CREATE YOUR WEALTH AS A FINANCIAL ADVISOR

Should you make the transition?
And how do you build the best succession plan ever?

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Your book is more than a production number.
It is an asset. A career. A source of leverage. The question is whether you will ever monetize its full value.

THE DECISION

You may be sitting on millions and calling it “comfortable”

Most financial advisors spend their careers creating wealth for everyone except themselves. You help clients diversify concentrated positions, negotiate major transactions, plan around taxes and turn income into durable capital. Yet when it comes to your own career, the default advice is often: stay put, avoid disruption and hope the grid does not change again.

That is not a wealth strategy. It is inertia. Your practice produces recurring revenue, deep client relationships and attractive cash flow. Firms understand the value of those economics, which is why the most competitive transition packages can reach roughly 300% to 400% or more of trailing-12 production for highly sought-after teams. The headline is not a promise, and the entire amount is rarely a day-one check. It is usually a combination of an upfront forgivable loan and contingent back-end awards tied to transferred assets, production and growth. But even after the fine print, the scale can be life-changing.

The real question is not simply, “Will another firm pay me?” The better question is, “What is the lifetime value of my practice, and how many times can I make a thoughtful strategic decision that converts part of that value into personal wealth?” One well-timed move can create a new layer of capital. A second move after the contractual period may do it again. A third, for the right advisor with a long career runway, can turn career mobility into a deliberate wealth-building strategy.

Of course, money alone is never enough. The new platform must improve - or at least protect - the client experience. The culture must fit. The technology, lending, alternatives, banking, planning tools, service model and leadership must support your next decade. The best transaction is not the largest headline number. It is the best combination of economics, fit, execution and future optionality.

This guide is an invitation to look at your own business the way an acquirer looks at it: as a valuable enterprise that deserves competition, advisor-aligned representation and a real plan.

THE BASELINE

What staying can cost - even when staying feels safe

Consider a wirehouse advisor producing $1 million today. For illustration, assume a 43% gross payout and 5% annual revenue growth. The advisor earns approximately $430,000 before expenses, taxes and team allocations in year one. Over 30 years, the cumulative gross grid compensation is substantial - roughly $28.6 million under these simplified assumptions. That is a successful career by almost any standard.

But the comparison is not between success and failure. It is between one successful path and a potentially more valuable one. If a well-qualified advisor receives a package equal to 400% of trailing-12 production, the nominal opportunity on a $1 million book is $4 million. The advisor may receive only part upfront, with the balance earned over time, and the award may be subject to vesting, repayment, performance hurdles and taxes. Still, staying generally produces no comparable career-liquidity event.

Illustrative wirehouse baseline	Assumption
Current trailing-12 revenue	$1,000,000
Gross payout rate	43%
Annual production growth	5%
Career horizon	30 years
Aggressive transition package	400% of T12, total potential
Illustrative first-move value	$4,000,000, before tax and conditions

Wirehouse grids are not a single clean percentage. They contain thresholds, small-household policies, team rules, deferred compensation, growth awards and product-specific adjustments. Public reporting in 2025-2026 placed major-firm core payouts broadly from the low-20% range at lower bands to around 50% or higher for elite production, with meaningful differences by firm and book composition. The 43% used here is not a quote from any one firm. It is a reasonable illustration for an established producer.

The takeaway is simple: remaining in place can preserve your annual paycheck, but it may leave one of the largest assets you have built completely unmonetized.

CAREER MATH

One move is meaningful. Two or three can redefine the outcome.

Now extend the example. Start with $1 million of production and let revenue grow by 5% per year. Assume each move happens only after the prior obligation has ended and that each new firm offers a total potential package equal to 400% of the advisor’s then-current trailing-12 revenue. In this simplified model, a move today produces a $4.0 million headline opportunity. A second move in year 10 is based on revenue of about $1.63 million, creating another potential $6.52 million. A third move in year 20 is based on revenue of about $2.65 million, creating another potential $10.61 million.

Career strategy	Move timing	Nominal deal value	Cumulative
Stay for 30 years	None	$0	$0
Make 1 move	Today	$4.00M	$4.00M
Make 2 moves	Today + year 10	$4.00M + $6.52M	$10.52M
Make 3 moves	Today + years 10 and 20	$4.00M + $6.52M + $10.61M	$21.13M

These figures are intentionally transparent: they are nominal award values, not guaranteed cash proceeds and not present values. Real packages pay on different schedules. Back-end hurdles may not be earned. Some loans vest over 9, 11, 12 or even 15-plus years. Taxes can be ordinary income as amounts are forgiven or paid. Moving before vesting can trigger a balance due, although a later recruiting firm may sometimes structure its offer with that liability in mind. Your revenue could grow faster, slower or decline.

Even with those cautions, the strategic insight remains powerful. Your production base may compound over time, so a later deal can be larger than the first. Career moves should never be manufactured just to collect checks; clients will see through a move without a business reason. But when the platform, service and economics all improve, mobility can create a second engine of wealth alongside annual compensation.

> **The advisor who never tests the market knows only what the current firm has decided to pay. The advisor who creates a competitive process discovers what the market believes the practice is worth.**

DEAL ANATOMY

The headline number is the beginning of the negotiation

An aggressive employee-channel package may be advertised at 300% to 400% of trailing-12 production, with occasional outliers above that range. Think of the package as a capital stack. The upfront portion is often a forgivable note. The back end is earned through asset transfer, production recovery, net new assets, growth or longevity milestones. The apparent percentage matters, but the definitions matter more.

Illustrative 400% package	Potential value on $1M T12	What to examine
Upfront forgivable note - 150%	$1.50M	Term, vesting, interest, repayment trigger
Asset-transfer award - 50%	$0.50M	Eligible assets, measurement date, exclusions
Production awards - 90%	$0.90M	Hurdles, timing, crediting and team splits
Growth awards - 80%	$0.80M	Net flows, market adjustment, revenue definition
Long-term / deferred - 30%	$0.30M	Retention date, forfeiture and form of payment
Total potential - 400%	$4.00M	Not all upfront and not all guaranteed

Two offers with the same 400% headline can have very different expected values. An attainable 350% package can be worth more than a theoretical 425% package loaded with narrow definitions and heroic hurdles. Ask what happens if the market falls 20%, a major client has a liquidity event, a team member retires, production is reallocated, or the firm changes a platform that influenced the decision. Negotiate definitions before you celebrate percentages.

Also compare ongoing economics. A one-point improvement on a $2 million practice is $20,000 every year before growth. A five-point improvement is $100,000. At the same time, a platform with higher payout but weaker support may force you to hire staff, buy technology or spend more time operating the business. Model the full household: upfront proceeds, earned back ends, grid, deferred compensation, benefits, transition expenses, outstanding notes, legal costs and the value of your time.

The goal is not merely to win the biggest signing bonus. It is to negotiate the most valuable contract you can actually complete.

ADVISOR-ALIGNED REPRESENTATION

You need a sports agent, not a referral source

Elite athletes do not negotiate their own contracts while preparing for the biggest game of their lives. A financial advisor should not be expected to do the equivalent while serving clients, managing a team and quietly evaluating an industry full of competing claims. The role of an advisor-aligned recruiting advocate is to act like your sports agent: understand your priorities, position the value of your business, create competition and protect the process from avoidable mistakes.

Bruno and Associates is firm-agnostic and advisor-aligned. That does not mean we recommend only the independent channel. It means we are not tied to one destination or one business model. We search across wirehouses, regional firms, independent broker-dealers, RIAs, hybrid platforms and banks to identify the strongest match for the individual advisor, team, clients and long-term plan.

Without representation, an advisor often takes the first serious conversation and allows that firm to frame the entire decision. With a disciplined process, several suitable firms receive the same fact pattern and compete across the dimensions that matter: total economics, upfront cash, hurdle design, grid, platform, lending, alternatives, planning, team support, title, territory, succession options and contractual flexibility. Competition changes behavior. It exposes which firms genuinely want the business and which are simply quoting a standard package.

A strong recruiter should also tell you when a deal is not as good as it looks. If the offer requires a 120% production recovery in a compressed period, excludes important asset categories or makes growth awards dependent on factors outside your control, the headline needs a haircut. If a firm solves a client-service weakness, provides a credible destination for your staff and gives you a superior retirement pathway, that strategic value belongs in the analysis too.

Transparency and alignment are critical. Ask how the recruiting firm is paid, whether every firm pays it, whether compensation differs by destination, and how conflicts are disclosed. The advisor should understand who the recruiter represents and obtain legal and tax advice from separate qualified professionals. Representation works best when incentives are visible and the advisor retains final judgment.

> **Your recruiter’s job is to create leverage. Your attorney’s job is to interpret and negotiate the contract. Your tax advisor’s job is to model what you keep. Your job is to choose the platform on which your clients and career can thrive.**

THE TRANSITION

Clients do not follow a logo. They follow trust.

The fear that stops many advisors is not the paperwork. It is the thought of calling a longtime client and saying, “I am moving.” That anxiety is real, but it is often larger before the move than after it. Clients hired you to provide judgment, attention and continuity. When you can clearly explain how the new firm strengthens those things, the conversation becomes a client-service conversation - not an apology.

Do not market a “99% success rate” as a universal fact. Available industry reporting is more nuanced: well-executed transitions are often described in the high-80% to 90%-plus retention range, while Cerulli-based reporting has cited average asset losses of roughly 22% for broker-dealer-to-broker-dealer moves, 18% for moves to independence and 11% for independent-to-independent moves. Individual teams can retain more than 94%, and some report nearly all targeted relationships, but results depend on loyalty, preparation, contracts, destination and execution.

Up markets can make the process feel easier because client balances and confidence may be higher, business owners may be more receptive and normal market appreciation can soften the visual impact of attrition. But markets are not controllable, and appreciation is not retention. The better argument for moving now is that you can plan while your business is healthy, your relationships are strong and firms are competing aggressively - not that a rising market guarantees a result.

The process begins long before resignation. With counsel, map contractual restrictions, determine whether the Broker Protocol applies, separate permissible information from protected data, build a compliant communication plan, identify priority households and prepare the service team. On launch day, speed matters, but clarity matters more. The client should hear why you moved, what improves, what stays familiar and exactly what happens next.

A successful transition is a thousand small promises kept quickly: returned calls, accurate forms, coordinated ACATs, problem resolution and visible confidence. The move is not completed when you resign. It is completed when the client feels at home.

SUCCESSION

The best succession plan ever starts before you are ready to leave

A transition deal monetizes mobility. A succession plan monetizes permanence. The best plan is not a last-minute sale to the nearest available buyer. It is a staged strategy that protects clients, creates certainty for the team, develops the successor and allows the founder to capture the value built over decades.

Assume a mature practice produces $2 million annually, earns a 46% payout and is valued at 3.0 times recurring revenue. The headline purchase price is $6 million. A seven-year note can allow the successor to fund the purchase from the cash flow of the business, while the founder receives a structured retirement income stream. The exact multiple should reflect recurring revenue, client age, concentration, organic growth, margins, service model and transition risk - not a generic rule of thumb.

Illustrative succession	Amount / structure
Recurring annual revenue	$2.00M
Gross payout at 46%	$920,000 before expenses
Illustrative valuation	3.0x revenue = $6.00M
Payment period	7 years, subject to negotiated interest
Seller protections	Down payment, note, security, guarantees, earn-out
Buyer protections	Retention adjustment, transition duties, non-solicit

The best structure aligns behavior. The seller remains engaged long enough to transfer trust. The buyer has authority to lead, not merely a promise of ownership someday. Clients meet the successor repeatedly before the transaction. The team understands roles and incentives. The agreement addresses death, disability, termination, client attrition, data, licensing, regulatory approvals, taxes and what happens if either side cannot perform.

Done well, succession is not the end of growth. The founder can introduce the next generation, the successor can add planning capacity and the practice can keep compounding while ownership changes hands.

A BETTER SEQUENCE

Transition first. Build value. Then sell the right way.

For some advisors, the most powerful plan is not choosing between a transition and a succession. It is sequencing both. Imagine an advisor with seven to ten productive years remaining. A strategic move today may create a substantial transition package, improve the platform and establish a contractual runway. During that runway, the advisor grows recurring revenue, institutionalizes client service, develops a successor and reduces key-person risk. At the end, the practice may be larger, easier to transfer and worth a stronger multiple.

This sequence requires planning because the transition agreement, firm retirement program and private succession contract can overlap or conflict. Some employee firms offer retirement programs based on production or asset retention. Some limit outside sales, dictate eligible successors or require the book to remain on platform. Independent models may provide greater ownership but also more operational responsibility. The right destination is the one whose endgame supports your intended succession - in writing.

Start by determining what you want retirement to mean. Do you want to leave completely, work fewer days, keep a group of favorite clients, serve as rainmaker or remain as a consultant? Then define the successor profile: technical ability, character, client fit, leadership, capital and time horizon. Next, value the practice and stress-test the buyer’s cash flow. Finally, create a multi-year client handoff with joint meetings, shared planning responsibilities and a visible transfer of authority.

A recruiter who understands both transitions and successions can make this endgame part of the competitive bidding process. Bruno and Associates can evaluate the full market - wirehouses, regionals, independent broker-dealers, RIAs, hybrids and banks - rather than forcing every advisor into the same channel. Ask every prospective firm the same questions: Who owns the client relationships? What retirement programs exist? Can I sell internally or externally? How is the price calculated? What happens if the successor leaves? Can the firm finance the purchase? Which obligations survive retirement?

The “best succession plan ever” is not a product. It is a coordinated transaction in which the advisor is paid fairly, the successor can succeed, the team has a future and clients experience continuity. Anything less is simply an exit.

THE CALL

The time to discover your value is now

You do not have to move tomorrow. You do have to stop assuming that staying is free. Every year you postpone the analysis is a year in which deal terms can change, your runway shortens, a restrictive program can be revised and your leverage can weaken. The first step is not resignation. It is confidential price discovery.

Gather your trailing-12 production, asset mix, household count, revenue mix, growth, team structure, outstanding notes, deferred compensation and current restrictions. Define the non-negotiables for clients and staff. Then authorize an advisor-aligned recruiting advocate to approach a carefully chosen group of firms, standardize the information and create a true competition. Compare expected value, not slogans. Put the transition process, contract review, tax model and succession path on the same page.

If the best answer is to remain where you are, you will stay with greater confidence and a clearer understanding of your value. If the market reveals a dramatically better opportunity, you will be in position to act while the business is strong. Either result is better than wondering for another five years.

You built the book. You earned the relationships. You created the revenue. Now let's discover what the market believes your business is worth.

ABOUT JOE BRUNO
Joe Bruno brings more than 20 years of financial-services leadership experience, including advisor recruiting, retention, practice growth and succession planning. Through Bruno and Associates, LLC, Joe serves as an advisor-aligned recruiting advocate - helping financial advisors evaluate the full marketplace, create competition among appropriate firms and pursue the strongest overall match for their clients, teams, careers and families.

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ILLUSTRATIVE SOURCES AND IMPORTANT NOTES

Recruiting packages: AdvisorHub, “Recruiting Deals: Not What They May Appear to Be” (Sept. 4, 2024), reported wirehouse packages above 300% and some at 400%; Winthrop & Co., “The State of Financial Advisor Movement, H1 2026” (July 23, 2026), described 300%-400%+ headline packages and identified a 550%/16-year offer as an outlier. Compensation: SmartAsset, “Financial Advisor Payout Grid Comparison” (July 16, 2026); InvestmentNews, “Grid creep at Wells Fargo?” (Nov. 17, 2025). Retention: Jump, “How to Retain Clients During a Financial Advisor Transition” (Feb. 9, 2026); Winthrop & Co., “What Percentage of Clients Follow Their Advisor to a New Firm?” (June 17, 2026), citing Cerulli transition research. Succession: Cerulli Associates, “RIA Acquisition Opportunities Remain Fertile as Succession Looms Large” (Jan. 15, 2025); FP Transitions, “Lending for Successors: What Advisors Need to Know.”

Disclosure: This document is educational and illustrative, not legal, tax, investment or employment advice, and not an offer of any specific recruiting or succession terms. Bruno and Associates, LLC is firm-agnostic and advocates for the advisor in evaluating potential destinations; it may receive compensation from a destination firm in connection with a completed placement. Compensation arrangements and potential conflicts should be disclosed and considered. All figures are hypothetical, before taxes and expenses, and omit discounting. Actual compensation, retention, valuations, financing, eligibility and results vary materially. Transition awards may be contingent, taxable, subject to lengthy vesting and repayable upon departure. Advisors should use qualified securities/employment counsel, tax professionals and valuation specialists, and must comply with applicable contracts, privacy obligations, firm policies, the Broker Protocol where applicable, and regulatory requirements.

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