

A background image of a man in a dark suit and red tie, sitting at a desk with his hands clasped, looking towards the camera. The image is faded and serves as a background for the title.

Riskalyze Trading Case Study

An Advisor Serves His Hometown Community

Jason is an advisor in Burlington, Iowa. Burlington is a community with deep manufacturing roots, with many of its 25,000+ residents working at either one of the large manufacturing plants off Route 34 or at Great River Medical Center to the West. The town sits on the Mississippi River with Burlington on one side and Illinois on the other. Despite some manufacturing jobs leaving over the past ten years, Burlington continues to be a regional center for employment, commerce, and healthcare.

Jason grew up in Burlington and after stints in Cedar Falls and St. Louis, made the decision to come back to his hometown and serve his community. He is a member of the board for Community Health Centers of Southeast Iowa, led a fundraising campaign for one of Burlington's most historic landmarks, and is the President of the Burlington Kiwanis Club where he is involved in several community events every year. Jason takes his role as an advisor, educator, and leader seriously. "This is a hardworking, blue-collar community that has been largely underserved," Jason says. "As with most areas, financial education is sparse at our schools and in the workplace. People want to figure this retirement thing out, but aren't sure where to start and often get set back by aggressive sales tactics and bad experiences."



Jason has always had access to free client engagement resources through affiliations with broker-dealers, things like risk questionnaires and tools for portfolio guidance, but his meetings were lacking cohesion. “Sometimes meetings would be all over the place,” he says. “Even if we knew how much risk a client needed to take on, it still felt like we were plugging our nose and diving in, hoping the message stuck.”



Enter Riskalyze

Jason had heard of Riskalyze in publications and at trade shows, but didn't understand how it would work for his clients. Intrigued, but skeptical, he gave it a try in Spring 2017 when his office gave it the compliance seal of approval.

The difference between his client engagement model pre-Riskalyze and post-Riskalyze was night and day.

“You can see the light bulbs going off. When we talk about risk, my clients just get it now.”

The message that resonated most with Jason's clients was the 95% Historical Range™, which demonstrates the gains or losses a portfolio might experience over a six-month period. It's the way Riskalyze advisors are able to set the right expectations with their clients time and time again. In our research, the one-year industry standard is just too long to tell clients to “hang in there” and leaves the door open for too many possibilities. With Riskalyze, we don't ignore the short term. “What I tell my clients all the time is here's what you can expect over the next six months. Let me worry about the next 30 years.”

Using the Risk Number and the Six-Month 95% Historical Range worked so well for Jason's clients that he ran into another problem: implementing these new risk-aligned portfolios in Riskalyze.



After a client meeting, Jason would sit down at his computer, open up Microsoft Excel, and start plugging in numbers. He'd go line by line, look at percentages, make new estimates, download the file, and then upload it into another platform to generate the trades. The only other option was to utilize a TAMP, but even then there were tasks he'd have to do himself (not to mention the impact on his clients' compounded returns). "I was between a rock and a hard place—pay too much and do some of the work myself or just do all the work myself, so I made due with what I had." Jason estimates he'd spend anywhere from 30-45 minutes after meetings working on an Excel spreadsheet, adding up to hours every week he would have rather used for prospecting or growing his book of business. Not only did this mean hours away from prospecting, but it also limited his total meetings. "Accuracy is important, so I need to make sure I'm careful when putting these spreadsheets together," he says. "I want to meet with clients, of course, but I definitely couldn't do several meetings in a day."

Using the Riskalyze platform to make portfolio decisions had always been easy, but for many advisors like Jason, implementing those decisions was a complete pain in the assets.



Enter Riskalyze Trading

After 8 months of using Riskalyze with his clients, Jason put his first accounts on Riskalyze Trading in January 2018. The decision to get started was easy. "To me, Riskalyze Trading and the Risk Number go hand-in-hand. I spend time with the client on Riskalyze to determine their Risk Number, build a retirement map, and explain our proposed portfolio. Before Riskalyze Trading, I would constantly be updating position weightings. Getting on Riskalyze Trading just made too much sense."

With accounts on Riskalyze Trading, Jason could now:

- Implement portfolio decisions at the custodial level
- Keep accounts on track with One-Click Fiduciary™ technology
- Ditch the Excel spreadsheet

Here were the deciding factors for Jason when it came to using Riskalyze for trading:

1 ACCURACY

One of Jason's biggest concerns with entering his trades in Excel and uploading them into a different platform was the risk of human error. Eliminating that middle step gave Jason peace of mind knowing that his clients were being taken care of.

2 EFFICIENCY

Reducing the number of windows open and programs being used at any one time was a big selling point. "Riskalyze Trading certainly solved an efficiency need, while also keeping a familiar experience for me as the risk profiling, basic planning and proposal, and now rebalance/trade generation is done on one system. I don't have to learn various vendors and their nuances to handle one account anymore."

3 RISK NUMBER MODELS

Riskalyze has partnered with First Trust to develop models and low-cost ETFs with the Risk Number in mind. With Jason's clients responding so well to the Risk Number and understanding their risk tolerance, using the First Trust Risk Number Models was an easy decision. "First Trust has an excellent reputation, and I love that when I approve of model changes, my accounts are updated automatically."

4 COST

Jason's only options before were either paying too much or doing the work himself. Riskalyze Trading made it possible for him to get the automation he needed to scale his business at a price that was in the best interest of his clients.

5 TIME

Jason is in growth mode and looking to build his book of business. The ability to implement trades with Riskalyze Trading meant that he now had hours back every week to dedicate to his prospecting efforts.



With Riskalyze and Riskalyze Trading, Jason now has a game plan for any new dollars coming in. He's able to frame meetings around risk, create portfolio recommendations based on his client's risk tolerance, and implement those investment decisions on one platform. Within 5 months, Jason was executing trades in Riskalyze for 63% of his book of business, with plans for a minimum of 70% going forward. He shared a story about one client who had a bad experience with equities, and how the Risk Number changed their perspective:

I had a prospect come in who did not want to invest in equities due to a prior experience and I explained how my industry has historically done a poor job of asking the right risk profiling questions. We either ask subjective questions and stereotype based on age, or we have a tendency to project our risk tolerance on clients. Add that together and you have a recipe for a bad experience. The prospect appreciated the ownership I took of the problem instead of blaming the markets or their emotional trigger which caused them to sell. We completed the Risk Number questionnaire together, looked at their Retirement Map, and made a proposal that was in line with their risk tolerance. By the time we finished the proposal, the prospect didn't care what their equity exposure was! They understood what their Risk Number meant over the next six months using the 95% Historical Range, and we would revisit their Retirement Map at each review. This gave them the confidence to invest fearlessly. Implementing decisions with my custodian is now a breeze, and I love that Riskalyze alerts me to make sure everything stays on track.

Jason has embraced the Risk-First Approach with his clients, and his clients have embraced the Risk Number as well. He has the tools to get his clients invested right and the time to scale his business for the long haul.

“ I signed up for a three-year commitment to lock in my price, but this product sells itself. This is so much more than a risk questionnaire. ”



Want to see how 20,000+ advisors like Jason are using Riskalyze? [Sign up for a product demo and get to know the Risk Number.](#)

Already a Riskalyze user but aren't yet putting the hassles of your business on Riskalyze Trading? [We'd love to help.](#) Your business will never be the same again.

Special thanks to Jason and his team for their candor and commitment to empowering the world to invest fearlessly.

ABOUT RISKALYZE

Riskalyze is the company that invented the Risk Number[®], which powers the world's first Risk Alignment Platform, empowers advisors to automate client accounts with Riskalyze Trading, delivers the first risk-centric 401K experience with Riskalyze Retirement Solutions, and enables enterprises to develop real-time visibility, increase revenue, spot issues and navigate changing fiduciary rules with Compliance Cloud. Advisors, broker-dealers, RIAs, asset managers, custodians and clearing firms use the Riskalyze platform to empower the world to invest fearlessly. To learn more, visit riskalyze.com.

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