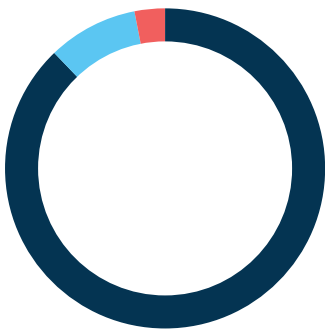


Career Outlook: Excitement or Angst?

With its impending advisor retirement wave, the wealth management industry must solve for a talent shortage. How can industry leaders ensure young professionals view the profession as an attractive career? Our **Financial Advisor Perspectives** study reveals while most advisors find the profession rewarding, younger advisors are less enthusiastic than their older colleagues.

Overall, financial advisors feel good about their chosen career.

Results are similar across channels and practice AUM levels.



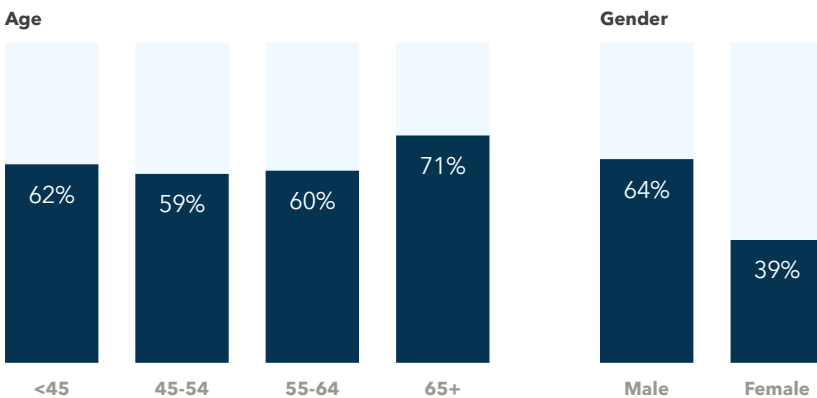
If you had to do it over again, would you become a financial advisor?



Yet, career fulfillment is lower among younger advisors and women advisors.

Older advisors grew their practices in an age with fewer regulatory constraints and higher client fees, and without competition from robo-advisors or zero commission brokerages.

How would you rate your career satisfaction?
% of Advisors who Love It (rated 9-10 on 0-10 scale)



IMPLICATIONS:

- A new generation of advisors needs new tools and support structures for scaling a practice in the current ecosystem—a top challenge cited by advisors in the study.
- Lower enthusiasm for the profession among women must be addressed to improve the profession’s ongoing gender imbalance.

Advisors value having a career that enables them to help people, while enjoying a level of self-determination and high earning potential.

“It is a gift to help people.”

“Great lifestyle, sense of meaning, opportunity to control your future.”

“Fulfilling work, time for personal life, and income.”

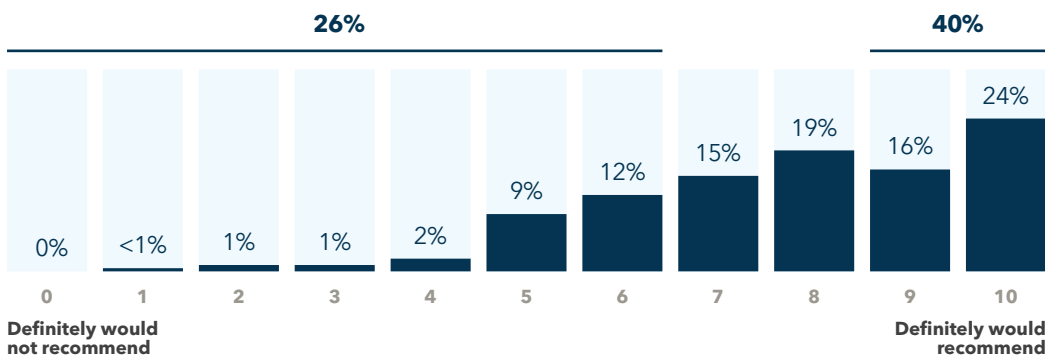
Fewer than 4 in 10 advisors are very optimistic in their outlook for the profession.

And only 40% would wholeheartedly recommend the profession, while one quarter are neutral at best.

Outlook for Financial Advisor (FA) profession



Likelihood to recommend FA profession to a young person considering it



The most common reason for not recommending this career path is the challenge of building a book of business.

IMPLICATION:

- Talented young professionals likely need different strategies than advisors in years past to effectively make it through the early years and see a viable pathway to success.

"The industry has changed drastically since I entered; the entire dynamic of sales and marketing is completely different post-lockdown. Technology has made cold calling, walk-ins and networking largely ineffective."

"Too tough for young people to break in unless brought in on a team."

INDUSTRY RECOMMENDATIONS

- ▶ Map out next generation career pathways to give aspiring advisors a clear vision and to align expectations.
- ▶ Invest in compensation plans that support advisors in the early phase of their career.
- ▶ Build a network of support resources - e.g., coaching, mentoring - for young professionals.
- ▶ Ensure tools and advisor training - e.g., holistic planning, practice management - evolve with how clients seek human-centered advice.

"The long-term reward is tremendous though the start can be brutal. I would only recommend it for someone motivated!"

"It's hard for young advisors to see, but if they're good and patient it becomes a very rewarding career."

"You have to be willing to live through some lean years while you build. It helps to have a good firm behind you and a mentor."

"People will always need personal connection and life planning coaching, regardless of how much tech improves their ability to self-manage investments."


"The field keeps reinventing itself which provides fantastic opportunities to evolve."

The **Financial Advisor Perspectives** study is conducted by 8 Acre Perspective, a recognized leader in financial services marketing research. In summer 2024, 403 advisors were surveyed on a range of timely topics. Additional insights from the study will be released in the coming months.

To learn more, contact:

Karen Mahooti

 kmahooti@8acre.net

 831-588-0601

©2024 Eight Acre Perspective Corp. All rights reserved.