

May, 2016

# 10 Common Attributes of Breakout Advisors

Identifying the all-stars will elevate your firm above the rest



# Identifying the All-Stars

## Everyone wants the top performers

Successful advisors may have different backgrounds, specialties and business models. But they all have certain attributes in common. Firms that employ advisors need to recognize these attributes. And they need to provide the types of support that help these all-stars perform their best.

Read on to learn about the 10 most common attributes and the ways to optimize all-star performance.



**“The big winners are going to be firms that have size and scale to be a partner to advisors, and can afford to invest in people, technology and infrastructure, and also focus on how to solve the increasingly complex needs for the end investor.” -- Bill Morrissey, Managing Director, Recruiting LPL Financial**

# 1. They know where their practice is headed

## Actively Engaged

Today's successful advisors are actively engaged in planning the future of their practice. These plans include:

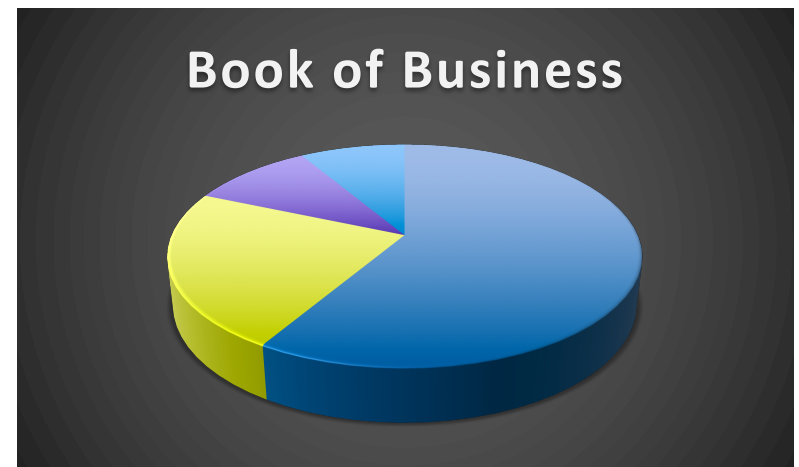
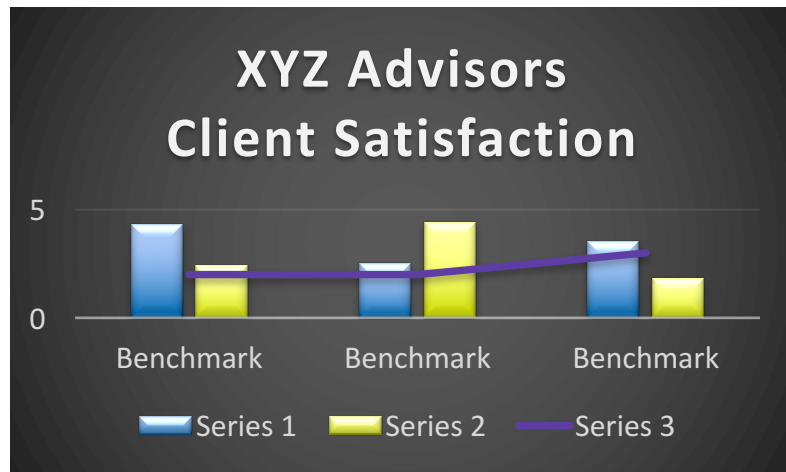
- Teaming to create a broader and more leveragable business base
- Actively planning their own retirement and building a succession plan
- Determining whether, when, and how to participate in the growing RIA channel
- Building new skills to broaden their services



## 2. They measure themselves

### Use Critical Benchmarks

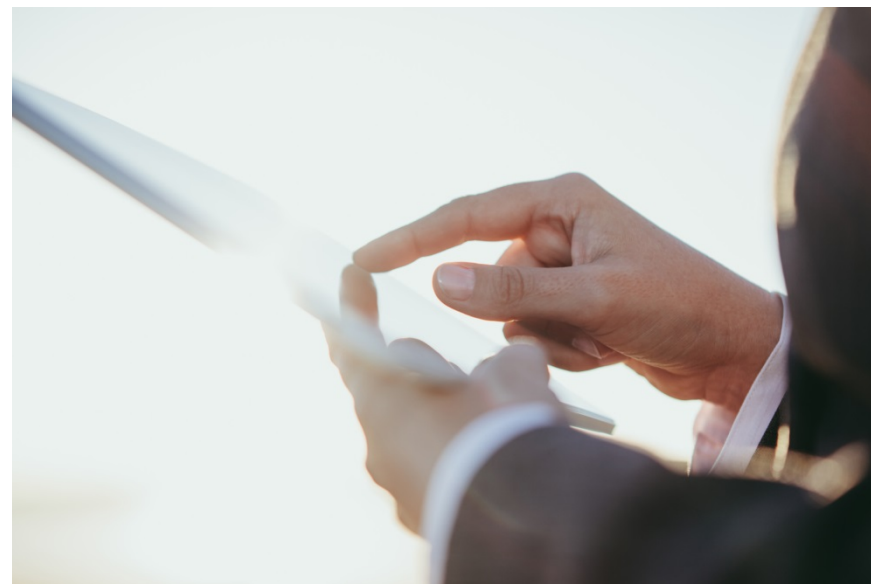
Advisory practices are much more transparent now. Today's best practices in measuring client satisfaction and loyalty are significantly ahead of where they were five years ago. Strong industry and practice benchmarks are widely available to measure virtually every aspect of practice health.



### 3. They add strong personal value

#### Keep in touch

Breakout advisors recognize the power of the personal relationship. They understand and actively manage outreach to their clients through multiple channels and touchpoints throughout the year. Using strong relationship management disciplines, top advisors help their clients see and appreciate the value they bring.



**Advisors believe that their warm and personal approach is one of the top two reasons clients select their practice.\***

## 4. They understand their clients and target prospects

### Focus on niches

Many successful advisors have developed a focus on a particular market niche, and have expanded their practice by bringing in other advisors who have complementary niche expertise.

This focus enriches the advisor's ability both to understand the clientele and to tap into strong referral networks for business growth.



Nearly two-thirds of advisors use niche marketing techniques.\*

## 5. They actively plan and manage their practice's growth

### Take a multi-channel approach

Successful advisors generally utilize a diverse array of marketing techniques in growing their practices. Many use some form of client social, appreciation, or educational events. And increasingly, more successful practices are using multiple digital channels including social media.



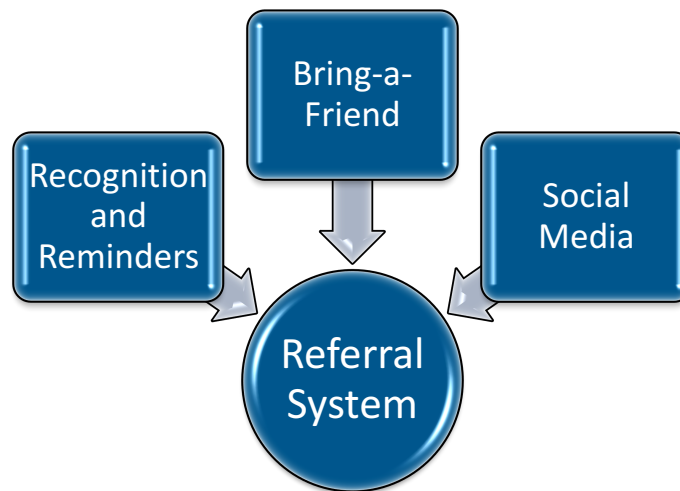
**65% of advisors with over \$500M in AUM use social media marketing.\***

## 6. They harness the power of referrals

### Don't forget the 'ask'

Aggressively managing referral opportunities has always been part of a strong marketing system for successful advisors. These advisors have learned to use multiple techniques for asking for referrals:

- Recognizing clients who refer business, including referral requests in meetings and emails
- Promoting 'bring a friend' strategies for client events
- Using social media to access friends and connections
- Reminders in the office and in their standard email signatures



**Advisors say that 67% of their business comes from referrals.\***



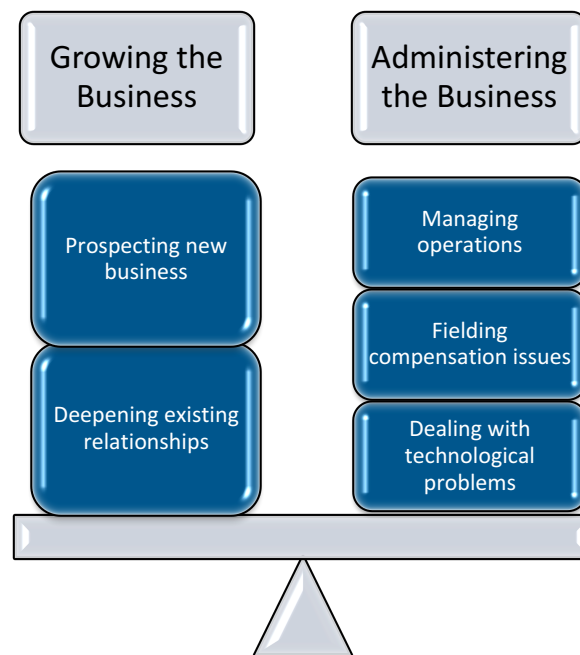
## 7. They have a healthy balance in the way they spend their time

### Offload administrative tasks

Even the most successful advisors say that they wish they had more time to spend in front of clients and prospects on value-add services. However, advisors who win are able to break themselves out of the mundane administrative tasks, and concentrate more of their time interacting with clients in meaningful ways.

They accomplish this by structuring their team with strong support staff, making better use of technology and digital outreach, and by minimizing operational problems.

**Advisors spend only 12% of their time prospecting for new business.\***

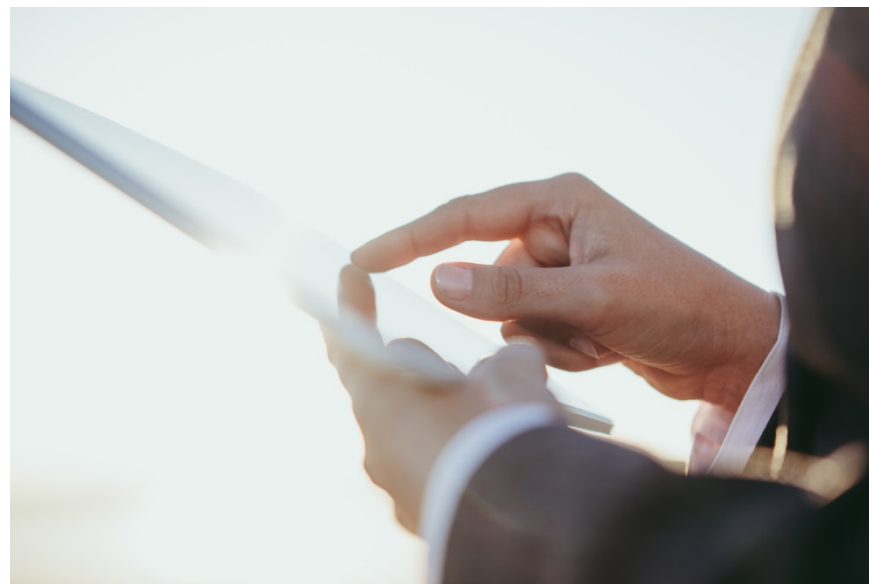


## 8. They leverage technology effectively

### Use technology as a communications enabler

Today's clients expect much more frequent contact than was true even five years ago. Different clients want different channels and touchpoints. Successful advisors leverage technology to create these connections in automated ways that are still personal and relevant.

They also use many different types of systems to create scale, get the maximum value from the services and technology their firms offer, and supplement that technology where necessary to move their practice forward.



**Advisors average 56 client touches each year across all channels.\***

## 9. They surround themselves with a smart team

### **Believe the whole is greater than the sum of the parts**

The majority of advisors today work in teams of varying size with clearly defined roles and areas of expertise. They rely on strong partners to help them with the information they need to be smart for their clients and be smart for taking their practice into the future. And, they rely on their firms to supply the thought leadership, resources, and tools to help them stay at the top of their game.

**Today's advisor practice is made up of six people on average.**

**For those practices with greater than \$500M AUM, the average is 11 staff per team.\***

## 10. They focus on excellent customer experiences.

### Actively manage touchpoints

Generally, the rule is that the more successful the advisor, the fewer and wealthier their clients. Today, advisors who work with this higher-end clientele realize they are likely not the only advisor with whom their clients work, so they have to be extremely conscious of their place in each client's life and share of wallet. This dynamic mandates that the advisor is frequently in touch through multiple channels – both digital and personal.



Virtually all advisors use in-person, phone and email contacts extensively, with email alone accounting for 17.5 client touches per year, on average. The most successful advisors are also using educational events, newsletters and social media to increase their client touches and add more value.\*



## Many attributes make a successful practice

Successful advisors don't concentrate on just one aspect of their practice. They focus on all 10 of these attributes to manage and grow their businesses. They look to their firms to add value in all of these areas.

Firms that want to hire these successful advisors – and want to retain those already in-house – need to step up their capabilities and platforms to support these Breakout Advisors.