

CASE STUDY

Securities America Uses Advisor Transitions to Streamline Account Repapering

Summary

For advisors, transitioning from one broker-dealer to another has traditionally been a time- and resource-intensive project. Broker-dealers and RIAs do what they can to support the process, but regulations strictly limit how much they can help.

Not anymore. Using Docupace for Advisor Transitions, Securities America onboarded a new advisor, enabling him to keep more clients, reduce not-in-good-order (NIGO) accounts, and transition faster than he ever could have on his own.

Switching Firms Doesn't Have to Be a Hassle that Keeps Advisors Stuck in One Place

Using its more powerful and efficient tech stack, unmatched practice management solutions and competitive payouts, Securities America convinced CPA financial advisor Steve Hill to part ways with his old broker-dealer.

However, Hill had transitioned from one broker-dealer to another in the past, and he was left to create forms and manage compliance on his own — a process he described as “a nightmare.”

By the time his previous transition was complete, about 15 percent of his book of business had disappeared.

About Securities America

Securities America is a leading independent advisory and brokerage firm with more than 2,600 financial advisors. Securities America helps advisors grow, protect, and perfect their practices. Recognized for award-winning technology, proven practice management solutions and innovative advisory platform, Securities America is a subsidiary of Ladenburg Thalmann Financial Services. This affiliation provides expanded services including, advisor-friendly trust services, investment banking, fixed income support, and insurance, and annuities expertise, advanced planning, ERISA 401(k) support, and equity research.

By the time Hill's transition to his previous broker-dealer was complete, about 15 percent of his book of business had disappeared. He knew that metric needed to improve for him to benefit from his transition to Securities America.



"Our retention rate was only about 85 percent," Hill said. That metric needed to improve for him to benefit from his transition to Securities America.

Advisor Transitions Creates a Better Way

Thankfully, Securities America advisors have the option to work with Docupace to enable faster, smoother transitions that make staying compliant easy. Using Advisor Transitions, Docupace built a custom third-party portal, allowing Hill and other incoming advisors to streamline repapering for their clients.

For Hill, Advisor Transitions enabled a faster transition, fewer NIGOs, and a near-perfect retention rate.

About a month before Hill's desired transition date, Securities America connected him with Docupace. Using Advisor Transitions, Docupace created forms to expedite the preparation and delivery of vital documents — including "Change of Broker-Dealer" forms — to all of Hill's current clients. Many of these forms were fully equipped with esignature capabilities. The Advisor Transitions platform was independently operated, allowing Securities America to get status updates on the transition while staying compliant with all relevant regulations.

Before initiating the transition, Docupace worked hands-on with Hill's team to educate them about software features and give the support they needed to use the platform. This personal approach to onboarding made communication between Hill, his staff, and his clients effortless.

Traditionally, repapering has been the most labor-intensive aspect of a compliant advisor transition, taking up to six months in many cases. With Docupace, Hill and Securities America completed this part of the transition in just two months.

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The Results

The results were outstanding. Docupace sent all the necessary forms to Hill's office within two months — much faster than before — and 90 percent of the transition was completed within just 30 days.

In addition, Hill retained nearly all his existing clients: 98 percent transferred to Securities America with him.

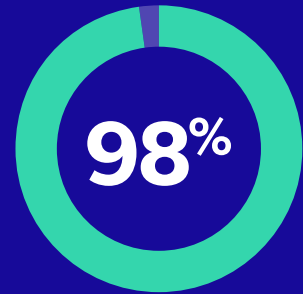
Accuracy and efficiency wasn't an issue, either. Hill's NIGO rate went down considerably compared to his previous transition.

"Had we prepared the paperwork to transition clients ourselves, we probably would have had a higher NIGO rate, requiring follow-up communications with our clients to get the paperwork in good order," Hill said.

Overall, the experience was positive for Hill, who said Docupace Advisor Transitions was invaluable to his transition to a new brokerage firm.



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Conclusion

Repapering is traditionally a costly and time-consuming process. In many instances, an advisor will pass up on opportunities at new broker-dealer firms because the ROI disappears after factoring in client churn, business disruption, and administrative costs.

However, as proven by Steve Hill's experience transitioning to Securities America, that doesn't have to be the case. Docupace can help potential advisors streamline repapering and preserve business during a transition.

By offering Advisor Transitions, Securities America can continue to attract top advisors like Hill, getting them (and their books of business) on board faster than ever before.

Learn how Docupace can help you go paperless and attract the right kind of advisors.

Docupace is the wealth management industry's leading digital operations technology provider. With the secure, cloud-based Docupace Platform, the Docupace team helps broker-dealers and RIAs digitize client onboarding, document management, advisor transitions, and other critical workflows while maintaining SEC and FINRA compliance. Wealth management firms that implement the Docupace Platform report increased efficiency, productivity, and profits.

Docupace has been developing paperless technology solutions from its Los Angeles headquarters since 2002. Since then, it has launched a robust array of service offerings including the Docupace SaaS platform, implementation assistance, development, and cybersecurity services. The Docupace team also works diligently to integrate its solutions with other popular technologies.

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