

BROKERAGE REPORT CARD

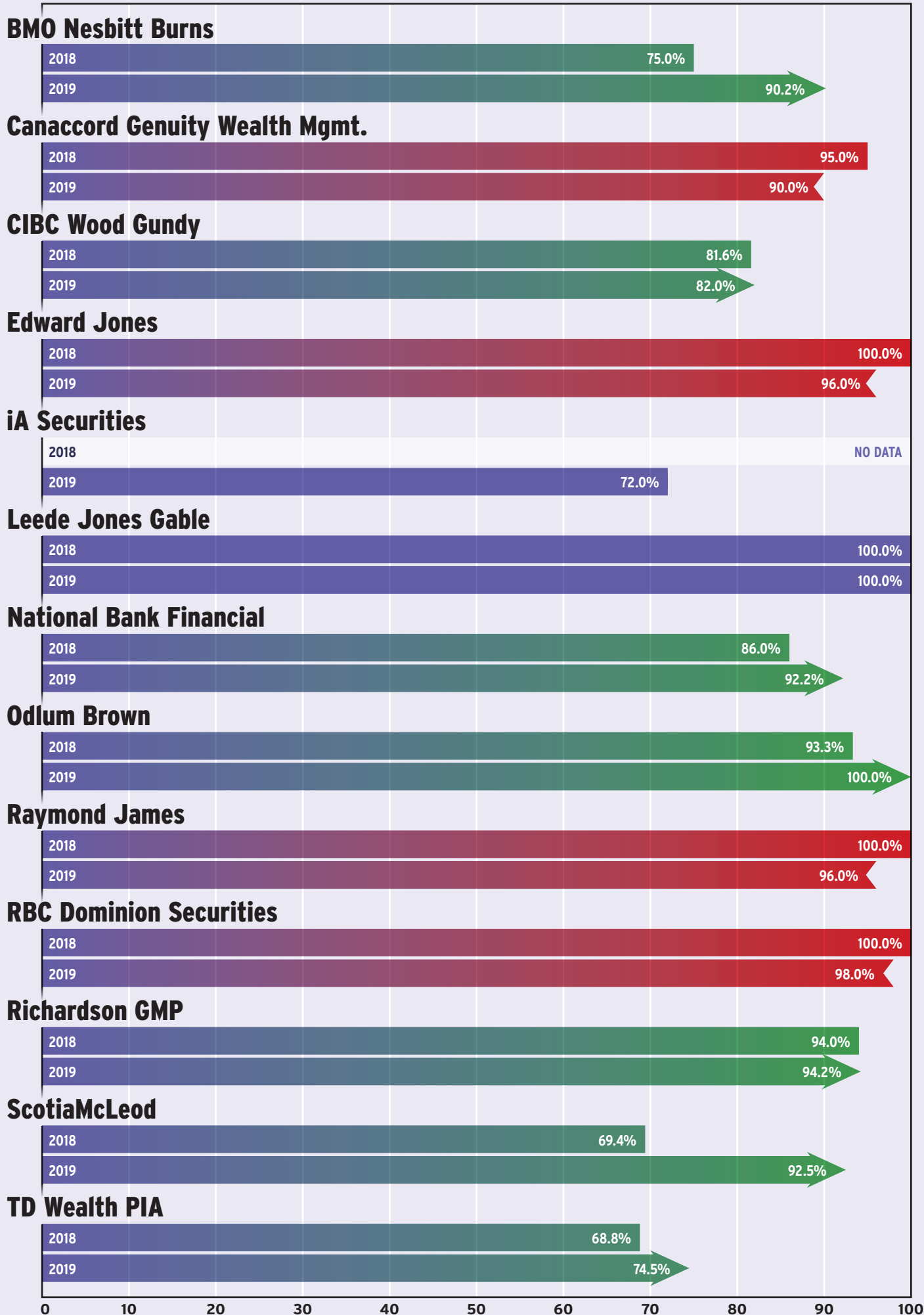
INVESTMENT EXECUTIVE

MAY 2019

PAGES 15-30

Would you recommend your firm?

For each Brokerage Report Card, we ask advisors whether or not they would recommend their firms. Here's how they responded in 2018 and this year. See the rest of the results on page 18.



INSIDE THIS SECTION

MAKING A COMEBACK 17
Advisors shared how brokerages could improve to weather industry, regulatory and client service trends.

NOT GOOD ENOUGH 17
Products and services for wealthy clients could be bolstered.

THE CHART 18
The ratings for the 13 firms in this year's Brokerage Report Card.

A BANNER YEAR 22
The average advisor saw higher AUM and productivity, and is serving more households.

FIRMS MUST LISTEN 27
Whether or not a firm will thrive or dive depends on executives acting on advisor feedback.

STILL SLOW 28
Succession planning stats remain dismal; clarity from firms on available options may be the key to change.

FAILED CONNECTIONS 28
Advisors aren't prioritizing online and social media tools as much as firms may think.

VALUE GROWING 30
As investor needs shift, advisors are embracing holistic planning.

BETTER SUPPORT 30
Compliance ratings improved over 2018, and advisors share how firms could help further.

RESEARCH BY

Jordan Barrera, Daniel Calabretta, Maddie Johnson, Bryson Masse, Marina Tyszkiewicz

RESEARCH EDITOR

Katie Keir

2019 BROKERAGE REPORT CARD

How investment advisors rated their firms

	NATIONAL INDEPENDENTS										REGIONAL INDEPENDENTS					BANK-OWNED INVESTMENT DEALERS					Performance average	Importance average						
	Canaccord Genuity Wealth Mgmt.		Edward Jones		Industrial Alliance Securities		Raymond James		Richardson GMP		Leede Jones Gable		Odium Brown		BMO Nesbitt Burns		CIBC Wood Gundy		National Bank Financial				RBC Dominion Securities		Scotiabank McLeod		TD Wealth PIA	
	40	50	50	51	50	50	50	50	52	52	22	31	51	50	50	50	50	50	51	50			50	50	53	51	51	51
Number of advisors surveyed per firm	8.6	9.2	8.3	8.3	8.6	8.5	8.5	8.5	8.5	8.5	8.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8		
Firm's total compensation	8.4	9.3	8.7	7.5	8.6	9.2	N/A	N/A	N/A	N/A	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9		
Firm's reward/recognition program	8.5	8.7	9.2	8.1	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8		
Firm's support for advisors operating within a fee-based model	9.0	8.3	7.9	6.4	8.3	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8		
Technology tools & advisor desktop	8.4	7.9	9.0	6.5	8.2	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8		
Support for mobile technology & the mobile advisor	7.6	9.0	7.9	6.5	8.2	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8		
Support for using social media	7.7	7.9	5.6	5.6	7.7	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1		
Back office & administrative support	8.2	8.8	8.8	6.5	8.5	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0		
Firm's marketing support for advisor's practice	8.9	8.6	8.6	6.5	8.5	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0		
Client account statements	8.0	9.4	8.1	6.4	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1		
Online account access for clients	8.3	N/A	7.8	7.8	8.6	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7		
Ongoing training	7.3	9.2	7.6	7.6	8.6	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3		
Your branch manager	8.1	8.2	6.6	6.6	8.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2		
Firm's succession program for advisors	8.8	9.1	5.7	5.7	8.6	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0		
Products & support for high net-worth clients	7.8	9.5	7.1	7.1	8.1	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7		
Support for developing a financial plan for clients	8.3	7.3	N/A	N/A	8.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1		
Support for developing an investment plan for clients	7.4	6.7	N/A	N/A	8.7	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9		
Support for wills and estate planning	8.3	8.8	7.7	7.7	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6		
Support for tax planning	N/C	N/A	7.4	7.4	8.6	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7		
Support for discretionary portfolio management	8.9	8.9	7.4	7.4	8.2	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4		
Quality of equities research	9.2	9.1	8.2	8.2	8.9	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2		
Quality of firm's product offering	9.0	9.9	8.1	8.1	9.6	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0		
Firm's stability	8.8	9.7	7.2	7.2	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9		
Firm's strategic focus	8.5	9.5	7.5	7.5	8.7	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1		
Firm's effectiveness in keeping advisors informed	7.7	8.8	7.3	7.3	8.6	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9		
Firm's receptiveness to advisor feedback	8.6	9.6	7.1	7.1	9.0	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9		
Firm's corporate culture	8.3	9.6	6.5	6.5	8.5	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9	8.9		
Firm's reputation with clients and/or prospective clients	8.6	9.9	8.7	8.7	9.5	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7	9.7		
Firm's ethics	8.8	9.7	8.4	8.4	9.0	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3	9.3		
Support for dealing with changes in the regulatory environment	9.1	9.6	8.5	8.5	9.1	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5		
Advisor's relationship with compliance department	9.7	9.3	9.3	9.3	9.7	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8		
Freedom to make objective product choices	8.7	9.4	7.0	7.0	8.8	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5		
Firm's delivery on promises	8.4	9.0	7.2	7.2	8.6	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8		
/E rating (average of all categories)	8.6	9.4	7.3	7.3	8.8	9.0	9.0	9.0	9.0	9.0	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6		
Overall rating by advisors	8.4	9.0	7.2	7.2	8.6	8.8	8.8	8.8	8.8	8.8	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6		
	8.6	9.4	7.3	7.3	8.8	9.0	9.0	9.0	9.0	9.0	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2	9.2		

All ratings are based on a scale of 0 to 10. Numbers in GREEN or in a GREEN BOX indicate a score has increased by at least 0.5 of a point from last year. Numbers in RED or in a RED BOX indicate a score has decreased by at least 0.5 of a point from last year.

N/A means a category does not apply to a company; N/C means the category is not calculable as not enough advisors rated it to be a reasonable sample.

The "performance average" tallies all the ratings in a given category and averages them together. You can check to see if a company is above or below the average.

The "importance average" tallies all the importance ratings in a given category and averages them together. It is intended to measure how important advisors think a report card category is to their business.

The "E rating" is an average of all of a company's category ratings, excluding the "overall rating by advisors." The "overall rating by advisors" is the rating advisors gave their firm as a whole.

Source: Investment Executive research