Exploring the Benefits of Professional Management for RIAs:

A Deeper Look into Chief Operating Officers

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This is the sixth installment of our continuing white paper series designed to help advisors build their dream firm and achieve **Pure Financial Independence.**

In this report, we aim to demonstrate how RIAs (and the broader independent space) have evolved, and how this transformation has led owners of these firms to focus their attention on their firms' growth strategy rather than the daily operations of the firm. Barron's recently reported, "...while thousands of mom-and-pop shops still populate the RIA universe, they are shrinking in number as operating costs rise and fees drop. In short, financial advice is rapidly becoming the domain of firms that have the scale to handle intense technological and regulatory challenges." [1]

An RIA with $1 billion of AUM was considered a unicorn only a few short years ago. The industry now finds over 650 RIAs in that category, with many surpassing $3 billion, $4 billion, or even $5 billion in assets under management. While the majority of RIAs are still racing to $1 billion of AUM, the race for the firms already at $1 billion has now shifted to $10 billion. Large regional and national RIAs will begin to dominate the landscape as they continue to gain scale and morph into acquirers of advisors looking to transition their books of business to larger platforms that can offer broader investment opportunities and deeper operational capabilities.

To achieve $10 billion of AUM, firms will need to incorporate both aggressive organic and inorganic growth strategies. The problem facing advisors striving for this kind of growth is finding the balance of demands on their time. It is imperative that advisors continue to impress clients with an incredible level of service so those clients offer a steady stream of referrals. Equally important, they must also continually meet with other like-minded advisors to sell their culture and brand story to convince them to join their organization. Unfortunately, most often forgotten amongst these strategies is the importance of maintaining a robust and scalable technology infrastructure and back office – an aspect of the business that is crucial to *both* growth strategies. For RIAs looking to grow, the billion-dollar question is, "How do we profitably offer a consistent client experience across a larger and growing client base?" The firms that are solving this age-old entrepreneurial dilemma have brought in professional management. More specifically, they have hired a Chief Operating Officer.

How do we profitably offer a consistent client experience across a larger and growing client base?

Our goal with this white paper is to shed light on the incredibly valuable work Chief Operating Officers do every day. Widely viewed as a cost center rather than a revenue generator, we hope our research will highlight the growth opportunities RIAs achieve once the owners of the business can focus their time and energy on business development and client service, rather than the day-to-day running of the firm.

We would like to thank Gary T. Bonner of Avalon Advisors, Jeff Fuhrman of Coastal Bridge Advisors, Michael Lee of LourdMurray, Anthony Craun of Sand Hill Global Advisors, and Trevor Chuna of Sequoia Financial Advisors for sharing their stories, knowledge, and viewpoints so that the entire industry can benefit from their experience and wisdom.[2]

To view PFI Advisors' previous white papers, click here

[1] "Top Independent Financial Advisors" Barron's, 2018
[2] Disclaimer: PFI Advisors has consulted with several of the firms profiled in this report

RIAs often spend all their time and energy focusing on their clients, and very little on the actual back office management of their own businesses.

Mark Hurley and the Fiduciary Network reported in their 2013 research report "Brave New World of Wealth Management" that over 90% of the independent wealth management industry (approximately 19,000 firms) is made up of tiny ensembles that they termed "Books of Business."[3] Their research noted these firms "do a great job of advising their clients, [but] have low annual revenue, few, if any, capable successor professionals and no obvious strategic plan. In reality, [they] are better described as 'jobs' rather than 'businesses.'"

In a more recent podcast interview, Mr. Hurley stated that the RIA industry now has 200-400 firms that have potential to have substantial enterprise value.[4] RIAs are becoming more sustainable enterprise organizations with more scale by increasing the professionalization by function, i.e. professional management. Mr. Hurley advises that by reallocating assets toward professionals, RIAs are then able to reallocate time toward prospecting and client servicing.

> The RIA industry now has 200-400 firms that have potential to have substantial enterprise value.[4]

According to Cerulli Associates, bigger RIA enterprises require "institutionalization of processes, centralized staff support, specialized roles and well-defined organizational structure."[5] To remain competitive, RIAs must "build an executive management team often consisting of a CEO, COO, CCO, and CIO," Cerulli reports.

Mark Tibergien, CEO of Pershing Advisor Solutions, echoes these thoughts in his most recent book with Kim Dellarocca, noting, "There comes a point in the lifecycle of a firm when its owners have to commit to growing or to staying small. Those caught in the middle never achieve scale or operating efficiency."[6] Perhaps advisors are realizing this, as "Not only is there a big shift from brokerage to advisory, from transactional to fee revenue, or suitability to fiduciary, but from single books of business managed by solo practitioners to larger, professionally managed practices, many operating in multiple locations."

[3] "Mark Hurley Sees Brave New World For RIAs" Financial Advisor Magazine, 2013
[4] "Future Ready through M&A, Episode: Controlling Your Destiny" Fidelity Clearing and Custody Solutions, 2018
[5] "Bigger Is Better, but More Complicated, for RIAs: Cerulli" ThinkAdvisor, 2018
[6] "The Enduring Advisory Firm: How to Serve Your Clients More Effectively and Operate More Efficiently" Mark Tibergien, Kim G. Dellarocca, 2017

As RIAs grow, they continue to struggle with the optimization of their back office operations to achieve increased profitability as they gain clients and additional AUM.

It's no secret that there are inefficiencies that creep into RIAs' processes over time, and it is our experience that at some point in the evolution of the firm, professional management will need to be hired to take the firm to the next level.

Industry studies point to the benefits that come from bringing in operational management to avail principals of the day-to-day activities that can consume their time and prevent them from focusing on client relationships and new business development. Cerulli Associates suggests, "Billion-dollar RIAs need to seriously consider creating professional management roles."[7] Kenton Shirk, a director of Cerulli Associates, explains, "Once they top $1 billion, RIAs have to build scale... An executive management team is needed, including a chief operating officer."[8] In a recent interview, EP Wealth Advisors' co-founder and managing director, Brian Parker, stated that the "...top brass at EP fired ourselves when we hit nearly $1 billion under management and hired a President to run the firm day to day."[9] He went on to say that by leveraging operational management, he was able to go back to what he loves – being an advisor, and "...going that extra mile for our clients."

As Mark Tibergien notes, "It is no coincidence that these fast-growing firms also added professional management, which also freed up the advisors to focus on new business opportunities and existing clients while still executing on their business plan."[10]

"Most firm owners I have worked with tell me pointedly that they 'didn't get into the business to manage people.' They complain that managing their employees day-to-day overwhelms them. This is the time that the benefits of bringing on board a professional management resource such as a COO outweighs the costs. I recommend recruiting someone who has experience and a proven track record of managing people, someone who can give employees the direct coaching and guidance they need. Maximizing the human capital talent on your team is a critical factor to success and having a dedicated resource will ensure you are getting the biggest bang for your compensation buck."

Kelli Cruz
Founder of Cruz Consulting Group

[7] "U.S. RIA Marketplace 2017: Ascendance of the Billion-Dollar Firm" Cerulli Associates, 2017
[8] "Want To Be A Billion-Dollar RIA? Think Twice" Financial Advisor Magazine, 2018
[9] "One M&A Player Gives Purchasing Power Back to the FAs it Buys" Financial Advisor IQ, 2018
[10] "The Enduring Advisory Firm: How to Serve Your Clients More Effectively and Operate More Efficiently" Mark Tibergien, Kim G. Dellarocca, 2017

Responsibilities of a Successful COO

Once RIAs acknowledge a Chief Operating Officer can be the key to future success, they should define their future COO's core responsibilities.

They also need to determine whether they should hire someone from outside the firm or groom a junior associate to move into the role. Because it is such a specialized position, there aren't many experienced RIA COOs readily available. Thus, firms need to manage the recruiting, hiring, and training process themselves, as the lack of experienced talent often creates an impasse and deters them from filling the position at all. "A COO should be able to think strategically about the future of the firm and the industry. The right COO will ideally be in complete alignment with the RIA's mission and vision and so be able to focus on its implementation," says Yosef Colish, Managing Director of executive search firm Leah Yosef International, Inc.

To provide some guidance and resources in this area, PFI Advisors has identified three areas of functional expertise needed:

(1) Day-to-day administration of the firm

(2) Driving workflow improvements

(3) Managing human resources

(1) **The key to managing the administration of an RIA is to maintain a holistic view of firm-wide operations while being able to dive deep into any projects that may arise.** This includes being the beacon for upholding firm culture while executing the firm's business plan. The COO should be the go-to person for staff inquiries on all operational and HR aspects, and should tie Operations decisions with the Compliance initiatives of the firm. To succeed in this role, the COO needs to be detail-oriented, humble, extremely organized, able to multitask and prioritize, and possess outstanding communication skills.

(2) **In order to drive workflow improvements and increase the efficiency and scale of the organization, the COO should oversee all aspects of an RIA's technology infrastructure, including vendor management.** The COO needs to be able to determine and monitor the key performance indicators of the business so that they can identify problem areas and process improvements to keep the firm running at optimal capacity.

(3) **As it pertains to Human Resources, the COO is responsible for recruiting, developing and retaining employees.** As part of this responsibility, the COO needs to build and define career paths, coach, motivate, and manage staff, while providing direct leadership and oversight.

Responsibilities of a Successful COO

Day-to-Day Administration While Maintaining Holistic View of the Firm

Uphold firm culture

Execute business plan

Act as “go-to” person for staff inquiries

Align Operations decisions with Compliance initiatives

Driving Workflow Improvements

Oversee technology infrastructure

Manage vendor relationships

Determine and monitor proper key performance indicators

Develop, plan, implement future strategies

Human Resources

Recruit, develop, retain employees

Build/define career paths and compensation levels

Coach, motivate, manage staff

Provide direct leadership and oversight

“Hiring the right COO is also critical for firms seeking growth through acquisition. The right COO will run the entire process, ensuring a smooth transition for not only clients, but the entire back office, understanding where there are synergies and where efforts are duplicative. Have a leader who can run this process makes any transition a more palpable reality for both firms in an M&A transaction.”

Yosef Colish
Managing Director
Leah Yosef International, Inc.

AVALON
ADVISORS, LLC

Gary T. Bonner

Partner and Chief Operating Officer

AT-A-GLANCE

Founded 2001
Headquarters Houston, TX
Locations 2
Employees 63
AUM Manage $7.5 billion in client assets

The three founders of Avalon Advisors, LLC ("Avalon") knew Gary Bonner could bring invaluable entrepreneurial expertise to the new RIA they were looking to build, should he agree to join their venture. They were investors in Gary's third startup when they decided to leave Morgan Stanley in April of 2001 with $450 million assets under management. They knew of his capabilities and asked him to help them get their new firm off the ground. Gary agreed, and has since been thriving in the constantly evolving role of Chief Operating Officer, heading to the office not knowing what challenges await and what new skill might be needed that day.

As employee zero of the firm, Gary has hung every single map, flag and each of the 92 pictures in the office, all the while maintaining the firm's technology, operations, HR, trading, and custodial relationships. Gary says, **"An effective COO has to have an interest in a lot of different things and must be willing to dig in to learn more.** 'Someone' had to learn how to tend to the different tasks that needed to be done in a startup environment and that 'someone' happened to be me." He is currently juggling a few major projects, including overseeing the transition of 17 years' worth of historical data and reports from their legacy software to their new performance reporting tool – an implementation that has been in the works for the past 6 months.

One of the ongoing projects Gary focuses on surrounds cybersecurity. He schedules monthly phishing email blasts to his employees through a third party phishing technology in order to create awareness surrounding the ever-evolving cyber risks within the financial services industry. Should an employee click on one of the phishing links, a pop-up education piece explains what they should have looked for and how to prevent clicking on something similar in the future. Gary believes that in five years, cybersecurity will be an issue that most RIAs will have wished they placed more focus on, as cyber criminals continue to evolve their techniques and strategies and target more RIAs and their clients. Based on his focus in this critical area, Gary has become the cybersecurity expert within his networking group.

Gary's operations networking group includes 22 other professionals that act as COO, or some version of an executive suite operations role. Meeting twice a year, he appreciates the group's willingness to candidly share current projects and best practices. He also leverages the members on an ad hoc basis as questions arise throughout the year.

An integral part of Avalon's growth from 10 employees and $450 million assets under management to now 63 employees and $7.5 billion AUM, Gary and his team are constantly analyzing how best to achieve growth in a scalable and manageable fashion. He finds that staying abreast of industry standards and trends has helped Avalon successfully acquire two smaller firms in the last 5 years. Both transactions did more than add assets to their ADV – Avalon used the acquisitions as an opportunity to acquire talent and add synergistic investment strategies to their growing firm.

Avalon would consider future acquisitions where it would be additive to their RIA and where the two firms' cultures align. "Culture is always top priority. I am most proud of the firm that we have built where great employees serve great clients. Our employees are focused on meeting and exceeding our clients' needs and expectations." Avalon considers itself in the business of saying "yes," and Gary credits the excellent and transparent advice to the firm's ability to retain clients since 2001. Gary concludes, "The mix of people, culture, and investment strategies we've been able to coordinate for our clients and their families – that is the most gratifying reward of my role as COO."

COASTAL BRIDGE ADVISORS

Jeff Fuhrman

President

AT-A-GLANCE

Founded 2008 after breaking away from Merrill Lynch

Headquarters Westport, CT

Locations 3

Employees 22

AUM Manage $2.5 billion in client assets

Coastal Bridge Advisors ("Coastal Bridge") was founded by a team of advisors who left Merrill Lynch in 2008 with approximately $400 million of client assets. Their RIA had grown close to $900 million by 2013 when they determined it was time to dedicate more of their focus on clients and less on the day-to-day running of the business. In order to make such a transition, they looked outside the firm to hire a Chief Operating Officer. In due course, the list of candidates was narrowed down to 10 individuals, all of whom had prior experience in the wealth management space – except for Jeff Fuhrman.

Jeff started his career in investment banking before becoming President of two different firms; first, a technology company and later, a talent management company. After selling the latter business in 2012, he was on the hunt for his next challenge. When Jeff met with the founding partners of Coastal Bridge, he conveyed to them how his outsider perspective could best serve their rapidly-growing RIA, as he was not encumbered by the legacy thinking or relationships of those coming from inside the space. His experience and objectivity allowed him to focus on what was right for the business, and that philosophy resonated with the advisors.

Today, Coastal Bridge has grown to $2.5 billion in client assets. Jeff's role as President is to deliver a suite of services to the advisors, and by proxy, to their clients. He oversees all areas and divisions of the firm, including human resources, advisory services, investment services, compliance, planning, operations, finance/administration, and marketing. He ensures the advisors are availed of those activities, allowing them to remain singularly focused on their clients.

To advance such a structure, Jeff has developed hyper-specific job descriptions for all members of the team. In turn, these job descriptions are reviewed at least every 90 days to ensure they're consistent with the actual work performed. His aim is to create a formal agreement between the employee and their manager, defining the employee's function and responsibilities. "At many firms, a role with a job description is accepted and years later that same position has morphed into something completely different without definition, thereby causing potential confusion and discontent," Jeff explains. The quarterly reviews have helped develop a strong culture of accountability, clearly articulated functional parameters, and respect within the organization. Jeff continues, "When we hire people, our goal is that this will be the last job they will ever have. If Coastal Bridge isn't fulfilling to someone, more than likely the firm is not delivering its end of the bargain, defining the employees' path to success and evolving, and/or growing the firm as it should be."

Jeff comments how amazing it is for a "new guy to the industry" to witness the massive and rapid transformation taking place in the RIA channel and believes that in order for firms to remain competitive they need to raise their bar on talent acquisition and development and technology utilization.

Coastal Bridge has only made one acquisition since Jeff joined the firm, and while this transaction has added meaningful talent and AUM to the firm, Jeff is surprised by the amount of attention M&A receives in the RIA industry. "There are 17,000+ RIAs and if you think about the number of firms actively participating in mergers and acquisitions, it's a relatively insignificant number."

Still, Jeff foresees massive consolidation coming to the RIA industry. **"Today, there are just over 650 firms with at least $1 billion of assets under management. In five years, that number will be much larger, and those billion-dollar firms will have become $5 billion+ firms.** Getting bigger [for Coastal Bridge] was never about increasing profits; it's about enabling us to get more resources, ensuring our long-term business continuity and, ultimately, better serving our clients."

LOURDMURRAY

Michael Lee

President and Chief Operating Officer

AT-A-GLANCE

Founded 2006

Headquarters Beverly Hills, CA

Locations 2

Employees 28

AUM Manage over $4 billion in client assets

Michael Lee graduated from Purdue University with a degree in engineering, but quickly realized he preferred a vocation that would allow him to interact with clients on a day-to-day basis. Using his analytical problem solving abilities developed through his education, Mike began his career at a Big Five consulting firm and worked with Fortune 500 companies, helping them become more automated by better leveraging technology, optimizing their operations, and facilitating change management within. He spent ten years in consulting before deciding it was time for him to become more specialized within the financial services industry.

Mike transitioned his career and expertise to Dimensional Fund Advisors ("DFA"), where he studied how financial professionals think, and enjoyed how different a world it was from the more general consulting he had done in the past. He worked for DFA's technology group and Project Management Office ("PMO") for five years, assisting the firm with operations, compliance, marketing, and many other projects to help the company become more streamlined and automated before joining up with LourdMurray. Mike was hired as Chief Operating Officer for LourdMurray in March 2009, on the cusp of the longest bull market in history.

LourdMurray was in its third year with four professionals and $225 million AUM when Mike joined the team. Initially, he also served as the Chief Financial Officer, Chief Technology Officer, Head of Human Resources, and in some cases served as backup for all the other positions —an inevitable aspect of working for a small firm in its infancy. It was immediately evident that the firm needed to expand its servicing capabilities, so with the owner's support, he added 7-8 advisors and staff over the next 2 years. By 2012, LourdMurray had grown to $600 million of assets under management.

In 2015, a few key employees left the firm. In what others might have described as a step back in the RIA's growth trajectory, Mike found it to be an evolutionary moment and stroke of luck that their departure opened the door for him to reengineer the firm's operations. LourdMurray had been a siloed company where each advisor had specific associates and personnel assigned to their clients. He wanted to reconstruct the organization to reflect a business with well-developed functional centers and team-based service delivery, rather than just a few advisors serving clients in an isolated fashion.

Mike's initiatives as COO over the past three years have allowed the firm to morph into a cross-functional business with real enterprise value. They now run as a scalable firm with versatile employees providing incredible efficiencies throughout. Mike is currently focused on building out the firm's middle management, which is something he would not have thought possible just a few short years ago.

Mike uses his experience in consulting to apply to the needs of his ever-changing role. "I was fortunate having to tackle complicated projects with my consulting background. **I've found there's a common thread with every company you work with, and the methodology of trying to understand the problem, design a solution, and execute on that solution remains the same, regardless of industry"** he says.

With Mike approaching his 10-year anniversary with LourdMurray, he is most proud of his role in transforming the RIA from a siloed, lifestyle practice where support staff focused solely on their rainmakers to a real business with growing enterprise value and caring professionals. He has developed multidisciplined teams and a "matrix organization" where they can bring the right resources to the right situation instead of splitting books and servicing specific people. With the proper infrastructure in place, Mike is invigorated by the growth to come, knowing the organization is well-equipped to support their current and future.

SAND HILL

Anthony Craun

CFA, Chief Operating Officer

AT-A-GLANCE

Founded 1982

Headquarters Palo Alto, CA

Locations 1

Employees 25

AUM Manage $2.2 billion in client assets

With the help of its Chief Operating Officer, Tony Craun, Sand Hill Global Advisors, LLC ("Sand Hill") has managed to double its number of clients and triple its assets under management over the past 13 years – without doing the same to employee headcount. Tony gained over 15 years of wealth management industry experience working in client service and then in operations and compliance for a startup before joining Sand Hill. He held a number of positions at Sand Hill, including managing portfolios and trading while earning his Chartered Financial Analyst® designation, before transitioning to Chief Operating Officer. He believes this versatile background has served him well when relating to the various departments within the firm.

Tony believes the real value-add behind supporting his team comes from making sure each employee feels appreciated. He has hired and trained almost half of his coworkers, and feels his number one priority is hiring, training, and growing the future of Sand Hill through human capital. Realizing younger employees are a necessity in making any business model grow and be future-ready, Tony started a hiring campaign a few years ago targeting millennial professionals. He is thankful for his focus in this area, realizing today there is a massive shortage of employees under 30 with RIA experience in the Bay Area.

When asked about the future of the RIA industry, Tony foresees two trends, one of which is the continued competition between human advisors and robo advisors. Five years ago, everyone thought robos were out to replace human advisors, so RIAs tried to build or buy automated investing tools to compete. Tony anticipates that in five years from now, the RIAs vs. robos discussion will have transformed and evolved. "RIAs will be competing against the do-it-yourself machines, as DIY investors look to leverage a retail platform to buy, hold, and trade investments themselves." RIAs should instead focus on leveraging their own technology to develop automated processes and workflows that allow them to expand and enhance their service offerings and better service their clients' needs.

The second trend Tony foresees is the increase in consolidation activity throughout the RIA industry. "I would anticipate roughly half of the firms that are independent today won't be around in 10 years because they will have merged with or been acquired by another RIA," Tony states. Tony fears a lot of older advisors needing a succession plan may be unrealistic in thinking they will be offered an outlandish multiple, signing bonus, increased salary, and full managerial control of the firm. Tony states, "The purpose of a succession plan is to make advisors' lives easier, more enjoyable, and to secure the future of their clients. Instead of focusing on the economics of a transaction, selling advisors should evaluate which buyer would alleviate them of operational headaches and allow them to spend more time with their clients." Tony concludes, **"While we currently live in an over-fished market, the next market correction will create a sense of urgency for older advisors seeking to sell their business and the current sellers' market will turn into that of a buyers' [market]."**

Keeping a succession planning mindset, Tony works that much harder to see that his employees are well compensated and thriving in an environment where their voices are heard. Since he first initiated his millennial hiring campaign, he is already seeing the future of Sand Hill progress with next generation-thinking. Three of those new hires have grown into the Manager of Client Service, the CCO, and Manager of Operations. Tony believes that with the technology migration and new hire initiatives he has focused on as COO, Sand Hill will be well-positioned as a buyer of choice in the M&A marketplace.

Trevor Chuna, CFP®, AEP®, CTFA, MSFS

Vice President, Wealth Planning & Operations

AT-A-GLANCE

Founded 1991

Headquarters Akron, OH

Locations 5

Employees 69

AUM Manage $4.1 billion in client assets

After graduating cum laude with a degree in finance from the University of Akron, OH, Trevor Chuna spent two years as a financial advisor at Merrill Lynch. In 2007, he was drawn to Sequoia Financial Advisors ("Sequoia") due in large part to the fact the firm was one of the only RIAs with a devoted financial planning team. Working as a Sequoia advisor, Trevor realized he appreciated the process of developing financial plans, and in due course took over the responsibility of the entire financial planning department. Continually striving to upgrade the firm's financial planning offering led Trevor deeper into the firm's technology systems. When the firm decided to pursue a robo solution for its smaller advisory clients approximately two years ago, the executives turned to Trevor to lead the project.

Believing that technology is an integral and inseparable part of the operations of the firm, Trevor took a much broader approach to the project than simply solving for a small segment of Sequoia's client base. Trevor focused on leveraging technology across the organization in a way that would blend with the firm's team culture. Today, Trevor works in tandem with all of Sequoia's business leaders (finance, marketing, planning, asset management, etc.) to ensure efficiencies in the RIA's operations, technology, and processes.

Even as Sequoia has gotten more involved in the M&A space (the firm's first acquisition was made in 2009, and they recently announced their largest acquisition to date, with the merger to take place on January 1, 2019 with LJPR Financial Advisors, a $776 million RIA), they remain focused on the firm's infrastructure and workflows, as Trevor believes it is one of their biggest qualities attracting other advisors. Countering the common claim that COOs are widely viewed as cost centers rather than revenue-generators, Trevor explains, **"Creating a profitable technology platform that others are attracted to can be used to generate more business. Advisors have a strong desire to work here because of our [technology] platform and how it equips them to better service their clients."**

As Trevor further develops Sequoia's processes and operations, he looks to networking groups like HIFON ("High Impact Financial Operations Network") created by his colleague at Sequoia, Shaun Kapusinski, as well as other larger institutional firms within the broader wealth management space for valuable peer-to-peer learning opportunities. Sitting on Salesforce's Financial Services Cloud advisory council has allowed Trevor to evaluate how more institutional firms, much larger than the typical RIA, tackle the scalability questions that all organizations face.

"RIAs inherently have an independent mindset, as a result, they piece together technology products in order to have best of breed systems," Trevor says. He thinks RIAs are just now starting to integrate these systems with one another and are far from offering a fully-automated client experience. Trevor learned a long time ago that "Excel is a bad word because it doesn't automate any workflows or integrate with other systems." With this in mind, he realizes that while there is demand for the RIA industry to rethink and automate the client experience, it needs to be executed in a thoughtful and integrative manner.

Trevor tends to look to the future more than the past and commends the internal teams and the client facing advisors for evolving alongside a digital culture. He is most proud of the team's exceptional ability to consume, embrace, and adapt to the firm's recent technology changes. He attributes this cultural acceptance to change as the primary driver behind Sequoia's phenomenal growth. When Trevor joined the firm in 2007, Sequoia had 25 employees and roughly $450 million AUM. Today, they have grown to 69 employees and $4.1 billion AUM. Sequoia's technology is creating opportunity, and opportunity leads to growth. "Our team has been able to learn how to take advantage of state-of-the-art technology that helps us more efficiently service clients, leading to more opportunities for inorganic and, perhaps more importantly, organic growth."

PFI Advisors, LLC ("Pure Financial Independence") was founded in 2015 with the following mission in mind:

To further evolve the RIA industry from a collection of practices to businesses, and to be a continued voice in validating the industry as a legitimate landing spot for billion-dollar teams and their clients.

PFI Advisors is an operational consulting firm that supports the unique back office, technology, and operational needs of RIAs in growth mode. PFI Advisors conducts Technology Assessments, manages Technology Conversions, and provides M&A Preparation and Integration Services to RIAs seeking growth support. The firm announced the launch of ***COO Resource*** in January 2018, an ongoing retainer-based service in which RIAs and their Chief Operating Officers can leverage the knowledge and expertise of PFI.

For breakaway advisors, PFI Advisors manages full RIA set up and transition to Independence, including office build out, RIA infrastructure development, client transition, and billing services – all for a simple consulting fee. There is no complicated long-term AUM fee structure or equity stake required to build the firm's future and provide advisors **Pure Financial Independence.**