



# Retaining Talent and Growing Your Enterprise with Financial Planning Technology

There was a time not long ago when the financial plan was a key differentiator for financial professionals—a “nice-to-have” offered to a client as a gratuitous gesture once their investment portfolio was ironed out.

But today, simple, direct-to-consumer applications have empowered people to trade from their pocket, evoking a new investment model that doesn't require a financial professional to translate between the stockbrokers and the average investor. Now that the layman can self-serve and hedge their bets in a vacuum, services that were once points of contrast between firms are now table stakes, blending the barriers between them.

The race to diversify is on—not just to set a new standard for service delivery, but to develop deeper, authentic connections with each client. There continues to be a focus on financial planning, shifting efforts to reinvent the financial plan as a primary revenue stream, and remain on the leading edge with intelligent planning experiences and technologies that feel like home to the new, tech-native workforce majority.

Front-running firms are shifting to fee-based business models and emphasizing a focus on financial planning and delivering holistic advice—an attractive avenue for the “next-gen” or modern financial professionals. These firms are not looking to just outpace their competitors, but to pave their own path in an entirely new direction with top talent to drive revenue growth in planning.

In this eBook, we'll walk you through where the tides are shifting, identify opportunities for revenue growth, and then explain why adopting the right technology is a critical part of attracting and retaining top-tier talent.



# Identifying Growth Opportunities in Planning

Merger and acquisition activity is on fire—up 158 percent from the same period last year.<sup>1</sup> Regulatory scrutiny is on the rise, and service fees have undergone rapid compression with commissions and fees cut. To say the least, what's worked in the past is no longer sustainable in today's economic climate.

But as firms search for different sources of revenue, another search is underway—the search for advice. A wide spectrum of investors is actively seeking a more balanced lifestyle where their money management synergizes with the other aspects of their existence. And they're looking for a professional to guide them on this journey. This collision of factors creates an environment ripe for financial planning—but not financial planning in the traditional sense.

The new planning process trades the static “one-and-done” framework for a fluid and ongoing journey centered around financial wellness, or a positive state of being that results from a healthy relationship with money and the impact it has on other aspects of your life.

**“There was a time when financial planning services were a true differentiator for firms—a secondary but valuable service to the investment and wealth services the advisors were providing, but the financial plan has rapidly become status quo with an arms race to the bottom. Thirty years ago, if you wanted a diversified portfolio you couldn't go out and buy it yourself, you went to a financial advisor. But with the significant drop in investment fees, that is no longer the case. Today, the relationship is far more valuable than the portfolio and more focused on client experience than it's ever been before.”**



**Joseph Buhrmann, CFP®, CLU®, ChFC®**  
Senior Financial Planning Practice  
Management Consultant, eMoney Advisor



According to Cerulli Associates, these changes have already begun to manifest in the real world today as wealth management practices transform their business models to incorporate financial advice. On average, more than half—53 percent—of RIAs' clients received comprehensive planning advice in 2020, which grew 33 percent from five years prior. By 2022, RIAs plan to increase this segment of their client base to nearly 60 percent.<sup>2</sup>

On the other hand, there is still a discrepancy between the supply of this advice and the consumer demand. In an eMoney study<sup>3</sup>, we found 71 percent of clients were open to an advisor having additional professional associations in wellness areas to provide more holistic financial planning, while only 44 percent of advisors say they will pursue this opportunity.

In reality, this gap represents a potential 27 percent increase in planning-driven revenue. To fill the gap, firms must first address resource and bandwidth constraints that created the gap in the first place. Putting the infrastructure in place to monetize advice is the easy part; sourcing expert talent to fill, grow, and service the pipeline is another story.

### Opportunity for Holistic Financial Planning

**71%**

of clients were open to an advisor having additional professional associations in wellness areas to provide more holistic financial planning.

**44%**

of advisors say they will pursue this opportunity to expand into wellness areas.

**27%**

is the gap of unmet needs for firms to consider increasing planning-driven revenue.



To satisfy the demand for holistic advice as we move forward, wealth management firms will shift more focus to the following arenas to keep their existing or desired talent pool of advisors busy and thriving:



**Client Engagement:** The rules are changing. Robo-advisors can take care of the transactional side of planning, so financial advisors must provide what an algorithm never could—human connection. Firms must devise plans to help their teams increase the number of touchpoints with each client and grow their books of business at the same time, asking themselves what training their teams need to humanize their approach and prioritize the “softer” side of money management.



**Plan Development:** If done manually, continuous, bespoke planning inevitably requires more bandwidth than the prescriptive planning done in the past. Financial leaders should be pinpointing steps in the process that could be automated or streamlined with technology, as well as how technology may enable or elevate the personalization of advice. Identifying and providing the resources to help talent scale the delivery of financial plans can help firms with both retention and recruitment.



**Prospecting:** More clients equals more revenue, but with financial information more accessible than ever before, the price tag on financial knowledge and advice isn't what it used to be. This calls for a shift in strategy—financial professionals must widen the net they're casting to reach a more diverse pool of prospects. Firms that can devise a plan to support their professionals—perhaps with technology or a team structure—become the leaders on how to win business.



# Leveraging Technology to Energize Recruitment

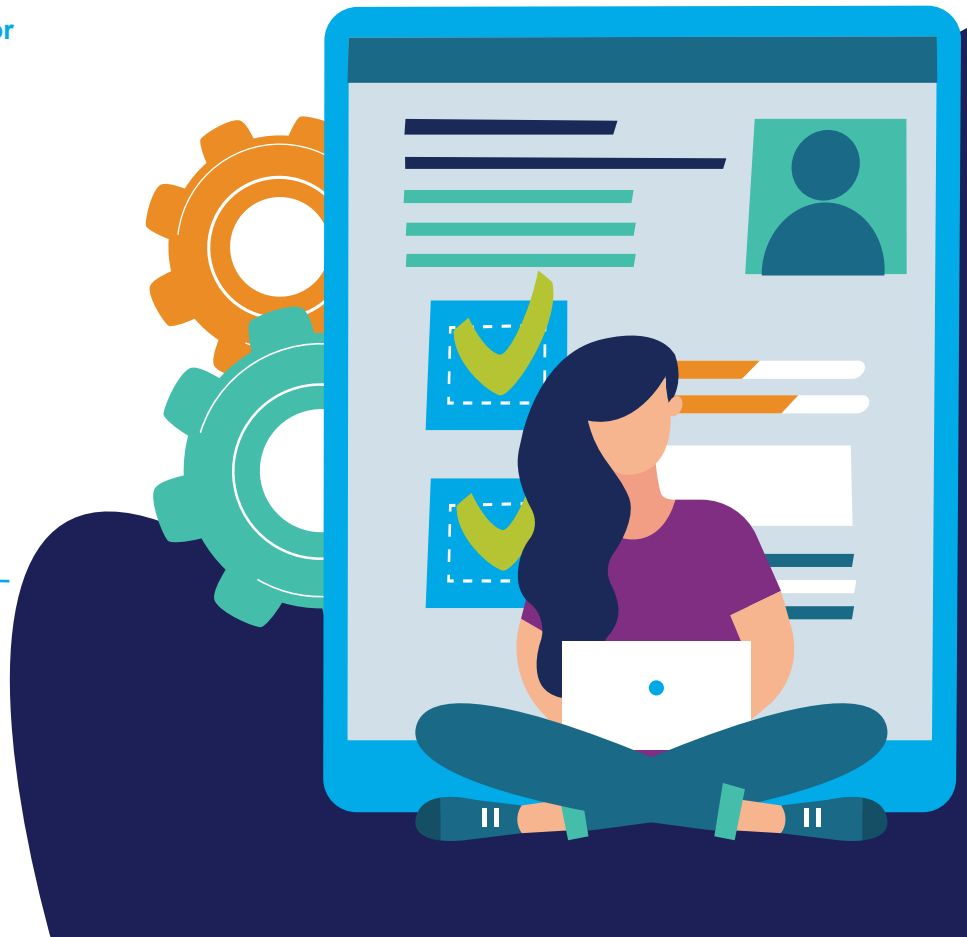
According to a Microsoft study on the post-pandemic talent marketplace, nearly half of the U.S. workforce is actively looking to leave their current employer in pursuit of an opportunity that better aligns with their personal and professional needs.<sup>4</sup> The movement is Millennial-led.

Back in 2016, Millennials surpassed Baby Boomers to become the largest generation in the workforce, and they brought with them a mandate for technological advancement.<sup>5</sup> The financial industry is a laggard in this equation—the average age of a U.S. financial advisor is 52-years old, but not for long. More than one-third of advisors plan to retire in the next decade, leaving a giant workforce gap to fill and little time to do it.<sup>6</sup>

**“With a great workforce migration on the horizon, organizations of all sizes must step up to the plate and examine their business objectives with a critical eye. If your revenue has reached a place of stagnancy—which for most it has—you must be doing everything in your power to increase your competitive edge in the marketplace. Right now, that competitive edge comes in the form of highly intelligent software solutions that empower financial professionals to do more, more efficiently. We see tremendous opportunity in helping more people get great advice.”**



**Ed O'Brien**  
CEO, eMoney Advisor



This begs the question: What can firms do to become more appealing to rising talent? Cerulli data shows that while compensation is a top factor, technology and autonomy are top considerations when evaluating a new firm.<sup>7</sup> High-performing advisors want to know they'll have access to tools or a tech stack that will set them up for success, the space to be independent in their practice, and the professional development opportunities to maintain upward mobility. Firms that can marry talent with technology help to secure their own future.

In terms of professional development, the younger, “next-gen” financial professionals have taken matters into their own hands, seeking training and certifications to further establish themselves in their profession—beginning with the CERTIFIED FINANCIAL PLANNER™ certification. According to the CFP Board, the number of CFP® professionals in the United States has increased by 27 percent since 2013.<sup>8</sup>

On top of their commitment to learning, younger financial professionals who were born to the digital age consider technology an essential part of their productivity and brand. Firms that have a long and current history of integrating new tools into their operating model will automatically have a higher level of credibility among the tech-native workforce.

Although technology is usually considered an operational play, improving advisor productivity and client acquisition and retention, it's also a magnet for forward-thinking talent. Prioritizing innovation shows candidates you have the wherewithal and long-term vision to set them and the firm up for continued success.



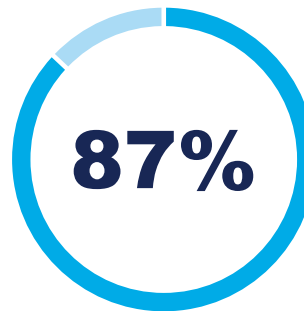
# Channeling Flexibility, Control, and Choice

To attract and retain the best talent, an enterprise must implement a wealth management platform that addresses the needs of its clients and its advisors, and serves the meeting ground between them. With their own login, clients are empowered to update their information, goals, and progress regularly without going through an advisor, and advisors have all the data they need to make recommendations and deliver high-caliber advice, right at their fingertips. And to take this one step further, firms can serve more clients, while also enhancing the experience each client receives—a win for all parties.

In March 2021, eMoney surveyed existing clients to discover what business functions were seeing the most value from financial planning solutions.<sup>9</sup> Financial professionals most frequently discussed these benefits leading to quick return on investment:



**cited improved  
client satisfaction**



**reported improved  
customer engagement**



**saw enhanced  
business processes  
and efficiency**



**saw additional revenue  
from new referrals in  
less than 6 months**





If we think back to the three areas of opportunity cited earlier—client engagement, plan development, and prospecting—it’s clear that financial planning technology is a natural—and necessary—next step from where firms are today.

Those who successfully implement, adopt, and scale planning pay close attention to the features that affect the planning process—analytics, compliance, data aggregation, oversight—and how those complement their internal team structures and workflows. There are three primary capabilities that leading financial institutions are keeping top of mind when vetting new technology in today’s remote-first work environment.



### Flexibility

Having a flexible tool means not only meeting your needs to maintain operations but supporting client and planning needs as they evolve. Integration can be a major component of evaluating flexibility. Will the software integrate with legacy systems? Can it deliver as needs change and planning complexity increases? It’s important for home offices to choose a platform that aligns with their long-term technology roadmap and integrates new or enhanced capabilities as the business grows and their needs evolve.



### Control

The home office needs the capability to monitor, oversee, and evaluate how their financial professionals are performing and how they’re using the software available to them. With continued regulatory and oversight pressures, this is more important than ever. The most comprehensive planning software provides a user management dashboard that allows administrators to monitor and review key insights into how their team is doing. When home offices have the ability to configure settings, ensure compliance, and course-correct the process, they can create a more responsive experience for their financial professionals.



### Choice

Technology choice gives financial professionals an opportunity to use the tool that’s right for their unique approach and the clients they are working with. When financial professionals have access to their tool of choice, they can bring their full self to each client interaction, giving their book of business the best possible experience. The power of choice allows financial professionals to control their client experience from end to end, whether that includes a personalized portal to empower each client to access their own “plan” on-demand or other valuable offerings.

When in concert, these capabilities create an environment that fosters collaboration and communication between advisors and their clients, resulting in a more comprehensive and fulfilling planning journey for clients, and a more efficient workflow for advisors.



# Retain Talent by Empowering the Home Office Through Continuous Learning

There are two sides to support: Giving your team the resources they need to succeed today and providing the ongoing training they need to build a better tomorrow.

Today, they need education on how to best utilize the tools in their toolbox. Firms who make this education a priority likely see faster results from the technology they implement. Looking to tomorrow and the next generation of advisors, they'll need mentorship and a clear developmental path.

## Planning Technology Adoption

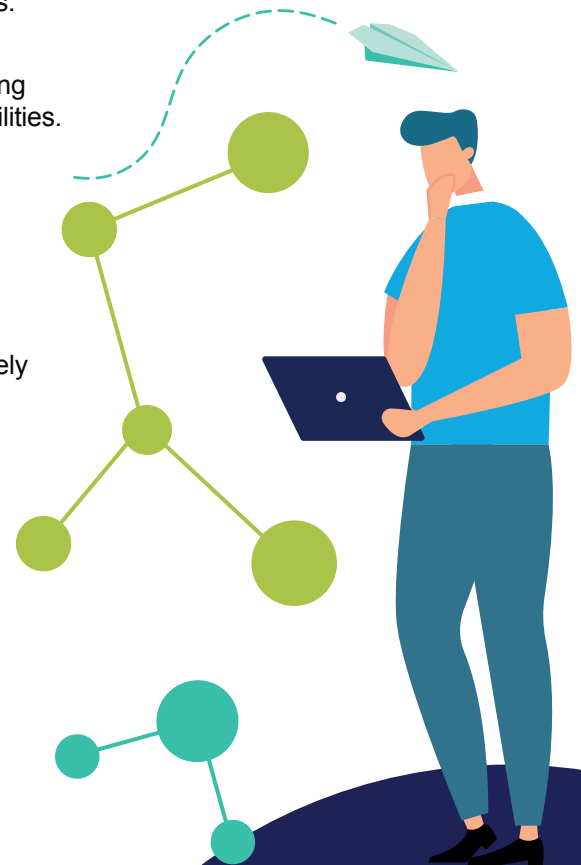
Equally as important as selecting a tool is ensuring the tool provides the necessary education, training, and ongoing support to get your team up to speed and keep them there. The returns on a technology investment are dictated by usage, and high usage is the result of sufficient onboarding during the adoption process. Continuing that support past the initial onboarding is a critical part of maximizing value over time.

In other words, it's the support that's offered alongside a specific technology that nurtures your talent into better advisors and planners, and that training must come in three stages:

- 1. Tool Capabilities:** Training your team on all that your financial planning software has to offer so all are confident and proficient in all its capabilities.
- 2. Planning Knowledge:** Codifying the planning process with a standardized curriculum that meets advisors where they are.
- 3. Practice Management:** Supporting your team in rolling out this new technology-led approach across their entire book of business, ultimately driving new revenue and helping to retain existing business.

Assigning ownership of the training detailed above is the first step in the technology adoption process. Will your firm source an administrator or specialist to put a training program into motion or will the technology provider handle this?

Regardless of who is at the helm of your training program, it must mold to the challenges your team faces—spending some time in their shoes before developing an approach. In facing the practice management realities that your team encounters when they seek to weave a planning-based experience into client interactions, you will create a more valuable program overall.



## Professional Development

Younger advisors value mentorship, feedback, and strong relationships with their managers and are searching for workplaces that can shape them into the best version of themselves. To stand out amongst competitors, firms should promote professional development programs during their recruitment processes to better attract top talent and nurture enterprising candidates.

**“The global shift to remote work has brought much-needed clarity for employers around what their teams need to maintain productivity and feel good about the work they’re doing each day. What we learned is that professional development must be at the forefront of the talent lifecycle. The firm-advisor relationship must be a two-way street where they both are constantly progressing along an evolutionary course.”**



**Joanne Del Signore**  
Head of People Experience, eMoney Advisor

Professional development can be interwoven within your planning adoption program and should not just seek to develop contributors into more consummate team members, but also be designed to turn leaders into better mentors.

To serve both sides of the coin, your development program should establish criteria for success, as well as an infrastructure that ensures that leaders are equipped to assess advisor skills and proficiency. The criteria must draw the line in the sand between great, good, and unsatisfactory—and coach leaders on how to hold advisors accountable for the set standards. Standardizing success encourages contributors to reach higher and helps leaders maintain objectivity, provide focused feedback, and pinpoint growth opportunities for talent.



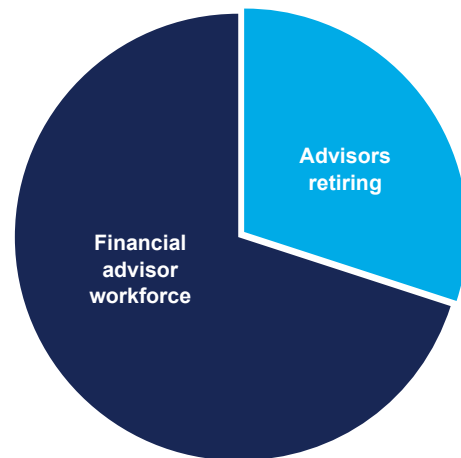
# The Technology Plan for Recruitment and Retention

The financial industry is undergoing a metamorphosis. One-third of the workforce<sup>10</sup> plans to retire in the next decade and fee compression, rapid consolidation, and increased regulations have forced institutions to rethink their revenue streams. But, there's a way to channel this disruption into business transformation—funneling resources and energy into growing the financial planning capability within your organization.

## The Financial Advisor Gap in the Next Decade

Recruiting and retaining top talent and implementing financial planning technology that gives that talent the opportunity to exercise their expertise must be a top priority for firms as they begin to steer the ship in a new direction. At the crux of this transformation is finding a solution that fits the lifestyle of your team and driving usage through accessibility.

The good news: Fintech firms have caught on to this and have begun to introduce new ways of working with new clients—ways in which you don't need to expend dividends for custom software, but instead shape the solution to your needs. Flexible planning solutions grant your team the power of choice, and self-agency is what keeps top talent fulfilled and enrolled in the future of their firm.



One-third of the financial advisor workforce is retiring over the next decade.

To learn more about the solutions that may be available for your firm, go to [emoneyadvisor.com/solutions/for-enterprise/](https://emoneyadvisor.com/solutions/for-enterprise/).

## SOURCES

1. Sraders, Anne. "M&A Activity Has Already Blown Past the \$2 Trillion Mark in a Record-Breaking 2021." *Fortune*, June, 2021. <https://fortune.com/2021/06/02/mergers-acquisitions-2021-m-and-a-record-year-spacs/>.
2. *The Cerulli Report*, "U.S. Broker/Dealer Marketplace 2020: The Increasing Impact of Culture," Cerulli Associates, October, 2020.
3. eMoney, Power to the Plan Research, July 2020, Advisors n=420, End clients n=403.
4. Paulise, Luciana. "The Great Resignation: Microsoft Predicts 41% Attrition." *Forbes*, July, 2021. <https://www.forbes.com/sites/lucianapaulise/2021/07/21/the-great-resignation-microsoft-predicts-41-attrition/>
5. *Catalyst*. "Generations: Demographic Trends in Population and Workforce (Quick Take)," March, 2021. <https://www.catalyst.org/research/generations-demographic-trends-in-population-and-workforce/>.
6. *Financial Advisor Magazine*, "37% Of Financial Advisors Expected To Retire Over Next Decade," 5 November, 2019.
7. *The Cerulli Report*, "U.S. Broker/Dealer Marketplace 2020: The Increasing Impact of Culture," Cerulli Associates, October, 2020.
8. "CFP Certification More Important in Today's World Than Ever Before," CFP Board, 30 November, 2020. <https://www.cfp.net/knowledge/industry-insights/2020/11/cfp-certification-more-important-in-todays-world-than-ever-before>.
9. eMoney, ROI of eMoney Study, March 2021, n=238.
10. Thrasher, Michael . "The Wave of Advisor Retirements Is About to Break." *RIAIntel*, 5 February, 2020.