



# **I'm a Financial Adviser: This Is Why I Became an Advocate for Fee-Only Financial Advice**

*Can financial advisers who earn commissions on product sales give clients the best advice? For one professional, the answer is clear. Here, he explains why he changed track.*

BY DAVID BROMELKAMP, PUBLISHED FEBRUARY 4, 2026

When people ask me why I'm such a strong advocate for fee-only financial planning, my answer is simple: I've seen the entire financial advice ecosystem from the inside - how it works when financial adviser incentives are aligned with the client and how it breaks down when they're not. My perspective wasn't formed overnight. It evolved over more than four decades, beginning long before "fiduciary" became a household word and well before fee-only advice was widely understood or accepted.

## **Learning to see the whole financial picture**

I began my career in 1982 as an accountant, earning my Certified Public Accountant (CPA) license and working in public accounting throughout the 1980s. That experience shaped how I think about money to this day.

Accounting forces you to see the entire financial picture - income, expenses, taxes, balance sheets and long-term sustainability. Even then, it was clear to me that investment decisions could not be separated from tax planning, cash flow, estate planning or risk management. Financial decisions were interconnected, whether the financial services industry acknowledged it or not.

## **Entering the brokerage world — and recognizing its limitations**

In 1988, I transitioned into the investment securities business as a registered representative at a traditional brokerage firm. Like many financial advisers of that era, I was compensated by commissions tied to product sales.

It didn't take long for me to recognize the structural problem: Financial adviser compensation was driven by transactions, not outcomes. Advice was often framed around what could be sold rather than what truly served a client's long-term interests. At about the same time, the early 1990s were a period of rapid intellectual change in finance.

## **Discovering diversification - and evidence-based investing**

In the early 1990s, I began studying the Nobel-winning research of Harry Markowitz, William Sharpe and others who demonstrated that diversification by asset class, not individual security selection, was the primary driver of long-term investment outcomes. This research fundamentally changed my approach. I moved away from stock picking and market timing and toward professionally managed portfolios, disciplined asset allocation and long-term investment strategy. Evidence - not sales narratives - became the foundation of my investment philosophy.

## **From commissions to fees - and from products to planning**

As the 1990s progressed, I made another important shift: Transitioning from commission-based compensation to fee-based advisory accounts. This reduced some conflicts, but it didn't eliminate them. More importantly, my focus increasingly moved beyond investments altogether. Clients didn't just need portfolios - they needed comprehensive financial planning. Retirement planning, tax strategy, insurance analysis, charitable giving and estate coordination were far more impactful than any single investment decision. By the late 1990s, personal financial planning - not product distribution - had become the core of my work.

## **Studying fiduciary duty - and acting on it**

In the early 2000s, I began studying fiduciary law and best practices for investment decision-making more deeply. The legal and ethical framework was clear: A fiduciary must place the client's interests first, fully disclose conflicts, and seek the best available solutions, not merely suitable ones. That realization led to a defining decision.

In 2005, I left the investment securities brokerage firm environment entirely to establish Allodium Investment Consultants, an independent, fee-only registered investment advisory firm. No commissions. No product sales. No conflicted compensation. Advice only.

It was a commitment to align structure, compensation and culture with client interests - fully and transparently.

## **From adviser to advocate: Creating AdvisorSmart**

After decades in the financial planning profession, I saw another problem emerge: Consumers had no practical way to evaluate financial advisers. Titles were confusing. Marketing language was misleading. "Fiduciary" was being used inconsistently, and compensation conflicts were often hidden in plain sight.

That gap led me to create AdvisorSmart, a consulting and education firm designed to help consumers learn how to select financial professionals — with a clear bias toward fee-only financial planners.

I spent eight years interviewing experts, studying industry practices, and translating complex regulatory and compensation structures into plain English. The result was my book, *AdvisorSmart for the Individual Investor*, and the accompanying AdvisorSmart online course. The AdvisorSmart goal is simple: Empower investors to ask better questions, recognize conflicts of interest and understand why comprehensive fee-only financial planning offers a clearer path to objective advice.

## **Why fee-only matters**

After nearly four decades in financial services, my conclusion is straightforward: How a financial adviser is paid matters.

The fee-only financial planning compensation model removes product-based incentives, supports objectivity, and encourages advice that is integrated across investments, taxes, retirement, estate planning and risk management. It doesn't guarantee perfect advice — but it creates the conditions for better advice.

That's why I continue to advocate for fee-only financial planning — not as a slogan, but as a structural solution rooted in experience, evidence and fiduciary principles.



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Founder, AdvisorSmart

David Bromelkamp is an investor advocate and the founder of AdvisorSmart®, which was established in 2018 to provide investors with the education they need to access better financial advice. Sometimes referred to as the "Jerry Maguire of Financial Advice," he is passionate about objective financial advice and is leading the charge to educate investors about the best approach to finding and retaining objective, fee-only fiduciary financial advisors. His first book, *AdvisorSmart for the Individual Investor: Your Guide to Selecting a Financial Advisor to Get Better Financial Advice*, was released in April 2025 to arm consumers with the knowledge they need to succeed.

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