

Traits of Successful Financial Advisors:

How do you stack up?

(hint: 'Highly successful advisors' report "extremely satisfied" clients)

Survey Executive Summary:

Traits of Successful Financial Advisors, June 2013

Update of Traits of Successful Advisors Survey, 2012

Executive summary

Advisors said “Client Satisfaction” is their most important measure of business success. Therefore, in this study ‘Highly Successful Advisors’ are defined as having “Extremely Satisfied” clients, 20% of all respondents



- 1. Advisors consider Client Satisfaction most important for measuring business success**

Highly Successful Advisors are more likely to conduct regular client surveys to measure satisfaction than other advisors

- 2. Highly Successful Advisors are more skilled at understanding client needs and spend more time on client management, communication & service**

Highly Successful Advisors are highly motivated by improving self and others / achieving high standards of perfection

- 3. Highly Successful Advisors place a higher priority on holistic wealth management than other advisors**

They are also twice as likely to report having an “Extremely efficient” back office

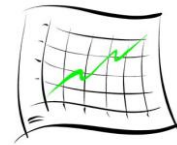
Study objectives

ByAllAccounts conducted a survey to identify the skills, motivations and priorities of successful advisors

Trend Comparison: We will be comparing the results of this year's survey with the same study conducted in 2012 to identify any significant changes



What do advisors consider most important for **measuring business success**?



Are there differences in **business growth** (AUM) between Highly Successful Advisors and all others?



What are the **priorities** of Highly Successful Advisors?



What methods are used to collect data to **report** on trust accounts for client statements and reports?



Are there any differences in **personal skills** between Highly Successful Advisors and all survey respondents?



Are there differences in **back-office efficiency** between Highly Successful Advisors and all others?

Traits of Successful Financial Advisors

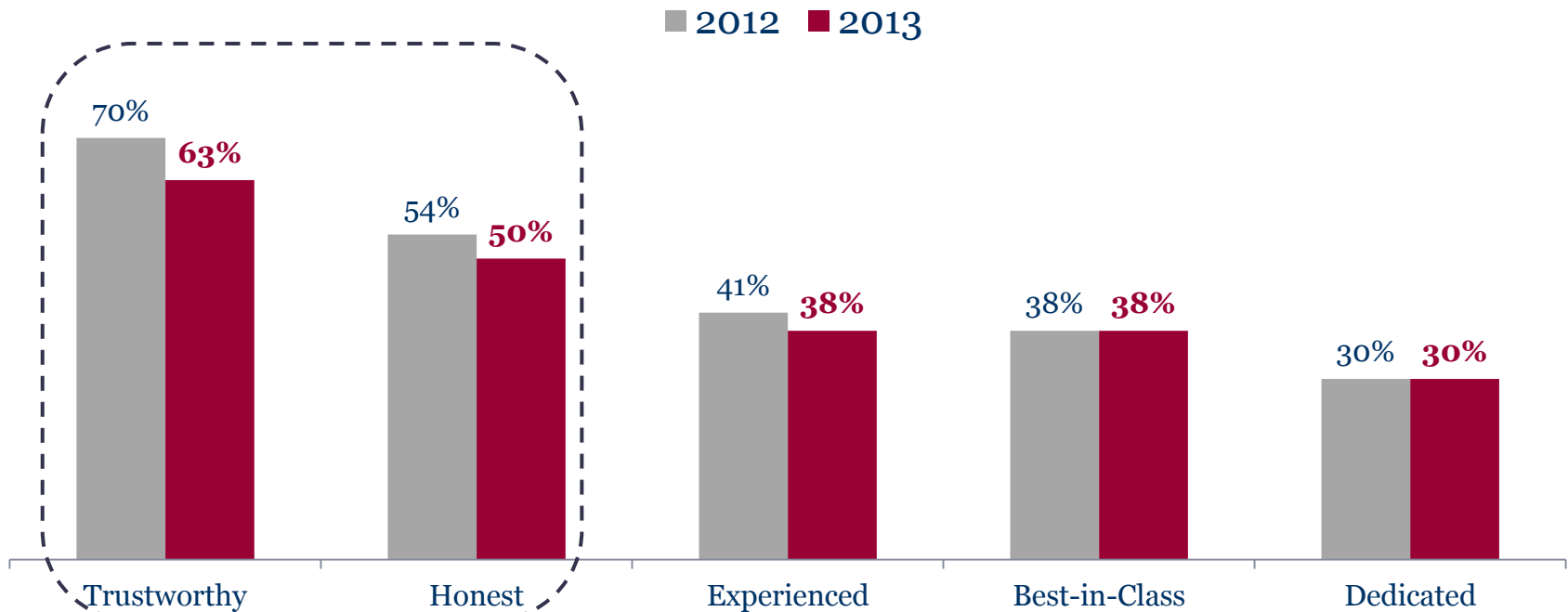
Highly Successful Advisors: definition

- ❑ What do advisors consider most important for **measuring business success**?
- ❑ Are there any differences in **personal skills** between Highly Successful Advisors and all survey respondents?
- ❑ What are the **priorities** of Highly Successful Advisors?



Advisors still want to be viewed as 'trustworthy' and 'honest'

Top 5 characteristics financial advisors want clients to use to describe them

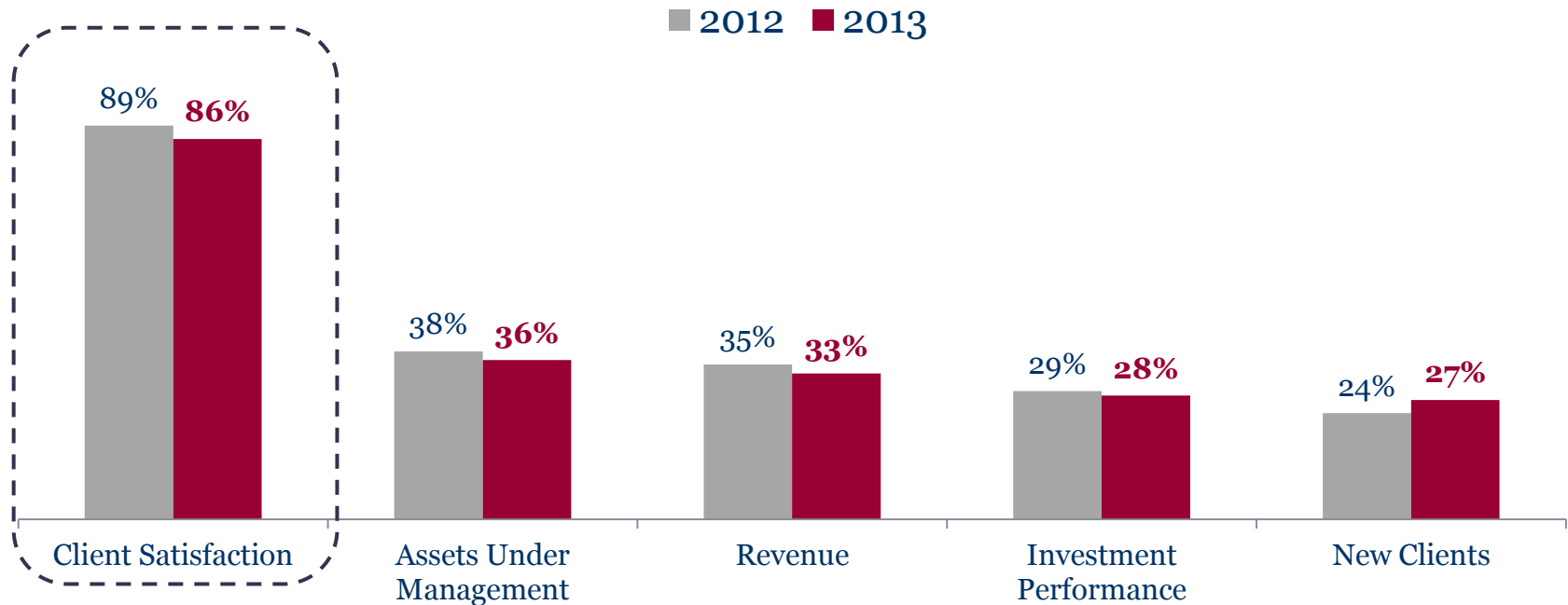


Financial advisors rate 'trustworthiness' and 'honesty'
as key characteristics in 2012 and 2013

Qs: Which of the following characteristics would you want your clients and/or peers to use to describe your firm – select top 3? (n=414 for 2013; n=366 for 2012)

Advisors rate 'client satisfaction' as most important for measuring business success

Top indicators of business success

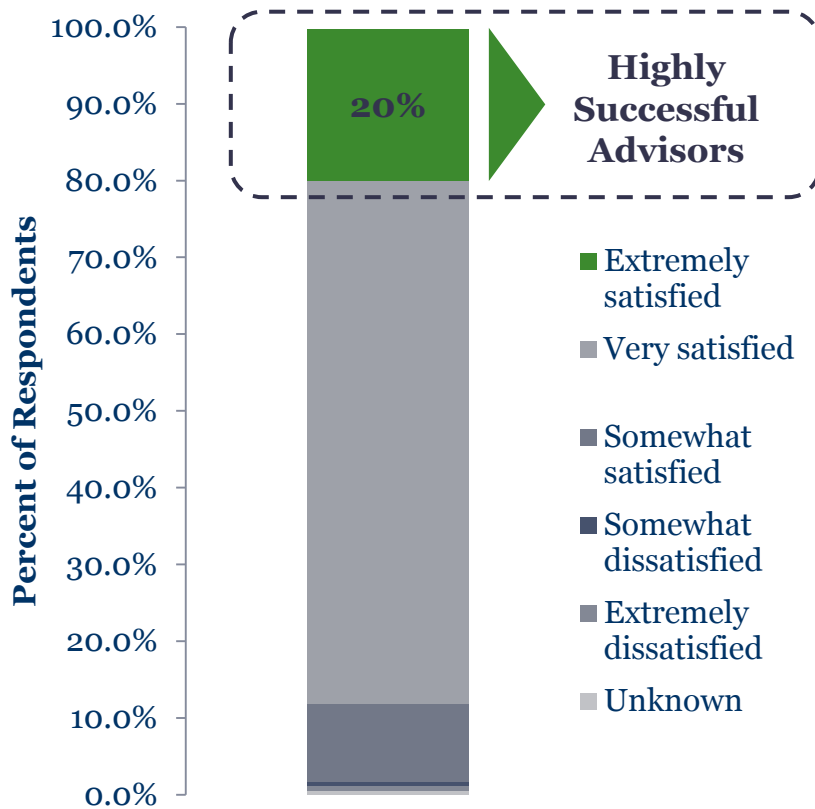


Financial advisors rate 'client satisfaction' as the best indicator of business success in, both, 2012 and 2013

Qs: ... do you consider most important for measuring business success – select a maximum of 3 choices?
(n=434 for 2013; n=382 for 2012)

'Highly Successful Advisors' Definition: Those with Extremely Satisfied Clients

Overall client satisfaction



Advisors said “Client Satisfaction” is their most important measure of business success.

Therefore, in this study ‘**Highly Successful Advisors**’ are defined as having “Extremely Satisfied” clients, 20% of all respondents

Qs: How would you rate the overall satisfaction level of your clients? (n=406 for 2013)

Respondents' profile

ByAllAccounts conducted this study via an online survey in May 2013

PARTICIPANTS



2013 All: 442 responses

86 – Broker Dealers

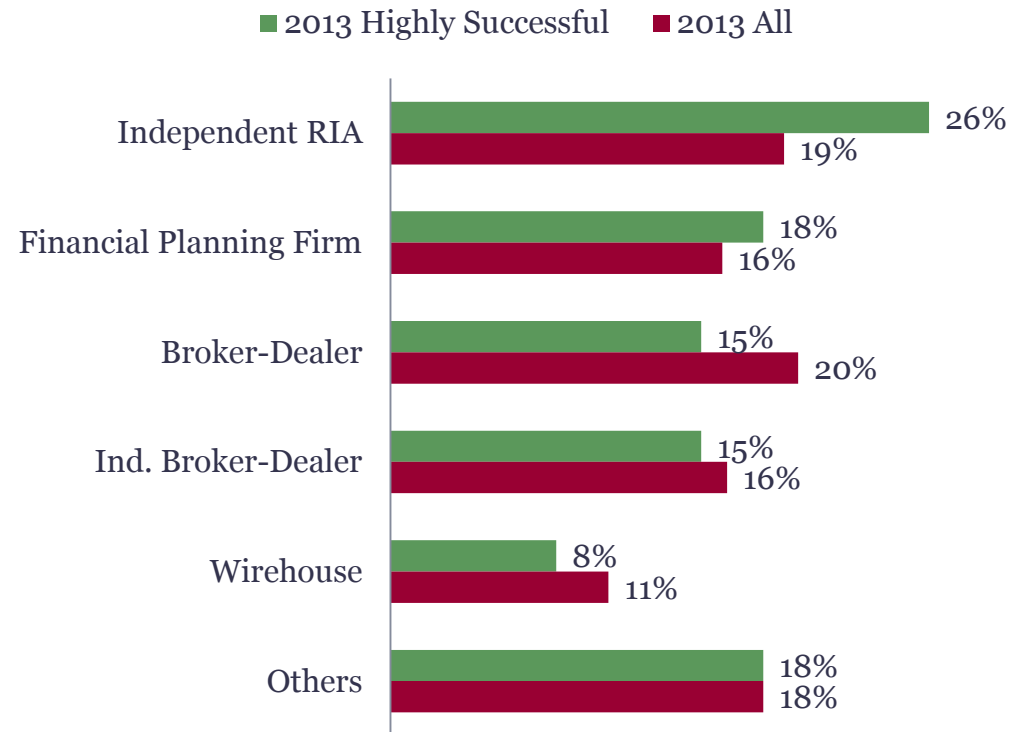
83 – Independent RIAs

71 – Independent Broker Dealers

70 – Financial Planning Firm

2013 Highly Successful:
80 responses (20%)

Participant Distribution



Qs: ..please select the description that fits your firm best (n=437 for 2013)

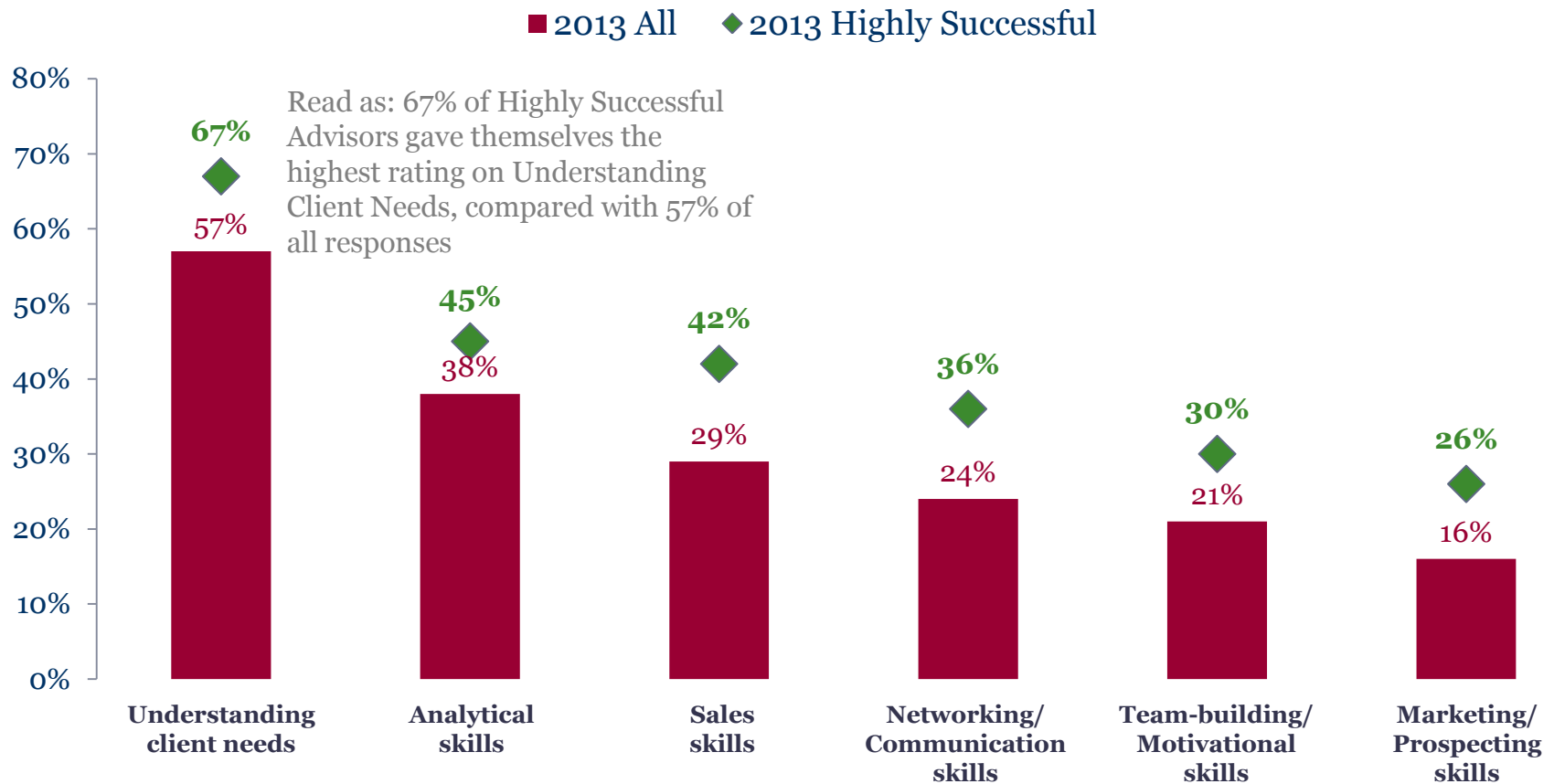
'Highly Successful Advisors' are better at tracking client satisfaction

Ways of evaluating client satisfaction	2013 Highly Successful	2013 All Responses
By client retention rate	70%	68%
By conducting regular client surveys	41%	32%
Based on the % of client's total assets managed	19%	20%
<i>Do not</i> have a formal way to measure client satisfaction	21%	29%

Qs: ...how do you evaluate client satisfaction – check all that apply? (n=406 for 2013)

'Highly Successful Advisors' are better at understanding client needs

Strength of personal skills



Qs: On a scale of 1-5 (5 being highest, 1 being lowest), please rate the strength of your personal skills in the following areas ?(n=383)

‘Highly Successful Advisors’ spend more time on client-related activities

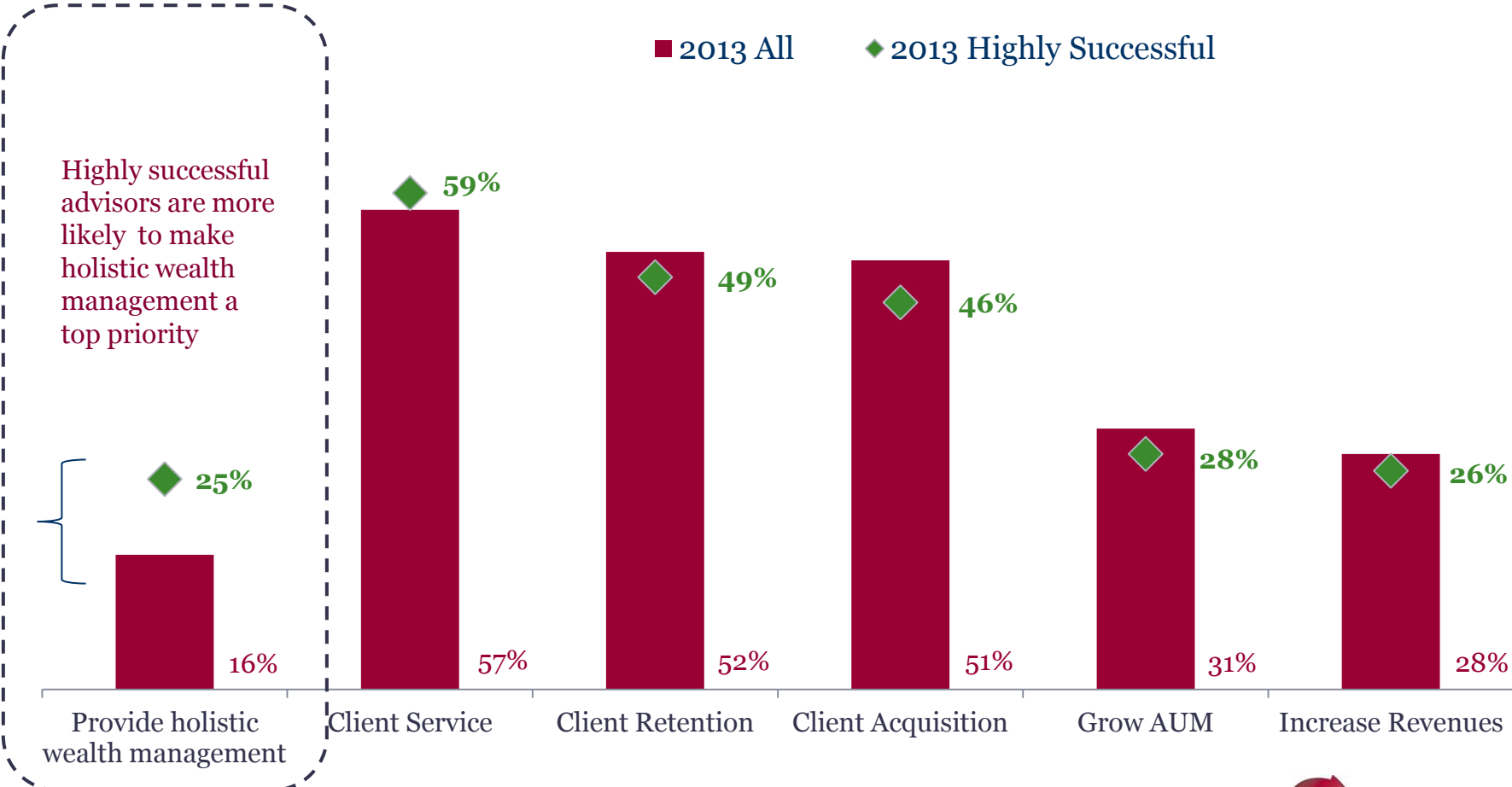
How much time is spent in a given month on the following activities

	2013 Highly Successful	2013 All	2012 All
Client Management, Communication & Service	38%	30%	29%
Client Acquisition/Prospecting	23%	17%	16%
Investment Management Research	18%	17%	17%

Qs: On a scale of 1-5 (5 being most, 1 being least), please indicate how much time you spend in a given month on the following activities... (n=381)

'Highly Successful Advisors' give holistic wealth management a higher priority

Highest priorities for firm



Qs: ...would you consider highest priority for your firm – select top 3? (n=409 for 2013)

Traits of Successful Financial Advisors

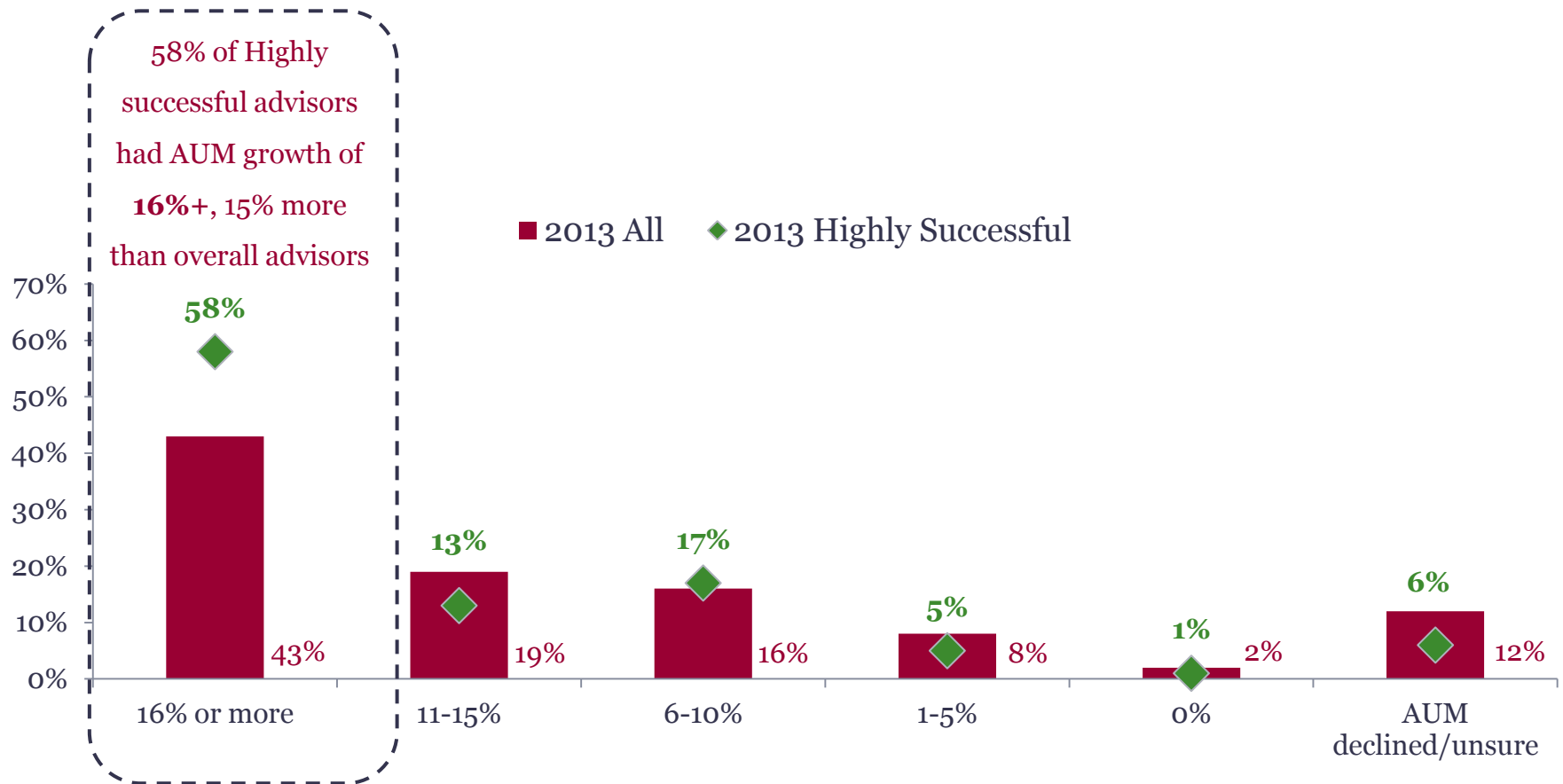
Business Growth and Efficiency

- Are there differences in **business growth** (AUM) between Highly Successful Advisors and all others?
- Are there differences in **back-office efficiency** between Highly Successful Advisors and all others?
- What methods are used to collect data to **report** on accounts for client statements and reports?



‘Highly Successful Advisors’ have a higher AUM growth rate over the last 2 years

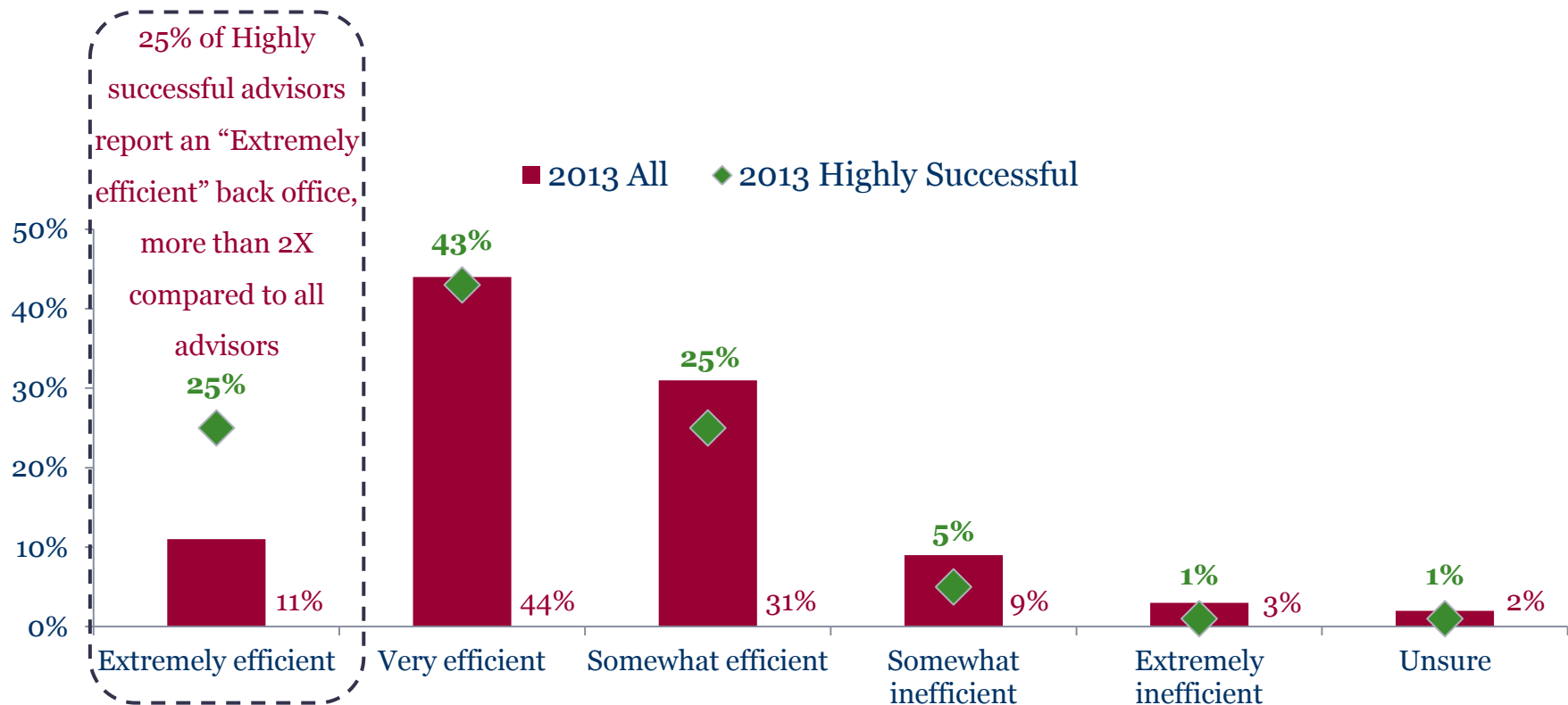
Growth in Assets under Management (AUM) over the past two years



Qs: By what percent has your firm increased assets under management (AUM) over the past two years?
(n=405 for 2013)

'Highly Successful Advisors' report more efficient back-office operations

Efficiency of back-office operations



Qs: How would you rate the efficiency of your back-office operations? (n=380 for 2013)

Reporting by mail is the most widely used method

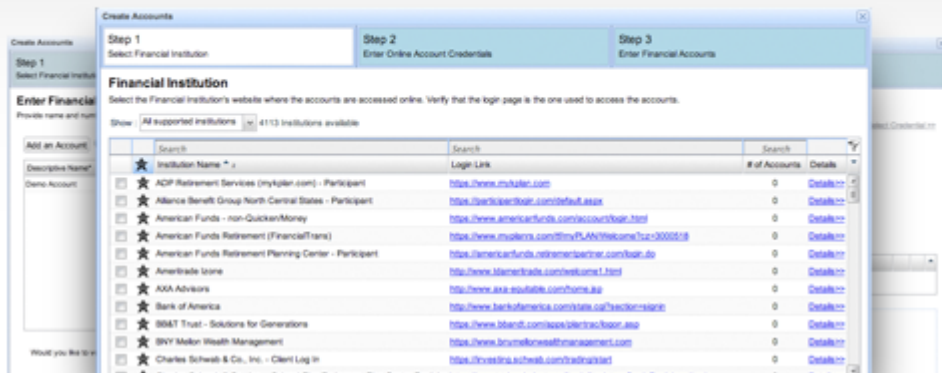
Top 5 reporting methods used by all respondents

Mail paper statement	68%
PDF available on a secure website/portal	47%
Data provided in a secure client portal	45%
Deliver paper statement during an in-person meeting	36%
E-mail a PDF to the client	32%

Qs: What methods do you use to deliver statements and reports to your clients – check all that apply? (n=380 for 2013)

About ByAllAccounts

ACCOUNT AGGREGATION: TROUBLE-FREE SETUP



ByAllAccounts has a next generation, web-based application for entering and maintaining accounts that is user-friendly, streamlined and wizard driven. You setup accounts, or have your clients do it using an encrypted interface so you never see their login credentials.

- Single sign on
- Automated Account Creation
- Automated security question discovery
- Supports Macs.

- ❑ Gather structured (incl. direct feeds) and unstructured financial account data
- ❑ Aggregate transactions, positions, balances from 4,000+ different custodians
- ❑ Data is transformed into a single data “stream” for delivery to financial applications for professionals
- ❑ Add one or more new direct feed sources each month and one or more other sources each day
- ❑ Support trade-date and/or settlement-date based data
- ❑ Deliver to any portfolio management system

Contact us

InvestmentNews
RANKS BYALLACCOUNTS

#1 AGGREGATION PRODUCT
IN 2011 & 2012

#5 TOP ADVISER
TECHNOLOGY PRODUCT

ByAllAccounts

10 State Street
Woburn, MA 01801

To discuss survey: cstephens@byallaccounts.com

To speak with a sales rep: sales@byallaccounts.com

Phone: 781-376-0801 Option 2

Live Chat: www.byallaccounts.com

You may also want to check out:-

- [Why Investors Hire & Fire Financial Advisors](#)
- [Traits of Highly Successful Financial Advisors](#)