



The Necessary Evolution of the Owner's Role within the Firm

By [Megan Leonhardt](#)

The evolution of an owner is critical in order to become a billion-dollar firm. Most owners start as an advisor and then gradually move into a management role. From there, owners should start to transition out of everyday client responsibilities and take charge of the strategic vision for the firm. Moving away from the advisory functions can be difficult for many owners. But in order to handle the complexities of a large firm and to retain talent, firms need to function like formal companies, complete with a corporate governance structure.

How do you become a \$1 billion firm? In 2009, there were 300 independent advisory firms that had \$1 billion in assets under management, according to the [Alliance for Registered Investment Advisors](#). Today that number is past 700 and appears to be accelerating. Yet independent firms that have been successful in the past may face new pressure from large firms with sophisticated capabilities.

In a new whitepaper, the Alliance for RIAs takes a deep dive into what has made their firms successful, sharing six basic characteristics necessary to achieve scale and success. "It is effectively a blue-print for getting to and growing beyond the billion-dollar plateau," says **John Furey**, principal at **Advisor Growth Strategies** and managing member of aRIA.

Members of the [Alliance for RIAs](#) Beacon Pointe's Matt Cooper, Savant Capital Management's Brent Brodeski and Exencial Wealth's John Burns shared their experiences in growing billion dollar firms during a session of Schwab IMPACT on Wednesday.