Developing a Sustainable Plan for Purposeful Business Growth

Independent financial professionals, including financial planners and financial advisors, face the unique challenge of advising clients and growing a business simultaneously.

Learn why the right registered investment advisor or broker-dealer partner firm can help you identify key growth needs, streamline operations, and execute a strategic plan with purpose.
THE IMPORTANCE OF INTENTIONAL GROWTH

As with any industry, financial professionals need to keep growing their businesses to be competitive. For many, however, it can be tricky to juggle the dueling roles of financial professional or financial advisor and independent business owner. It’s easy to get so caught up in helping clients attain their financial goals that the daily process of building a practice gets left behind. Fortunately, with a solid plan and group of systems in place, acquiring new clients and growing a business can be done efficiently without sacrificing the core values and personalized service experience existing clients have come to expect.

Being intentional about growth is perhaps the most important factor in building a business. There are typically three strategies that most financial professionals use to grow their practice:

- Recruiting
- Organic Growth
- Acquisition

Regardless of the route you choose, purposeful growth requires detailed processes in all areas of your business. Taking the time to develop a reliable system that addresses key areas like investing, recruiting, operations, and client servicing will allow you to steadily grow your business while maintaining a consistent and personalized client experience. Often, partnering with a firm that delivers innovative growth technologies, solutions, and resources can provide the support you need to be successful.

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If you don’t know where you are going, you’ll end up someplace else.

Yogi Berra
Former New York Yankees catcher
IT STARTS WITH A PLAN

The first step to growth is constructing a comprehensive plan. If you haven’t solidified a business plan, or your current version is outdated, it can be hard to know where to start. Office efficiency, marketing, and client experience are three pillars of purposeful growth that financial professionals can build a business plan around.

OFFICE EFFICIENCY

Office efficiency is often determined by the level of detail and organization of your various processes. When your practice is clicking on all cylinders, there’s no wasted motion. When a client chooses your firm, for example, you have an assigned process that guides associates so they know exactly what is required to deliver an excellent onboarding experience. With clearly established operational systems in place, you’re able to reduce small, tedious daily tasks from clouding your schedule and put more time into strategic growth and business development initiatives.

Through Cambridge Asset Allocation Platform (CAAP®) and Cambridge Logistics and Information Center (CLIC®), financial professionals have access to a number of tools designed to boost office efficiency, including eSignature, office service, and compliance review solutions. Cambridge has also designed customized Redtail and Wealth Box workflows to help financial professionals develop and refine their core systems. These customer relationship management (CRM) tools aim to simplify the process of bringing in and servicing new clients. Financial professionals can apply these Cambridge proprietary workflows to their CRM system to quickly get up to speed in delivering an outstanding client service experience.

Every minute you spend in planning saves 10 minutes in execution.

Brian Tracy
Author and Motivational Speaker
In the financial services industry, marketing is all about delivering value so you can capture the attention of prospective clients. Take a close look at your value proposition and determine the areas where your business holds an advantage over the competition. Focus on building marketing and communication materials that express your unique core values, company culture, and value-add services.

Cambridge offers a marketing program designed to help you distinguish your value proposition in a competitive marketplace. Our marketing support works with you to choose the resource options that best meet your goals in serving current and prospective clients. We will also work with you to create customized messages that you can use with confidence to promote your business, including advertisements, postcards, brochures, and stationery packages.
Technology and automation can offer a significant boost to efficiency, but not everything should be automated. Although technology provides advantages in areas such as trading, rebalancing, and reporting, you want to make the client experience as personalized as possible. Fortunately, there are ways to use technology without compromising the personalized feel of your client experience.

Cambridge offers personalized technology consultations to help you determine the tools needed to perfect your client experience.

Data metrics and tracking platforms have become an integral part of any growing business, regardless of industry. You need to track your numbers so you know which of your growth strategies are leading to measurable success, and which aren’t. Having the ability to confidently analyze your progress and make good decisions with your time, money, and resources is a key step to growth that is often overlooked. When tracking the engagement of your marketing materials, for example, focus on leading indicator metrics, like cost-per-click.

Cambridge uses Truelytics – an industry benchmarking tool – to measure progress and guide decision-making. Truelytics closely tracks market, business, and client metrics, allowing firms to make sound growth decisions.
GROWING ORGANICALLY

An InvestmentNews study with Cambridge² found that 82 percent of financial professionals believe organic growth will be the primary driver of value in their practice moving forward. A solid organic growth strategy involves maximizing what the business already has by developing efficient processes that simplify day-to-day procedures. This is accomplished through referrals, streamlining operations, adding wallet share, marketing, and business development. Streamlining office operations is particularly important because of the time it puts back in your pocket. When you develop a detailed group of workflows and checklists, your core operations and client experience system become repeatable and efficient. These processes can help reduce errors and eliminate gaps in service delivery and compliance, giving you more time to focus on other important priorities.

The mission of the Cambridge Practice Management Team³ is to help financial professionals take charge of their position in a competitive market by streamlining operations, accelerating revenue growth, and building practice equity. We help you maximize organic growth using three key channels:

Coaching | Our Real Practice Management (RPM) program offers specialized, hands-on coaching that pairs financial professionals with one of our Strategic Business Coaches. Our coaches help with goal setting, improving efficiencies, and accountability.

Consulting | We provide customized technology consultations to help you identify the tools you need to best serve your clients. We work with you to determine technology strategies in the areas of CRM, imaging and scanning, research and reporting, financial reporting, and performance reporting, among others.

Outsourcing | The Practice Management Team can help connect you with a number of resources inside Cambridge Source – our outsource portal – to help grow and streamline your business, including in the areas of office support, marketing, practice advancement, and professional development.
There have been elevated levels of merger and acquisition (M&A) activity over the last few years, as many financial services firms have looked to take advantage of shared economies of scale, leveraging technology, operations and firm management. Global M&A transactions in the financial services industry in 2020 topped $507 billion⁴ – the second-greatest amount of transactional volume since 2008, according to Bloomberg. As more and more advisors from the baby boomer generation continue to retire, opportunistic financial professionals can take advantage by expanding their business using various forms of mergers and acquisitions. With a number of firms, advisors, and books of business potentially in transition, financial professionals should be prepared to act on advantageous merger and acquisition opportunities.

Cambridge has monitored this trend closely, and has the flexible resources you need to take advantage of this transitional climate. If you’re interested in expanding your business through an acquisition, our Succession and Acquisition Solutions (SAS) team will guide you through the entire process, from end to end. Whether you are looking to create a succession plan, grow your business through a merger or acquisition, or structure a buyout with an existing partner, our in-house team brings a wealth of experience to the table and can help simplify the process. We offer flexible financing options⁵, and have provided over $20 million in financing for our financial professionals since inception. Our team acts as a one stop shop, and supports your growth and acquisition every step of the way.
CAMBRIDGE SOURCE: YOUR IN-HOUSE THIRD-PARTY PROVIDER

For many financial professionals, there simply isn’t enough time in the day to handle every task associated with advising clients and building a business. Whether it be hiring and onboarding new associates, marketing to new clients, or developing your staff through training programs, outsourcing certain tasks to a third-party may make your life easier and allow you to focus on important strategic growth priorities. By directing your time and effort towards your strengths, and outsourcing areas that aren’t as high of a priority, you can save precious time and streamline your office operations across the board.

Cambridge Source is an in-house solution for common outsourcing needs. Featuring an umbrella of services, Source allows you to better manage your time and effectively grow your practice. We recognize the largest challenge in outsourcing is finding the right third-party that understands you and the inherent complexities of our heavily regulated industry. Source’s talented personnel and innovative solutions make selecting the right partner an easy decision. Our Source offerings are conveniently separated into five groups:

- **Virtual Office Support**
- **Practice Management**
- **Professional Development**
- **Marketing**
- **Specialized Services**

Our Continuous Improvement Team in Source facilitates training and development activities designed to foster greater efficiency and effectiveness in the financial professional’s day-to-day processes and work. The CI Team can assist you with either virtual or on-site services, and hosts Lean Six Sigma trainings upon request.

Finally, our Business Consulting Team provides an objective evaluation of the financial professional’s business, identifying strengths, weaknesses, and areas for improvement. The team’s consulting engagement focuses on enhancing fundamental areas of the business, including financial management, client profitability, firm capacity, client service experience, and benchmarking.
GROW WITH CAMBRIDGE

According to Accenture, $30 trillion\(^5\) of intergenerational wealth is about to exchange hands in the next 30-40 years as Baby Boomers transfer wealth to their heirs. Historically, wealth transfers from one generation to the next have resulted in 90 percent\(^6\) of heirs changing financial advisors. Known as “The Great Wealth Transfer”, this massive shift in wealth, which has already begun, represents a significant opportunity for financial professionals who have a dynamic plan for both business growth and client services.

At Cambridge, we have the technology, tools, and solutions to help you take advantage of this big opportunity. Our independent mindset and unique Cambridge culture – guided by our core values of integrity, commitment, flexibility, and kindness – is engrained in every element of our firm. A business focused on growth will encounter challenges – solving them often requires unique solutions. Whether your goals include organic growth, recruiting, M&A, or increased office efficiency, Cambridge strives to put you in the best position to expand your business confidently without compromising the excellent client experience you’ve worked hard to develop. Our flexible range of services aim to help you build a strong business plan centered around reliable operational systems. If your goals require the use of third-party platforms, Cambridge Source will provide you with access to a wide variety of outsourcing options designed to enhance your current offerings and client experience. If you’re pondering an acquisition, our experienced Succession and Acquisition team will work with you every step of the way. No matter how you decide to approach business growth, Cambridge is here to provide unwavering support.

"By failing to prepare, you are preparing to fail.

Benjamin Franklin"
About Cambridge

Cambridge Investment Group, Inc. is a financial solutions firm focused on serving independent financial professionals and their investing clients. Cambridge offers a broad range of choices for independent financial professionals regarding solutions for advice, growth, technology, and independence. Cambridge's national reach includes: Cambridge Investment Research Advisors, Inc. – a large corporate RIA; and Cambridge Investment Research, Inc. – an independent broker-dealer, member FINRA/SIPC, that is among the largest internally controlled independent broker-dealers in the country.