

Outsourcing for RIAs: How Independent Advisors Can Compete and Grow

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Key Takeaways:

- What are the benefits of outsourcing services for RIAs?
- How can outsourcing help small RIAs compete with large firms?
- What should advisors look for in an outsourcing partner?
- Which RIA business functions are best to outsource?

In our article, *4 Key RIA Business Trends: Insights from the Field* I touched on consolidation, succession planning, and private investments. In this article we take a more detailed look at outsourcing as a trend in the RIA space.

For more than 15 years, I've helped independent wealth management firms navigate continuity planning, succession planning, and outsourcing. But in the early days, outsourcing was simple. It freed advisors from day-to-day tasks like managing investments, operations, and compliance so they could spend more time with clients and prospects.



Today, however, the stakes are higher. With industry consolidation, independent wealth management firms are competing against larger players that appear more robust and offer broader, more complex solutions. Fortunately, the universe of providers—Verdence / RIA+ among them—has evolved and grown to help solo practitioners and small ensembles stay competitive.

But outsourcing isn't just a *vendor* decision; it's a *partnership* decision. You need to ask yourself, "Who shares our values, vision, and our commitment to client care? Who will be there when I need them?"

This business is about more than just buying technology or employing an investment platform. It's personal. You're aligning with someone who should understand the nuances of serving clients with unique circumstances and evolving needs. A true partner grows with you, supports your goals, and may even become part of your firm's continuity or succession plan in the future.

How Outsourcing Frees Advisors' Time

The first and most **immediate benefit of outsourcing is time**. According to a [Fidelity study](#), outsourcing can free up 20–50% of an advisor's time.

Advisors often reinvest that time differently depending on their career stage:

- **Growth-focused advisors** use it for business development and deeper client relationships.
- **Advisors nearing retirement** use it to regain balance in their lifestyle, travel, or simply enjoy more personal freedom.

The top three functions most frequently outsourced include:

- Investment management
- Operations
- Compliance

By offloading these administrative or technical areas, advisors can focus on what they do best: advising clients, building relationships, and growing the business.

Outsourcing As a Competitive Advantage

There is far more competition for prospects today than there was 15 years ago. There are more fee-only independent advisors than before, and the traditional wire houses have adopted the fee-based model.

More wealth management firms have adopted financial planning as a core service and approximately **30% of wealth managers (103,000 advisors in the US) now carry the CFP designation**, double the percentage from when I got started.

There are more large firms than ever before. And due to their scale, those large firms can often offer prospects a broader and more complex solution set.

With more choice than ever before, prospects are typically meeting with 2-3 wealth managers before making a choice. A [2025 survey by Wealthtender](#) found that **97% of people plan to meet with at least 2 advisors and more than 50% plan to contact 3 advisors.**

Who Benefits the Most from Outsourcing?

Smaller Firms

Outsourcing is often a game changer for firms **under \$500 million AUM**. These teams typically lack the scale to support a complex in-house operation. Many advisors want to focus on client service, not hiring staff, managing technology, or troubleshooting compliance systems.

Solo Practitioners

Entrepreneurial advisors, meanwhile, may try to handle everything themselves. While they may be capable, this approach often limits growth; time spent “doing it all” is time not spent serving clients or developing new ones.

For solo practitioners and small ensembles, **outsourcing levels the playing field.**

Outsourcing helps:

1. **Create a Bigger Impression**

Clients paying 1.00% of AUM want to see a team and resources behind their advisor. They want to know someone will always be available if you're on vacation, ill, or eventually step away from the business.

2. **Provide Clients a Broader, More Competitive Solution Set**

Pricing across the industry remains steady around 1.00% of AUM, but larger firms often offer more services for the same cost. Outsourcing gives smaller firms access to the same capabilities such as private investments, family office services, estate and elder care planning, business transition strategies, and multi-strategy investment management without the need to build full teams in-house.

Larger Firms with Gaps

Even larger RIAs can benefit from strategic outsourcing. Many have the scale to cover core functions but lack expertise or infrastructure in emerging areas such as:

- **Private investments**
- **Family office services**

Building internal capabilities in these areas can be costly and time-consuming. Partnering with a specialized outsourcing firm can help bridge those gaps efficiently.

Choosing the Right Partner (Not a Vendor)

The most important word in outsourcing is *Partner*.

Advisors who treat outsourcing as a vendor selection process—focused only on price or function—are often disappointed. You're choosing a teammate who will help you deliver valued client experiences.

Look for a partner that:

- Shares your client service vision and values.
- Is someone you actually like working with day to day.
- Will collaborate when unexpected challenges arise, not hide behind a contract.

The right partner may also **play a role in succession planning**. If your clients already work with your outsourcing partner's platform or investment strategies, their eventual transition will be smoother, and their trust in you reinforced.

How Does an Advisor or RIA Firm Get Started with Outsourcing?

The good news is that the marketplace for outsourcing has expanded dramatically, with options ranging from narrow "rifle-shot" services to fully integrated solutions. But within the large expanded marketplace sit too many 'vendors' and too few partners.

At **Verdence / RIA+**, we built the systems and resources that enabled Verdence Capital Advisors to become the firm it is today. Today, we extend those proven capabilities to select independent firms who share our vision of excellence and independence.

Our solutions include:

- Continuity Planning
- Succession Planning
- Investment Management (Public & Private)
- Financial Planning
- Operations
- Family Office Services
- Practice Management Support

We don't believe in one-size-fits-all. We start with a conversation to understand your needs, goals, and values. If there's a fit, we'll guide you through an education-based decision process. If not, we're happy to connect you with other trusted resources in our network.

Ready to Explore What's Possible with Outsourcing?

Succession planning doesn't have to be overwhelming—but it does need to be intentional. Whether you're five years out or already considering an exit, starting the process now can help protect your firm's value and give you more choices for the future.

At **Verdence / RIA+**, we work with independent advisors to explore their options, evaluate firm readiness, and create customized transition strategies.

What's Next?

Outsourcing can transform how you operate, freeing time to grow, compete, and enjoy the career you've built.

Ready to talk to one of our experienced professionals?

[Schedule A Discovery Call](#)

FAQs:

1. What is RIA outsourcing and why is it important for independent advisors?

Outsourcing allows RIAs to delegate services like investment management, operations, and continuity planning to trusted partners—freeing time to focus on clients and business growth.

2. How does outsourcing help small RIAs compete with larger firms?

By providing access to the similar depth of resources, technology, and investment options—without the need to hire in-house teams—outsourcing helps level the playing field for smaller firms.

3. What are RIA functions that can be outsourced?

The most common areas include investment management, operations, compliance, with growing demand for support in family office, and private investment solutions.

4. How much time can outsourcing save an independent wealth management firm?

According to a Fidelity study, outsourcing can free up 20–50% of an advisor's time, allowing firms to reinvest that time into business development or improving client relationships.

5. How can outsourcing improve client experience and retention?

Outsourcing helps enable advisors to offer a wider array of services and maintain consistency for clients even when key staff are away.

6. What should RIAs look for in an outsourcing partner?

Choose a partner—not a vendor—who shares your firm's values, client service philosophy, and long-term vision. Alignment on culture and communication is key to lasting success.

7. Can outsourcing play a role in continuity or succession planning?

Yes. A trusted outsourcing partner familiar with your clients, systems, and philosophy can become a natural part of your firm's succession strategy, ensuring seamless transitions.

8. How do I get started with RIA outsourcing?

Begin by identifying your firm's biggest time or capability gaps, then explore comprehensive solutions like Verdenance / RIA+ that combine investment, operations, and succession support.



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