10X PRACTICE SCORECARD™ - FINANCIAL SERVICES

Measure	1	2	3	4	5	6	7	8	9	10	11	12	Score
Practice Profitability	The profitability of our practice is uncertain year to year. We do not have good financial statements. Managing cashflow can be challenging at times.			We have a profitable business with no cashflow issues. However, our financial statements are ad hoc. Owners are not consistently taking both market rate salaries & profit distributions.			We are consistently profitable have strong cashflow, and good financial statements. Owners are comfortable with their salaries, taking annual profit distributions >25% of gross revenue.			Our firm is highly profitable, with a strong cash reserve. Our financial statements are excellent, produced monthly. Our revenue is growing 2X faster than our expenses. Owners are paid healthy salaries and annual profit distributions are >50% of gross revenue.			
Business Development	Our firm does not have a target market nor a defined "right fit" client. Each person does whatever it takes to get business in and out the door. Our owners want to focus more on business development, but they often end up in the day-to-day operations.			We know our market. We have written parameters around "right fit" clients. We have clear job descriptions around sales vs. operational roles. However, our pipeline of new business is not always consistent. Our percentage of new vs. existing business varies.			We have a clearly defined target market that is communicated plainly via written deliverables. All clients are qualified before we take them on. We have a proactive marketing strategy that consistently generates new clients. Our revenue consists of a steady blend of new and existing clients.			Everyone knows exactly what our firm does. We are known as specialists in our field. All clients must meet our right fit criteria. We have a steady pipeline of prospects fueled largely by referrals from existing clients. We have a scorecard that measures our marketing activity and results. Owners delegate non-essential functions so they can focus exclusively on growth. We set aggressive growth goals and hit them.			
Financial Planning Process	Each client has a different experience. We use "yellow pad" planning. We do not charge fees for our planning services. Each client ends up owning a different product depending on their advisor. We do our best, but it can be chaotic.			Our firm uses planning software, but we only use a fraction of the features. We have developed some consistencies in our client experience, but we still do a lot of "one-offs". Sometimes we charge fees, but it depends on facts and circumstances.			All clients go through a consistent planning process which includes robust, documented fact-finding, the use of comprehensive planning software, and an output that is clear, compelling, and client friendly. The process is scalable. We charge fees and clients value the service.			Our planning process is world class and consistent with all clients. Financial planning revenue (not counting AUM fees) is well over six figures. We have a dedicated team to supporting our process. We regularly monitor and update our clients' plans and clients pay ongoing fees (not just one) for this service. It is a flagship offering of our firm.			
Financial Technology (FINTECH)	Our firm uses minimal technology. We have a CRM system, but data is missing and/or we just use the most basic fields. Our website is tired and outdated. Technology is not really our thing.			Our website is okay. We use our CRM consistently, but we still have a mix of paper and electronic files. We subscribe to 3rd party technologies such as planning software, data aggregation services, and client reporting tools. It still feels messy.			Our website is very good. We have a paperless experience for some clients. We submit most of our business electronically which provides us with good metrics to ensure our operations are running smoothly. We regularly use technology when meeting with clients.			Our technology is top notch. Business is almost exclusively submitted electronically. Clients have electronic access to plans with data all aggregated in one place. The client experience is state of the art. Many or most of our clients prefer engaging with us electronically rather than in person. We have robust cybersecurity tools in place to protect our firm and our clients.			
Risk Management Tools	Our firm does little to no risk management solutions. We primarily manage assets and investments. It is hard for us to differentiate our value proposition from what many other RIAs are offering if we assess things objectively.			Our firm uses primarily annuities to help our clients manage market and longevity related risks. These tools help us more comprehensively address client needs. They also enable us to differentiate our business from other firms.			We have a robust knowledge of risk management solutions, not only annuities, but also life insurance. We regularly use these solutions to manage longevity risk, reduce tax liabilities, and transfer wealth efficiently. While have a method for showcasing their value to clients, implementing them can be clunky.			We fully integrate comprehensive risk management solutions into our financial plans. Whether fee or commission-based solutions, the experience is consistent and smooth. We not only differentiate our business in this way, but we have also become experts in working with wealthy business owners, trusts, and estates, providing risk management, tax mitigation and wealth transfer solutions in a way that few RIAs can match. This is a unique ability for us.			
Business Continuity	Our plan is to operate "as is" for as long as possible. We have no real plan for succession. We recognize our clients will need someone to take care of them once we are gone, but we are unsure how to solve this problem.			We have identified potential successors (either inside or outside our firm). However, we have not put any formal plans in place. It is something we keep kicking down the road. We would like to solve this problem, but we need assistance.			We have a formal agreement in place with the next generation (either inside or outside our firm). We have the main terms ironed out; however, we have not addressed certain difficult, but key, issues such as timing, valuation, funding, etc. We need to formalize and finalize our plan to work well in the future.			We have the next generation of professional advisors in place and already working with clients. We proactively talk about our own succession plans with clients and the topic has become a competitive advantage for us. Our succession documents were created by legal professionals with key terms such as timing, valuation, and funding addressed. Our plans are already in motion and/or on file with key partners such as our law firm, accounting firm, and/or broker dealer.			
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ACTION STEPS