Leading a high-performing advisory practice

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

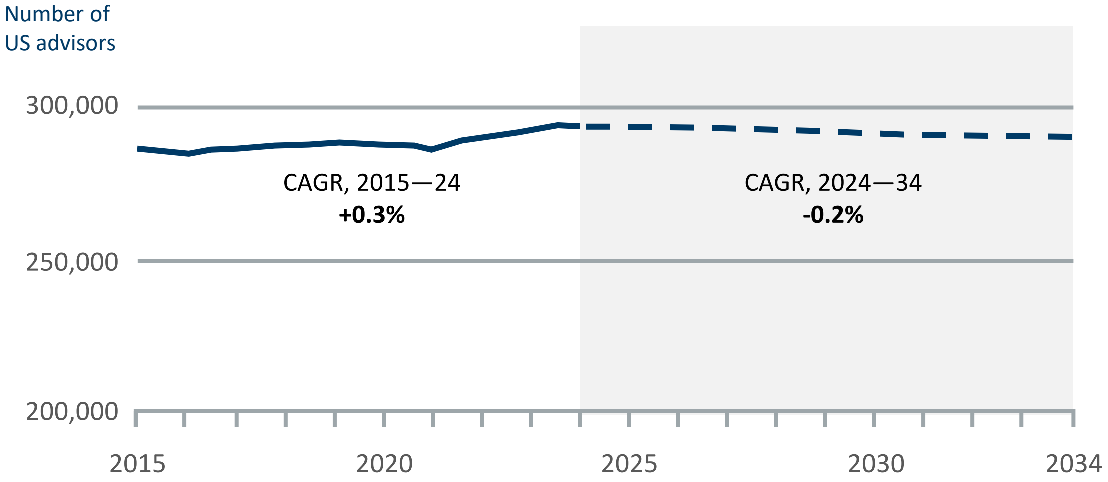
With US wealth and the advisor shortage on the rise, the opportunity for advisors is growing

Growth of US retail and institutional assets[1]

2013-2023

The advisor shortage

predicted to reach a 90K to 110K deficit in the next 10 years[2]



37.4% Of advisors plan to retire over the next decade[3]

[1] Source: Cerulli, "The state of U.S. Retail and Institutional Asset Management," 2024
[2] Source: McKinsey & Company, "The looming advisor shortage in US wealth management," 2025 (Exhibit 1)
[3] Source: The Cerulli Report, "U.S. Advisor Metrics 2024," 2024

But the ever-shifting market poses constant challenges

Advisory roadblocks for growth

- Acquiring a consistent stream of new clients
- Demonstrating how you are different from other advisors
- Building and retaining a cohesive, high-performing team
- Maintaining profitability levels as you grow
- Planning for your succession

No matter the challenge, there's a roadmap for improving performance

1. Set goals:
Define how you want to help clients and grow your business.

2. Take action:
Implement new strategies and processes to meet your goals.

3. Gather feedback:
Analyze input from your clients, team and KPIs.

4. Make improvements:
Adjust your approach to reach your goals more efficiently.

Let’s maximize your practice’s performance

01 Running your practice like a CEO

02 Building a high-performing team

03 Optimizing the client experience

04 Scaling your business

01 Running your practice like a CEO

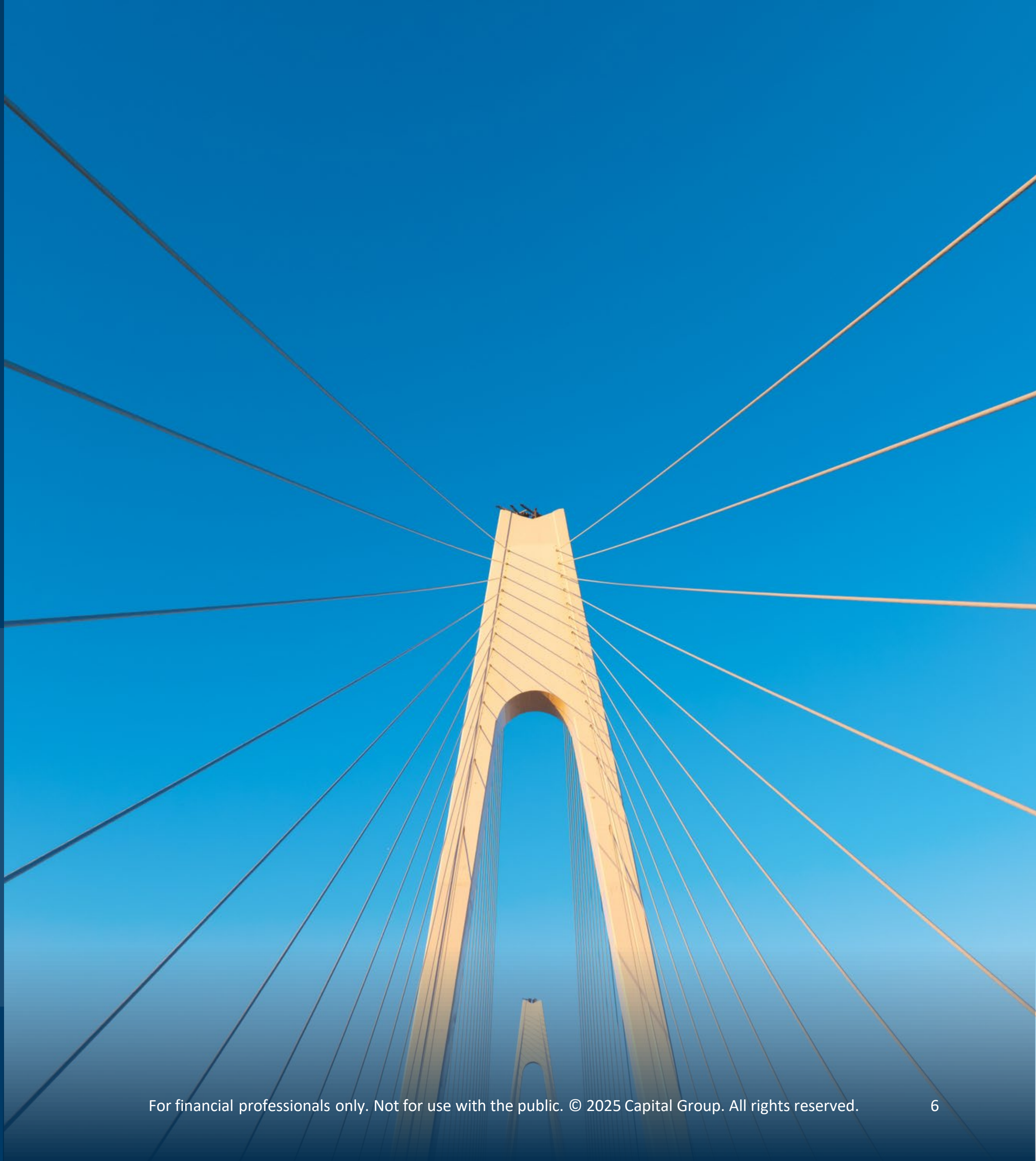
Mission and vision

Measurement and KPIs

Team communication

> Leadership is the capacity to translate vision into reality.

— Warren G. Bennis
Professor of Business Administration, USC



CEOs don't wait for opportunities — they create them

Mission: External statement that defines your purpose and objectives

KEY QUESTIONS

What do you do and why do you do it?

What is the purpose of your firm beyond financial success?

What problems is your practice built to solve?

What principles will you use to drive decision-making?

Vision: Internal statement that looks toward the future

KEY QUESTIONS

Where are you going and what do you want to become in the next five to ten years?

How will you help your clients improve their lives?

What kind of internal culture do you want to build?

What lasting mark will your firm leave on your community and the industry?

Action step:
Already have a mission and vision?

Review them with your team and update them to align with your current goals and aspirations.

Developing your vision for success

Where do you see your practice in the next five to ten years?

- In the next five to ten years, we will be the premier financial planning team in the Buffalo area and engaged with our community.
- We will continue to provide wealth management services to business owners, executives and high-earning professionals in western New York.

What does success look like for your firm?

- AUM of $1 billion.
- 10% annual increase in client base.
- Client retention rates of more than 95%.
- 1% of profits donated to community organizations that are meaningful to our team and community.

What differentiates us from other practices?

- We specialize in proactive, tailored strategies for business owners — exit planning, tax optimization, risk management and retirement solutions.
- Our ability to quickly and effectively execute strategies to help clients meet their goals.
- Our ability to keep up with tax law and regulation changes that affect our clients’ strategies.
- Clearly defined career paths and meaningful investment in professional development for our team.

What is our vision statement?

Our vision is to be the leading wealth management firm for high-earning professionals in western New York. We aim to reach $1 billion in AUM by providing expertise, innovative strategies and adaptive solutions. Through exceptional service, we build lasting relationships that inspire confidence and loyalty.

Defining SMART business goals to bring your vision to life

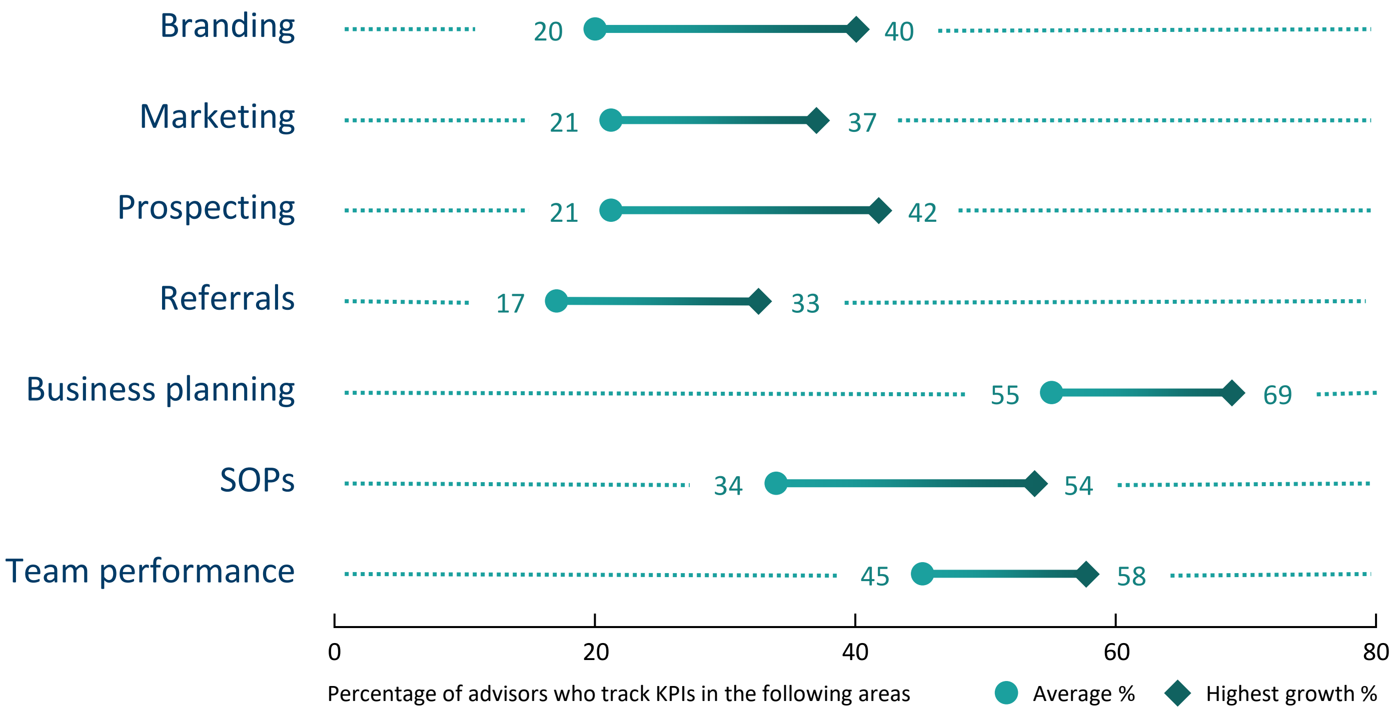
		KEY QUESTIONS:
S	Specific: Make goals direct, detailed and meaningful.	What will be accomplished and what actions will you take?
M	Measurable: Decide how you will measure success.	What data will be used to measure progress toward the goal?
A	Achievable: Set realistic, but challenging goals.	Do you have the resources and skills to accomplish the goal?
R	Relevant: Ensure each goal is aligned with your long-term vision.	Why is the result of this goal important?
T	Time-bound: Assign a deadline for accountability.	What is the time frame for accomplishing your goal?

Action step:
Develop a SMART goal statement using this template:

Our goal is to [quantifiable objective] by [timeframe or deadline]. [Key players or teams] will accomplish this goal by [steps you'll take]. Accomplishing this goal will [result or benefit].

CEOs measure progress to promote accountability and optimize performance

High-performing practices track Key Performance Indicators (KPIs)



KEY QUESTIONS

Does your firm currently track any KPIs?

Do you have goals you could turn into KPIs?

Are you holding yourself and others accountable to the performance goals you've set in the past?

Source: Capital Group, "Pathways to Growth: Advisor Benchmark Study," 2024 (Page 8)

Setting ambitious KPI targets

Define clear, achievable targets for each KPI — aligned with your vision and based on historical activity, industry trends and your business life cycle.

Financial goals

- New WM assets
- New RP assets
- Practice net flows
- Revenue growth
- Profit margins

Client acquisition

- Referrals and leads by source
- New wealth or retirement plan clients
- Lead conversion rate
- Client acquisition cost

Client retention

- Client retention rate
- Average client tenure
- Advisor-to-client ratio
- Time spent on client service

Employee engagement

- Employee turnover rate
- Employee satisfaction score
- Performance against goals

Client Experience

- Client feedback scores
- Client referral rate
- Time to onboard new clients
- Client touchpoints per year
- Client portal engagement rate

Tracking and adjusting KPIs for the best results

1. Prioritize KPIs

Focus on five to seven KPIs that can drive meaningful outcomes.

EXAMPLE:

Setting a KPI like the number of touches with Tier 5 (low revenue) clients.

2. Set benchmarks

Monitor your KPIs regularly and benchmark them against internal indicators, direct competitors and industry averages to contextualize progress.

EXAMPLE:

Monitoring interactions with Tier 5 clients to see whether interactions are increasing or decreasing.

3. Analyze data

Build a KPI dashboard for real-time tracking so you can turn raw data into digestible insights.

EXAMPLE:

Using a CRM platform or a spreadsheet to visualize your engagement with Tier 5 clients over a specific period.

4. Huddle and adjust

Schedule weekly, monthly and quarterly reviews to evaluate KPI insights and trends to identify strengths and areas for refinement.

EXAMPLE:

Holding team meetings to analyze the KPI data and assess whether sufficient time and service is being dedicated to Tier 5 clients and adjusting your strategy if needed.

Connecting your KPIs to key drivers to boost your practice's value

VALUE DRIVERS

Recurring revenue percentage: Proportion of revenue from ongoing fee-based relationships

Client retention rate: Measure of your ability to maintain long-term client relationships

Margins: Difference between revenue and the cost to provide your services

Organic revenue growth rate: Growth generated through your own efforts (calculated as inflows minus outflows)

Demographics: Profile of your client base

Revenue concentration: Extent to which your revenue comes from a single client

Business mix / niche moat: How your business is distributed across markets

Succession plan & talent depth: Degree to which your business relies on a single individual (i.e. the founder)

Growth potential: Ability to tap into new revenue steams

Net flows: Amount of money coming in and out of your business

Recognizing when KPI results signal a need for change

KPI	THRESHOLD TO WATCH	DIAGNOSING QUESTIONS	HIGH-IMPACT FIXES
Net flows	Decreased net flows for the past 6 months	• What is driving the shift in net flows — historic large wins, outlier redemption, etc.?	• Client feedback • Increase focus on client acquisition
New client acquisition	Decrease in clients per # of Advisors + Service Associates	• Are current marketing strategies effective? • Are there any obstacles in the onboarding process?	• Review and optimize marketing strategies • Identify and address onboarding obstacles
Client retention rate	Decrease in retention rate for the past 6 months	• Why are clients leaving?	• Conduct client satisfaction surveys • Analyze feedback for common trends
Advisor-to-client ratio	Increase in clients per # of Advisors + Service Associates	• Are there areas we can leverage technology to create additional capacity?	• Review segmentation & tiered service model • Evaluate the need to hire additional staff

CEOs lead by example — driving action toward their vision

CHALLENGE:
Teams feel disconnected from business goals

9% of workers feel aligned with business goals[1]

SOLUTION:
Communication fuels team engagement

68% of high-performing organizations are communicating to employees at least once a week[2]

[1] Source: Axios HQ, “2025 State of Internal Communications.” (Page 9)
[2] Source: Axios HQ, “2025 State of Internal Communications,” (Page 13)

Communicating effectively to motivate your team

POTENTIAL BENEFITS OF COMMUNICATION:

- Increases team engagement and performance
- Strengthens employee trust and reduces turnover
- Boosts operational efficiency
- Drives continuous improvement
- Improves client outcomes and satisfaction

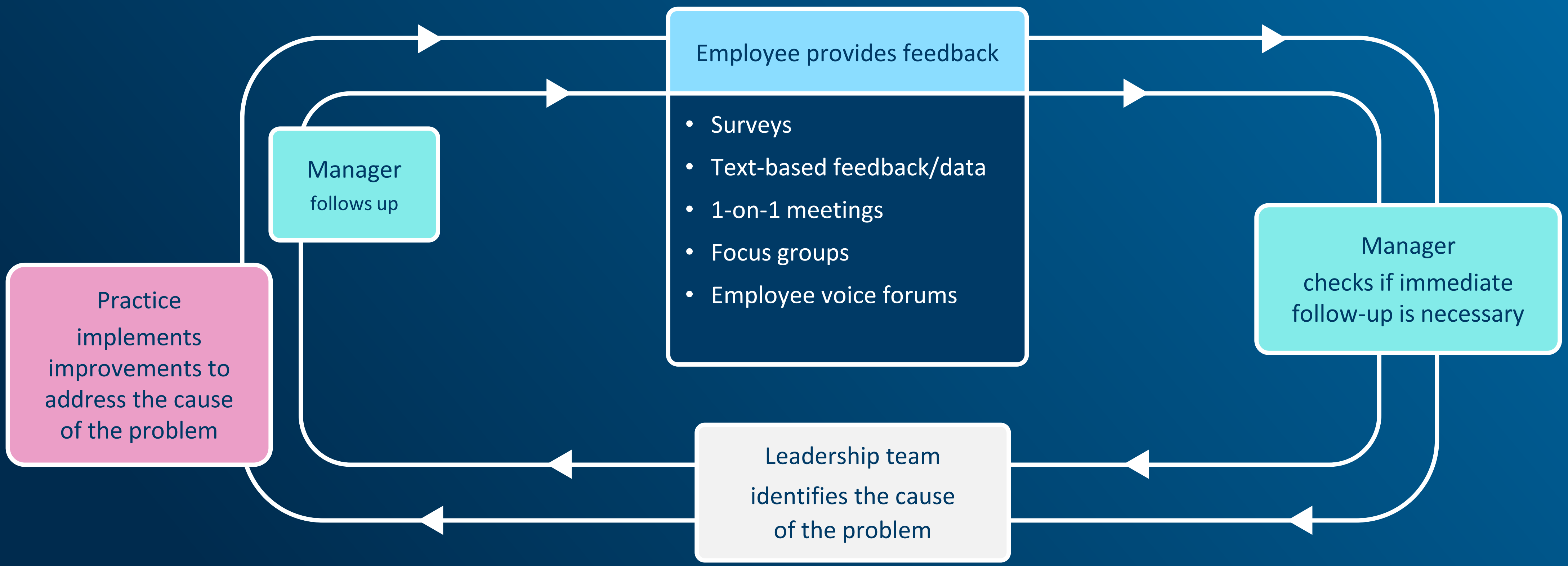
Communicate clearly and set the example
Discuss strategic goals with your team and establish weekly team updates on progress toward KPIs.

Cascade practice goals into team goals
Translate your practice's goals, like AUM, into team-based goals to track toward your overall results.

Create a feedback loop
Ask for employee feedback, respond promptly and make adjustments.

Collecting team feedback and acting on it

An employee feedback loop helps leaders build trust and team members feel that their ideas are heard.



Running your practice like a CEO

Learn more

Action step checklist

- Define your mission and vision and use them to lead your practice.
- Set SMART business goals and assign ownership to drive performance.
- Track KPIs to build accountability and measure progress, then adjust as needed.
- Lead by example, clearly communicating with your team.
- Gather employee feedback, respond and make improvements.

02

Building a high-performing team

Team structures

Talent strategy and recruiting

Onboarding and development

Compensation and benefits

Succession planning

No matter how brilliant your mind or strategy, if you're playing a solo game, you'll always lose out to a team.

— Reid Hoffman
Entrepreneur, Co-founder of LinkedIn

Growing your team is the key to growing your business

Strategic advantages of teams:

- Higher AUM
- Increased advisor productivity
- Elevated specialization and expertise
- Expanded services
- Stronger talent development and succession planning

	Solo	Team
Median practice AUM	**$80M**	**$250M**
Annual net asset flows	$8.1M	$21.1M
Median AUM per advisor	$72M	$100M
Average client size	$1M	$1.6M
Average number of client relationships	217	356
Practices with specialized staff	10.3%	35.6%
Total services offered	6.7	7.6
Succession plan	14.4%	37.4%
Practices with junior advisors	13.4%	44.6%

Source: Cerulli, “Top-Performing Teams,” 2024, (Exhibit 2)

Understanding the different practice structures

		TEAM-BASED		
	Solo	**Silo**	**Ensemble**	**Mega Ensemble**
Prevalence of Practice Type	**54%**	**25%**	**10%**	**12%**
Client relationships	Managed by advisor	Managed by advisor	Managed by the firm	Managed by the firm
Median AUM	**$80M**	**$120M**	**$220M**	**$850M**
Average client size	**$1M**	**$900,000**	**$1M**	**$3.6M**
Average employee headcount	**2.1**	**3.5**	**5.8**	**10.1**
Average advisor headcount	**1.1**	**2.4**	**3.6**	**5.5**

Source: Cerulli, "Top-Performing Teams," 2024 (Exhibit 5)

Deciding which practice structure is right for you

		TEAM-BASED		
	Solo	**Silo**	**Ensemble**	**Mega Ensemble**
Opportunities	• Decision-making autonomy • Maximum profit retention • Simplified operations	• Shared overhead costs • Shared support provides increased time for client services • Independence in client relationships	• Centralized management facilitates collaboration • Resources from home office help drive scale • Strong continuity planning	• Diverse staff and specialization helps practices offer more services • Strong succession possibilities
Challenges	• Limited opportunities for specialization • Succession planning	• Requires formal structures for partnership and staff-sharing arrangements	• Higher operational and management complexity	• Organizational and management complexity • Maintaining consistent culture
Key questions	Can you leverage other professionals in the area in a referral network to expand your services?	Can you leverage other professionals in the area in a referral network to expand your services?	How and where can you develop internal expertise across your team to increase specializations?	Are there opportunities to invest in specialized staff members to increase client offerings?

Source: Cerulli, "Top-Performing Teams," 2024, (Page 9)

Establishing the right organizational structure within your practice structure

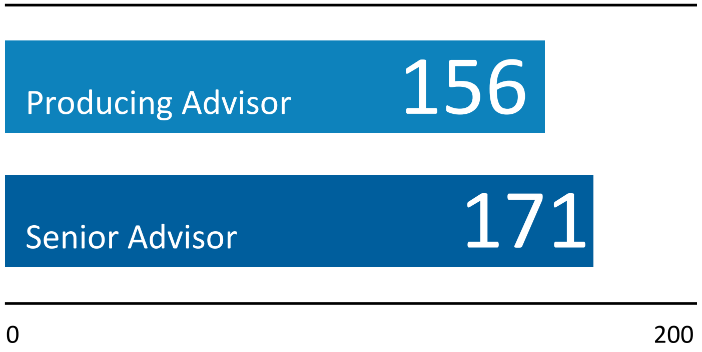
	Vertical: Lead advisor at the top of the org structure	**Horizontal:** Multiple advisors in co-lead roles	**Hybrid:** A holistic offering combining aspects of vertical and horizontal
Ideal practice structures	Solo or Silo	Ensemble or Silo	Ensemble or Mega Ensemble
Key traits	• Lead advisor maintains control of client relationships and investment decisions • Associate advisors and support staff fall under the lead advisor	• Leverages individual advisory expertise and offers specialized services • Decision-making is shared across co-leaders, but can be difficult when leaders disagree	• Strives to build and offer a holistic, one-stop financial advisory firm • Lead advisor may act as CEO, collaborating with co-lead senior advisors who run vertical teams
Success factors	• Employees will need well-defined plans for career development • Compensation should align bonuses with practice growth	• Compensation should be fair, but not necessarily equal • Allows advisors and staff to follow interests, passions and talents	• CEOs should be primarily concerned with building a collaborative culture • HR should leverage a robust infrastructure with codified team roles and responsibilities

Source: Capital Group, "Effective team structures for financial advisors," 2023

Knowing when to grow your team to maximize performance

Clients per advisor

If you exceed the average, consider hiring to support your team and prioritize a better client experience.[1]



AUM and Revenue

As your AUM and revenue grow, consider hiring more support staff and specialized roles to fuel your team's success.[2]

$370K

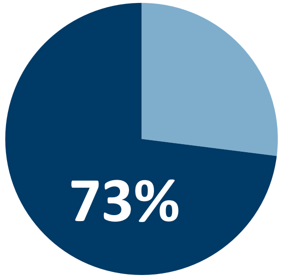
In revenue translates to one full–time equivalent hire[2]

Role	$250M–$500M	$500M–$1B	$1B+
Client Services Associate	●	●	●
Client Account/Relationship Manager	●	●	●
Director of Client Service			●
Investment/Portfolio Manager		●	●
Managing Partner		●	●
Chief Operating Officer			●
Chief Investment Officer			●

Roles found at ~40% or more of firms (by AUM) – Charles Schwab, 2024 RIA Compensation Report

[1] Source: Cerulli, "US Advisor Metrics 2024," (Exhibit 4.10)
[2] Source: Charles Schwab, "2024 RIA Compensation Report."

A talent strategy is a foundation for high-performance



of advisory firms say they will add headcount, making it a top strategic priority for the industry[1]

Elements of a growth-oriented talent strategy

Recruitment plan

Build a strong employer brand to identify, attract and hire candidates with the skills to bring your practice's vision to life.

Cultural alignment

Cultivate a culture based on your mission and vision statements to help guide decision-making and foster collaboration.

Training and development

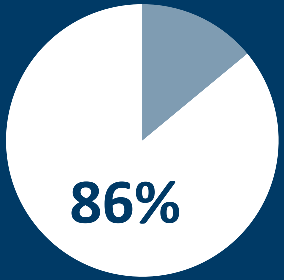
Help your team members expand skillsets, take on greater responsibility and advance in their careers.

Competitive compensation

Offer employees a benefits package that is competitive with the industry to attract and retain top talent.

[1] Source: Charles Schwab, "2024 RIA Benchmarking Study," (Page 35)

Developing a winning Employee Value Proposition (EVP)



of top-performing practices include a defined mission statement, culture and values in their EVP and have experienced lower staff attrition[1]

Recruit and retain top talent by highlighting:

- Employee benefits
- Compensation
- Mission and vision
- Potential for equity ownership
- Possible career paths
- Flexible work policies

KEY QUESTIONS

Why is working at your practice professionally and personally meaningful?

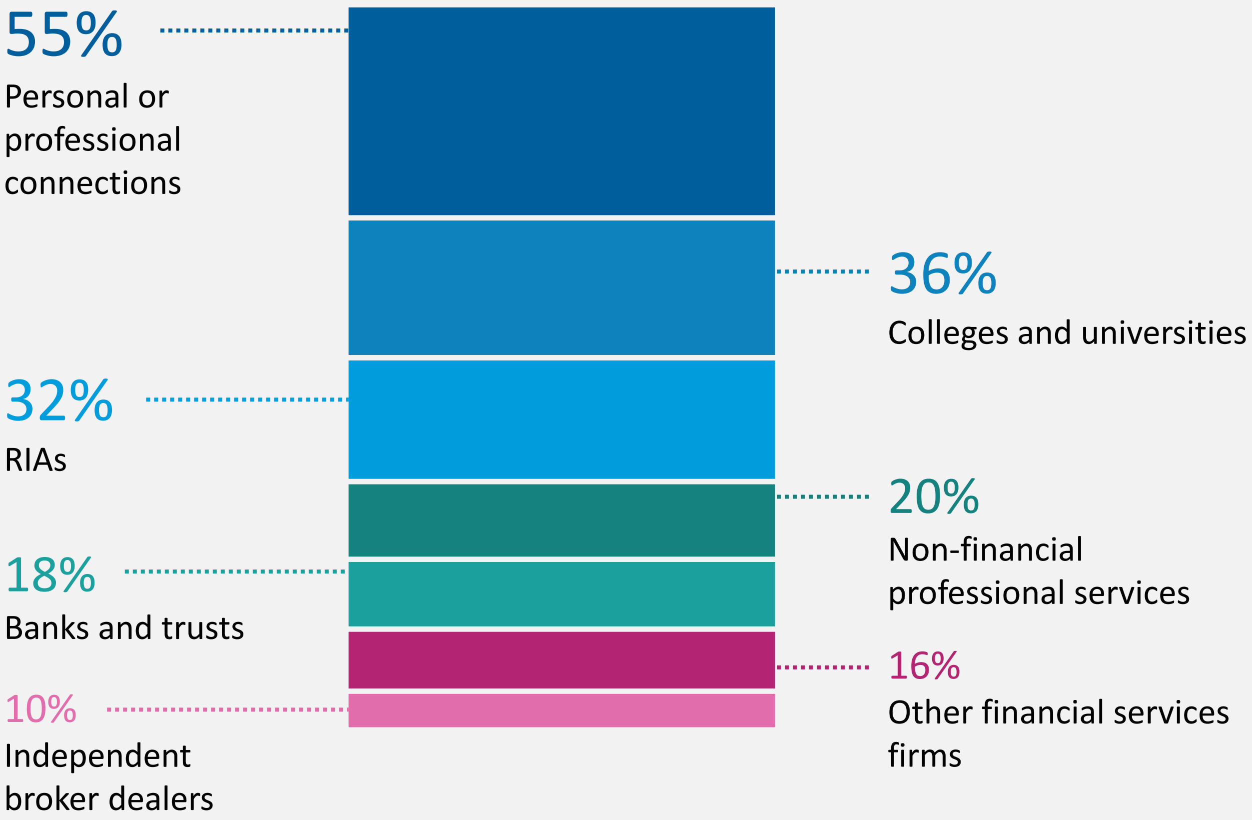
How do you invest in career growth and future opportunities for employees?

What is special about your practice's culture?

[1] Source: Charles Schwab, "2024 RIA Compensation Report," (Page 16)

Attracting the best talent for your practice

Where practices find their employees[1]



Tips for hiring

- Define your current needs based on your practice's goals and gaps in skillsets.
- Focus your efforts on sources where current employees with similar skills came from.
- Maintain a multi-channel recruitment strategy, using past hires as a benchmark and source of keywords.
- Leverage internships as a pipeline to identify and develop potential long-term talent.

[1] Source: Charles Schwab, "2024 RIA Compensation Report," (Page 12)

New advisors need training and support to thrive

CHALLENGE:

75%

of trainees fail to complete training programs

66%

Need **training** on financial topics

SOLUTION:

Offer weekly sessions on topics like retirement planning, investment strategies and insurance fundamentals.

65%

Need **exposure** to successful advisors

SOLUTION:

Provide regular shadowing opportunities where top-performing advisors can share best practices.

59%

Need **mentorship** from experienced advisors

SOLUTION:

Implement formal mentorship programs that pair new advisors with experienced ones.

Source: Cerulli, "The Cerulli Edge: U.S. Advisor Edition," 2024 (Pages 2, 6)

Setting your team up for long-term success

Vision, mission and culture

Build a strong employer brand to identify, attract and hire candidates with the skills to bring your practice's vision to life.

Technology systems and security protocols

Introduce technology tools and outline security protocols to ensure safe system usage.

Team structure and collaboration

Use an onboarding org chart to clarify roles within the team and facilitate introductions with each team member.

Career development pathways

Review career development milestones, timeframes and training to outline potential career paths.

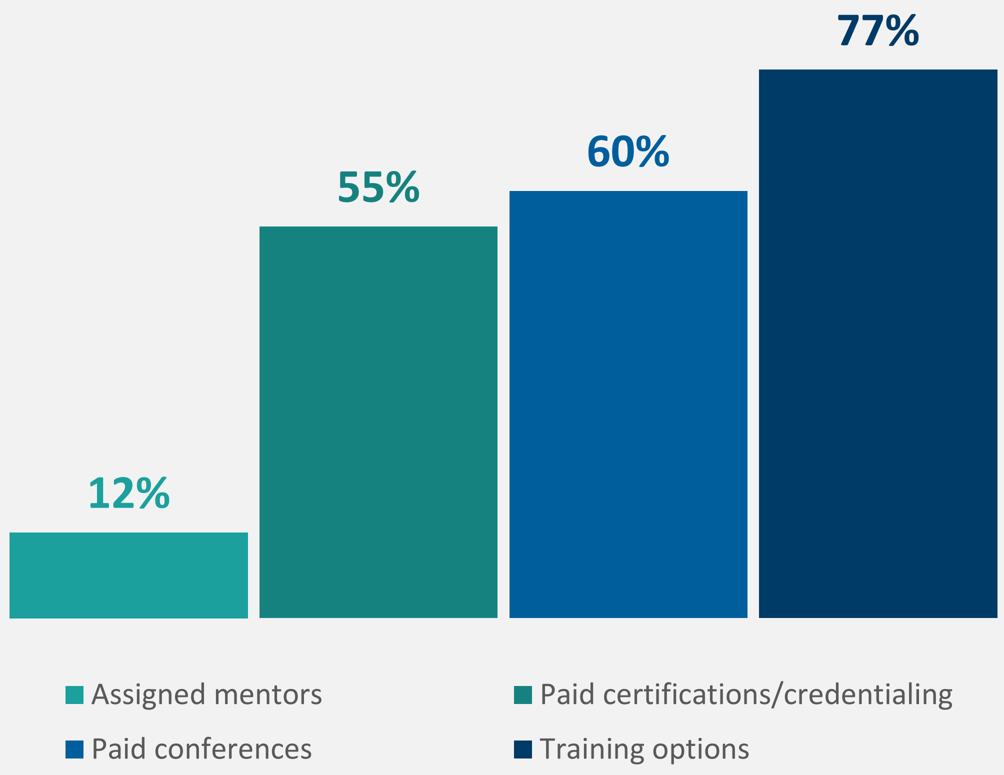
Compliance and regulatory framework

Provide an overview of the compliance and regulatory standards your practice adheres to.

Source: Cerulli, "The Cerulli Edge: U.S. Advisor Edition," 2024.

Providing opportunities to drive employee growth

Top ways firms support professional development[1]



Employees see **professional development** as the

#1 way to improve **company culture**[2]

[1] Source: Charles Schwab, "RIA Talent Advantage Recruitment Playbook," 2024 (Page 48)
[2] Source: LinkedIn, "2022 Global Talent Trends: The Reinvention of Company Culture" (Page 7)

A five-year development plan for junior advisors

	Key objectives and activities	Sample success metrics
Year 1: Foundation and fluency	• Understand firm's philosophy, approach, client segments and tech • Complete foundational certifications (e.g., SIE, Series 65/66) • Shadow senior advisors and operational teams • Join professional orgs (e.g., NAPFA, FPA)	✓ Passed required licensing exams ✓ Supported 10–20 client meetings ✓ Joined at least one professional association ✓ Recieved one to two client referrals
Year 2-3: Engagement and execution	• Create proposals, build planning models • Take ownership of select client relationships under supervision • Volunteer for firm projects (e.g., tech pilot, committee support) • Identify area of personal focus or specialization	✓ Enrolled in CFP® program ✓ Actively contributing to client deliverables ✓ Defined professional specialization area ✓ Onboarded five to ten new clients
Year 4-5: Leadership and leverage	• Lead client relationships with senior oversight • Pass CFP® or relevant certification • Lead or co-lead internal initiative (e.g., client experience, efficiency) • Author thought leadership or contribute to firm marketing	✓ CFP® or equivalent certification completed ✓ Managing over ten client relationships ✓ Mentored team member(s) ✓ Spearheaded a team or firmwide project

Investing in people fuels business growth

Averaging 70% of your firm's expenses,[1] compensation not only incentivizes talent, but also drives capacity, client satisfaction and scalability.

Impact on business value

Aligning incentives with firm performance, offering career paths and developing internal equity programs and revenue sharing creates more sustainable growth and retention.

Performance-based pay is a catalyst for growth

Investing in the right mix of base salary, incentive pay and ownership opportunities can support growth and retention.

Competitive pressure on pay is permanent

Keeping pace with the industry is important because firms that don't risk losing key talent. Over the past five years, median total cash compensation has risen +17% with no signs of slowing.[2]

[1] Source: Charles Schwab, "RIA Compensation Report 2024"
[2] Source: Charles Schwab, "RIA Compensation Report 2024," (Page 17)

Designing your compensation to drive firm success

Firms leveraging performance-based pay saw stronger long-term results over five years.[1]

51% Greater revenue [1]

43% Increase in clients [1]

Setting performance-based goals for your team

Role	Individual goals	Firm goals	Sample metrics
Senior Advisor	• Increase avg. number of solutions/client • Grow individual book of business	• Contribute to firmwide revenue growth • Contribute strategically to the long-term vision	• Revenue per client / household • Client retention rate
Advisor	• Acquire new clients via targeted outreach • Engage CIOs to generate new referrals	• Drive sustainable client acquisition • Increase referral driven growth	• Number of plans completed • Meeting prep turnaround time
Relationship Manager	• Cultivate strong long-term relationships	• Maximize client retention and satisfaction • Increase revenue for client by cross selling	• Service task completion rate • Support for advisors workflow
Client Service Associate	• Prepare and coordinate client meetings	• Deliver a seamless client experience • Enhance client satisfaction and loyalty	• Client onboarding time • Service task completion rate

[1] Source Charles Schwab, "RIA Compensation Report 2024," (Page 20)

It’s never too early to start thinking about your succession plan

106,000 advisors managing $12 trillion in total assets are set to retire over the next decade.[1]

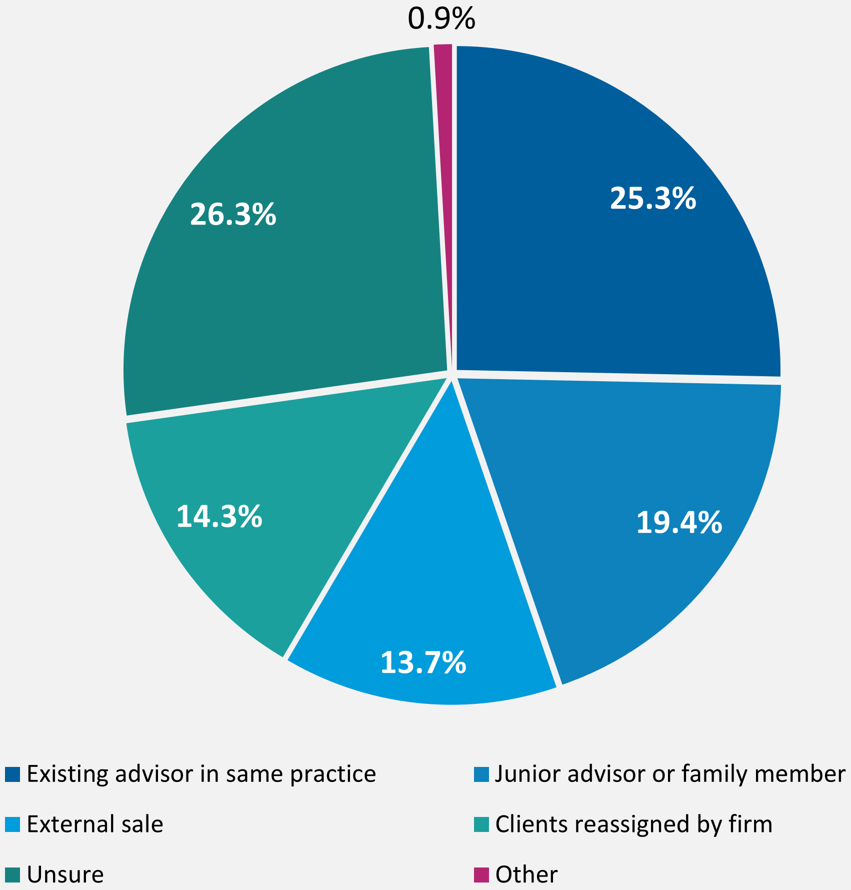
Succession planning steps

01 Identify your timeline:
Target at least three years to ensure there is enough time to prepare your team.

02 Select your exit strategy:
Weigh your options carefully and have discussions with leadership to determine the best move for your practice.

03 Prepare your practice for the transition:
Establish clear processes, invest in team development, and communicate proactively with clients about upcoming changes.

Common exit strategies of advisors who are transitioning within the next ten years[1]



[1] Source: Cerulli, "The Cerulli Edge: U.S. Asset and Wealth Management Edition," June 2023 (Pages 3, 4)

Choosing the plan that's right for your business

Internal transition

Pro

- Greater client and team continuity
- Preserves firm culture and legacy
- More gradual transition / less client disruption

Con

- Successor readiness
- Longer timeframe

Key drivers:

- Strong bench of junior talent
- Willingness to mentor and structure financing

External sale

Pro

- Potential for higher upfront valuation
- Faster liquidity event
- Less operational complexity post sale

Con

- Client / team attrition
- Cultural misalignment

Key drivers:

- Prioritizing maximum liquidity
- Lack of internal succession
- Willingness to integrate into a larger organization

Building a high-performing team

Learn more

Action step checklist

- Choose the best team structure for your practice based on size and growth goals.
- Design a recruiting strategy to attract and retain top talent.
- Create onboarding and professional development opportunities to help employees thrive.
- Structure compensation to support immediate performance and long-term accountability.
- Develop a succession plan to prepare for your practice's future.

03 Optimizing the client experience

Segmentation

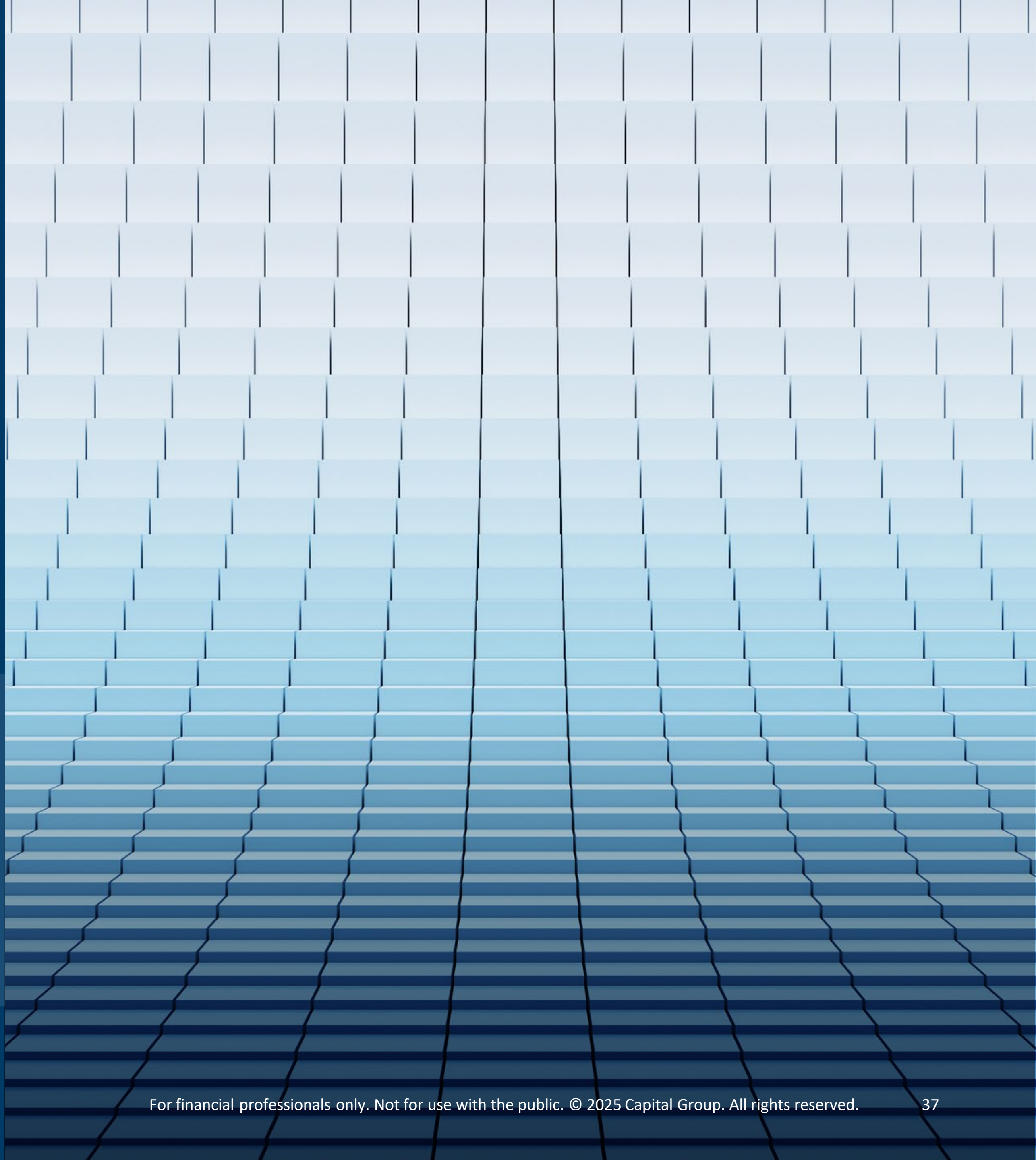
Service matrix

Client engagement

Measurement

Delivering a consistent experience creates confidence. Confidence can lead to trust, and trust leads to potential loyalty.

— Shep Hyken
NYT Best Selling Author and Customer Experience Expert

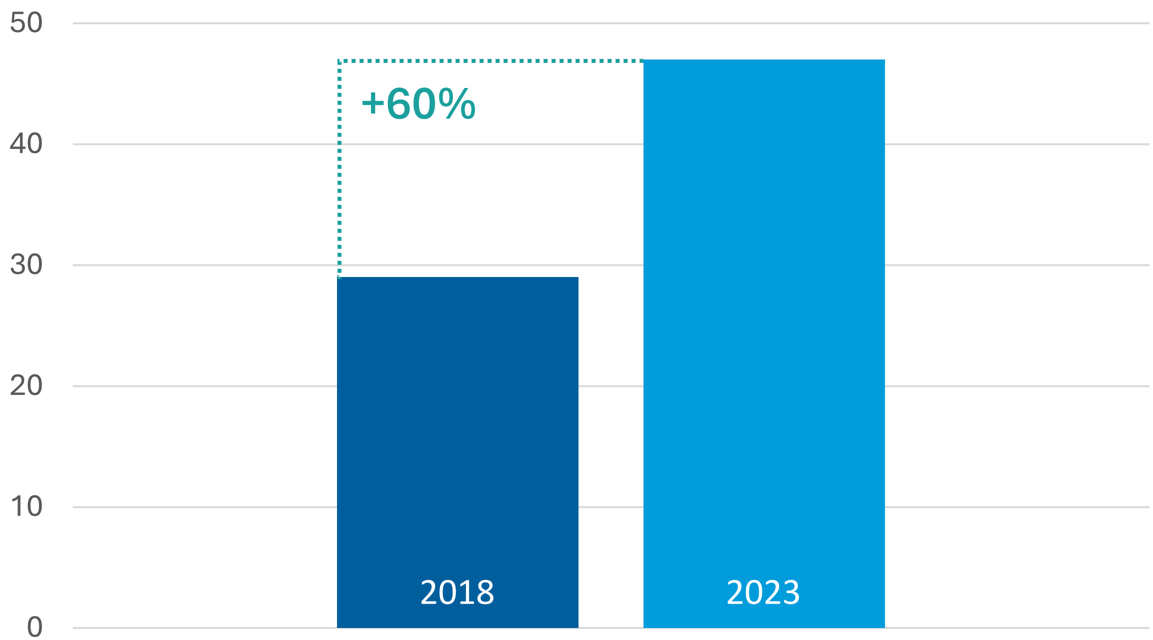


An optimized client experience is key for growth

Why does optimization matter?

Increasingly, clients prefer to utilize one firm that can offer holistic services and advice.

Respondents who prefer holistic advice[1] (% of respondents)



How to optimize

- Segment your book of business
- Build your service matrix and onboard clients efficiently
- Find opportunities to deepen client relationships and cross-sell firm services
- Measure the success of these initiatives through KPIs

[1] Source: McKinsey & Company, "US wealth management: Amid market turbulence, an industry converges," January 2024 (Exhibit 7)

Segmenting to focus on your most valuable clients

CHALLENGE:

94%

of advisors feel they are serving too many non-ideal clients[1]

Client segmentation can help your practice:

- Optimize time and resources
- Streamline the client experience
- Create service models
- Set clear client expectations

High-growth advisors are **14% more likely** to use a tiered engagement model to ensure priority clients receive the right level of interaction[2]

1 Source: Cerulli, "U.S. Advisor Metrics," 2024 (Exhibit 2.14)
2 Source: Capital Group, "Pathways to Growth: Strategic Scale Study," 2025.

Choosing your client segmentation criteria

Straightforward, lower effort → Complex, higher effort

Stack rank	Hybrid stack rank and engagement

Stack rank

AUM or revenue based

Categorizes a client solely on the amount of revenue they bring to the firm.

Pro: Simple and easy, you can easily see which clients drive growth.

Con: Doesn't consider all aspects of what makes a client ideal.

Hybrid stack rank and engagement

Recommended

Real Relationship Value (RRV)

Blends current and future value, client fit and operational impact.

Pro: Integrates profitability and engagement to create the most accurate view of your current and ideal client base.

Con: Requires significant data, so it's the most complex approach to implement and maintain.

Sample criteria

QUANTITATIVE:	QUALITATIVE:
Revenue	Shared philosophy
Return on assets (ROA)	Likeability
Future potential	Source of referrals

Using segmentation to build your client service matrix

01 Choose your segmentation type

- Analyze CRM and internal data including revenue, AUM, services utilized, future potential, number of referrals, etc.
- Based on your firm goals and data, select the best segmentation type for you.
- Document your segmentation strategy.

02 Build your service matrix

- Standardize service levels for each segment.
- Align team roles and responsibilities for client engagement.
- Connect with clients to ensure expectations align with their service level.
- Implement in phases and gather feedback.

03 Communicate your service expectations

- Update clients during onboarding and annual reviews.
- Incorporate into your CRM to establish continuity.
- Assign ownership of client contact to build accountability.
- Track progress toward mutual agreement with your clients.

Assigning your client segments to service tiers (example)

ENGAGEMENT TYPE	Platinum	Gold	Silver	Bronze
In-person meetings	Quarterly	Semi-annual	Annual	As needed (reactive)
Virtual / phone meetings and reviews	Monthly (or as needed)	Quarterly	Semi-annual	Annual (or as client initiated)
Team structure and contact	Lead Advisor + Planner + Sr Client Service Associate (CSA)	Lead Advisor / Associate Advisor + CSA	Associate Advisor + CSA	Service team pool
Direct advisor access	Direct phone, cell phone, email	Direct phone, email	CSA phone, CSA email	Team email
Response-time	Within 2 hours	Same Day	Within 24 hours	Within 2 days
SERVICE OFFERED				
Comprehensive financial planning	Comprehensive financial planning with real-time updates	Financial planning with annual updates	Basic planning with milestone updates	N/A
Tax and estate coordination	Ongoing meetings with CPA and estate planning attorneys	Annual tax and estate review	Generic tax and estate updates	N/A
Family wealth and multigenerational planning	Family meetings, succession discussions, education for heirs	Basic family planning and beneficiary reviews	Provide legacy focused content or virtual workshops	N/A

Standardizing client onboarding across each service tier

Sample Platinum onboarding process

	01	02	03	04	WATCH OUT
In the next 30 days	Make introductions and provide a list of team members and contact info.	Discuss financial goals and priorities for working together.	Set up new account by adding information and transferring money.	Collect documents like insurance policies and tax returns.	Always follow up after initial setup to ensure the client feels valued.
Within 60 days	Plan regular meetings and check-ins to help your client stay on track.	Review financial plan that is comprehensive and tailored for your client.	Recommend investments based on client goals and a gap analysis.	Update documents to ensure your client is tracking toward their goals.	Find early wins to demonstrate value and establish client trust.
Over 90 days and beyond	Conduct an annual review of your client's plan and goals.	Manage investment portfolio, rebalancing and making changes as needed.	Navigate life changes and help your client manage them financially.	Provide proactive updates on market changes, legislative updates, etc.	Clarify team roles as team hand-offs happen so the process doesn't feel chaotic.

Personalize the experience so that each client feels heard and understood

Source: Capital Group, "30-60-90 day plan for onboarding new financial advisory clients"

Successfully implementing your new segmentation and service

01 Implement in phases

Break the process into phases — beginning with new clients onboarding and rolling it out further from there with the bottom 20%, then the middle, then the top segments.

02 Be proactive with communication

Keep your team and clients updated and prioritize transparency — establishing written agreements for top clients to codify higher levels of service.

03 Standardize the process for your team

Provide a standardized approach and offer training, especially for team members taking on new or different roles to help increase their comfort level with the change.

04 Measure the outcomes

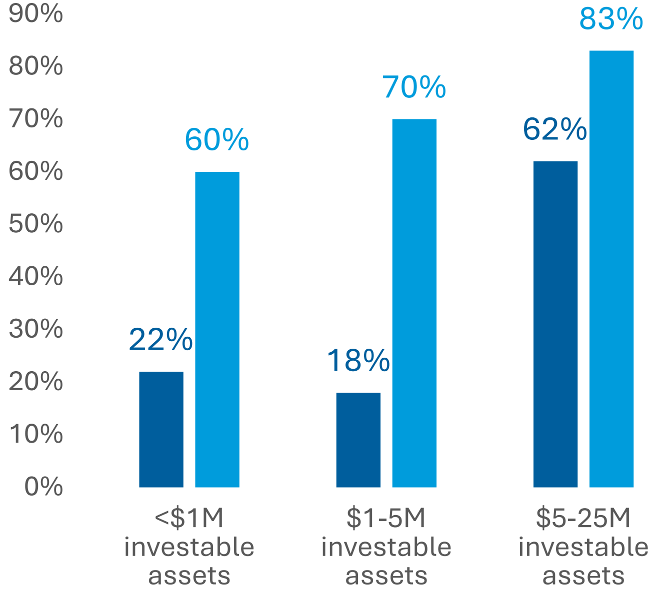
Collect verbal feedback from your team and track metrics like profitability, team workload and capacity, client satisfaction — and adjust as needed.

Invesco, ”The Golden Hour,”2024
Fidelity, “Four Steps to Successful Client Segmentation,” 2023
Capital Group, “Define your ideal client to segment your book of business,”, 2024

Opportunities for growing client relationships start with delivering a holistic experience

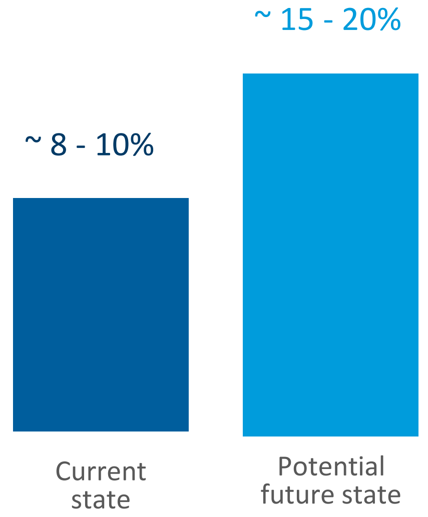
Consolidated investing and banking[1]

Consumers 25 – 44 who prefer to invest where they bank
2018 vs. 2023



Combined workplace and wealth management[2]

Investors who find advisors through their workplace



Increased client expectations for services[1]

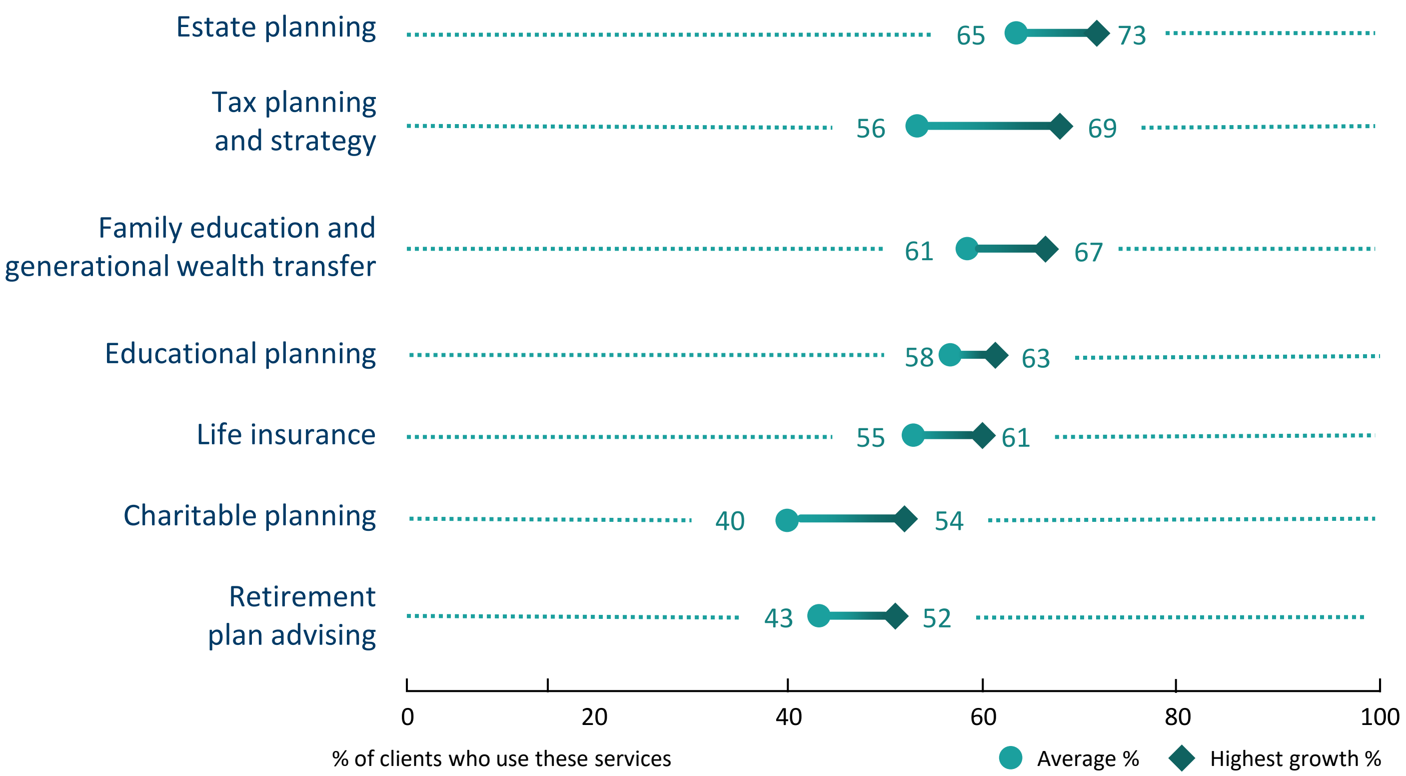
TOP REQUESTED SERVICES

- Legal services (e.g. wills and trusts)
- Tax preparation
- Lending and banking services
- Household budget advice
- Insurance products and services
- Philanthropic planning
- Business investment opportunities
- Health and medical planning
- Bill pay
- Other concierge / lifestyle services
- Real estate advice and agents

[1] Source: McKinsey & Company, "US wealth management: Amid market turbulence, an industry converges," January 2024 (Exhibit 8)
[2] Source: McKinsey & Company, "Client trends that will impact growth," 2024.

Extending client relationships with value-added services

Wealth management client opportunities[1]



Retirement plan participant opportunities[2]

Capturing the wealth opportunity for participants with $400,000+ in outside assets

Plan assets	Participants	Potential wealth opportunity
$5M	14	$7,390,731
$10M	25	$16,723,814
$25M	54	$37,723,814
$50M	121	$80,764,136
$100M	239	$164,946,132
$150M	340	$243,951,998

[1] Source: "Pathways to Growth: 2024 Advisor Benchmark Study" (Pages 6, 10)
[2] Source: Capital Group, "Capital Ideas: High-growth wealth managers focus on retirement plan participants," October 2024

Helping your team uncover opportunities to expand current client relationships

Key tactics for advisors

Conduct research and track new opportunities

Reviewing your clients' financial plans can help identify those with outside assets, overlapping advisor relationships and unaddressed needs.

When was the last time you reviewed a client's financial plan with them to ensure it is up-to-date?

Ask targeted discovery questions

Asking questions about any recent client life events can open doors for you to add value — either through a service or your referral network.

Have you ever asked your clients about a financial area they wish someone could help solve?

Use review meetings to introduce services

Informing clients about your additional service capabilities (e.g., defined contribution plan advising, long-term care planning, etc.) is critical to helping clients find other opportunities to invest with you.

How often do you remind your clients of all the services your practice offers?

Source: Cerulli, "The Cerulli Edge: U.S. Advisor Edition," 3Q 2024

Measuring the impact of your initiatives is essential for optimization

Set internal KPIs that relate to your growth goals

Client engagement

- % of AUM held vs. away
- Net new assets from existing clients
- AUM transitioned from brokerage to fee-based

Client referrals and advocacy

- % of clients referring annually
- Number of referrals generated by clients
- Client referral: lead to conversion rate

Workplace opportunity and participant capture

- Rollover capture rate
- Holistic revenue from plan sponsors and participants (e.g., consulting, participant advice, benefits, rollovers)

Source: Charles Schwab, "RIA Benchmarking Study," 2024
Source: Capital Group, "Why you need an effective advisory board, and how to create one," 2024

Collecting client feedback is valuable for growth

17% more high growth advisors

have a structured client satisfaction measurement program than other advisors.[1]

Create an advisory board

Gather a mix of professionals from outside and inside the industry as well as clients and prospective clients who can provide independent, outside perspectives to help your practice grow in a client-aligned way.

Conduct detailed interviews

Set up conversations with clients to get their feedback in a more expansive manner. Consider asking questions such as, “What are we doing that you value most?” or “What else could we be doing to provide better service?”

Send out short surveys

Tailor client surveys to understand where they are receiving the most value and compare those results to how your team allocates its time.

[1] Source: Capital Group, “Pathways to Growth Strategic Scale Study,” 2025

Optimizing the client experience

Learn more

Action step checklist

- Choose your client segmentation criteria and strategy.
- Build your client service matrix to set your clients and teams up for success.
- Set service standards for each client tier to support individual accountability.
- Identify opportunities for advisors to increase client engagement.
- Establish KPIs and gather feedback to monitor and optimize.

04

Scaling your business

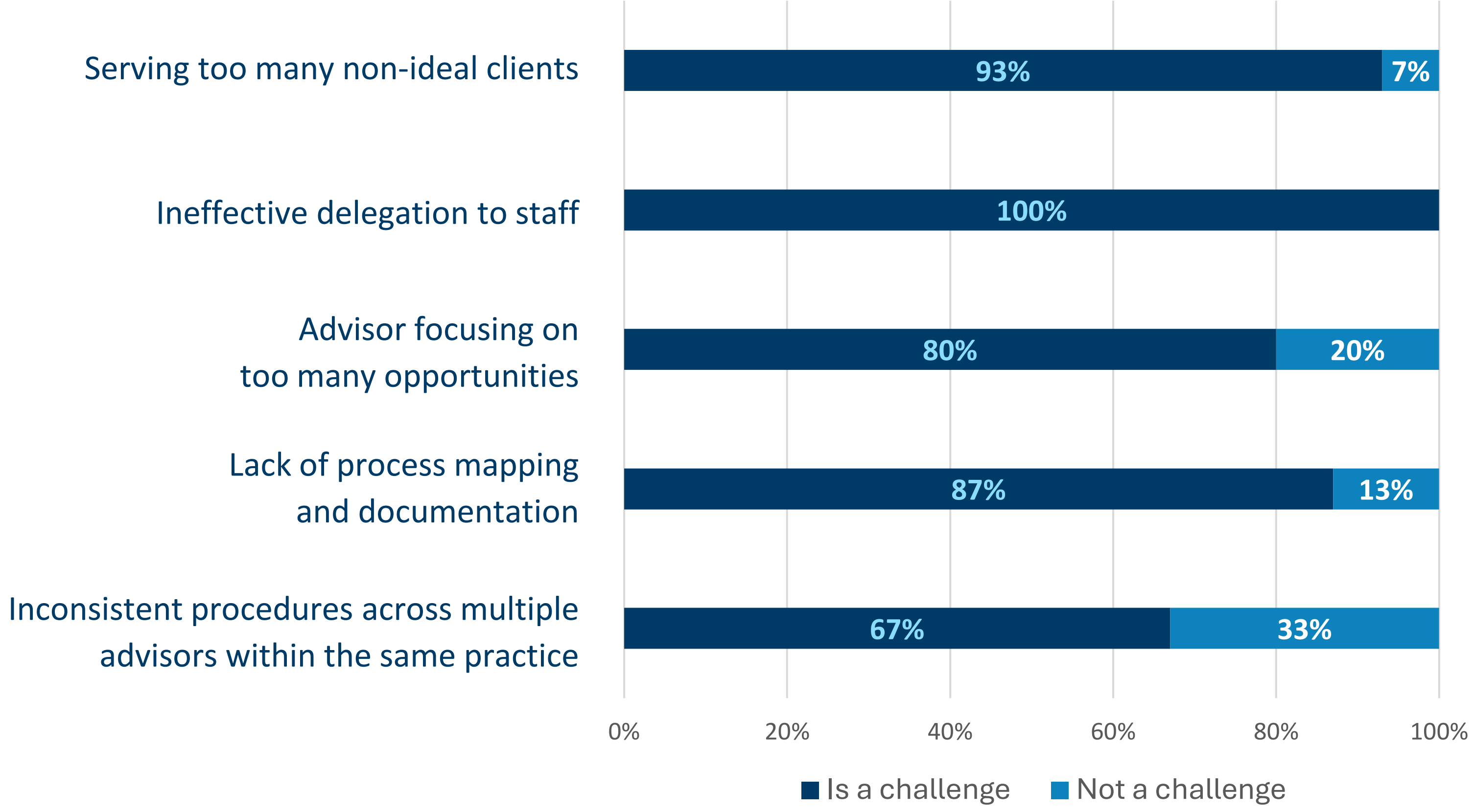
SOPs

Roles and responsibilities

Optimization and technology

> The inability to delegate is one of the biggest problems I see with managers at all levels.
>
> — Eli Broad
> American businessman and philanthropist

Overcoming productivity challenges is key to scaling your business[1]



Today's most successful practices aren't growing by working longer hours, they're scaling by:

- Standardizing operations with clear Standard Operating Procedures (SOPs)
- Defining team roles and responsibilities
- Auditing investment practices to identify areas for improved efficiency
- Embracing smart technology

1 Source: Cerulli, "U.S. Advisor Edition," 2024 (Exhibit 2.14)

The importance of standardizing business processes

Creating SOPs is crucial because without documentation, processes can't be repeated, delegated or scaled effectively.

Potential advisor benefits

Higher market share

Increases in client referrals

More satisfied clients

Client benefits

Enhanced client experience

A seamless onboarding process delivers a consistent and professional experience from the start.

Greater reliability

Efficient workflows enable timely, dependable service that clients can rely on.

Fewer errors

Centralized access to institutional knowledge minimizes mistakes and supports accuracy.

Regulatory compliance

Accessible and well documented policies help ensure consistent adherence to regulations and reduce the likelihood of compliance errors.

Identifying areas for standardization

Effective SOPs are more than just a checklist; they offer specific details about what needs to happen to reach a desired outcome.

	General practice examples	Wealth management examples	Retirement plan examples
Business development	Lead nurturing	Opportunity pipeline follow-up	RFP response, finals checklist
Client	Client engagement	Client onboarding	Plan onboarding checklist, fiduciary file setup
		Meeting agenda and instructions	Benchmarking templates, education materials
Execution	Investment practice excellence	Investment decision process	IPS review cadence, QDIA process
Team	Team communication and workflow	Process for documenting in CRM	

Source: Cerulli, "US Advisor Metrics 2024"

Creating SOPs for your practice

Leverage the 5Ws to create an SOP

When: Define when the task should be completed

Where: Specify where the necessary information is stored

Who: Identify who owns the task from start to finish

Why: Explain why the SOP is important and what client or business value it drives

What: Define what the ideal outcome looks like for the task

Source: Capital Group, "From clients to coffee: SOPs help you serve both better," 2024

Building out an SOP example

Client review procedure

Within 24 hours of scheduling meeting	One week before meeting	Three days before meeting	Day before meeting	Day of meeting	Day after meeting
Record all client details into CRM.	Contact prospect to see if they have any questions and help them gather necessary information.	Prepare agenda.	Contact prospect to confirm, give directions or parking instructions and answer any questions.	Make sure office or meeting room is clean and presentable.	Email the prospect, summarizing your discussion and reviewing next steps.
Send prospect a welcome letter and introductory packet.		Do any social media research to find commonalities or topics of conversation with prospect.		Eliminate distractions (turn off phones, etc.).	If prospect was a referral, thank the source and let them know you reached out.

Source: Capital Group, “From clients to coffee: SOPs help you serve both better,” 2024

Driving efficiency through delegation

Capital Group's Pathways to Growth 2023 found that effective delegation is critical to freeing up capacity and driving balanced growth.

Core focus areas for delegation[1]

Client service and relationship management
- Client meeting scheduling
- Preparing for review meetings
- Client engagement

50.6%

Investment practice
- Investment research, due diligence, and monitoring
- Trading and rebalancing

16.8%

Marketing and business development
- Prospecting for new clients
- COI (Centers of influence) engagement
- Event planning, Social media and digital presence

7%

Operations and administrative support
- Managing day-to-day operations and administration
- Account set-up

10.2%

Business management
- KPI tracking
- Practice management
- Compliance
- Staffing
- Scheduling

15.5%

Specialized advisory services
- Financial planning
- Retirement Plan Advisor
- Estate Planning Specialist

Average time advisors spend on business activities[2]

[1] Source: Capital Group, "Pathways to Growth," 2023

[2] Source: Cerulli, "US Advisor Metrics," 2024 (Exhibit 2.12)

Maximizing impact by aligning duties with individual strengths

01 Outline core duties

Develop concise role descriptions that capture the essential tasks for each position.

02 Cater to unique strengths

Assign responsibilities based on each team member's expertise, enabling them to focus on high-impact activities.

03 Clarify decision-making

Provide clear guidance about who has final responsibility for different types of decisions.

Example: Client service and relationship management

Financial Advisor

Core duty: Relationship management

- Develop and present client reviews
- Engage with clients on goals and objectives
- Make final decisions

CSA

Core duty: Day-to-day client operations and administrative support

- Manage scheduling, follow-ups and routine client communication
- Maintain and update client records in CRM and assist with meeting prep

Understanding the benefits of clearly defined roles

As practices grow, establishing clarity around responsibilities can impact capacity, client experience, accountability and the ability to strategically scale.

	CAPACITY AND SCALE	CLIENT EXPERIENCE	ACCOUNTABILITY AND RISK	STRATEGIC GROWTH
Benefits of clearly defined roles	• Improved efficiency • Fewer bottlenecks • Clear task ownership • No duplication	• Faster response times • More consistent service	• Strong compliance • Reduced errors • Proper oversight	• Better alignment with growth strategy • Increased cross-selling • More client acquisition
Risks of undefined roles	• Missed tasks • Role confusion • Wasted time and skills	• Response delays • Inconsistent service • Client confusion • Loss of trust	• Critical information missed • Team frustration • Risk of attrition	• Missed opportunities • Disjointed sales efforts

Choosing the right investment model to help you scale

Start by choosing a model that fits your client base, team structure and growth goals.

	Build Establishing your own models for clients	**Borrow** Leveraging a framework from a third party or home office and adjusting it as needed	**Buy** Fully outsourcing portfolio construction and monitoring to a home office or third party
BEST FOR:	• Practices with in-house investment committees • HNW or institutional clients who need customization • Firms offering investment alpha as their core differentiator	• Practices that want to align to firm due diligence but retain some flexibility • Client bases with modest differences in goals / constraints	• Planning centric teams seeking to save time • DC focused practices that want to leverage pre-built QDIAs for scale
USE CASES:	• Custom models for UHNW clients • Plan sponsor specific QDIAs	• Pre-built core models with overlays for tax or income needs	• Third party model portfolios • Target date funds for DC plans

Source: Capital Group, "Grow your practice with model portfolios," 2025

Leveraging CRMs to drive efficiency

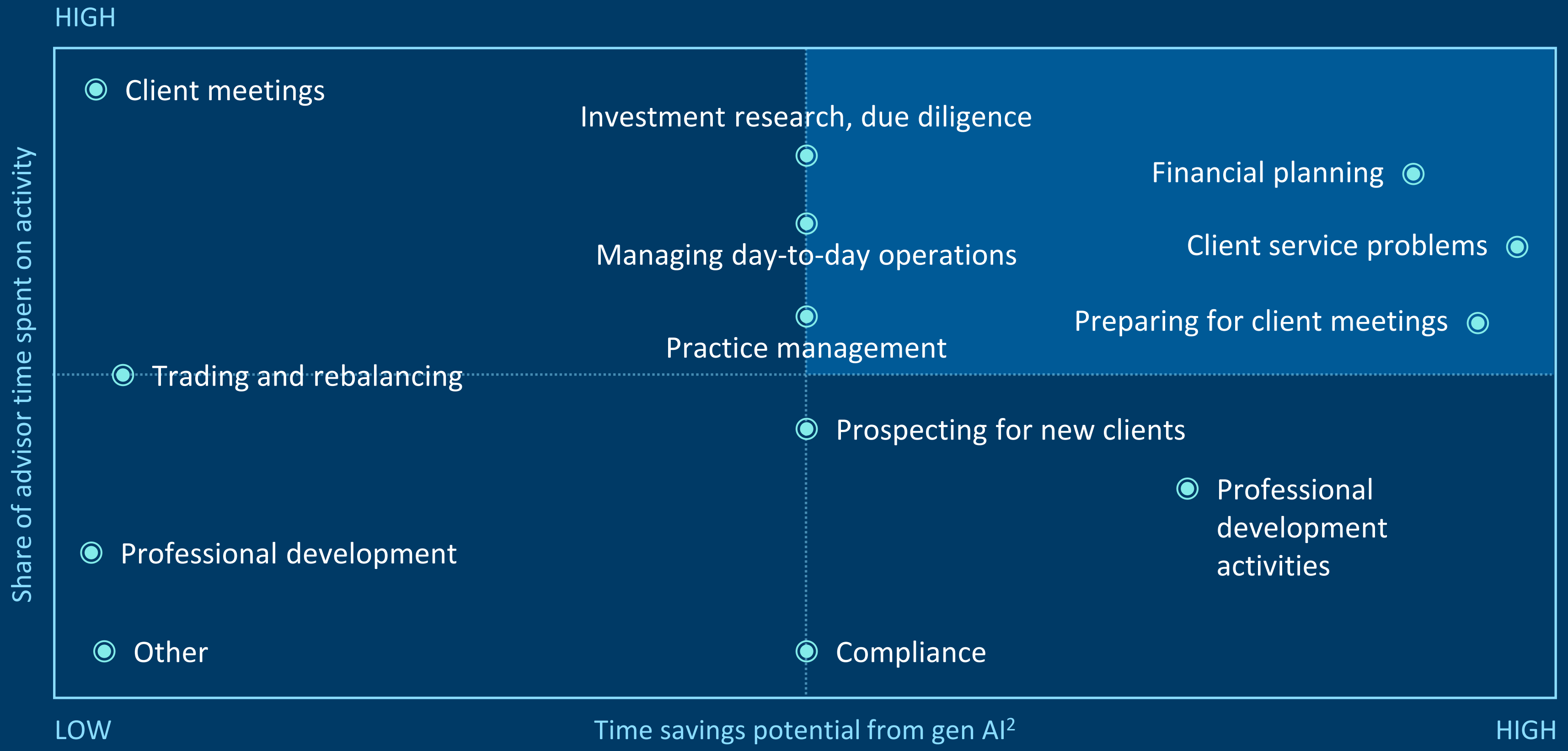
75% of top advisors are using CRMs to track their clients' needs and history.[1]

	KEY ACTIONS	EXAMPLES
Centralized data and relationship management	• Maintain detailed client records • Track COIs and referrals	• Track referrals by COIs, automate thank you notes and 60-day follow-up • Record client preferences, interests, hobbies, school affiliations, etc.
Automated client and prospect follow-up	• Build workflows for milestone events: RMDs, client reviews, age-based events (e.g., Social Security) • Track outstanding service items and assign tasks by role	• Segment participants recently retiring or changing employers for an automated rollover campaign
Pipeline and activity management	• Use dashboards to visualize opportunity stage by advisor • Track “money in motion” triggers – inheritances, company mergers, etc.	• Track the stage of opportunities and set reminders and next steps so no lead falls through the cracks
Segmentation and personalization	• Apply your client segmentation model within your CRM • Differentiate client communication by segment	• For top-tier clients, provide personalized quarterly reports that offer valuable insights

Source: Capital Group, “Pathways to Growth: Strategic Scale Study,” 2025

Introducing AI into workflows to fuel productivity

Tech improvements and generative AI can boost advisor productivity by 10–20%[1] — saving time in crucial areas like client-facing activities, investment management, administration and professional development.



Action step:
Review your daily tasks to identify repetitive or time-consuming activities and leverage AI tools to automate these tasks.

[1] Source: McKinsey & Company, "The looming advisor shortage in US wealth management," February 2025 (Exhibit 4)
[2] Source: McKinsey & Company, "US wealth management: Amid market turbulence, an industry converges," January 2024 (Exhibit 11)

Scaling your business

Learn more

Action step checklist

- Develop, implement and update SOPs so your team can spend more time where it matters most.
- Outline clear roles and responsibilities in key areas of your practice to promote team member accountability.
- Review your investment practice to find opportunities to increase growth, efficiency and client satisfaction.
- Integrate key technologies including CRM and AI where appropriate.

Leading a sustainable high-performing practice

01 Run your practice like a CEO

02 Build a high-performing team

03 Optimize the client experience

04 Scale your business

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