Insights
Practice Management

2024

Transformative Business Solutions for Wealth Managers and Financial Advisors

In today's fast-paced financial services landscape, practice management and business development are essential for purposeful growth. Our consultants act as an extension of your team, helping you navigate strategic change amidst increasing competition and evolving business forces. Our aim is to help you maximize value by unlocking sustainable growth opportunities and empower you to succeed in an environment defined by the ongoing acceleration of change.

Practice Strategy

Business solutions centered on advisory practice growth, including: strategic planning, efficiency and scale, leadership development and teaming strategies.

Strategic Planning	Strategic planning is essential for businesses seeking a competitive edge and sustained growth. Centering our approach around an action-oriented process helps provide the clarity needed to make better-informed decisions. Focusing on four foundational pillars — strategy, structure, process, and people — positions your business to fuel growth and attain meaningful gains in efficiency.
People Power	Teams can offer scale and specialization, helping to enhance the advisor-client relationship and client satisfaction scores. The shift towards a team-based model underscores the significance of nurturing and developing individuals to enhance their productivity and enable growth. Success hinges on three things: • Aligning your team's structure and team members' skill sets with practice objectives • Cultivating a shared vision for growth • Creating a team that is greater than the sum of its parts
Succession Planning	Succession planning transcends retirement considerations. It's a fundamental aspect of the practice strategy, requiring a deliberate approach and ample time. The current market offers options from internal succession to sales, mergers, or some combination. This flexibility also gives advisors the ability to adapt their succession strategy as their practice evolves. Evaluating the various paths to succession and setting clear goals ensures a focused approach to executing a successful transition of the business.
Outsourcing for Efficiency and Scale	Centralized portfolio management options are integral to scaling your business, creating investment structure efficiency, addressing capacity issues, and facilitating growth. Today's model marketplace provides flexible outsourcing approaches, enabling advisory practices to tailor models to their investment philosophy or specific client needs. The most effective outsourcing approaches prioritize the client experience and change management as essential to long-term success.

Investor Strategy

Client enablement solutions centered on acquisition and retention encompass relationship development, investor behavior, and service excellence for both advised and retail investor segments.

Influential Investor Segments	The industry is in a state of transformation, marked by innovation and demographic shifts. As wealth gets redistributed and investor characteristics evolve, new standards for advice and investment products emerge. Key influential investor segments include the Hybrid Affluent, Gen X, Millennials, and Women. To engage and retain these investors, wealth managers must deeply understand the financial management preferences and goals of these investors. This know-how is essential to successful practice repositioning, resource allocation, and service model reimagination. From initial contact to execution of the financial plan, the investor's experience must be intuitive and valuable, aiming to inspire client delight.
Client Coaching	Helping investors better protect their wealth hinges on bolstering their resilience, enabling them to avoid costly mistakes and withstand market shocks. Behavioral coaching focused on investor resilience emphasizes adaptability over staying the course. Despite a well-crafted long-term financial plan, changing circumstances and apprehension may prompt an investor to make portfolio changes that hinder progress toward their goals. Greater self-awareness empowers them to help mitigate the effects of emotion-driven or subconscious behaviors.
Client Education and Enablement	In today's competitive environment, client-advisor interactions shape satisfaction and retention, emphasizing the importance of prioritizing the client experience. Empowering individuals with financial literacy and experiential learning is essential to fostering investors' independence and confidence in managing their wealth. State Street Global Advisors offers curated and compiled content covering a wide range of topics, including: understanding one's money mindset, conducting meaningful money talks, and building financial resilience to guide effective decision-making. These resources are available in diverse formats, including: online articles, quizzes, worksheets, and tailored experiences like speaking engagements. All are designed to help enhance client engagement while highlighting the value of holistic wealth management.

Our Team and Process

The Practice Management Consulting team at State Street Global Advisors offers research-based strategies tailored to address the pivotal challenges confronting today's wealth managers and financial advisors. As thought leaders, problem solvers, and educators, we apply valuable firsthand knowledge and experience across all facets of the industry to help financial professionals cultivate sustainable business value.

Our process is deeply collaborative, ensuring alignment with your business priorities. By staying abreast of trends and changes, we provide actionable insights into the preferences and behavior of consumers, intermediaries, and investors, empowering you to make informed decisions and seize emerging opportunities.

Best in Class

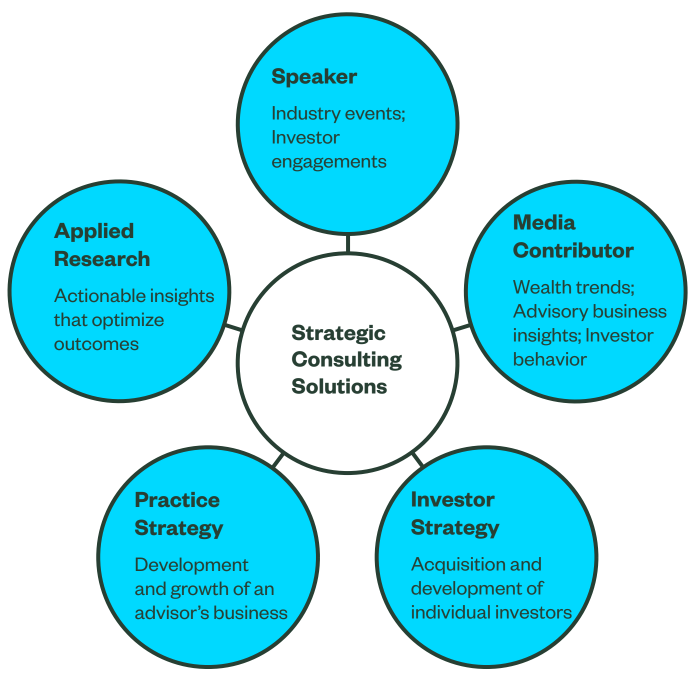
- Setting industry standards with expertise in strategy, business optimization, and client experience
- **8** industry awards[1]

Applied Research

- Data to insights, insights to action for enhanced outcomes
- **16** primary studies[2] on business practices, product trends, and investor behavior

Optimized Solutions

- Strategic planning
- Leadership development and teaming strategies
- Scale and efficiency
- Client acquisition/ retention
- Behavioral finance
- The client experience



Endnotes

1 As of September 2021: (7) Wealthies from Wealthmanagement.com Industry Awards for outstanding achievement in Thought Leadership and Advisor Education, Client Experience Initiative, Corporate Social Responsibility, and Socially Responsible Investing/Impact Investing for the following programs: *Addressing the Value Equation; The Impact of Aging on Financial Decisions; Aim Higher: Aligning Investments to Client Values and Mission; Closing the Gender Gap of Advice; Model Portfolios and The Client Experience; Using Behavioral Coaching to Build Investor Resilience; Into the Mainstream: A Turning Point for ESG.* (1) Luminary from ThinkAdvisor for best-in-class in Thought Leadership and Education Products, Programs and Services for the following program: *Using Behavioral Coaching to Build Investor Resilience*.

2 As of March 2024, a comprehensive series of primary research studies employing applied research methodologies covers the following subject matter: advisory value, client experience and fee comprehension; generational wealth management; strategic philanthropy; cognitive decline and financial decision-making; influential investor segments (women, millennials, hybrid investors, Gen X, HENRYs); women in financial advice; behavioral finance; consumer sentiment, purpose, and behavior in wealth management; investment solutions (ETFs, Gold, ESG, Model Portfolios); inflation.

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