

Case Study:

Krilogy Financial



At A Glance

- Founded: 2009
- Location: St. Louis, Missouri
- Website: www.krilogy.com
- Services Offered: Krilogy is an independent wealth management firm focused on the development and execution of wealth management plans, investing in team, technology and knowledge to help clients reach their financial goals.
- AUM: \$750 million
- Clients: 1,400
- Staff: 41
- Primary Custodian: Charles Schwab & Co.
- Portfolio Management/Reporting: Advisor View™
- Portfolio Rebalancing: Advisor Rebalancing®
- CRM: Advisor CRM®

How a Technology Makeover Positioned Krilogy Financial for Future Growth and Continued Success

At Krilogy Financial, it's often said that team members work for client first, firm second. That commitment to client service is present in every aspect of the firm's operations and communications. To further that mission, Krilogy leadership recognized that the right technology is essential to delivering a positive client experience, and sought a solution that would better align with the firm's vision for client service.

Krilogy leadership recognized that the right technology is essential to delivering a positive client experience.

Krilogy's original CRM platform operated as an electronic rolodex that could store contact information and notes, but was unable to integrate or communicate with other systems. Krilogy's advisors had to allocate much of their time on reoccurring manual tasks, like reporting and data reconciliation, which became a significant challenge for the firm, interrupting day-to-day work and reducing the amount of time advisors could spend focusing on their clients.

"This was a problem area for us. Realistically, we were at the point where we were going to have to hire someone to handle these duties on a dedicated basis or look at sending these tasks outside our doors to take care of it," said Andrew Miller, Director of Analytics at Krilogy Financial.

Krilogy's advisors had to allocate much of their time on reoccurring manual tasks, like reporting and data reconciliation, which became a significant challenge for the firm, interrupting day-to-day work and reducing the amount of time advisors could spend focusing on their clients.

This need prompted Krilogy to seek an intelligent technology platform that included a more RIA-centric CRM and client portal, along with portfolio management, reporting, billing, trading and rebalancing software in one interconnected system. During the search, the firm's leadership was introduced to Envestnet | Tamarac's Advisor Xi® suite, which came highly recommended by a technology consultant from their primary custodian. A unified technology platform, Advisor Xi promised to deliver on Krilogy's immediate priorities, including the ability to safely manage client data, improve reporting and analysis capabilities, and help streamline communication so advisors could work together more seamlessly to address client needs.

“ **We were at the point where we were going to have to hire someone to handle these duties on a dedicated basis or look at sending these tasks outside our doors to take care of it.** ”

Krilogy Financial's transition to Advisor Xi, including Advisor View™, Advisor Rebalancing® and Advisor CRM® , went smoothly with dedicated support from Tamarac every step of the way. The Krilogy team was able to leverage Tamarac's expertise first hand: In fact, Miller, along with Krilogy's sales director, attended Tamarac University, an in-depth, two-day training offered to Tamarac clients, so they could get more familiar with the suite and its capabilities, and then go back to the firm to share that knowledge with advisors.

“I don't think we've worked with a technology company that knows its system any better,” said Miller. “The team at Tamarac is very knowledgeable about what its technology can do and tells you what all is possible. That's something Tamarac has always done best: It has an ability to help us accomplish our goals with the tools that are available.”

This need prompted Krilogy to seek an intelligent technology platform that included a more RIA-centric CRM and client portal, along with portfolio management, reporting, billing, trading and rebalancing software in one interconnected system.

Performance Reporting On Demand

After implementation, it didn't take long for Krilogy's advisors to notice the significant improvements in the reporting process. Rather than following the strict, limited reporting schedule available with their previous system, advisors can now leverage Advisor View which provides them with immediate access to data, giving them more flexibility as they prepare for client meetings or presentations. Advisor View also allows them to share reports through the client portal on a more frequent basis. Finally, Krilogy's advisors can use a system that matches the way they want to work.

To reach this point, Krilogy worked closely with the Tamarac team to prepare their many years of existing data for the transition to the new system, and to allow them to fully leverage the Tamarac platform. This level of support, along with the comprehensive launch process that occurred, gave Krilogy's leaders even more confidence that they had made the right investment.

“ **That's something Tamarac has always done best: It has an ability to help us accomplish our goals with the tools that are available.** ”

Improved Rebalancing Leads to Deeper Insights

In addition to more flexible reporting, Tamarac's rebalancing application provided valuable capabilities for Krilogy's portfolio strategists and analysts. A majority of Krilogy's assets are managed within 24 portfolio models. The team now leverages the Advisor Rebalancing application to monitor those assets and rebalance on an ongoing basis instead of managing them directly at the custodian level and initiating changes client by client.

The team now leverages the Advisor Rebalancing application to monitor those assets and rebalance on an ongoing basis instead of managing them directly at the custodian level and initiating changes client by client.

The rebalancing application goes a level deeper, and supports the Krilogy team in helping clients reach their financial goals by providing feedback on whether a rebalance was successful. While Krilogy's old system would provide recommended trades, the new system takes the process a step further, sharing feedback to give advisors a sense of whether rebalances are on track to meet existing allocations or if they deviate significantly. Having this level of insight allows the Krilogy team to make more informed decisions and take targeted actions that will benefit clients.

Having this level of insight allows the Krilogy team to make more informed decisions and take targeted actions that will benefit clients.

“Once we started using this technology, it was hard to envision what things were like before we had it. It’s so engrained in how we do things now.” Miller said.

“Once we started using this technology, it was hard to envision what things were like before we had it. It’s so engrained in how we do things now.”

Powerful Integration with CRM

Krilogy's previous CRM did not integrate with any of the firm's technology, so the team soon realized significant efficiencies upon implementing Advisor CRM. At Krilogy, the investment department handles trading rather than individual advisors, so when a rebalance occurs, that information is transmitted to the CRM. Service team members receive an email with a list of accounts that have been rebalanced, and the information is formatted in a way that advisors easily can pass onto clients. Advisors also can access the CRM to pull up a list of rebalance notifications.

“We’re always looking for ways to communicate to clients all that we’re doing for them. At the firm level, Tamarac’s technology enables us to document our activity in a way that’s time efficient and displays a log of what we’ve done.”

“We’re always looking for ways to communicate to clients all that we’re doing for them,” said Miller. “With the attention on cost and the Department of Labor Rule, a common thread has been how do we articulate, document and justify what we’re offering to clients. At the firm level, Tamarac’s technology enables us to document our activity in a way that’s time efficient and displays a log of what we’ve done.”

Boosting Engagement with a Dynamic Client Portal

A dynamic client portal enables Krilogy's advisors to increase engagement with clients in a meaningful way. First, it provides a single location for sharing relevant content, including Krilogy's quarterly newsletter, to get clients up to speed on industry trends and news.

Second, clients can easily access their financial information, performance reports and compliance documents in a central place instead of having to follow up with their advisor to retrieve that information. The ability to upload and share documents through a secure document vault empowers advisors to be more efficient with their outreach, supplying clients with rich insights and ensuring a more robust engagement.

Finally, as an added benefit, the CRM allows advisors to track points of interest more closely, so advisors can see

what information resonates with clients and what didn't, and share things that are most relevant and important to clients. The portal has been a resounding success to date, with 95 percent of Krilogy's clients using it to receive their information and reports electronically.

Implementing the portal also has saved Krilogy manpower and money, thus enhancing the firm's efficiency and focus on client service. Instead of printing and mailing client materials, the portal enables advisors to share this information electronically. In fact, Krilogy Financial estimates it saves approximately \$7,000 each quarter utilizing the portal to deliver important reports and documents, which translates to an additional 100 hours for staff to dedicate toward client and prospect interactions.

Krilogy advisors have also found success in leveraging the portal during client engagements and prospect meetings, using it to review materials and guide discussions. For prospective clients, the portal gives them a strong sense of what they can expect if they come on board as a Krilogy client. During an initial meeting, advisors can enter the portal and navigate it in front of the prospect, showing them where they would be able to access account information, where performance reports would be uploaded and how to view the Krilogy newsletter.

"There's nothing abstract about the client portal," Miller said. "We can show prospects exactly what [their experience] will look like. Plus, the portal is a nice, easy way to put something in the middle of the table, digitally speaking, so both the advisor and client can look at the same thing from the same location without there being too much confusion."

Krilogy Financial estimates it saves approximately \$7,000 each quarter utilizing the portal to deliver important reports and documents, which translates to an additional 100 hours for staff to dedicate toward client and prospect interactions.

For prospective clients, the portal gives them a strong sense of what they can expect if they come on board as a Krilogy client.

“ The portal is a nice, easy way to put something in the middle of the table, digitally speaking, so both the advisor and client can look at the same thing from the same location without there being too much confusion. ”

An Eye on the Future

Krilogy Financial is continuing to grow its client base and team of senior advisors, as well as those who are new to the industry. In fact, Krilogy has been recognized for its growth, earning a spot on both the Inc. 5000 list of the nation's fastest growing companies, as well as the St. Louis Business Journal's list of the region's Fastest Growing Privately Held Companies for the last four years. This level of growth, as well as the vision for where the firm sees

“ We've been using the system for five years now, and over that time, we've grown significantly. Tamarac has given us confidence in knowing that even as we expand, our advisors can continue to deliver a consistent and valuable experience for our clients. ”

itself heading over the next several years, required the need for a technology platform that would be flexible to work with a variety of client types, from the everyday investor to business owners and high net worth individuals, while also providing scalability as advisors are added to the team and the business continues to grow.

“**It’s one thing to find a technology solution that works for you at the time when you’re looking for it. One of the things Tamarac does well is having a cadence of updates which reflect feedback from the firms they are working with.**”

“We’ve been using the system for five years now, and over that time, we’ve grown significantly,” says Miller. “Tamarac has given us confidence in knowing that even as we expand, our advisors can continue to deliver a consistent and valuable experience for our clients.

“It’s one thing to find a technology solution that works for you at the time when you’re looking for it. One of the things Tamarac does well is having a cadence of updates which reflect feedback from the firms they are working with.”

Tamarac’s integrated technology platform continues to provide Krilogy’s advisors with the tools, data and insights to be invaluable partners in their clients’ financial journeys. In fact, in a recent survey, Krilogy’s financial advisors received high praise from clients, who felt their advisors were aware of what was happening in their financial lives and invested in helping them achieve future success. Knowing they are consistently accommodating clients and going above and beyond to meet their needs is a proud milestone for the Krilogy Financial team, and provides an exciting foundation for what’s to come.

Tamarac’s integrated technology platform continues to provide Krilogy’s advisors with the tools, data and insights to be invaluable partners in their clients’ financial journeys.

The information provided herein is for informational purposes only and is not intended to constitute legal, tax, securities or investment advice or a recommended course of action in any given situation. Third party statements herein are applicable to the individual/firm depicted, regarding Envestnet's technology and services, and may not be representative of the experience of others. This is not a paid endorsement. Envestnet reserves the right to add to, change or eliminate any of its services without prior notice. © Copyright 2017 Envestnet | Tamarac™ All rights reserved.

ABOUT ENVESTNET

Envestnet, Inc. (NYSE: ENV) is a leading provider of unified wealth management technology and services to investment advisors. Our open-architecture platforms unify and fortify the wealth management process, delivering unparalleled flexibility, accuracy, performance, and value. Envestnet solutions enable the transformation of wealth management into a transparent, independent, objective, and fully-aligned standard of care, and empower advisors to deliver better outcomes.

Envestnet | Tamarac's web-based platform for independent RIAs, Advisor® Xi, deeply unifies portfolio management, modeling, rebalancing, trading, billing, and reporting with a client portal and enterprise-level client relationship management (CRM) system.

For more information about Envestnet | Tamarac's Advisor Xi, please visit www.envestnet.com/tamarac or follow [@TamaracInc](https://twitter.com/TamaracInc) (twitter.com/TamaracInc).