



# What Financial Consultants Want

Why financial consultants are drawn to firms with strong investment platforms, the best technology, a high level of compliance support and effective client attraction

The majority of Americans aren't happy with their jobs—52.3%, according to a 2014 report by the Conference Board—and a 2015 study from JD Powers suggests that job satisfaction specifically among financial consultants is declining. This matters not just for the employees, but also for their employers. Higher levels of satisfaction tend to correlate with improved productivity. It can also lead to reduced turnover, which in turn saves your company the significant time and money required to hire and train new workers.

A recent survey by WealthManagement.com and Fidelity Investments measured the factors that affect the job satisfaction of financial consultants across the industry, from wirehouse employees to contractors for independent broker-dealers. According to the survey, these four factors are crucial:

- **Strong investment platforms.** Platforms with a broad array of offerings allow financial consultants to customize investments to fit their clients' needs.

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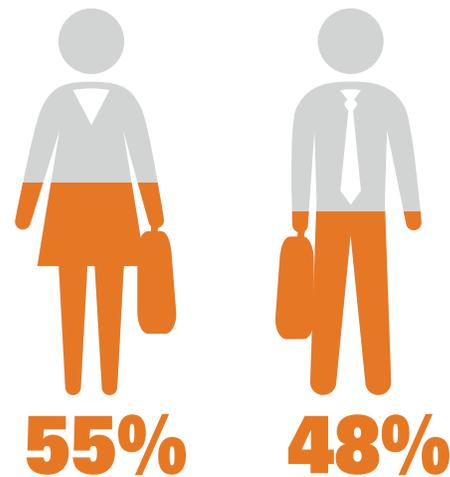
- **Excellent technology.** Strong tech tools allow financial consultants more flexibility when it comes to such things as client communications.
- **Compliance support.** Financial consultants don't want to spend too much time wading through industry rules and regulations.
- **Help with client attraction.** When firms help their consultants recruit new clients, consultants are free to devote more energy toward existing clients and their portfolios.

While these four factors are essential for financial consultants' job satisfaction, their relative importance for any single consultant depends on a number of variables. Gender, in particular, makes a difference: The survey revealed that men tend to place a greater emphasis on client prospecting, for example, while women tend to value portfolio management and networking. There also are important differences in how consultants at different types of firms, from wirehouses to independent broker-dealers, feel about their jobs.

However, these four areas had broad appeal and importance to all financial consultants, according to the survey. Firms that focus on improving them will not only boost their retention, but also attract financial consultants who value high performance and client satisfaction. That's why understanding more about these factors—and why they have such an impact on financial consultants—can provide long-lasting benefits to your firm.

## How Time is Spent

Difference Between **Males** And **Females**



Women spend more time than men on managing their client portfolios — **55%**, of women compared to **48%** of male advisors.

-  Women have a more holistic approach — Total client experience
-  Men are more oriented to the bottom line



## THE IMPORTANCE OF INVESTMENT PLATFORMS

Of all the factors affecting financial consultants' job satisfaction, the strength of their firms' investment platforms may matter the most. In the WealthManagement.com/Fidelity survey, 96% of financial consultants reported that their firm's investment platform was either "extremely important" or "important" to their overall satisfaction. Whether financial consultants were male or female, young or old, working independently or for a nationally recognized firm, investment platforms were named again and again as a determining factor.

This should come as no surprise. Platforms are the tools that financial consultants use to make the decisions that benefit clients. The more effective a financial consultant's investment platform, the better decisions he or she can make. Financial consultants want to be able to choose the ETF or mutual fund, for example, that most appropriately fits a client's situation. And financial consultants want to be able to offer their clients a customized level of control over their portfolios.

There are many factors that help determine the strength of a firm's investment platform. One of the most important may be having a broad array of offerings. When consultants can choose between several investment options, rather than being tied down to just a few, they can more easily tailor an investment portfolio for each client. More offerings leads to greater flexibility for financial consultants, and that flexibility means they can adapt more easily to their clients' various life situations.

## Women Advisors

Business practices women value



**98%** →

While advisors across the board agree investment platforms are key, they are especially important for women advisors. Almost all of the women surveyed—**98%**—said they were either "extremely important" or "important".

 Women spend more time nurturing clients and protecting clients' assets

 Men tend to place a greater emphasis on client prospecting

 Women tend to value portfolio management and networking





“I got into this business to help people. Having a broad array of offerings, both proprietary and non-proprietary, allows me to help as many people as possible.”

— Christine, a Fidelity financial consultant in Century City, California

Christine, a Fidelity financial consultant in Century City, Calif., compares financial consultants’ platforms to artists’ palettes, without which they simply can’t do their job. “I got into this business to help people,” she says. “Having a broad array of offerings, both proprietary and non-proprietary, allows me to help as many people as possible.” There’s a huge difference, Christine notes, between a single, 30-year-old client at the beginning of his career and a wealthy client who has a family and is approaching retirement.

While financial consultants across the board agree investment platforms are key, they are especially important for female financial consultants. Almost all of the women surveyed—98%—said they were either “extremely important” or “important”.

Platform offerings are not the only thing that matters. Functionality is also crucial. Financial consultants want to be able to access data relating to market movement and portfolio performance quickly and easily, and to be able to analyze it from many different perspectives.

They want tools to help them generate reports, so they can show clients they’re not overpromising and under-delivering, providing easily digestible data that compares predictions with actual outcomes. And financial consultants appreciate platforms that allow for the option of clients self-directing their investment choices.

### What Firms Can Do:

When it comes to platforms, many firms have room for improvement. Only 42% of financial consultants reported that they were extremely satisfied with their firm’s investment platform. To ensure your investment platform meets your financial consultants’ needs:

- Check in regularly with your financial consultants to get feedback on the firm’s investment platform and its offerings.
- Encourage your financial consultants to ask clients if the array of investments meets their needs.
- Address issues as they come up, rather than waiting to make changes until there is widespread dissatisfaction.



## Using Technology Wisely

According to the WealthManagement.com/Fidelity survey, technology is the second-most important factor in determining financial consultant job satisfaction. Some 92% of financial consultants consider IT/technology to be an “extremely important” or “important” determinant of their happiness at work.

Additionally, top-quality mobile technology is especially essential: Smartphones, tablets and laptops have transformed the industry over the past several years by giving financial consultants the flexibility and autonomy to respond to clients’ needs both in and out of the office, no matter the day of week or time of day. They allow financial consultants to keep up with markets that are becoming increasingly global, and workers’ schedules that are becoming more and more flexible. “Not all of our clients follow an eight-to-five schedule,” says Miriam, a Fidelity financial consultant in Los Angeles. “They want to be able to reach you in the evening and on weekends. I can do that now.”

Financial consultants also appreciate technology that’s fast, reliable and user-friendly. They like clean, transparent interfaces, and intuitive software. Technology that moves slowly or requires a lot of complicated steps keeps financial consultants from responding to clients’ needs as quickly and as thoroughly as possible. Financial consultants want to be able to access all the information on their clients in one place, and to be able to cross reference clients according to key activities or data points. And the best financial consultants never lose sight of the fact that the purpose of technology is to serve their clients’ needs—to facilitate communication, rather than hinder it.

Only 63% of financial consultants, however, are happy with their firm’s technology. Many complain of clunky software and onerous digital processes that distract from productive interactions with clients. Their firms’ software may not be integrated, and they spend too much time switching between applications, which often require extensive log-in procedures. Financial consultants appreciate secure technology, but they don’t like having to jump through unnecessary hoops in order to keep it so.

Since the financial consultant industry is so dependent on technology, firms might be tempted to continually trade in for the latest gadgets. But that’s not always the best idea. In a recent study by InvestmentNews that measured the importance of technology to investment firms, 69% of top-performing firms said that fully utilizing their current systems was the most critical factor to achieving their goals for growth. Only 24% said that investing in new and emerging technologies was the most critical factor.

## What Firms Can Do:

- First focus on fully utilizing what you have first. Talk with IT to ensure you’re using all features of your various platforms and to see if there are readily available solutions to fill in gaps.
- Focus on offering technology—especially mobile technology—that allows financial consultants and clients to connect with ease.



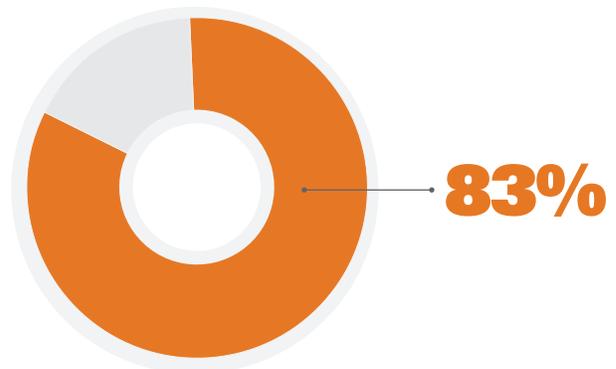
## Compliance Support You Can Count On

Financial consultants are well aware that compliance can be a headache. From filling out disclosure and licensing documents, to staying on top of the latest SEC and state regulations, to communicating all the regulatory rules to every member of your investing team; compliance related work is continuous and highly detailed.

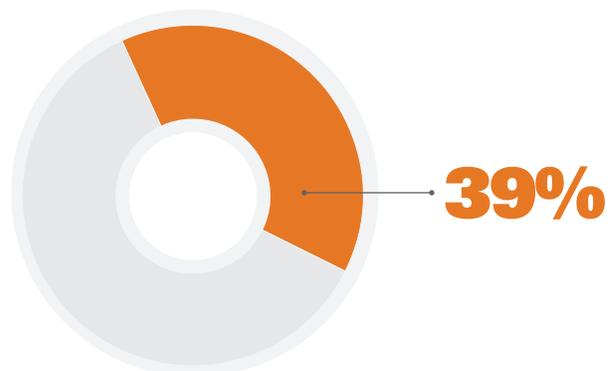
Financial consultants place a lot of value on the level of their firms' compliance support. More than half of respondents to the WealthManagement.com survey—51%—said that support was “extremely important” to their job satisfaction. Another 32% said it was “important.” Financial consultants at regional broker-dealers and independent broker-dealers ranked compliance support as more important than those at wirehouses, by a wide margin. Women were slightly more likely than men to call it “extremely important” or “important.”

This issue, say many financial consultants, comes back to clients. “Good compliance support allows us to act in the best interest of our clients,” says Christine, the Fidelity financial consultant in Century City. “It’s a great business partner to help advisors build trust with our clients.” Ultimately, she says, it’s a matter of trust: clients are far more likely to trust their financial consultants if they know they’re maintaining the highest standards of security and compliance. High level of client-financial consultant trust, in turn, leads to long-lasting relationships that are mutually beneficial.

## Compliance Support



More than half of respondents to the WealthManagement.com/Fidelity survey — **51%** — said that support was “extremely important”. **32%** say support was “important” to their job satisfaction.



**39%** of respondents were “extremely satisfied” with the compliance support they’re receiving from their current firm.

Financial consultants want to follow all the regulatory rules, however, they don't want to spend too much time staying on top of them. That's where a firm's compliance team comes in: The more energy and manpower a firm puts into its compliance team, the less time and energy financial consultants have to spend. Instead, financial consultants can direct their energy toward establishing and maintaining relationships with clients.

Miriam, the Fidelity financial consultant in Los Angeles, appreciates the safety net her compliance team provides. "I know I have a department that's got my back and will notify me if I've done something wrong," she says. "That security is huge."

Having a compliance team available onsite, rather than bringing in outside consultants, is important for many financial consultants. Many financial consultants appreciate compliance training sessions that are bundled on a monthly or quarterly basis, ensuring that all members of an investment team stay on top of the latest rules and regulations without having to refer to them day by day.

### What Can Firms Do:

- Find ways to keep financial consultants apprised of compliance rules without overwhelming them too frequently with new and complicated information. Establish clear policies and procedures, and update them only when completely necessary.
- Consider offering monthly or quarterly sessions that concentrate compliance education into small segments of time.
- Keep the lines of communication open between your compliance team and your financial consultants, making sure that any questions or concerns are responded to swiftly.

### What is most important for your job

	All Respondants	Channel				Gender	
		Wirehouses	Regional Broker-Dealer	Independent Broker-Dealer	Other	Male	Female
Strong platform for investors	96	98	95	95	96	95	98
IT/Technology	92	92	92	93	89	91	94
Stability	90	93	89	91	88	91	86
Compliance Support	83	58	84	90	90	82	88





## Bringing In Business

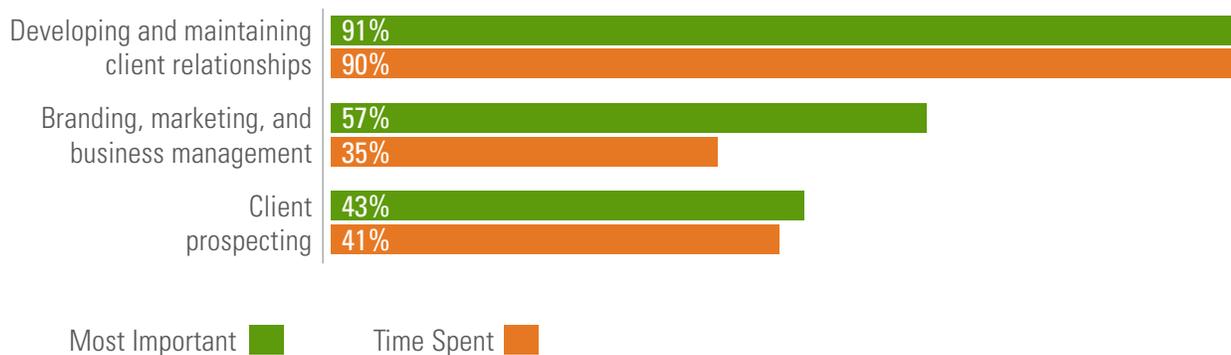
By and large, financial consultants across the industry aren't happy with their firms' efforts to identify and secure prospective clients. Just 21% of the more than 240 financial consultants surveyed by WealthManagement.com report being satisfied with their firm's client prospecting. That figure becomes especially significant when you consider that financial consultants rank client prospecting as one of the top three activities most essential to their firm's success.

Male financial consultants, in particular, were likely to rank client prospecting among their firm's top three most essential activities—48%, compared to just 25% of female financial consultants. Accordingly, men spend more time than women on trying to find and secure new clients, while women spend more time than men on managing client portfolios.

Denise, a Fidelity financial consultant in Fairfield, Conn., believes this difference in priorities among financial consultants stems from different work philosophies. For example, Denise says she spends more time on nurturing existing client relationships, rather than chasing after new ones, and more time on protecting clients' assets, rather than trying for ever-accelerating growth. "Protection is as important to a client's financial success as growth," says Denise.

All financial consultants appreciate firms with effective marketing departments. The more recognizable a firm is to the general public, the more likely potential clients are to have positive associations around it. Some firms, like Fidelity, are visible enough that they eliminate the need for their consultants to make cold calls. And the less time financial consultants spend trying to attract new clients, the more time they can spend meeting the needs of their current ones.

## What are the top three things that matter to you?





“When you work for a company this large with a great reputation and great branding, you’re going to have a lot of clients and my job is to develop and deepen those relationships.”

— Christine, a Fidelity financial consultant in Century, City, California

That’s been the experience of Christine, the Fidelity financial consultant in California. “When you work for a company this large with a great reputation and great branding, you’re going to have a lot of clients,” she says. “My job is to develop and deepen those relationships.” Before coming to her current firm, by contrast, she did a stint at a small RIA that focused only on large-cap stocks. “It was very difficult for them to get market share,” she says, “because of their limited offerings and lack of brand recognition.”

### What Your Firm Can Do:

- Make your firm as visible as possible. Marketing and branding is certainly important, but equally important, particularly for smaller firms, is networking, community involvement, and positioning your firm in various market niches.
- Delegate client prospecting responsibilities to teams devoted to that task.
- Filter client leads with intelligence and precision, aiming to match new clients with the financial consultants who are best able to meet their needs.

### Happy Clients Make For Happy Financial Consultants

Investment platforms with a broad array of offerings; technology that makes financial consultants’ lives easier; a high level of in-house compliance support; and top-notch marketing and client prospecting—each of these factors plays an important role in keeping financial consultants and bringing in new ones. But they can’t be considered independently of each other; rather, they go hand in hand.

Broad investment platforms and smart technology can be used as selling points for potential clients. Technology can be used to make smarter investment platforms, or to improve communication between financial consultants and their compliance support teams. An improvement in one area can often lead, directly or indirectly, to an improvement in another area.

For financial consultants, it all comes back to clients. “All of these factors connect back to why we got into this business, which is to help people,” says Christine. Firms are likely to keep their financial consultants satisfied if they never lose sight of client satisfaction. And firms with high levels of financial consultant satisfaction are the ones most likely to attract new financial consultants.



### Resources

- <sup>1</sup> The Conference Board, “Job Satisfaction: 2014 Edition,” 2014. [www.conference-board.org/publications/publicationdetail.cfm?publicationid=2785](http://www.conference-board.org/publications/publicationdetail.cfm?publicationid=2785)
- <sup>2</sup> Advisor Loyalty Declines Due to Compensation and Leadership Concerns, 2015. [www.jdpower.com/press-releases/2015-us-financial-advisor-satisfaction-study](http://www.jdpower.com/press-releases/2015-us-financial-advisor-satisfaction-study)
- <sup>3</sup> New Study Shows We Work Harder When We’re Happier, University of Warwick, 2014. [www2.warwick.ac.uk/newsandevents/pressreleases/new\\_study\\_shows/](http://www2.warwick.ac.uk/newsandevents/pressreleases/new_study_shows/)