

CASE STUDY

Klaas Financial

Bringing Investment Operations Back In-house

The vision of Klaas Financial is to be the place where individuals, families, and employers come to get unbiased and educated answers to all of their questions about retirement. As part of that service promise, Klaas adopts a “financial planning first and focused approach” to working with clients, according to Josh Stirling, Portfolio Manager for Klaas Financial.

“We lead with financial planning because that is where we can truly add value to our client relationships,” he said. At the same time, Klaas Financial also has a robust and growing asset business where they have recently made significant re-investment.

“About three years ago, we decided to bring investment management in-house to better

focus on what we do for clients,” Stirling notes. “Originally, we were outsourcing these functions to a third-party TAMP but knew that we could provide a higher service level if we were more involved in the day-to-day management.”

Stirling and his team conducted a detailed analysis and due diligence on the various portfolio management and performance reporting platforms available in the industry that support financial planning-based businesses, such as Klaas Financial.

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Location: Rockford, IL & Madison, WI

Description: Independent RIA

AUM: \$600 million

Implementation Year: 2019

BACKGROUND:

- Financial planning firm looking to bring investment management operations back in-house instead of continuing to outsource to a third-party TAMP
- Needed a robust portfolio management and performance reporting platform with advanced rebalancing capabilities
- Sought a technology partner and platform that could scale with their growth

BENEFITS:

- Achieved operational cost savings by bringing investment management back in house
- Comprehensive technology provides seamless, time-saving custodian and CRM integrations
- Receive strong service support to respond to and resolve issues and questions quickly

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Stirling and his team also appreciated Black Diamond’s deep integrations with their primary custodian and their CRM. Additionally, Black Diamond’s *Rebalancer* has been critical to its success in rebalancing capabilities. “Black Diamond has significantly improved our rebalancing process compared to how we were doing it before. As a result, we are much better at preventing errors and uncovering them quickly when they do happen,” he notes.

When it comes to making a technology change, Stirling’s advice to other firms contemplating a move is that the time spent up front mapping out the process pays dividends down the road. “There is always a cost upfront when making a transition; however, you will quickly learn that it is well worth investing that time early on.”

For Stirling, it also all comes down to service. “Hands down, the Black Diamond service team is one of the best we work with across our technology partners,” he says. “We are constantly impressed with their ability to respond quickly and resolve any issues we come across, and they are always available. So many other platforms we work with put us on hold for lengthy periods or have an online portal where we can only hope someone will get back to us.

Moving forward, Stirling says that their future growth will be organic and driven by bringing on new advisors. “Black Diamond provides us with a foundation to quickly and easily onboard new advisors. We are looking forward to partnering with great people and this tool will be a key piece to our success.”

To learn more about Klaas Financial, please visit their website at klaasfinancial.com.

FOR MORE INFORMATION

No matter your size or structure, Black Diamond has the flexibility, infrastructure, and power to support your unique wealth management business. To learn more, please call 1-800-727-0605 or email info@advent.com.

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