

WEALTH MANAGEMENT DEVELOPMENT

Maintaining firm autonomy when sharing technology, people and processes



David Karr, Chairman
of Equitable Advisors

There are many factors financial advisors need to consider when trying to scale their practice – whether that be delegating tasks, standardizing processes or personalizing engagement, to name a few. Many advisors are practical about this and recognize that scaling successfully means that they cannot do it all on their own. But the question they keep coming back to is how to leverage shared resources such as technology, marketing and investment platforms without losing their autonomy and human connection. To better understand this situation and help financial advisors navigate their options, Financial Planning sat down with [David Karr](#), Chairman of [Equitable Advisors](#). In this Q&A perspective article, we explore what autonomy looks like for wealth management firms, the benefits of a supported independence model, and the various technologies and platforms that help financial advisors scale and grow in the best interest for their clients and practice.

Question 1: What does the demand for quality advisors who take the time to learn and understand their clients' needs look like today?

David Karr: There's no question that the demand for human advice continues to increase and it is accentuated by the fact that the number of advisors has been relatively flat for a long period of time. Given the talent gap, we are seeing successful advisor growth accelerate. When a client recognizes that a practice is evolving and thoughtful of their needs, this leads to additional demand and generates growth. These advisors have strong client engagement, a consistent flow of new clients, and continuously nurture and deepen their existing relationships with new strategies.

To effectively execute on these tactics, successful advisors understand that as they grow and scale, it comes down to three basic aspects – people, process and technology. They are either investing in, or the company they are partnering with is supporting them in these three areas. The most successful and sought-after advisors are the ones who constantly think about these three aspects of their practice and how they can improve in each area.

One successful tactic we are proud of at Equitable Advisors is our diversified advisor pool. We believe in the value of individual viewpoints, experiences and cultures and know that clients are more willing to trust advisors who are on a similar journey as them. For example, the average advisor at Equitable Advisors is 45 years old, roughly 10 years younger than the industry average. Not only does this improve succession planning but it also establishes client-advisor respect and understanding among the next generations of clients.

Question 2: What is Equitable Advisors specifically doing to help their advisors build long-lasting client relationships?

DK: Every advisor's goal, no matter where they are on their practice building journey or who they partner with, is to build long-lasting, trusted client relationships. As a firm that is constantly trying to learn and evolve, Equitable Advisors is proud to support advisors with new relationship-building strategies. The first is with a holistic life planning approach, which is Equitable Advisors' differentiated advice model. This approach really encourages active client-advisor conversations as it takes into consideration individual's aspirations and needs across all areas of life, including purpose, health and wellness, and financial goals. With Equitable Advisors, advisors have access to science-based coaching tutorials and trainings that help them improve their emotional intelligence for deeper and more thoughtful questioning and listening.

The next step to building long-lasting client relationships is client feedback. Advisors can commit to improving, but the end result ultimately comes down to how these changes are received by the client. Equitable Advisors' client feedback program is powered by technology that allows advisors to constantly gather direct, customizable and real-time feedback from their clients. Not only does this assist advisors as they prepare for future communications, but it also builds trust with the client because it shows them that their advisor cares about their experience. Taking this a step further, continuous client feedback often leads to additional business opportunities as advisors learn more about what is working and what is not working for a specific client.

Question 3: How should financial advisors balance their core principles with innovation?

DK: It's important for advisors to have a foundational set of principles with which they run their practice. While these principles should not change, year-to-year strategies may vary to make sure they are efficiently and effectively staying true to their core principles as customer needs shift. For example, think of client satisfaction as a core principle. This will always be true, but what a firm does to guarantee client satisfaction may change – such as evolving methods of communication or adding a diverse mix of advisors to their practice.

At Equitable Advisors, our three core principles are communication, partnership and innovation. When it comes to communication, we aim for clear and transparent conversations with our clients, advisors and colleagues. For partnership, we strive to treat our advisors and one another with respect and understanding. Then lastly, we always want to make sure we allocate a significant amount of time for innovation – at least 20% on new things we could be doing, 20% on how we incorporate the best new ideas and 60% remains committed to business-as-usual activities.

Question 4: Where does autonomy fall on an advisor's priority list? What does this look like for wealth management firms?

DK: For most advisors, especially at Equitable Advisors, autonomy is a high priority. Of course different practices have different cultures, so how they think about autonomy may change. Some advisors want to be with a practice where they lean heavier on the company's brand and infrastructure, and that is okay with them. Other advisors are more entrepreneurial. They want to have their own marketing name and be able to individually position themselves in the marketplace.

How advisors view autonomy ultimately comes down to their vision. What markets do they want to serve? What type of clients do they want to serve? How large of an organization do they want to build? Do they want to have a one-person firm that has three support people, or do they want a ten-person advisor firm with 20 support people? Depending on how they want to grow their firm will determine their appropriate level of autonomy.

Now, even though an advisory practice may be set on the level of autonomy they want, it all comes back to people, process and technology. Advisors should think about how the firm they are partnering with supports them in those three areas. Because yes, you can be completely independent and build out these areas on your own, but that gets very expensive. Along with integrated technologies, Equitable Advisors offers an open-architecture platform that is crucial for advisor autonomy, as it provides thousands of investment and retirement products rather than a limited selection. This ensures that recommendations are in the client's best interest, not driven by a company agenda.

Question 5: How can leveraging firm resources advance people, process and technology?

DK: Partnering with a company that has a scalable platform and offers a supported independence model, like Equitable Advisors, gives financial advisors access to industry-leading digital tools, advisory products, and investment and protection solutions that they may not have access to otherwise. These resources minimize the time advisors need to spend on routine tasks so that they can focus on what they do best – serving their clients and growing their business.

Looking specifically at shared and integrated technology, CRMs, Straight Through Processing (STP), and marketing solutions all aim to enhance the advisor-client experience. STP streamlines client service by allowing advisors to complete transactions and address client needs directly online, reducing the need for phone calls which makes the process faster and more certain. Marketing solutions help remove the stress associated with client engagement. For example, Equitable Advisors' Marketing Suite features enhanced communication, content creation, website development and event management tools to help advisors communicate relevant and personalized content across digital platforms. By leveraging these shared resources, wealth management firms are not only setting their advisors up for more efficient and quality work but also enhancing client satisfaction.

While each one of these tools provides growth opportunities, it is important to view them as a whole instead of individually. Integration and connectivity are necessary to provide greater value, drive growth, and improve client experience. Many advisory practices may not have adequate staff and skills to properly integrate new tools, which is where Equitable Advisors can help. We collaborate closely with our advisor community through forums and meetings to identify relevant tools, integrate them efficiently, and support advisors as they scale their practice.

Question 6: While human connection continues to be a top priority for clients, where do you see AI making an impact for the advisor-client relationship?

DK: It's an interesting question that everyone is thinking about right now and how AI is going to impact not just our practices but the world. I know I'm not the first to say it, but AI is not going to replace advisors. But advisors who do not learn how to incorporate and lean into AI successfully will be replaced by advisors who do. When used correctly, AI is only going to make advisors better and help them become more efficient at running their practices. Take communication for example – AI and platforms like Equitable Advisors' Marketing Suite can help advisors connect more efficiently through various automations and allow them to provide more relevant information to their clients. If advisors aren't currently embracing or willing to embrace AI solutions, they are going to fall behind.

In the end, no matter the initiative a wealth management practice is trying to execute, it truly all comes down to a strong partnership. This can be a lonely business without one. When advisors surround themselves with people, process and technology support, they create a collaborative and innovative culture that enables growth and scalability.

Learn more about how Equitable Advisors and their supported independence model can help you scale and grow your practice through shared resources [here](#).

For purposes of this discussion, “advisor” is used as a general term to describe insurance/annuity, investment sales, and advisory professionals who may hold licensing as insurance agents, registrations with broker-dealers, and registrations as investment advisory representatives (IAR) of registered investment advisors, respectively. “Advisor” in this context is not intended to necessarily refer to IAR offered fee-based financial advisory/planning services.

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