

Be ready to provide client portals for performance reporting, consultant recommends

Advisers need to adapt as clients increasingly demand 24/7 access to their accounts from all devices

By **Liz Skinner** | *September 3, 2014 - 10:44 am EST*

Advisory firms need to develop a client portal strategy or risk falling behind the competition, an adviser consulting group said.

Portals allow clients to log on to view their account assets and allow for creation of up-to-date performance reports or viewing of periodic, often quarterly, reports. Some incorporate just the assets held in accounts overseen by the adviser, while the best aggregate account information from held-away assets, too.

“Portals will become more important over time as clients increasingly demand

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access to their account information 24/7 and from all devices,” said Bill Butterfield, a wealth management analyst at the Aite Group, which studied client reporting.

As demand grows for consolidated reporting, advisers who don't make an effort to provide it may find themselves at a disadvantage, Mr. Butterfield said.

About 21% of wirehouse advisers and 19% of independent registered investment advisers provide a portal for clients to view up-to-date performance reports, according to the Aite research released Aug. 20.

About 53% of wirehouse advisers and 36% of independent RIAs have a portal from which clients can view static performance reports, the study of 338 advisers found.

Brian Vendig, president of MJP Associates, said his advisory firm has had a client portal since 2012 and continues to add services clients can access from it.

The portal began as a place for clients to store personal or financial documents to the cloud and for secure communications between clients and the firm through a private inbox, he said.

MJP Associates now lets clients aggregate data from other financial accounts to the portal and over the next couple of months the firm plans to work to allow clients to create their own in-time financial reports, Mr. Vendig said. Today, clients can print static performance reports from the portal.

“We're not really hearing from clients yet that they want this, but I wanted to provide these conveniences because we're in the business of helping people,” he said.

Most clients will need to be educated on how to use these new features, Mr. Vendig said.

“If quarterly static performance reports is the best a firm has to offer end investors in the way of reporting communications, these firms are not meeting today's consumers' desire for instantaneous access to up-to-date information,” the Aite report said.

The report also showed that more than half of the advisers surveyed are satisfied with current performance reports, suggesting these advisers “are not aware of the sea change that is occurring with regard to client expectations for anytime, anywhere access to investment information,” it said.

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