Betterment Advisor Solutions

The Ultimate 2026 Breakaway Guide

Going independent is a tough road, but when successful, advisors unlock freedom to do better—for themselves and for their clients

INTRODUCTION

What's behind the growth in independent RIAs?

Between 2018 and 2023, the RIA channel experienced a 7% annual growth rate in AUM—largely driven by advisors leaving larger RIAs and wirehouses to join or start their own independent firms.[1]

According to *Financial Advisor*, "The number of investment advisors reached an all-time high in 2023, as did total employment in the sector, and assets under management also increased substantially."[2] And the trend is only poised to continue.

Cerulli's most recent study also found that, while the number of RIAs and number of advisors at independent RIAs grew at compound annual growth rates (CAGR) of 2.4% and 5.2%, respectively, over the last decade, all other channels remained flat or declined.[3]

Client demand is also contributing to the rise. Among affluent investors, data points to a growing appetite for personalized and unbiased fiduciary advice. This trend is particularly strong among younger investors in their 30s and 40s, who tend to put more focus on the quality of service they receive.[4]

Advisors continue to move to independence for the financial opportunity, flexibility, and business autonomy the model offers. Many cut ties to pursue complete ownership of business revenue or greater work-life balance. However, earning potential and flexible schedules are only a piece of the story.

In the not-too-distant past, financial advice was restricted to the very wealthy. Investors who could afford to seek advisors often landed on wealth managers tethered to large institutions, following rigid processes dictated by their employers. Meetings were infrequent, formal, and often more about checking the box than getting to know the individual. The advisor's role was centered on sales, and the pace of progress felt drawn out over years of incremental adjustments. Although this was the norm for many, it was far from ideal.

Today's client no longer fits this mold. Waiting six months for a formal review and feeling like just another accounting number in a spreadsheet are relics of the past. Consumers at large expect on-demand service and reporting at their fingertips. Independent advisors can be more agile in adjusting to expectations.

Seeking freedom and autonomy in client service

Despite the uphill climb that is going independent, RIAs have a clear growth opportunity, and independent advisors are uniquely positioned to capture greater market share in the years ahead. But what drives advisors to become independent is far deeper than monetary gain.

We know that 59% of advisors cite "business freedom" as their top reason for going independent, but what does that really mean?

At a larger practice or wirehouse, relationships can become transactional, and sales quotas can mean more time spent prospecting or pushing proprietary products. So, when beholden to a larger firm, advisors not only sacrifice personal freedom, but they also serve a secondary customer—the firm.

At Betterment, we believe that advisors are increasingly going independent because they are motivated by providing a higher fiduciary standard and a desire to put their client's needs ahead of the firm.

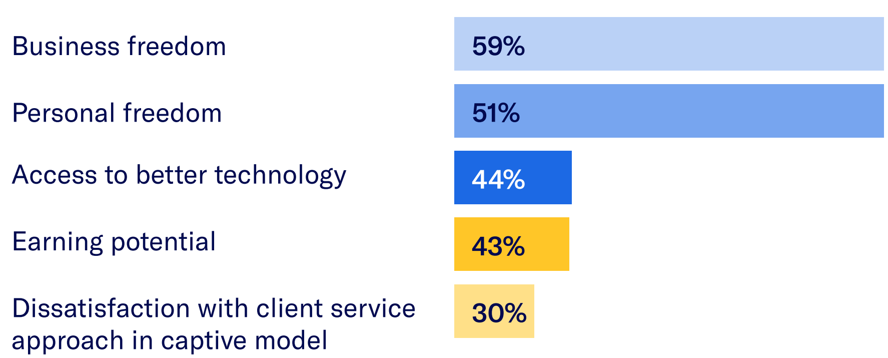
So, you're ready to break away

The rewards of independence can be compelling, but it takes grit to be successful. On top of continuing to provide financial advice, breakaways must also create a new brand from scratch and manage all business operations without the infrastructure, resources, and support systems provided by larger firms.

This can lead to significant upfront costs and a steep learning curve, especially for advisors that are trying to attract new clients and build a reputation as they go.

The first year won't be easy – but for those ready to embark on the journey to independence, this guide will give you a clear idea of how to get started with building your practice.

The top reasons financial advisors go independent, according to findings from Betterment's 2024 Advisor Survey, are:



The path to independence

Five key milestones on your journey to launching your RIA.

1

Lay the groundwork to break away

- Review your employment agreement
- Evaluate your personal and business expenses
- Obtain necessary certifications (Series 65 Registration)
- Understand federal and state registration requirements

2

Design your business plan

- Consult a qualified legal professional
- Choose a business structure
- Establish a business bank account
- Establish your firm as a legal business entity
- Choose your compensation model
- Register your firm with the SEC or State
- Register with the IARD and File Form ADV Part 1 + 2

3

Get your house in order

- Obtain business insurance
- Choose a custodian
- Determine business structure—ask yourself:
  - Do you want to manage a team of people as well as your book of business?
  - How quickly do you want to get up and running?
  - What is your personal and business budget?
  - How do you want to handle investment management? E.g. third-party models, build and manage your own, or a combo.
- Build your tech stack
- Formalize compliance procedures

4

Define your marketing plan

- Build out your sales funnel
- Choose a niche and ICP
- Write your value proposition
- Create a brand identity
- Outline a marketing plan
- Consider contracting a web designer
- Identify centers of influence in your network

5

Go time

- Learn your new technology
- Launch your website
- Plan a graceful exit from your current employer
- Announce your transition to colleagues and clients
- Transition existing clients
- Refine your professional social media presence (LinkedIn)
- Tap into your personal community

01

Surround yourself with the right people

You're building an independent firm, but you shouldn't go at it alone. There are several resources and experts to consult, and it's especially important to build a team around you to stay compliant.

How Jason Hamilton, founder of Keep It Simple Financial Planning, launched and built his $40 million firm.

Read his story here.

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Obtain legal counsel and tax guidance
Throughout the entire transition process, your legal counsel can help provide guidance on specific subject matter. From reviewing your non-compete agreements with your current employer to helping you set up your business entity, your attorney will help protect your interests.

If hiring an attorney is too expensive, you may want to consider leveraging more affordable, albeit less hands-on and personalized, services such as LegalZoom.

Additionally, having access to a tax advisor early on will be convenient for addressing your tax-related questions. A tax advisor can also assist with raising tax-related opportunities or risks that you may not have considered.

Consider a compliance consultant
Many of our customers seek out a compliance professional to consult during their registration and RIA setup process. Whether you seek out a firm that specializes in RIA consulting or join an organization like XY Planning Network that guides you through the process, outsourcing all angles of compliance to an expert can bring you peace of mind. This is a stage where one small misstep can result in your RIA launch being delayed by months or getting fined before you even break ground.

Consult with other RIAs
Gaining insight from peers who have started their own RIA can help boost your confidence and better plan ahead for unexpected issues. If possible, speaking to RIAs who transitioned from your current firm can provide even greater insight.

Obtain necessary certifications and documents
You'll most likely need a Series 65, or similar license from FINRA, to work as an Investment Advisor Representative. However, some states may waive the Series 65 if you hold another designation such as a CFP® or CFA.

These are the documents that you will need to provide at a minimum:

- Business Continuity Plan
- Compliance Manual & Code of Ethics
- FINRA entitlement
- Form ADV filing
- Form U4
- Information Security Policy
- Investment Management Agreement
- Privacy Policy
- Proof of Social Media Archiving

02

Spend your time where it counts

When you're starting up, one thing you will definitely have more of is time. If you've already left your previous employer to launch your own business, you now face a critical question: How can you manage this newfound time most effectively?

Make the most of the startup phase
It may be hard to imagine today, but one day, time will not be such a luxury.

Advisors who have moved beyond the startup phase often tell us that once they gain momentum with client acquisition, they quickly shift from having plenty of time and no revenue to enjoying a steady income, but having much less free time. During this transition, they start to see clearly how their decisions early on shaped their business over the next 5 to 10 years, and even impacted their growth trajectory.

While it may be tempting to cut corners or get things started up quickly, stay thoughtful with how you allocate resources during the early days. Laying a strong foundation could pay dividends later on.

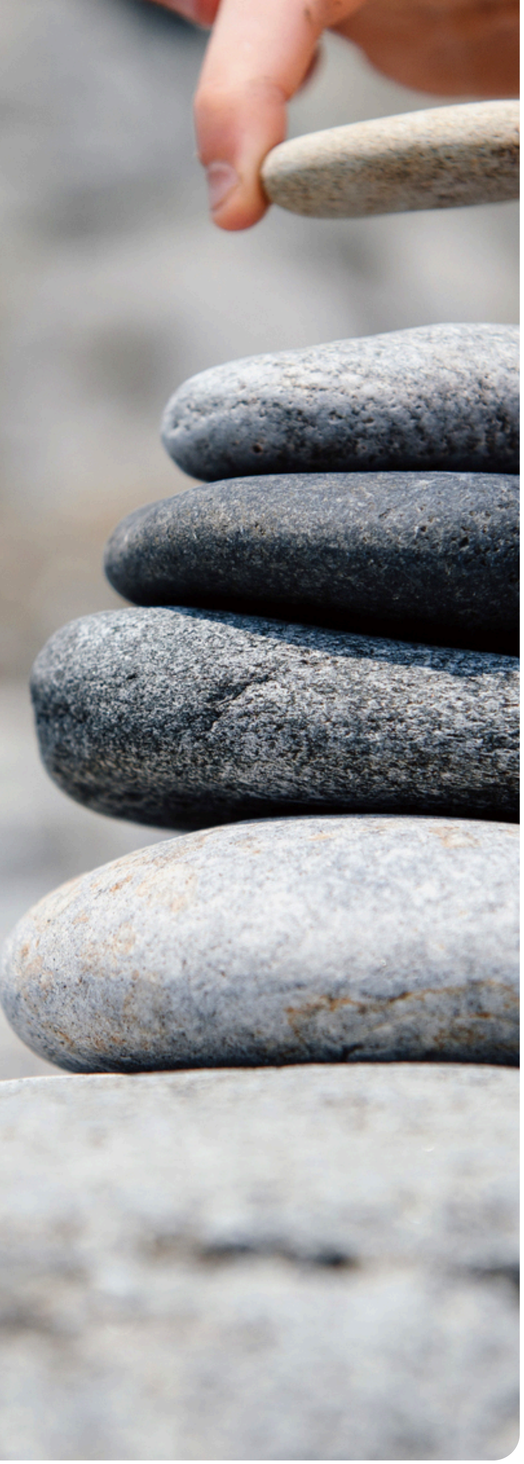
Where to focus your time
A common practice at this stage is focusing on the advice and wealth management side of the business—tightening up and building new models, putting together billing tiers, and creating a tax-optimization strategy. Remember: You ventured down this path to provide a better client experience. And your early clients' satisfaction is paramount to your long-term success.

But if you've already established a solid foundation in these areas, consider the other areas that new business owners typically address during the early stages of their growth:

- Building a cohesive brand
- Identifying your ideal type of client
- Developing a marketing strategy to drive awareness of your offering
- Developing a sales pitch and strategy that will help clients see your vision for their financial future
- Building a scalable business model

The last point may seem broad, but it's one of the most crucial aspects of starting your RIA. Once advisors have a steady stream of clients, many regret not building a scalable business model from the start. Instead, they end up managing a patchwork of clients with varying needs and income levels. Although that may work for some, it's far easier to project growth when you begin with a clear, scalable strategy in mind.

One strategy might be to consider how you will "tier" your clients. Spending more time with higher value clients, for example, could seem counterintuitive early on when all clients are crucial to your bottom line. But in later years, having these practices and policies established can help you move more quickly and keep priorities in check.



03

Build a tech stack to support your growth

Whether you're starting a brand new venture or breaking away from a home office, building out your RIA's tech stack can be a liberating, albeit overwhelming experience.

The good news: Years of innovation in wealth management technology have unlocked a massive opportunity for breakaways. Starting your own firm is not only more viable than ever before, but scalable, intuitive tools mean that you, on your own, can compete for clients with the largest of financial institutions.

The bad news: With so much innovation—and, in effect, choice—it can be challenging to know where to start. You know your tech needs to complement the value you bring to the table and maximize your impact while staying economical. But how do you determine which platforms are best? And how do you create an efficient ecosystem of different software solutions that work together without overspending on tools you don't really need?

The core of your stack:

- Custodian
- Portfolio management
- Onboarding
- Billing
- Performance reporting
- Account aggregation
- CRM
- Financial planning
- Investment analytics
- Compliance

Picking a custodian
The custodian is the foundation of your tech stack. While you focus on advice, the custodian safeguards client cash and securities and handles essential tasks like opening, funding, and trading accounts. Beyond these core functions, many custodial platforms also bundle in additional software services.

As you evaluate options, consider factors such as client experience, operational efficiency, service quality, accessibility, and cost. Because the custodian is the backbone of your practice, it's vital to find a trustworthy, long-term partner. Below, we'll break down the key factors and show how Betterment compares.

The right custodian can do more than just meet your basic needs. It can help you maximize your time, reduce overhead, build client trust, and transform your business's growth trajectory.

Client experience	Innovation • What remains a paper-based experience vs. what has been updated to a completely digital system? • How important is readily available/ mobile access to your clients? • What features exist to make the end client's experience better?	Comprehensiveness • What tools exist to simplify account aggregation? • Do your clients value access to financial planning tools? • Can you and your clients access 401(k)s and retirement strategies alongside their wealth portfolio?	Customization • Does the tooling allow you to tailor your approach to varying client and household needs?
Service and support	Transition and startup support • Will you have access to a transition team to facilitate moving client accounts from other custodians? • How long will the initial transition take? • What on-going support will you have if client questions or issues arise?	Service consistency • What are the average wait times for the call center for advisors and clients? • Are certain service functions restricted to large AUM thresholds or locked behind additional advisor fees? • How do other advisors using the custodian speak about the support they receive?	Accessibility/Partnership • How important is it to you to have a dedicated team or to know your support team by name? • What advice are you seeking on the direction you take your business long-term?
Security and business continuity/viability	Compliance • Will the custodian provide timely and accurate information to you in the case of an inquiry? • What processes or people exist to help you facilitate compliance setup at your new firm? • Does the custodian have high compliance standards and procedures?	Custody • How does the custodian ensure the security and accessibility of client accounts and assets?	Brand recognition • How does the custodial brand help you build client trust? • Do investors have a positive perception of the custodian?

Now, let's turn to building the rest of your stack. If your custodian does promise some of the features and tooling listed below, you may also want to read on to fully understand what you should expect as you evaluate.

Portfolio management and performance reporting software
It allows you to model, build, and evaluate investment portfolios for your clients. Some portfolio management software can also implement tax-optimization strategies with built-in tooling for automated tax-loss harvesting, tax-aware withdrawals, transitions, and more.

You'll need to make sure this tech connects to or is fully integrated into your custodian and other financial planning tools. Additionally, you want to consider the level of customization you require, and if the tooling can accommodate the way your practice will handle portfolio design and management for varying client needs.

Onboarding software
Client onboarding is often overlooked. But making a good first impression with new clients at your firm is absolutely critical. Without a tech-enabled process, onboarding can be highly tedious and error-prone. If you replace certain low-value repapering tasks with automation (such as mailing paperwork, obtaining client signatures, linking bank accounts, resolving NIGOs, and task reminders), you can win back time to reallocate to making each and every new client feel valued and confident in their financial plan.

A digital experience is not only more efficient, but it can also impress clients, building continued trust and ensuring they stay excited about their decision to work with you.

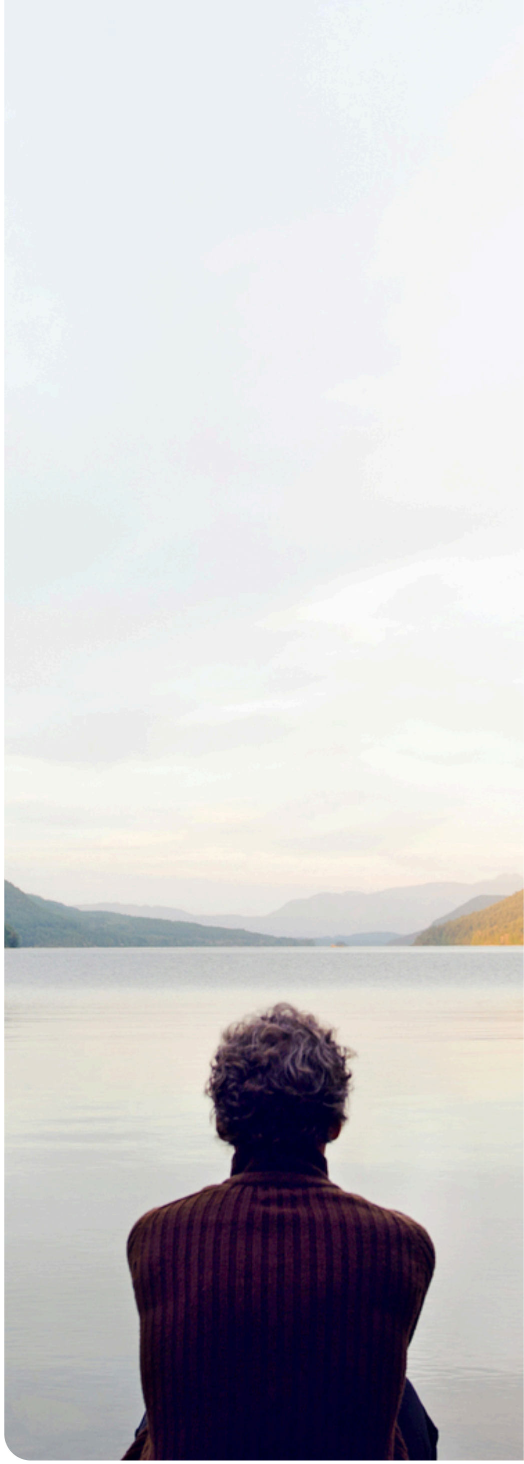
When evaluating various standalone or integrated digital onboarding solutions, you should ask if the software includes client portal access, or a secure online system where clients can share information, collaborate with you, track their progress, find onboarding documents, and quickly self-serve account updates as needed. This will significantly increase transparency and clarify procedures for your clients, while keeping them engaged early.

Billing software
You'll need a flexible solution to accommodate your preferred fee structure. It should also be powerful enough to scale with you as you grow. Automated tools for invoicing, payment processing, and fee calculations will become indispensable when your firm begins processing a high volume of client transitions.

The right billing software is essential for maintaining your clients' trust. The last thing you want as a new firm is a billing mishap. Automation can help you stay compliant and precise by maintaining billing history, fee breakdowns, and payment statuses all in one place. Moreover, you can generate timely, accurate, and transparent statements for clients so they always know what and how they're being charged.

There are various billing solutions available for independent RIAs. Like other software in your stack, the platform you select for billing will ideally be user-friendly and straightforward to use. Keep in mind the added cost of standalone solutions and whether or not they easily sync with other parts of your tech stack, such as your portfolio management and custodial software.

Account aggregation
This service collects data from various financial institutions and presents it to you and your clients in a unified view. Today, clients want more of their wealth and financial information consolidated and often turn to a human advisor to build a plan that takes their holistic financial needs into account. Seeing their complete financial picture in one place is highly desirable too.



For advisors, aggregation can help you identify gaps, craft meticulous advice, and make sure planning conversations are productive. When selecting a data aggregating service, the security of your clients' data is vital. Look to see that technologies you evaluate follow security best practices like SOC 2 compliance. You should also consider the frequency of data feed updates, prioritizing services that provide you with the most up-to-date information available on your client's accounts. Lastly, be sure to evaluate the client experience and how intuitive it is for them to set up their accounts.

CRM

A customer relationship management software centralizes client data and helps your team manage business interactions across email, calls, your website, social media platforms, and other channels.

As you scale up, your CRM can help you keep existing clients and prospective client pipelines organized. Like the other technology discussed above, its workflows can save your practice time (and money) by automating various actions. For example, say you recently met with a new referral. With the right CRM software, you can set up an automated email to this new contact and ensure you and your team are immediately following up.

Consider how simple your CRM is to use, as well as the level of sophistication it offers for client segmentation, automating personalized communications, data analysis, and seamless integrations with your financial planning software. You may also want to find a program that includes social media monitoring to help you stay on top of your growing network.

Financial planning

As the industry changed from being primarily driven by one-time financial plan delivery to providing an ongoing relationship with extensive guidance, so have the tools advisors use to generate advice.

Whether you subscribe to a goals-based or cash-flow-based planning approach, there are many solutions available. When selecting your tool, compare how customizable or interactive their presentation options are and if they suit your preferences for plan design. Ultimately, the data visualizations need to help you present complex scenarios in a way that's approachable to clients.

Additionally, consider how familiar you are with the tools you're using today versus what other unknown programs may offer. Other key areas to evaluate are software analytics, customer support, cost, and the extent of offerings, including tax and retirement planning tools.

Investment analytics
These solutions combine portfolio analytics, stress testing, and proposal-generation tools for advisors. They can facilitate prospect conversion, client acquisition, and ongoing model optimization. Without the in-house resources of a large firm, independent advisors must rely on technology to make efficient, data-driven decisions for their clients' portfolios.

Beyond integrating with the rest of your tech stack, your investment analytics software should help you create client-facing reports that are customizable and easy to understand. Although an added cost, professional-grade reporting can help you enhance client trust and set your practice up for long-term success. You should also consider the complexity of your ideal customer. If you plan to focus primarily on high-net-worth individuals, for example, you may require more robust risk modeling and tax-aware portfolio analysis tools.

Compliance
As you're transitioning to independence in an increasingly complex regulatory environment, it's important to find a partner that makes compliance management simple, secure, and scalable. Compliance solutions are available to help you with SEC and state registration for your new RIA, as well as tackle ongoing maintenance.

Look for tools that can handle annual filings, audit preparation, and secure record-keeping for client communications, disclosures, and trade logs. As you're assessing your options, consider how your needs may change as your firm matures, especially if you plan to add staff or expand services. More comprehensive solutions include advanced employee monitoring capabilities and automation to streamline operational tasks, such as activity logging, risk assessments, deadline tracking, and updating and distributing internal procedures.

Vendor reputation matters. Make sure you also take advantage of product demos to test if the software provides the level of functionality promised. Remember: Having the right compliance software partners on your side allows you to stay audit-ready and protects your success.

Securing the right tech stack—one that is scalable, intuitive, and integrated—can power small, independent shops to compete for clients with the largest of financial institutions.

Creating a seamless ecosystem as you scale

As you launch your firm, it may be challenging to make sure the various building blocks of your tech stack are compatible. One of your first questions may be whether you want to onboard multiple standalone tools or adopt an “all-in-one” solution.

Stitching together out-of-the-box software solutions
It’s not uncommon for financial advisors to leverage various point solutions to build their tech stack. Choosing standalone providers can be advantageous if you have systems and technology you know and enjoy using today.

While these solutions can digitize and automate various workflows across practice management, portfolio management, and client service, the lack of one centralized solution can present significant challenges. The result is often a fragmented stack, where various programs aren’t integrated effectively, leading to data siloes and interoperability issues.

In fact, a recent study found that more than half of advisors cite a lack of integration between their core applications as their biggest tech pain point, with many also expressing concern about the time required to undo and replace their system.[5]

Adopting multiple turnkey solutions might make sense now, but it’s important to make sure you’re set up for success as you grow. You should also evaluate added costs, both in terms of multi-vendor pricing and the time cost incurred swiveling between systems.

Opting for an all-in-one provider
All-in-one solutions combine multiple softwares in one, well-designed package. In addition to data centralization, all-in-one tools offer the advantage of a single vendor access point and system to learn, which can dramatically improve productivity.

If looking for an all-in-one provider, starting with your custodial solution is the right path. As you evaluate custody partners, dig into the quality of their integrated tooling—do they offer flexible billing or a robust client portal, for example?

Being truly “all-in-one” can depend on your specific needs, and these ancillary solutions can be custodian-specific. Start by determining what you’ll need as a part of your tech stack when you have a solid client base built up, and evaluate your potential providers through this lens.

Key takeaway

Breakaway advisors need to weigh cost benefits in the short term against long-term scalability when building their tech stack. What will work for you today, when revenue is light but time is ample, may not be as beneficial when your firm is managing 20, 50, or 100+ client relationships. Replacing technology down the road will likely be more time-consuming and expensive.

A vertically-integrated or "end-to-end" solution can drive greater efficiency, transparency, and opportunity for you to dive deeper into planning as you take on more clients. No single solution may cover everything you need, but a well-rounded custodian can go a long way.

Our platform combines custody with your most critical RIA software, including onboarding, billing, portfolio management, and reporting, to help advisors run their entire business more efficiently. We also know flexibility is paramount for independents, so we integrate with the best of providers to offer firms their preferred vendor choice.

RIAs that take advantage of a comprehensive, vertically-integrated solution like Betterment Advisor Solutions can eliminate major pain points and unnecessary business costs.

	All-in-one solutions	Point solutions
Advantages	One-stop shop, with most essential tech stack elements in one platform • Single vendor to manage • Data centralization • Reduced need for in-house tech support	Turnkey and limited tools that are quick to get up and running • Deeper levels of customization • May support multiple custodians
Potential drawbacks	Higher upfront commitment • Custodian-specific • Third-party integrations can be limited	Higher upfront selection time • Designed for one use • Costly in time coordinating with multiple vendors and learning multiple tools • Poor integrations can lead to tech stack fragmentation • May need in-house support to keep tech stack working as certain softwares update or change

Legacy Custodians	Betterment Advisor Solutions
Custodial Platform	Custodial Platform
Portfolio management	Portfolio management
Billing	Billing
Performance reporting	Performance reporting
Account aggregation	Account aggregation
CRM	CRM
Financial planning	Financial planning
Investment analytics	Investment analytics

Advisors have to go off platform for other core needs, which incurs incremental costs

Vertically integrated stack drives improved experiences and efficiencies

04

Build a successful marketing strategy

There are endless channels and strategies to employ for marketing your RIA. Finding the right mix can accelerate your growth and drive your business forward. Here's how to get started.

Consider a niche
This isn't something that you have to have on day one. But as a startup RIA, you have a powerful opportunity to build the business you want and identify a niche that works best for you.

Maybe you have a unique understanding of how to manage money in a way that appeals to those in a certain life stage, or you have lots of experience managing 401(k) plans. These are the variables you must consider as you begin to shape the future of your firm and how you'll stand out from your competition.

Finding a niche can help you focus your practice and marketing efforts. In marketing speak, your customer personas and ideal customer profile (ICP) are often the start for developing a strong go-to-market plan. If you know that your ideal customer is an entrepreneur and your target persona is a 30-something tech founder in coastal cities, your channels start to become more evident. You may look to advertise in local publications or geofence your social ads instead of potentially wasting spend and resources on too broad of a target.

Stand up your foundational marketing channels
For any established business, the nonnegotiable marketing channels one must have are:

- A website
- A presence on core social media platforms
- Business accounts and listings on search engines

Create your website
Once your business is named and registered, the next step should be registering or purchasing your web domain name—in fact, considering your domain name is an important part of choosing a name. Many domains are already purchased and in use. Consider what your domain name could be and do research prior to finalizing your business name using tools like GoDaddy's domain lookup. You may end up with a dot-net instead of a dot-com. This could make discoverability a challenge. Or, you may have to rethink your business name's spelling. Consider all of this carefully prior to fully committing.

Then, build out your website. Many tools, such as Squarespace and Wix, are available to make website building and content management simple—you may even be able to register your domain with your website builder.

Your website should have a few core components:

- A homepage, with information about your firm, wealth management philosophy, and your niche (if you have one)
- A Meet the Team page where you introduce yourself and any partners or support staff
- A Contact Us page, where you host your firm's contact info

- Links to your social media pages, which help to unify your brand and let clients know they've landed in the right place

Other pages are optional, but you might also want to consider leaving space for:

- Content. A blog can help showcase your expertise and provide links for you to share on social media that drive people back to your website.
- Services. A more robust description of your speciality and offerings can help with discoverability through search engines.
- Billing information. Some firms elect to describe their billing model or even provide fees upfront, whereas others like to keep this information available only upon meeting. Decide how upfront you want to be and whether you think this could be valuable.
- FAQs. Perhaps you want space to address some of the frequently asked questions you've gotten in your years as an advisor.

Most importantly, make it as easy as possible for prospective clients to contact you through your website. Set up contact forms at multiple, visible areas on your site and lower the barrier to submit by requiring only basic questions like name, phone, email, and an optional text entry field for more information. Many website builders will also offer the capability to put a call-to-action (CTA) in your primary navigation. Use this highly visible area to help people get in touch quickly and easily.

Along with contact forms, consider attaching an instant-booking tool like [Calendly] to the form. This is a common tactic for speeding up the conversion of prospects, as the meeting gets booked at the same time as their form is submitted. This moves them along multiple steps of the sales process in one motion.

Establish a presence on social media

Creating a presence on social media doesn't require thousands of followers or daily posts. Instead, it provides you an opportunity to connect with prospects, and it adds a layer of social proof that gives them confidence that you're a legitimate business. In this day and age, it's what clients have come to expect. At the very minimum, consider creating business accounts for your firm on:

- Facebook
- LinkedIn
- Twitter/X
- Instagram

Get your profiles up-to-date with branded header images and correctly formatted logos. Update your business description and contact information where relevant, always linking back to your website.

Then, consider your content plan. It can feel overwhelming to build this content plan from the ground up, but start small. For some people, a weekly goal including a number of posts helps to kick things off. For others, choosing a content theme for the month can get the creative juices flowing.

Consider not only creating content "from scratch," but also the content you can repurpose to start to build your presence:

- Share articles you are reading
- Comment on conversations happening in the industry (follow other advisors and industry influencers)
- Provide a perspective on a wealth-related current event

Create business accounts on search engines

One of the most impactful organic marketing channels is having a presence on search engines, specifically Google. By establishing a business account and profile on Google, you are opening the door to be discovered by any prospective client who may search for financial advisors in your area. This is a form of Search Engine Optimization (SEO).

When creating your business profile, ensure you have all relevant contact information listed along with your business address, even if your initial office is an at-home setup.

Become visible in your community

Setting up foundational marketing channels online is a great place to start, but there's also a huge opportunity in your local area. When starting up your RIA, your initial clients will likely be a mix of friends and family, previous clients from your last job, and local people who know you from your community. To capture this last bucket, you must engage and be present in your town or city. It can even be during your daily routine, as there are many chances to connect with people as you're out.

Bring business cards to the farmer's market, offer to give a talk on financial literacy to your school's PTA group, or take some local small business owners out for beers. Handshakes and old-school networking can go a long way.

Plus, with the brand you've built through your marketing channels, prospective clients in the local community will have an easy time finding you when the time is right to consider working with a wealth manager.

05

Ensure a smooth client transition

Even though it is a major component of your road to independence, we find that advisors often overestimate the challenge of encouraging clients to move with them. With a strategic plan in place that organizes the key components required, a successful transition becomes feasible.

Start with reviewing the legal and compliance steps

It's important to ensure you fully comply with your current firm's policies and legal requirements.

Hire an attorney: Have a legal professional review your employment agreements, restrictive covenants, and the Broker Protocol (if applicable).

Resignation best practices: Keep your resignation letter short, professional, and polite. *Do not inform clients of your plans until after you've officially resigned.*

Under the Broker Protocol, you can bring:

- Client names
- Addresses
- Phone numbers

Pro tip: Some custodians, like Betterment, provide templates and tools to help you navigate the information gathering process with clients.

Create your client transition plan

Ensure your clients feel confident and informed about the move with the following steps:

Craft your announcement message: Explain why you're transitioning and how it benefits your clients. Human connection is often preferred to navigate important conversations such as transitions, but many advisors have managed successful transitions with simple messaging combined with meetings, phone calls, and Zooms as needed.

Focus on what your going independent will mean for them. Those differentiators might include:

- How you'll provide better client experience and service
- Your plans to offer enhanced technology and investment tools
- Transparent fees and fiduciary commitment
- Improved risk management and tax strategies

Update personal and firm details: As you craft your announcement message, be sure to share your new contact information with clients.

- Firm name
- Phone number
- Email
- Website

Organize your data: Creating a detailed master sheet of client data—outlining both the information you already have and what you'll need—enables you and your new custodian to approach the transition strategically, with a comprehensive view of the entire project as well as individual client details.

Note: Betterment's cutting-edge tax technology, dedicated implementation specialists, and Advisor Support Team simplifies each transition step to make it as seamless as possible, saving you time and delivering an exceptional experience to your clients.

Prepare for client conversations

Transitioning clients is about trust. They need to know why this move is the right choice for them. Anticipate common questions:

Why are you leaving your current firm?
Be honest and client-centric: "I'm making this move to provide you with better technology, lower fees, and a superior client experience."

How will my accounts transfer?
Explain the process and how you'll securely transfer assets. For example, Betterment offers a seamless, fully digital process for account transfers.

Will this impact my investments?
Reassure clients: You've established a personal transition plan for them, and they may remain in the same investments, or the transition may present the opportunity to move into a more appropriate strategy. Use this as an opportunity to educate and build trust. It's not the move that concerns them—it's the impact, and your preparation will make them feel that.

How long will the process take?
Give them a clear timeline. Typically, accounts transition within **5–7 days** on Betterment's platform.

How it works with Betterment: Our platform minimizes client friction with digital onboarding and automated transfers. You can send digital account invitations yourself or utilize our Platform Solutions Team to do so at scale. Either way, your clients can sign up and kick off their transfers via an entirely online experience that takes less than 5 minutes.

Execute a smooth transition

The technical side of transitioning your clients is ideally smooth and done in a way that keeps clients feeling secure. The goal is to keep things simple for the client so that they trust that the transition isn't putting any of their assets at risk.

Here are some of our best practices to help guide your transition plan:

Build a customized communications plan: At Betterment, a member of our transitions team sits down and puts together a communications strategy with each of our firms based on their goals and preferences as well as our own recommendations and best practices.

Then, we provide tested email templates to communicate the change to clients. Some firms opt to use these to send emails en masse, whereas others send personalized email campaigns to clients. Other firms prefer to meet with clients in person or via Zoom, and we prepare for those ahead of time with talking points and role plays.

Upfront planning like this will allow you to feel confident in communicating the changes that are ahead and will help you focus on setting proper expectations that will excite your clients.

Client Invitations: Betterment sends clients a personalized email with an account invitation that's prefilled with all of the information you've prepared. That means, most of the time, onboarding is a simple process of confirmation and authorization, but we also make it simple for clients to fill in any missing information. In a few minutes, they'll have confirmed their personal information, reviewed their accounts and strategies, and opened their legal accounts.

Looking for a partner that provides an entirely digital experience, like this, as well as prepping as much of your client information ahead of time will make clients feel like you are not only providing a trusted, modern solution, but you are also doing the prework and due diligence that communicates they are in good hands.

Automated Transfers: Once signed up, Betterment emails the client requesting authorization to kick off digital account transfers through the ACAT system. Again, this digital-first system eliminates manual paperwork and cuts down on the time spent transferring funds. The more quickly these processes move, the better your clients will feel about their experience.

Track Progress: A great custodial partner will also provide a dashboard to monitor the status of each client's transition in real-time.

Avoid common pitfalls

Luckily, we've done this a few times. Let our learnings help you avoid some mistakes that can slow you down.

- **Skipping legal review**: Ensure you fully understand what client information you can bring.
- **Not preparing clients**: Proactively set expectations on the value the transition will bring to them without over-engineering the communications. Be ready to address client questions to build confidence, but don't assume the worst. Remember: your clients chose you!
- **Overcomplicating the process**: Find a custodial partner who can reduce friction for you and your clients. Whether you decide to use Betterment Advisor Solutions or go with another custodian, it's critical to assess the degree of human and tech support you'll receive.
- **Underestimating the value of planning**: Time is always a constrained resource, but prioritizing the planning, organization, and partnership with your new provider will significantly reduce the weight you'll carry when you officially kick things off.

Going independent may not feel like an easy decision, and it's certainly not an easy process, but taking the plunge can change your life and career. You can operate with freedom, without bias, and also unlock new revenue opportunities.

Plus, you don't have to go it alone. The right partners can help and will bring their expertise to the table—from making your tech stack setup a straightforward process to transferring your clients with automated, digital tooling.

That can free you up to focus on your new venture. And that's where the fun begins.

How Betterment makes client transitions easy

- **All-in-one solution**: Build a better practice with a platform that combines end-to-end custody, portfolio management, and billing software.
- **Fully digital experience**: No paperwork. Clients can complete transitions quickly and easily online.
- **Automated transfers**: ACAT-enabled transfers minimize delays and manual work.
- **Seamless communication**: Betterment keeps clients informed every step of the way.
- **Real-time tracking**: Advisors can monitor progress through the Betterment platform.
- **Dedicated support**: Our team is here to help at every stage of the process.

With our innovative tools and client-first approach, transitioning your practice to Betterment Advisor Solutions is a win for you and your clients.

Betterment Advisor Solutions

Freedom awaits.

We hope you've found this guide helpful. If you'd like to chat with our team about starting your independent practice, just get in touch. We'd love to hear from you.

Contact us

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