

CASE STUDY



How Integrated Technology Enables Broker-Dealer Growth



Silver Oak Securities

Founded:

1999

AUM:

\$1.5 billion between broker-dealer and RIA

Custodians:

Schwab, TD Ameritrade, & International FC Stone

Executive Team:

Billy Hopkins, President

Who They Are:

Silver Oak Securities, Inc. is an independent, full-service broker-dealer and SEC Registered Investment Advisor focused on meeting the needs of independent wealth advisors within its network.

The Challenge

Pursuing Customizable Technology to Drive Growth

Based in the heart of the southern United States with headquarters in Jackson, Tennessee, Silver Oak Securities, Inc. ("Silver Oak") opened its doors in 1999. From its very beginning through today, Silver Oak has focused on providing investment solutions and support to help their affiliated RIA firms and financial advisors increase their profitability and offer a personalized experience for their clients.

But as Silver Oak grew over the years, its team found that as more advisors were added, the custodian-provided technology they relied on each day limited their ability to offer the same high level of service they have always provided to their advisors.

Additionally, Silver Oak began a pivot to become more of an institutional wealth management firm. But for the move to be successful, the team would need more flexibility and speed from its technology.

Under the direction of Billy Hopkins, owner of Silver Oak Securities, the team turned their attention to finding ways to enhance the technology they offered their advisors. Specifically, they pinpointed three areas for improvement: trading, reporting, and the digital client experience.

"We spent a lot of time trading on custodial websites," said Hopkins. "The entire process was very manual. Trades were created on an account-by-account basis, and assets were also manually allocated.

"As a fee-based advisor, you can either build your own models or use third-party money managers. We wanted our advisors to be fee-competitive, while having the ability to run sophisticated models. We also needed a trading platform that would keep us competitive on price with the industry average, instead of putting us behind the eight-ball with an expensive basis-points platform."



All of Orion's integration platforms share information with zero hitches. We use Orion as the hub for our client experience, and you don't get that seamless experience with any other platform.

Silver Oak also wanted to gain a competitive edge in performance reporting. A major selling point for Silver Oak is its multi-custodian friendly environment; but, as advisors added accounts from multiple sources, they also found they didn't want to give clients one report from TD Ameritrade, another from Jackson National, and another from American Funds. Silver Oak needed a comprehensive reporting solution, and beyond that, advisors wanted more control of their branding on reports to help build their business reputation.

"We are an independent BD and investment adviser, and each of our branches has their own unique identity in their local community. We wanted to find a way to allow them to control their identity and create their own experience," said Hopkins.

Last, the digital client experience needed a drastic upgrade. Silver Oak's solution at the time was to use available broker-dealer websites and tools, but those solutions never sat well with the kind of experience Hopkins wanted to give his advisors.

"Those online tools were not robust in any way," he said. "Our professionals felt like they needed something more. In my research, I found that a digital presence was demanded by 65% of investors."



Orion gives us a robust platform that is simple to implement and use. Whether an advisor needs to work with a \$50,000 account or a \$5 million account, they can do it seamlessly according to specific client needs with Orion's tools.

The Solutions

Expanding Capabilities for Advisors

In early 2016, Hopkins's search for new industry technology options ended quickly when he saw Orion's integration capabilities with 70-plus technology partners. He knew that a tightly integrated technology stack would be the fuel that would power his advisors' client-centric service model.

"Instead of creating proprietary technology as many firms do in our situation, we wanted to introduce the best technology in the industry and teach our advisors how to incorporate it into their practices," Hopkins said.

"Once we discovered Orion, we knew we had the foundational piece of our new tech stack."

After completing its implementation to Orion in mid-2016, Hopkins saw immediate improvements in the firm's three core areas of trading, reporting, and client experience.

38%

Year-Over-Year
AUM growth

Trading Improvements

Orion's trading platform has given Silver Oak the edge it needs to remain true to its goal of remaining price-competitive. As a general trend, Hopkins sees many advisors moving from third-party money managers to more holistic portfolio solutions, which benefits his firm.

"Most TAMP platforms run about fifteen to twenty basis points higher than Orion. If a rep needs help executing their models and strategies, we can do it at a fraction of the cost to the advisor," he says.

Silver Oak has also discovered an advantage from using Orion's sleeve trading functionality in tandem with fiduciary-backed investment research from LSA Portfolio Analytics. Through sleeve trading, Silver Oak can create multiple strategies in a single account, allowing its advisors to trade a single sleeve at a time for more efficient portfolio management. Additionally, advisors can even assign different fees to each sleeve to help them bill more accurately for customized services.



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Reporting Enhancements

As Hopkins puts it, "the toughest part of quarterly reporting for our advisors now is deciding on which report they want to use!" Through Orion's expansive library of report options, Silver Oak has been able to add value by helping advisors structure comprehensive and visually-appealing reports for their clients.

The most drastic difference in how advisors report to their clients can be seen in how Orion helps Silver Oak consolidate reporting for aggregated accounts. Advisors can now use Orion's integration with DST Fanmail to pull in direct-held accounts like mutual funds, annuities, variable universal life, and more to consolidate performance reporting into a single, branded report that looks exactly how they want.

"We're finding that the account aggregation we can achieve through Orion's integration and reporting capabilities puts us on the forefront of the industry with our technology package," Hopkins says. All told, the new technology capabilities give Silver Oak a chance to compete for assets that were previously out of reach.

29_{to} 43

Advisor Growth
from July 2016
to July 2018:

The Client Experience

"The client experience is what will prompt clients to tell their friends about you and what kind of service they're getting," said Hopkins. "It's a big selling point for advisors today."

Orion's integration capabilities shine in the new client experience Silver Oak helps its advisors create. Orion's client-facing tools can incorporate data from Wealth Access, MoneyGuidePro, Sharefile, and Redtail as part of the client experience crafted through Silver Oak's integrated tech stack.

"All of Orion's integration platforms share information with zero hitches. An advisor starts by pushing client information to their CRM, then pulling in outside accounts through Wealth Access, syncing those accounts to MoneyGuidePro for a financial plan, before ultimately showing it all to the client through the Orion Client Portal. We use Orion as the hub for our client experience, and you don't get that seamless experience with any other platform."

50%

Orion adoption
among advisors

The Results

An Integrated Digital Client Experience

Orion has become integral to Silver Oak's success. One of Hopkins' goals is to help Silver Oak's advisors position themselves as the quarterback of their clients' financial lives, and the technology stack and support Silver Oak receives from Orion gives his reps what they need to offer comprehensive services.

"What we are doing with our technology is to make it powerful, but simple," says Hopkins. "Orion gives us a robust platform that is simple to implement and use. Whether an advisor needs to work with a \$50,000 account or a \$5 million account, they can do it seamlessly according to specific client needs with Orion's tools."

20+%

Increase in
advisory fees
billed from
Q1 2017 to
Q1 2018

Ready to Talk About How Orion Can Help Your Firm?



Get more information about Orion by visiting orionadvisortech.com or contact us at 402-496-3513 or empower@orion.com