

PlanScout

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Could outsourcing your next plan be your secret to success?

# 2024 Financial Planning Outsourcing Guide



# The Pros of Outsourcing

## Financial Planning:

As an advisor in today's fast-paced industry, it's all too easy to get caught up in the chaos and lose sight of what truly moves the needle in your business.

That's why we've helped hundreds of advisors decide if outsourcing is right for them.



### 1. Access to Expertise:

Imagine you're an advisor who specializes in retirement planning, but your client needs comprehensive tax planning. By outsourcing the tax planning component to a specialized firm, you can ensure your client receives expert advice without stretching yourself too thin.

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**Real-Life Example:** An advisor partners with a tax planning firm to offer in-depth tax services to clients, enhancing their overall financial well-being.

## 2. Enhanced Efficiency:

Think about the time it takes to gather and analyze complex financial data for a client's plan. On average this takes advisors 15 hours, but this can take DAYS. By outsourcing data analysis and report generation to a dedicated team, you free up your time to focus on nurturing client relationships.

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**Real-Life Example:** An advisor employs a data analytics company to process and crunch numbers, allowing them to spend more time meeting clients and addressing their financial concerns.

## 3. Cost Savings:

Consider the costs associated with hiring full-time, in-house staff to handle all aspects of financial planning. Outsourcing can often be a cost-effective alternative, reducing overhead expenses.

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**Real-Life Example:** A small advisory firm decides to outsource paraplanning services, significantly lowering their operational costs while maintaining quality financial planning services.

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Don't let the things that matter least, get in the way of the things that matter most.



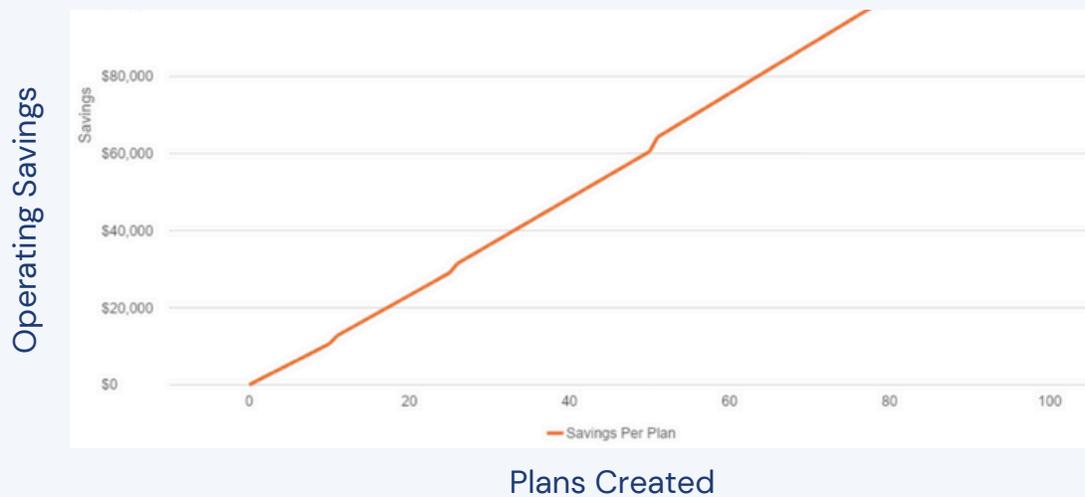
# Can outsourcing save you money?

We've crunched the numbers so that you don't have to:

Save over \$1,000 per plan

In House Plan Creation		Outsourced Plan Creation	
Time to Create a Plan <i>Source: Michael Kitces</i>	15 hours	PlanScout Plan	\$500
CFP Annual Cost <i>Source: CFP Board</i>	\$138k	In-House Cost (3 hours)	\$390
<b>Current Cost-Per-Plan</b> <i>At 75% efficiency</i>	<b>\$1,950</b>	<b>Future Cost Per Plan</b>	<b>\$890</b>

The more plans you do, the more you save





## 4. Scalability:

Picture a scenario where your client base is rapidly expanding. Outsourced services can adapt to your growing practice, ensuring that you can meet your clients' evolving needs without overextending your resources.

**Real-Life Example:** An advisor partners with an outsourced planning team that scales up or down based on the number of clients, ensuring smooth operations during periods of growth or stability.

## 5. Improved Client Experience:

Your clients deserve the best. By outsourcing components of financial planning to specialized firms, you can provide comprehensive, customized financial plans that enhance the overall client experience.

**Real-Life Example:** An advisor collaborates with estate planning experts to offer clients comprehensive estate planning solutions, resulting in highly satisfied clients who value the holistic service.



# The Cons

## of Outsourcing Financial Planning:

### 1. Limited Direct

#### Control:

While outsourcing offers many benefits, it does mean giving up some level of direct control over certain aspects of your practice. You'll need to trust in your outsourced partner's processes.

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**Real-Life Example:** An advisor outsources investment management to a dedicated firm but must rely on the firm's strategies, potentially relinquishing some control over investment decisions.

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**Note:** At PlanScout, we work with YOU to review the plan, and ensure it aligns with you and your client's priorities. We also offer a complimentary adjustment & final review based on your feedback.



## 2. Client Transition & Integration Hurdles:

The introduction of a third-party outsourced partner can affect the dynamics of client relationships. It may take some time for your clients to adjust to working with a different entity.

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**Real-Life Example:** A financial planner brings in an outsourced team to handle portfolio management and struggles to integrate a reporting format into their existing systems. Clients initially express concerns but eventually appreciate the team's specialized expertise.

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**Note:** *That's why PlanScout acts as a PARTNER, not simply a removed third party outsourcing solution. We recognize the importance of custom tailoring your plans and ensuring that your clients have peace of mind that they are working with you.*



## 3. Communication Challenges:

Coordinating with an outsourced partner can sometimes lead to communication challenges, which need to be managed effectively for a smooth experience.

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**Real-Life Example:** An advisor experiences delays in communication with an outsourced team, resulting in some operational hiccups. However, they implement robust communication protocols to address the issue.

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**Note:** *That's why we've designed the PlanScout workflow to return plans within a 3 day window, and keep constant communication so you can keep your promise and deliver your plans promptly – even faster – than with your inhouse capacity.*

# Outsourcing Checklist:

## Do your research:

Carefully weigh the pros and cons to see both sides **Pro Tip: Consider your needs first.** Do you need expertise on insurance and annuities? Do you need ROTH & IUL conversions? Do you want to scale your business? Get specific.



## Define your needs & goals:

Consider your practice's short and long term objectives and how outsourcing can impact your KPI's. **Pro Tip: Get specific and think big.** What are your goals in the next 1-5 years? What outsourcing needs must be met in order to reach your goals?



## Crunch the numbers:

What is the cost associated with each plan you create in-house? Consider your firm's average output and overhead, and compare that cost with the cost of outsourcing. **Pro Tip: Book a free call with us.** Our outsourcing experts can look at your case to calculate potential per plan savings!



## Shortlist service providers:

Find an outsourcing partner that you trust to meet your needs **Pro Tip: Ask for testimonials!** Many service providers will make lofty promises with little to back them up.



## Experiment:

Found a promising partner? Schedule a demo call or test a free plan to experience their services first-hand. **Pro Tip: Test drive before you buy.** Some service providers offer a free plan and satisfaction guarantee, so you have nothing to lose!



# Try outsourcing your first plan, free!

We know outsourcing plans can be a game-changer, which is why we offer our partners their **first plan, free.**

**Get your first plan free**



## Chat with an expert

If you're curious about how outsourcing plans may impact your business, don't hesitate to **schedule a free call** to speak with one of our experts.

We can help you understand the costs associated with your firm's unique size, capacity, overhead, and yearly output, to see if it outsourcing plans makes sense to YOUR firm.

**At PlanScout, our mission is simple: help advisors deliver great outcomes with clarity, confidence, and care.**

Whether you outsource planning or manage it in-house, we give you the tools, frameworks, and support to move client conversations forward with ease.

**Explore our free Resource Library**