Redefining the Wealth Management Client Onboarding Experience
As competition in the wealth management industry becomes increasingly heated, many firms are focusing on growth by enlarging salesforces, acquiring new clients, and increasing share of wallet from existing clients. These growth strategies center on servicing the holistic needs of investors by enhancing the client experience at each interaction throughout the relationship cycle, specifically focusing on the initial interaction – client onboarding. When done right, the emphasis on a holistic client experience can help ensure a deeper and more profitable relationship with the client.

The desire for growth, combined with the digital revolution and consumer-wide increases in service expectations, has led wealth management firms to focus their investments on client onboarding. They see opportunities to increase operational efficiency by streamlining administrative tasks and creating a paperless experience. Furthermore, given recent regulatory demands that firms be proactive about knowing their clients, they are starting to view client onboarding as an integral part of the overall sales conversation – a way to lay the groundwork for deeper and more tailored client relationships.

Why is Client Onboarding an Imperative?
A number of industry trends are compelling firms to re-evaluate the way they look at their client onboarding capabilities:

- **Evolving Clients**: Client knowledge and expectations are increasing with a focus on value, choice and convenience. Clients are asking for more transparency into the client onboarding process, and have clearer expectations of the relationships they are forming with their advisors and their firms. They seek to understand the advice being offered, how that advice will help them meet their goals, and how much that advice will cost.

- **Channel Convergence**: Clients expect a fully integrated and interactive experience, regardless of the channels they choose. As a result, firms are exploring new ways to leverage digital capabilities to provide a transparent and untethered client experience. This has led to the rise of the omni-channel experience, which seamlessly shifts between in-person service and self-service models.

- **Increase in Products**: Clients today have greater access to complex products, but there is less differentiation amongst products. As a result, it has become increasingly important for advisors to understand individual customer goals and aspirations. It is only by developing a deep understanding of customer needs that advisors can provide customized solutions to address the client’s particular objectives.

- **Role of Advice**: Today, advisors are expected to offer customized, goal-based, and holistic financial advice to drive precise outcomes. Insights derived from customer interactions and captured within wealth management systems and platforms can help advisors create personalized solutions for clients and their families. Clients expect their advisors to truly know them and tailor advice to help them reach their goals – to provide advice ‘beyond the transaction.’

- **Aging Infrastructure**: Although much has already been done to improve existing processes and technologies, many firms are seeking further opportunities to enhance interactions and collaboration with new technologies. As firms continue to shift from their aging infrastructure to current technologies, they are able to implement changes that were not previously possible, especially in relation to straight-through processing, mobility and biometrics.
Transforming Client Onboarding

Historically, firms have viewed client onboarding as a stand-alone process. New Account Opening (NAO) was primarily task-driven, paper-based, and administrative in nature, which resulted in advisors and support teams wasting valuable time on highly manual tasks such as repetitive entry of client data.

Today, firms are recognizing the need to adapt to the key trends by taking a broader, more client-centric view on the initial interactions that clients have with the advisor and the advisor’s team. We are seeing a shift away from NAO as a siloed process, with many firms viewing it as a component of the greater sales conversation and client relationship process. Firms are designing platforms that allow for a seamless customer experience, from lead generation, through the initial sales meeting, to the opening of funded accounts.

In the Past...

<table>
<thead>
<tr>
<th>Lead Generation</th>
<th>Recommend &amp; Select Products</th>
<th>Account Opening</th>
</tr>
</thead>
</table>

Stand-alone Account Opening Process

Looking Forward...

<table>
<thead>
<tr>
<th>Lead Generation</th>
<th>Opportunity Analysis</th>
<th>Needs Assessment</th>
<th>Recommend &amp; Select Products</th>
<th>Automated Account Opening</th>
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Integrated Client Onboarding Experience

Business Case for Transformation

There is a strong business case for transforming client onboarding, not only to keep pace with competitors, but also to generate significant value through revenue growth and cost savings. By leveraging improved client insights, firms are able to focus on multi-product origination and coordinated selling, driving revenue growth across the firm.

Furthermore, by reducing administrative tasks and creating capacity across support teams, firms are able to shift advisors’ focus to sales, thus improving their productivity.

In addition to growth and revenue uplift, firms can lower the costs associated with bringing on new clients by redefining client onboarding. By reducing paper processes, cutting down on re-work, and minimizing reliance on branch support, firms can make long-term improvements to their operating models. Finally, by leveraging automation and digital capabilities, firms can significantly reduce operating costs across business units.
As firms look to define their unique client onboarding strategies, it is important to consider the expectations of key groups involved in the process:

• Clients expect their advisors to understand them on a personal level, offer products tailored to their specific needs, and engage with them through their preferred channels. Clients also expect a straightforward onboarding experience, with complete transparency around the timing and scope of account and investment activities.

• Advisors expect to be able to provide an optimal client experience. They want access to branch support when they need it, allowing them to spend less time on administrative tasks and more time on selling. Furthermore, advisors want integrated views of client data that can be analyzed to generate client insights, which can be leveraged to cross-sell or up-sell to the client.

• Firms expect to increase profits by enhancing sales force productivity and lowering the cost to serve existing clients. Firms prefer to allocate services to lower cost channels (including self-service), and leverage digital channels to provide convenience and accessibility. Finally, firms expect advisors to provide accurate information about the clients they are onboarding which will help to reduce operational and compliance risks.
Accenture sees six key capabilities as central to a wealth management firm’s strategy for client onboarding (See Figure 1). While evaluating the six capabilities, the following questions should remain in mind:

1. **Vision**
   What are your key priorities as an organization? Based on these priorities, which client onboarding capabilities should be emphasized?

2. **Current State**
   What is your firm’s current state for each of the six capabilities (basic, enhanced, leading)? Where are the largest gaps between where you are today, versus where you would like to be?

3. **Prioritizing Investments**
   Where is there an opportunity for investment to enhance existing capabilities? Based on your vision, which investments could have the highest return?

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### Figure 1. Client Onboarding Capabilities

<table>
<thead>
<tr>
<th>Capability</th>
<th>Description</th>
<th>Why It Matters</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Client/Advisor Experience</td>
<td>- What the end advisor or client feels</td>
<td>It is only through understanding the end experience that we will know whether we’ve had the intended effect on our clients and advisors.</td>
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<td></td>
<td>- The way that the brand is communicated</td>
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<td>2. Process</td>
<td>- How work moves through the organization</td>
<td>Doing more than fixing what’s broken; having the ability to enable key drivers of investments and improve the way work is done.</td>
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<td></td>
<td>- The handoffs, inputs and outputs within and between business groups</td>
<td></td>
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<tr>
<td>3. Organization</td>
<td>- The people who do the work, the way they work together, and how they are enabled</td>
<td>There are many people touching the experience, and there needs to be a deliberate plan for understanding who is doing what and how they should be equipped to do it.</td>
</tr>
<tr>
<td>4. Governance</td>
<td>- How the organization develops its strategy</td>
<td>It is through governance that an organization drives its business, so it must be deliberate in its engagement model and investments.</td>
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<td></td>
<td>- The way the organization leads and manages change</td>
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<tr>
<td>5. Data</td>
<td>- The ways that information and insights are gathered, held and managed</td>
<td>An organization wants to understand the information and insights required to facilitate its vision.</td>
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<tr>
<td>6. Technology</td>
<td>- The tools and applications that are used, and the underlying architecture</td>
<td>Technology acts as a critical enabler for all of an organization’s other pillars, bringing its strategy to life.</td>
</tr>
</tbody>
</table>
Conclusion – Shifting to an Integrated Client Onboarding Experience

As wealth management firms face growing regulatory demands, evolving client expectations, and an increased emphasis on digital technology, they should look to develop a client onboarding strategic vision that can help inform their capital investments. Firms can use their new focus on integrated client onboarding to, not only respond to challenges, but also to re-structure current organizational processes and expand digital and analytical capabilities. By shifting away from purely tactical solutions (e.g., creating technical workarounds), and instead emphasizing foundational changes and industry-leading capabilities (e.g., using analytics to generate client insight), firms can establish a strong base to drive long term monetary value. In today's competitive wealth management environment, any steps firms take, to not only keep up with changes, but also get ahead of the curve, will likely have significant payback going forward.
About Accenture

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