

## For Immediate Release:

### Financial Advisors in Credit Unions Now as Productive as Advisors in Large Banks

*Kehrer Bielan Benchmarking Surveys Find that Average Revenue per Advisor in CUs Exceeded Average in Bank-Owned BDs in 2014*

**CHAPEL HILL, NC SEPTEMBER 2, 2015:** The average Financial Advisor working in a credit union produced \$444,873 in investment services revenue in 2014, slightly higher than the average in large banks that own their broker dealer, according to a study released this week by Kehrer Bielan Research & Consulting. “This is the first time in the three years we have conducted the study that average Financial Advisor productivity in our annual benchmarking survey of investment services in credit unions has exceeded average productivity in our comparable survey of large banks BDs,” said Tim Kehrer, the director of the survey and senior research analyst at KBR&C.

“Although unprecedented, we could have seen this coming,” he continued. “Average Financial Advisor productivity in our annual survey of credit unions has improved three years in a row, increasing by 27% since 2012 and outpacing productivity growth in our survey of large banks.” Gross investment services revenue per Advisor improved by 16% in credit unions from 2013 to 2014, while increasing by just 6% in bank-owned broker dealers, according to the two benchmarking surveys.

The *2014-2015 Kehrer Bielan Credit Union Investment Services Benchmarking Study* drew on data from 917 credit unions with investment services offerings and an in-depth survey of a sample of 46 credit unions about the workings of their investment services businesses. The study compared the performance of the sample of credit unions to the findings from the *2014-2015 Kehrer Bielan Bank Broker Dealer Survey* of 17 large banks that own their own broker dealers, which was released in June.

Referrals of members to the credit union’s Financial Advisors were an important driver of growth in Advisor productivity in 2014. Credit unions in the top quartile in terms of FA productivity provided 19% more referrals relative to their size than those credit unions with less productive Advisors.

“The average number of referrals per Advisor increased 41% year-over-year, certainly contributing to the growth in FA productivity that we observe in the survey,” noted Dr. Kenneth Kehrer, a principal of the firm.

“On the other hand, the typical credit union referred just 1.5% of its member households to the institution’s Advisors during 2014, down slightly from the average referral penetration in last year’s survey,” he continued. “The fact that the percent of member households referred to Advisors declined over the past year at the same time that referrals per Advisor increased suggests that the number of Advisors is not keeping up with the growth in membership.”

The average credit union in the survey deployed one Financial Advisor for every 20,457 member households in 2014—9% more households per Advisor than the average coverage in 2013.

For further information about the *2014-2015 Kehrler Bielan Credit Union Investment Services Benchmarking Study*, contact:

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**About Kehrler Bielan Research & Consulting.** KBR&C provides the financial advice industry with insights based on a melding of research and experience in managing the delivery of investment, insurance, and wealth management services. The firm provides performance assessment and benchmarking, human resource management and development, due diligence, consumer insights, and interpretation of industry trends through its original research, unbiased consulting, and peer study groups.

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