



The Truth About 'Top Producers': What You Should Know Before You Choose a Financial Professional

Just because a financial pro is celebrated as a "top producer" doesn't mean they're not simply a skilled salesperson whose compensation structure may prioritize selling products over providing objective advice.

BY DAVID BROMELKAMP, PUBLISHED MAY 17, 2026

After four decades in the financial services industry, one persistent concern has never faded: The way "top producers" are celebrated as elite financial advisors - when in many cases, they're primarily salespeople.

That distinction matters more than most consumers realize.

What is a top producer?

Within many Wall Street brokerage firms, banks and insurance companies, a top producer is not necessarily the advisor who provides the best financial planning or the most thoughtful advice. Instead, the title typically goes to the individual who generates the highest revenue for the firm.

Revenue, in this context, often comes from selling financial products - especially fee-based investment accounts and insurance products. These sales generate commissions or internal credits, often called production credits, which are used to measure performance. The more

assets an advisor gathers into these products - commonly referred to as assets under management (AUM), the more money they earn and the more recognition they receive.

The shift to fee-based products

To understand how we got here, a bit of history helps.

In 1975, a pivotal event known as Mayday ended fixed brokerage commission rates on stock trades. This change allowed discount brokerage firms to compete aggressively on price, disrupting the traditional commission-based model. In response, large brokerage firms developed fee-based accounts. These accounts charge ongoing fees - typically, a percentage of assets under management - rather than per-transaction commissions. While this model can offer benefits, it also created a new incentive: Gather as many assets as possible into fee-based accounts. That's where the top producer culture took hold.

Sales incentives vs objective advice

When an advisor's compensation depends on selling or maintaining assets in specific financial products, a conflict of interest can arise. Even when the advisor uses terms such as fiduciary, the reality is that compensation structures can influence recommendations. This raises an important question for consumers: Can advice truly be objective if the advisor is paid based on what you buy?

In many cases, the answer is complicated. Advisors working under commission or production-based systems often spend a significant portion of their time on marketing, prospecting and asset gathering. Comprehensive financial planning - retirement strategies, tax planning, estate considerations - may take a back seat.

Are financial advisors paid a salary?

Consumers are often surprised to learn how advisors are compensated:

- **Fee-only financial advisors.** Some might receive a salary, especially if they work within a larger firm, but many are compensated directly through client fees. They don't earn sales commissions on financial product sales.
- **Registered representatives (stockbrokers).** They're typically not salaried but primarily compensated through sales commissions or production-based incentives.

- **Investment advisor representatives at brokerage firms.** While some might have a modest base salary, most of their personal compensation is tied to assets gathered and sales revenue generated.

In short, pure salary-based compensation is relatively rare in traditional brokerage environments.

The appeal - and illusion - of prestige

Top producers are often featured in rankings, advertisements and media profiles. They may project success through luxury branding - expensive suits, high-end cars and polished marketing campaigns. But consumers should ask: What is being measured?

Many of these rankings are based, directly or indirectly, on revenue generation - not necessarily on the quality or objectivity of advice.

A different model: Fee-only financial planning

There is an alternative. Fee-only financial planners are compensated solely by their clients - through flat project fees, hourly rates, ongoing retainers or asset-based fees. They don't receive commissions for selling financial products. Since their compensation is not tied to product sales, their advice is generally more aligned with the client's interests.

These advisors typically focus on comprehensive financial planning, helping clients navigate:

- Retirement planning
- Tax strategies
- Investment allocation
- Estate considerations
- Risk management

Questions every consumer should ask

When choosing a financial advisor, consider asking:

- How are you compensated?
- Do you receive sales commissions or production credits?
- Are you required by your firm to meet sales targets?
- Do you act as a fiduciary at all times?

- How much of your time is spent on financial planning vs sales?

Perhaps most important: **Is your advisor a top producer and if so, what does that mean?**

Buyer beware

The phrase "buyer beware" still applies in financial services.

Not all advisors labeled as top performers are acting in a client-first capacity. Many are highly skilled at sales and asset gathering - activities that benefit their firms and their own personal income. That doesn't automatically make them bad advisors. But it does mean consumers should understand the incentives at play.

The bottom line

If your goal is objective, comprehensive financial advice, it might be wise to look beyond such titles as top producer. Instead, focus on how your advisor is paid - and whether their incentives align with your financial well-being.

Because in the end, how an advisor earns a living often shapes the advice they give.

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David Bromelkamp is an investor advocate and the founder of AdvisorSmart®, 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 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* (2025), arms consumers with the knowledge they need to succeed. He is also the author of the Mister Fiduciary blog, which explores what it means for advisors to deliver *great financial advice* by upholding the *highest fiduciary standards*.

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