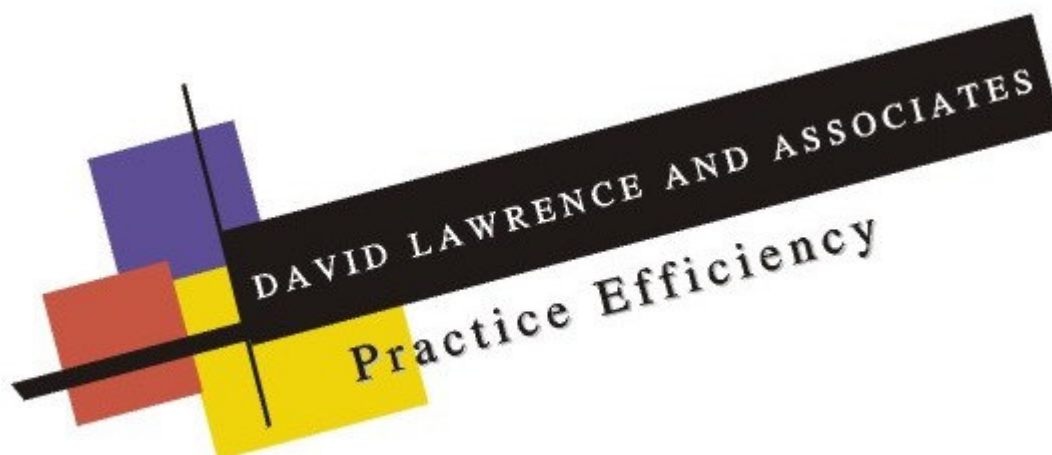


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The Efficient Practice

A Newsletter for Financial Service Professionals

July 2006 - Vol 3, Issue 7

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Dear David,

With increasing concerns over compliance and the ever growing list of technology solutions being offered, financial service practitioners are finding it difficult, if not impossible, to focus on the efficiency of their practice. David Lawrence and Associates is dedicated to making your practice work more efficiently without adding more work to your list of things to do. Hiring a consultant to assist you with efficiency issues should be a pleasant experience. We try to provide you with hands-on help with all aspects of your practice affected by efficiency. This may include such areas as technology, operational procedures, employee management, office space utilization and recordkeeping. All of these areas need to work seamlessly in concert with each other and function transparently to the client. This newsletter is intended to help you better understand how this works and to offer efficiency ideas that can positively impact your practice. We welcome any comments or suggestions.



The advantages of the "hybrid" model



(No, we're not talking cars)

by Mitch Vigeveno and Jason Burke

There has been a recent flurry of discussion in regards to the place for Hybrid, or Dually-Registered Advisors due to the recent publication of a Pershing-sponsored, Moss Adams report on the subject. In short, the Hybrid model is firmly entrenched in the financial planning landscape and is not going anywhere soon. And why should it? For those who implement the model correctly, it can be the best of both worlds.

To be “dually-registered” means to be both registered with the NASD and the SEC (and all the supervisory issues that those agencies entail). According to Kristin French’s March 2006 article in Registered Rep magazine, “this hybrid has emerged as a popular, and profitable, model in its own right. As more traditional brokers turn to advisory business, some of them are straying across the line to the RIA side. Many of these brokers still do substantial commission business, however, and would like to keep it up.”

And the numbers don’t lie. According to the Moss Adams report, there are 5,612 hybrid firms (RIAs) with \$716 billion in assets under management with \$6 billion in revenue. Additionally it estimates that about 2,000 brokers leave to set up RIAs each year. So what is it that makes the hybrid so appealing?

1. CHOICE. By dually registering, a broker has more flexible menu of options to show their clients at the financial planning table. They have the freedom to choose what products, services and fees are the best for their clients. This flexibility allows them to work with smaller clients and open the door to cultivate the high net-worth clients of tomorrow.
2. YOUR NAME. You’ve been investing equity in your business and have been developing your own “brand” amongst your clients and community. The hybrid model can help you more easily establish & maintain your corporate identity and provide a sense of true independence and objectivity to your clients. After all, it’s your business, not your broker- dealer’s.
3. SUPPORT. By working with both a custodian and a broker-dealer, you have more choices in your outsourcing services and technology. By using the best both platforms and integrating them successfully, you can increase your efficiency and have more time for your clients.
4. COMPLIANCE. Dual registration allows planning to be viewed separately from brokerage activities, thus reducing your supervisory concerns. Many broker-dealers in this space are willing to take on the additional compliance oversight to help make you a successful advisor.

So, is becoming dually-registered the right move for you? I don’t know. Do you want to offer more choices to your clients but still keep your Series 7 license (who wants to take that test again)? Do you want to invest equity in your business instead of your broker-dealer’s? The key to success in this arena is the integration of the two platforms and finding a broker-dealer who knows how to do that well. About 75% of broker-dealers allow some form of dual registration, according to a survey by the Financial Services Institute and some offer more flexibility than others. Other broker-dealers are following suit. For more information on whether “going hybrid” or “going independent” is right for you or for help finding a new broker-dealer that is friendly to this hybrid concept, please call Turning Point, Inc. at 727-725-8876 and we will be happy to assist you.

For more information, click here...

Adding An Efficient Advice Component To Your Practice

By David L. Lawrence, AIF®

Many practices already offer some sort of advice. Some practices charge an independent fee for that advice. Some even produce a financial plan with written recommendations for the client to follow. If you are one of those practitioners and you have found it time consuming, if not costly to produce such a plan, you may wish to consider revamping your advice delivery to a more efficient model.



The problem is that there are simply too many choices for software and systems to make the process of developing an efficient financial plan easy. Ultimately, the choices should be made based on what you are trying to accomplish with your clients, the type of clients you work with, whether or not you operate remotely and to what extent you are comfortable outsourcing parts of the process. We can help you with these decisions and work with you to develop a financial planning process that is both efficient and easy to use. The value of such a system is that it permits you more time to do what you do best, **be in front of your clients.**

Click here, if you would like to learn more about what we can do...

Need a Speaker for your group?



David Lawrence and Associates offers Continuing Education Credit programs that qualify for CFP Board of Standards CE credits. We submit attendees credits electronically, so there is nothing for your attendees to do but attend. We currently offer the following programs: The Financial Planning Process: An Advanced Model Using Financial Planning Process Efficiencies The Financial Plan Update Process: An Advanced Model Using Data Retrieval and Comparison Efficiencies We also offer several other, non-CE type programs.

For Further Details, click here....

Isn't it time for you to **Practice Efficiency?** Check out our website or give us a call. We are ready to help you be more profitable.

Sincerely,

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