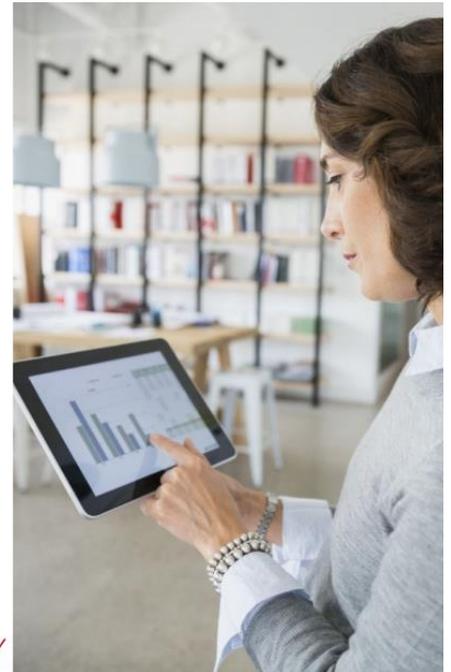


Redtail: The Evolving CRM System Built for Financial Professionals



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Website <https://corporate.redtailtechnology.com>

Key dates: founded in 2003

Clients: financial advisors, financial professionals

Value proposition: CRM, document management, communication platform, email hosting/retention

Senior management:

[Brian McLaughlin](#), Chief Executive Officer

Redtail is a customer relationship management (CRM) system tailor-made for financial professionals. It is a cloud-based platform that provides automated workflows for communicating, sharing information, and interacting with clients. In 2003, the company started out with just 25 advisor clients and has grown to over 27,000 affiliated firms and 100,000 users.

I couldn't pass up the chance to travel to Sacramento to meet with Brian McLaughlin, CEO of Redtail. The company occupies a very laidback, sprawling office with approximately 90 employees and quite a few dogs. As I learned later, the company has a dog-friendly policy because Brian loves dogs (Redtail was named after his late retriever, Tucker).

Brian's first job was working for ORBA Financial Management as a software developer. In this role, Brian took part in creating a custom-built CRM to handle specific challenges like log reporting, filing changes, and data synchronization. Brian soon realized that other companies could find it useful, too, and in 2003, Brian separated the CRM product from ORBA and became Redtail. Today, Brian focuses on building Redtail's technology while retaining the culture he worked so hard to create.



The future of CRMs, the future of Redtail

The purpose of a CRM system is to be a hub, a source of truth. With all the client data in front of an advisor, it's like having a detailed playback of the relationship from day one. This is what CRMs used to do. Today, these platforms get data from integrations and outside sources so they can automate data extrapolation. This is where the industry is headed, and Redtail is following this trend with their artificial intelligence (AI) tools.

“Now, CRMs know things like your probability score for a successful financial plan. They know that you have a document workflow going on in the custodian right now. By tying all those pieces together, advisors get a better view of what's going on with their client[s] in real-time.”

The screenshot displays the Redtail CRM interface for a client named Kevin Beckman. The interface includes a sidebar with navigation options like Today, Calendar, Contacts, Accounts, Activities, Documents, Notes, Know Your Client, Email History, Reports, Opportunities, Seminars, Social, and Workflows. The main content area shows the client's profile, including a search bar, a list of activities (Next Review, Next Activity, Last Activity, Past Due Activities, Active Workflows, Portfolio Balance), a 'Past Due and Next 30' section with a note from Tucker McLaughlin dated 07/31/2017, and a 'Contact Card' with details for Home, Mobile, and Work contacts, as well as a physical address in Manhattan, NY. The client's status is shown as 'Active Client'.

Overcoming integration challenges

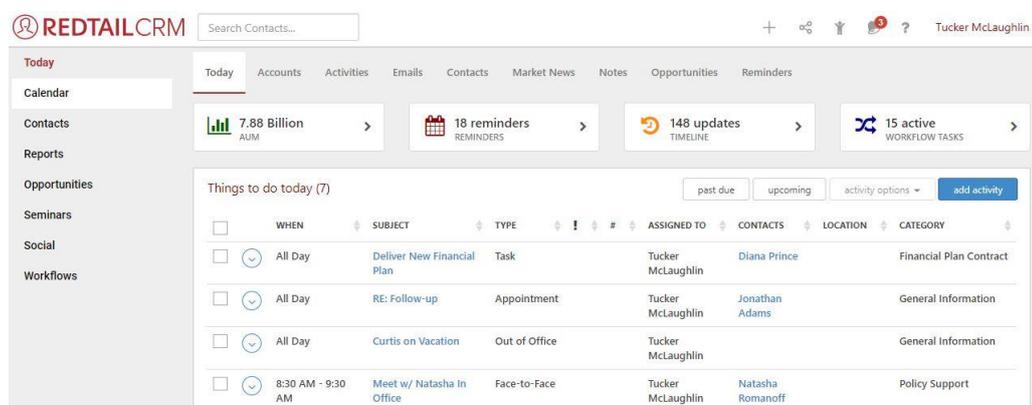
Redtail is oriented exclusively toward the financial services industry. The platform has almost 300 integrations with various players in the industry:

“We have integrations with nearly every financial planning tool, custodian, account opening tool, form filling software, risk management technology, etc. This is something that the other companies can’t quite provide, unless they’re working specifically in this space.”

Compared to Salesforce, Redtail has advantages for the FinTech sector. For example, if an advisor prefers Salesforce, and they use a specific custodian or financial planning tool, they have to use the Salesforce version (generally an app) or develop it themselves. Obviously, this falls outside of the scope of what an advisor should be doing, since they are not software companies.

“Additionally, if an advisor changes broker-dealers, they might run into a situation where the broker-dealer wants advisors to switch to their version of the platform. In this case, advisors will have to migrate, which [might] cause everything to fall apart.”

Every integration is different. Some companies have good documentation and code support, whereas others are not as self-sufficient and require some help. Brian is no stranger to integrations; Redtail is high on the list for most FinTech companies thinking about integrating a CRM.



The screenshot displays the Redtail CRM interface. At the top, there is a search bar for contacts and a user profile for Tucker McLaughlin. The main dashboard is titled 'Today' and features several key performance indicators (KPIs): 7.88 Billion AUM, 18 reminders, 148 updates, and 15 active workflow tasks. Below these are filters for 'past due', 'upcoming', and 'activity options', along with an 'add activity' button. The central part of the interface is a table titled 'Things to do today (7)' with columns for 'WHEN', 'SUBJECT', 'TYPE', 'ASSIGNED TO', 'CONTACTS', 'LOCATION', and 'CATEGORY'. The table lists four tasks: 'Deliver New Financial Plan' (Task), 'RE: Follow-up' (Appointment), 'Curtis on Vacation' (Out of Office), and 'Meet w/ Natasha In Office' (Face-to-Face).

WHEN	SUBJECT	TYPE	ASSIGNED TO	CONTACTS	LOCATION	CATEGORY
All Day	Deliver New Financial Plan	Task	Tucker McLaughlin	Diana Prince		Financial Plan Contract
All Day	RE: Follow-up	Appointment	Tucker McLaughlin	Jonathan Adams		General Information
All Day	Curtis on Vacation	Out of Office	Tucker McLaughlin			General Information
8:30 AM - 9:30 AM	Meet w/ Natasha In Office	Face-to-Face	Tucker McLaughlin	Natasha Romanoff		Policy Support

Redtail’s unique corporate culture

Every company has their own culture. The Merriam-Webster dictionary defines “culture” as “the set of shared attitudes, values, goals, and practices that characterizes an institution or organization.” As soon as I stepped foot in the Redtail office, I immediately understood that their culture is more than just a couple paintings and slogans on the walls.

It starts at the top. Brian doesn’t have an office but instead chooses to sit at a desk near the most trafficked area. The company’s philosophy is flexibility and support, which extends to both clients and employees. Brian believes that his team should have the freedom to work how they want to work:

“We want to connect our employees to collaborate because then, they’re much more effective, and it just builds a better family and community.”



Another part of Redtail's unique culture is they don't have commission-based sales. In other words, everybody has a share of the profits, with bonuses and rewards going to teams that perform the best. Brian points out that each department has discretionary funds that they can use however they want (e.g., making challenges, competitions, giving out awards), and the company encourages this.



Redtail University

Redtail isn't a sell-it-and-forget-it type of business. They continue to support their clients both online and offline. [Redtail University](#) was started nine years ago as a method of training clients. The events are held around the country, bootcamp-style, with eight-hour hands-on training sessions. Brian says that these events teach both advisors and staff how to use CRM and implement CRM strategies into their businesses. In addition, Redtail also offers in-office training for clients, two-hour intensive courses taught by the Redtail training team.

Product management approach: barking up the “right” tree

Redtail doesn't have a formal board of advisors. Brian says that they prefer to learn what clients need in their specific business models, how they operate, and how Redtail can help them do better.

“I'm more interested in what the masses are looking for, trying to organize all the feedback from 100,000 people, and saying, ‘Hey, what's really the crux here? What are the most important pieces that you're talking about?’ Then we go and make that happen.”

Brian attends all of the Redtail University events to listen to real users. By acquiring feedback this way, the company is able to understand what's most important for clients and make product decisions based on these data.

Redtail is an Agile company with releases every two weeks, but Brian notes that in recent years, they've become more process-driven. When we first started, we focused on getting releases out as quickly as possible: build it, ship it. Now, the planning stage is more detailed, and every feature is mapped out from start to finish.

Software development and engineering process

As previously mentioned, Redtail has two-week Agile sprints: ten days for development and four days for QA. Engineering teams are made up of two- to four-person groups and are broken up by product. Generally, engineers are not shifted around among these groups. Instead, Brian says, they deeply involve themselves in one project at a time. That said, no team operates within a vacuum; all teams are Sacramento-based, work in the same area of the office, have lunch together, and help each other with projects. Team leads coordinate among project groups when required.

Finding a balance: challenges for Redtail

CRMs are difficult tools to master. On the client side, the biggest challenge is training people how to use the platform. This is essential because without know-how and best practices in mind, clients can't get the most out of their tools and as a result can't manage their businesses as efficiently as possible.

Brian expresses that Redtail's internal communication still needs to be improved. He recalls that two years ago, a vendor they were working with said Redtail had “too many cooks in the kitchen.” They pointed out that there were twelve people on the phone call. In other words, the firm implied that decision-making should be done by one or two people at the most.

Brian and his team don't hold all-hands meetings very often, just once a year. Instead, they share what's going on in the company transparently and in real time. I saw this firsthand; they have TVs and monitors in their office that display performance metrics.

Another challenge is protecting the corporate culture. Brian believes in breeding a culture of open communication. Every employee has the opportunity to voice their opinions, because at the end of the day, it isn't about who's right or wrong but what decisions and opinions make the company better.

“The number-one thing a business protects is their culture. We can’t screw that up. CEOs need [to] protect culture with their lives.”

WealthTech Club takeaways

Redtail is more than a CRM; it truly is a brand. This brand has risen from the depths of the FinTech industry to take its place as a leader among CRMs. Today, it has integrations with many FinTech companies we’ve covered in WealthTech Club. A tech guy at the helm of an innovative team, Brian believes in pursuing new technologies like AI and cloud-based solutions to propel Redtail even higher.



Written by Vasyl Soloshchuk, CEO and co-owner at [INSART](#), FinTech engineering company. Vasyl is also the author of [WealthTech Club](#), which conducts research into Fortune and Startup Robo-advisor and Wealth Management companies in terms of the technology ecosystem.