


Growing your wealth management practice

White paper



EQUITABLE
ADVISORS



“Growth is always a challenge, but that’s the nature of the business and why we’re all in it — that potential for growth.”

Meet Maria

- Age 48
- Financial advisor
- Banker

Maria recently changed jobs, moving from an advisor at a regional broker/dealer to working independently for a wealth management firm. While she’s excited and energized by the change, she also recognizes the challenge ahead of her when it comes to building her practice. She wants to scale her practice in the next few years, but she’s not sure how to rebuild her base of clients since she’s never had to do that before.

Her concerns are real. Growing a practice is a primary goal and key challenge identified by many advisors in research conducted nationwide by Equitable Advisors in conjunction with maslansky + partners. As one advisor told us, “Growth is always a challenge, but that’s the nature of the business and why we’re all in it — that potential for growth.”

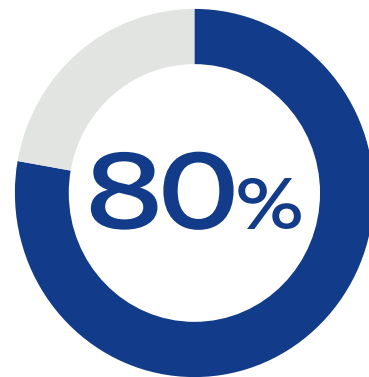
Our research

That potential for growth is always top of mind for advisors. According to our research, 80% of advisors want the ability to build equity in their own practice to create an asset that can later be monetized. The bottom line for advisors always comes down to serving clients – and serving them well. That’s the foundation for growth. To do that, advisors need to be somewhere where they will be empowered to grow their client relationships, to serve clients how they want to, and in new ways – able to deliver comprehensive, unbiased advice. They need to be somewhere that provides the necessary support for growth.

We were interested by this concept of growth and wanted to further explore what it means to advisors today and how they can achieve it. Through our research and informal conversations, we heard from over 500 experienced, successful advisors working at banks, wirehouses, RIAs, regional broker/dealers, insurance broker/dealers and independently. We heard several common, key themes around growth: what it means, where it comes from and what an advisor needs to experience true growth. Let’s look at some of them.



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“Something that spiked my interest to build my own business was to expand and grow by branching out with new relationships.”



What does growth mean to advisors today?

When advisors talk about growing their practice, what does that look like to them? Many speak about “taking their practice to the next level.”

That means having the power to scale their practice; to expand their client base and advance financially, but also personally and professionally. Seventy-seven percent of the advisors we spoke to felt that ease of doing business was important for growth — specifically compliance supervision that enables growth rather than restricting it. Growth means having the freedom to maintain flexibility and control; to be in the driver’s seat and make the important decisions. Decisions regarding how to structure their practice, run their business, build their brand and ultimately, to benefit from the business they’ve grown.

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77% of the advisors we spoke to felt that ease of doing business was important for growth”

Here are the most common aspects of growth as noted from our research and conversations:

The ability to develop existing client relationships

Having more time to spend on clients is a top priority for almost every advisor. They also want to be able to provide a consistent experience for their clients so they can help them achieve their goals.

The ability to attract new prospects

Next to growing existing client relationships comes the need to develop new business, as Maria recognized. As one advisor told us, “I’m always looking to meet new people to enhance my book of business.” And over half (58%) of the advisors we spoke to said it’s important to have client acquisition support, including a lead generation process to attract new prospects.

Having more options

Serving clients better and adding new clients means having access to new products and leads, and to be able to enter new markets.

Having more assurance

Advisors want to be confident that there’s a viable exit strategy as they move toward an end point. Eighty-three percent of the advisors in our research said they want to own their own book of business. Seventy-one percent said it’s important to be able to sell their book of business and receive additional firm support to ensure continuity and maximize value.

The power of a brand

It’s not just their book that advisors want to grow, it’s their brand. Whether that means having their own name on the sign and growing their personal brand or leveraging the strength of an existing brand to provide extra credibility, it’s clear that having and building a brand is a key to success. Fifty-seven percent of the advisors in our study acknowledged they would like to have the benefit of an advisory platform from a well-known broker/dealer. And they want the freedom to build their own team, join an existing team or operate individually; ultimately, to control and shape their business and their brand — and to benefit from them as they grow.

Being able to build and elevate their team

This is about training; being able to grow their team to better support clients, and for each member to grow financially and professionally.

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I want to grow my client base and practice in the next 5 years.”

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Having good products to offer will help you get more referrals and create organic growth where people are happy to refer you.”

“

There’s definitely value to having your own brand, and if you can do that within an umbrella of another brand or a larger brand, it can go a long way. Clients know certain brands...to be able to operate under a bigger, well-known brand is good in terms of doing new business.”

“

A reliable team will provide a smooth transition for clients when it’s time for succession planning — nowadays that’s really important.”

How do you get where you want to be?

Out of all these aspects of growth that matter most to advisors, how do they make it happen? How does an advisor get to that “next level”?

There’s no magic formula, but it’s clear that however an advisor wants to grow, it comes down to having more time: time to work with clients, to think and plan, to not be burdened by administrative tasks, and ultimately, time to fulfill their vision. And that requires having the right kind of support. Sixty-two percent of the advisors we heard from told us they want administrative support and digital tools to run their practice efficiently and effectively. And 67% want a dedicated transition team that includes local, on-the-ground support to get their practice up and running and transition their clients.

Having the right support includes:



The right team

It’s critical to have operational support to reduce the hassle and cost of running a growing business.



Having access to other resources

Over half of the advisors we talked to (56%) want specialized in-house resources to run their practice efficiently and effectively. This might include access to established advisors for guidance, as well as other dedicated experts, specialists and professionals to help with specific areas like tech, marketing, compliance, advanced markets and tax strategies, practice development, succession planning and more.



Let's look at some of the essential areas of support that can free up advisors so they have the time they need to focus on growth.

The right technology

Directly connected to support and resources is making sure you have access to integrated technology and tools to help you be competitive. Seventy-six percent of advisors acknowledged wanting tech that enhances their clients' experiences. Today, this includes:

- State-of-the-art software applications that can shorten sales cycles and expedite the product implementation process by facilitating an analysis of your clients' needs
- Web-based and CRM tools that are accessible on multiple-device platforms
- A full suite of digital tools and a platform for virtual meetings

These fully integrated and flexible technology solutions allow you "anytime/anywhere" efficiency. Having a strong technological system sets you up with a flexible foundation for efficient growth.

Access to professional development

Advisors who are part of a firm that offers professional development opportunities have a significant advantage when it comes to facilitating growth. This includes opportunities for both new and experienced advisors. When a firm does the heavy lifting on training new advisors, experienced advisors can focus on expanding their book and can continue their own professional development by strengthening their skills and gaining new credentials. This can happen by having access to seminars and workshops, digital/eLearning programs, market- and product-specific trainings, peer advisor networking opportunities and one-on-one coaching to collaborate with and learn from your peers — like-minded professionals who share your work ethic and goals.

Mentorship/Leadership

Closely related to professional development and equally important for enabling growth is the opportunity for advisors to be in a place where they can benefit from mentoring; not only learning from a mentor but becoming one as well. Having access to another successful advisor — someone who's been in your shoes and can help you develop a growth plan — is so valuable. Mentors can serve as a trusted sounding board and connect you to other valuable resources. Many promises are made to advisors during the recruitment phase of moving to a new firm that, unfortunately, aren't always followed through. These could be promises around collaboration, commitment to professional growth and lead development. It's important to find a firm that will stay with you throughout the process of onboarding, transitioning and beyond; one that takes the time and keeps the commitment to understanding your goals while helping you chart a purposeful plan to achieve them.

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As a client-facing advisor, integration is very important. It's complicated, so it's crucial it works.”

“

Having mentors to look up to and being able to tap on the shoulders of people who have gone through it, that's attractive.”

**More options:
access to
new products,
markets and leads**

In our research, 71% of advisors told us it's important to have access to a wide array of competitive products. Being part of a firm that offers an open architecture of products and services gives you the ability to provide whatever clients need. Advisors should be able to offer their clients an extensive suite of products to assist them through all stages of their life so as they grow, you grow.

**Succession
planning**

Finally, and among the most important factors involved in growing one's practice, is succession planning: having a plan for retiring or the next phase of your career. It's a way to ensure your clients will be taken care of and the book of business you've worked hard to build will receive an accurate valuation. Succession planning helps advisors benefit from their business, or on the other side, helps a practice to expand faster through buying a new book of business or by bringing in new team members.

In our research and conversations with advisors, the ability to sell their book of business, to receive firm support to ensure continuity to maximize value and to be able to create an asset that can be monetized as an exit strategy. That's why it's important to find a firm that will work with you on succession planning, from helping to find new advisors for your team, to collaborating with you to buy or sell a book of business, to providing resources to help you understand things like valuation, contingency planning and personalized succession.

It's important to ask yourself what you want to have happen with your practice as you go forward? Who can you look to and ensure your clients will be taken care of? Make sure you are working with someone who has the resources and relationships to help you put that plan together; one that makes the most sense for your practice and client base.

A culture of growth

It's important to note that real growth happens when a system is set up that allows for it. Growth should be seen as a framework and a structure, not just a goal.

At Equitable Advisors, we've established a unique culture of growth; one that prizes inclusion, continuous learning, sharing best practices, and strengthening each other's skills in the pursuit of professional excellence. We offer advisors the freedom and flexibility to build their own practice and to thrive, with all the benefits of being part of an established firm. If you're interested in learning more about our approach to growth and how we support advisors so they can scale their practice, we would welcome the opportunity to have a conversation with you.

Equitable Advisors is a firm built by advisors for advisors. Equitable Advisors is the wealth management division of Equitable, with a proven track record of helping advisors and clients pursue what's possible. As a U.S. company with roots going back to 1859, Equitable offers financial scale and resources that come with generations of experience and a commitment to helping improve financial lives.

To learn more, visit equitable.com/exp-advisors or contact us at equitableadvisors@equitable.com.



- 1 Equitable Advisors Wealth Management Language Strategy, maslansky + partners, June 2022.
- 2 The Five Stages of the Advisor Movement Journey: Insights from the 2020 Advisor Movement Study, Fidelity Investments.

Important

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