific theory to evaluate a client's portfolio, then assigns a proprietary risk score. The tool also assigns a risk score to each individual investment, thus making it easy to see if a particular investment will increase or decrease the risk of your portfolio.

The product features a tool called "The Retirement Roadmap" that shows a client's goals and with what degree of certainty they can reach them given certain investing habits. Riskalyze allows advisors to stress test client portfolios to show the impact of rising interest rates or how their portfolio would have hypothetically performed during the last financial crisis.

WEIGHED & MEASURED

Riskalyze is bridging the investment knowledge gap between advisors and clients by putting everything into real terms — that goes a long way in showing clients value. As more and more advisors move to the fee-based model, we see Riskalyze as a tool to help advisors prove their individual value proposition.

TRADING & REBALANCING

TOOL OF THE TRADE

Envestnet's Tamarac is a one-stop shop for trading and rebalancing across all of your is a one-stop shop for trading and rebalancing. Rebalancing your clients' portfolios is one of those regular, have-to-do-it tasks — and it's probably not something you look forward to doing. To invest in technology that expedites, simplifies, and scales this process is just plain smart.

Tamarac plays well to tech-savvy clients who access and interact with their investments electronically.

DRILLED DOWN

Some of the high-level features include one-click comparison of logged trades against custodian trades (making fulfilling SEC requirements as simple as possible), automated tax-loss harvesting strategies, and an aggregate view of out-of-balance accounts. Advisors can customize reports and client portals with their own brand to create a personalized experience when working with their clients and prospects.

To keep clients informed and at ease, advisors can share documents with clients via the Tamarac mobile app. Tamarac has also incorporated artificial intelligence and predictive analytics that help forecast what cash flows a client will need once they reach retirement.

WEIGHED & MEASURED

With customization and process abbreviation at the core, we see Tamarac as a leader in the tech-enabled charge. Tamarac is making life easier for both advisors and their clients — and when life is easier for clients, it's doubly so for their advisors. We see artificial intelligence as a bleeding-edge technology that may position the Envestnet tool to take advantage of future investing trends.

INVESTMENT DATA & ANALYTICS TOOLS
YCHARTS

TOOL OF THE TRADE

We couldn't pass up the opportunity to talk about **YCharts** — the top tool advisors are thinking about adding in the investment data and analytics category of the 2018 Software Survey.

YCharts is a cloud-based investment decision-making platform that marries comprehensive data with powerful tools and outstanding customer support to enable our clients to develop and visually communicate unique insights, make smarter investment decisions, and save significant time.

DRILLED DOWN

User-friendly technology allows advisors to manage their client accounts in one place, aggregate the top metrics important for them and actively monitor securities that fit their investing profiles.

YCharts is great for developing and communicating insights with compelling and insightful graphs that can be used on marketing materials and proposals. Additionally, YCharts' Excel Add-in allows clients to create their own custom reports using dynamic data displaying everything from asset allocation to historical returns and risk, specific to each client.

WEIGHED & MEASURED

Our clients have told us that they love YCharts' ease of use, intuitive interface, and time-saving automation capabilities. YCharts has always — and continues to — incorporate advisor feedback to further enhance the product and exceed expectations at a market-disrupting price point.

FINANCIAL PLANNING

eMoney Advisor

TOOL OF THE TRADE

eMoney combines a variety of planning and analysis tools, offering advisors a comprehensive suite. With tools like the Goal Planner, Decision Center, and Distribution Center, among others, the platform covers everything from retirement to estate to education planning.

Having a complete financial picture helps you guide clients on their financial journeys and build stronger relationships. The eMoney client portal enables clients to view assets in real-time and creates an additional opportunity for advisors to connect with clients.

DRILLED DOWN

Advisors using eMoney have the option of both goal-based and cash flow-based planning to help you interact with clients of varying mindsets and approaches to investing. This feature also expands to prospecting — advisors can leverage the lead-capture functionality by handing the reins to potential clients, who, in turn, plug in their information and financial goals, then receive strategies from eMoney to help them effectively plan for the future.

Some investors may be cautious, especially since the 2008 financial crisis is still in recent memory for many. To help investors plan, eMoney offers a "What-If" simulator that gives advisors a drop-down list of portfolio-disrupting scenarios advisors can walk through with clients. The "What-If" simulator models scenarios ranging from recessionary periods to spousal disability.

WEIGHED & MEASURED

As a financial planner, you're given purview over a client's whole financial well-being, and you need a powerful software to efficiently and effectively meet their planning and forecasting needs. eMoney can create efficiencies across your firm — because of the tool's comprehensive nature, it can be treated as a central hub for your practice and lessen the burden of managing a number of clients across multiple advisors. eMoney's client portal and aggregated account views add a value prop. That directly improves the advisor-client relationship.

CRM
REDTAIL

TOOL OF THE TRADE

Redtail is an affordable and intuitive CRM solution built specifically for financial advisors and planners.

A customer relationship management (CRM) software is essential to managing your firm — that's not really a novel concept. What is novel? A CRM targeted at the investment advisory industry.

DRILLED DOWN

Unlike some other CRM tools, Redtail is priced per database and allows up to 15 users per subscription. This a la carte model is a huge value-add for firms of all sizes — pay for what you need, and don't pay for what you don't. Coupled with free data migrations, Redtail could be saving you money before you even start using the tool.

In terms of integrations, Redtail leads the pack with more than a hundred integrated programs, including eMoney, MoneyGuidePro, Orion, and Riskalyze. Redtail's intuitive platform is consistent across its prospecting functions as well. The "Opportunities" tab within the tool makes it simple to manage leads and assign tasks to different internal parties. You can monitor a prospect throughout the entire sales cycle and track dollar amounts of closed and outstanding opportunities right within the platform.

WEIGHED & MEASURED

The industry is trending towards full integration across tools and platforms — this feature bodes well for Redtail to continue as a premier tool in the market. Since CRMs are essential to running your business, there are a lot of different options in the market. If you're looking for top-notch customer service and scalability as your firm grows, Redtail should definitely be on your radar.

CUSTODIAN

TD Ameritrade Institutional

TOOL OF THE TRADE

When it comes to custodians, there are certainly the stalwart names in the industry. But it's encouraging to see that those brand names are constantly incorporating customer feedback to improve their product —— as **TD Ameritrade** has done.

TD Ameritrade's Veo — and its successor, **Veo One** — has proven to be one of the premier custodian tools in the advisor market.

DRILLED DOWN

A hallmark of the platform, the Veo Open Access marketplace allows advisors to access and seamlessly integrate leading third-party applications (including YCharts, eMoney, Redtail, and more). The new Veo One incorporates advisor feedback to ensure an even more optimized user experience.

Veo One puts an increased focus on integrated applications and provides a two-way street for those apps, allowing third-party programs to both push and pull information from Veo One. Even more importantly, whenever you change any client information across any platform — your CRM, planning software, portfolio management tool, or Veo One itself — you're given the option to make that change universal. Veo One also gives advisors the option to enter their stats, such as AUM and number of advisors, to compare themselves to peers in their region and across the country.

WEIGHED & MEASURED

TD seems to have taken user feedback very seriously — given the frequency with which you use your custodian's software, it's nice to see that TD Ameritrade is working to give advisors a better experience. And even beyond its current form, TD has stated that the current Veo One is just a foundation upon which regular improvements will be made. It's also nice that YCharts' data and research is integrated with TD Veo One.

FIDUCIARY EDUCATION & TECHNOLOGY

Fi360

TOOL OF THE TRADE

Recent regulatory discussions centering around fiduciary responsibilities have triggered conversations among advisors and investors. It is more important than ever for advisors to be sure they are meeting their fiduciary responsibilities.

That's where **Fi360** comes in. If you are a fiduciary or fiduciary-minded, Fi360's education and technology solutions can help make fulfilling your duties of loyalty and care similar at every step.

DRILLED DOWN

With Fi360's courses, available both online and in a blended format, an advisor can become an Accredited Investment Fiduciary® (AIF®) Designee. Advisors who earn the AIF® designation receive credibility and distinction in the market. Fi360's other designations and learning programs, such as the Professional Plan Consultant® Designation and Advisor Practice Management Training, can help advisors better operate their practices responsibly and in full compliance.

Fi360 also offers a number of software solutions to help fiduciaries better serve their clients' interests. One of the functions Fi360 helps advisors with is documenting your due diligence when evaluating investments. Fi360 builds in that documentation, which enables you to manage one of the major risks of your practice.

Another tool that put Fi360 on the map is the Fi360 Fiduciary Score®, a numerical value that helps advisors quickly identify potential investments that merit additional research. Advisors can also leverage the Fi360 Fee Benchmarker®, which compares your fees to market data and provides clients with concrete evidence of the value and fairness of your services.

WEIGHED & MEASURED

If you're a fiduciary, you have tremendous responsibility to fulfill your duties. Fi360's solutions create opportunities to better document best practices and protect you and your business from inherent risks without sacrificing the quality of your care. Fi360 provides great value to advisors and allows core functions to be managed more effectively and in less time.

STAY AHEAD OF THE CURVE

Evaluating technology should be a part of your regular due diligence. With that in mind, YCharts designed this toolkit to help you cut through the noise and explore new and existing fintech solutions to help you stay ahead of the curve.

& MAKE YOUR LIFE EASIER

The T3, Inside Information, and Advisor Perspectives' 2018 Software Survey provided numerous insights into how technology can push the financial advisor industry forward. As clients and prospects demand new and enhanced services, it's imperative to stay aware of new tools to improve and build upon your firm's value proposition— and to make your life and clients' lives easier.