

## For Immediate Release:

### Goals, Incentives Drive Advisor Adoption of Financial Planning in Financial Institutions

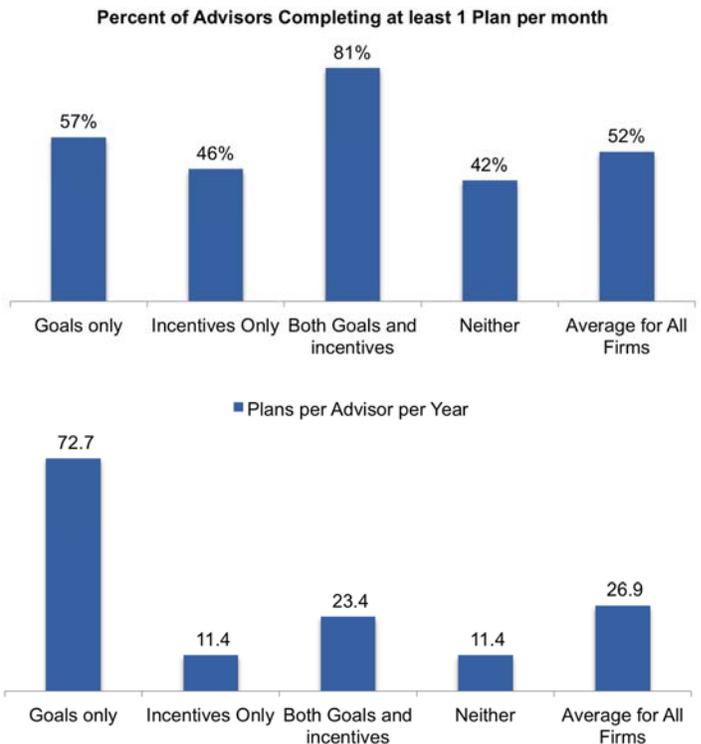
#### *Five Pillars of Performance Unveiled at KBR&C Leadership Study Group*

**CHAPEL HILL, NC NOVEMBER 3, 2014:** Banks and credit unions that provide goals and incentives for their Advisors to conduct financial planning are twice as likely to see their Advisors complete more than one plan a month. That was a takeaway from new research presented by Kehrer Bielan Research & Consulting last week at their study group for executives who manage investment services inside a financial institution.

“Investment services firms have embraced financial planning as a platform to consistently provide holistic financial advice and transform their sales force from a transaction model to an advice model,” said Dr. Kenneth Kehrer, a principal of KBR&C. “But many Advisors in banks and credit unions have not integrated planning into their practice.”

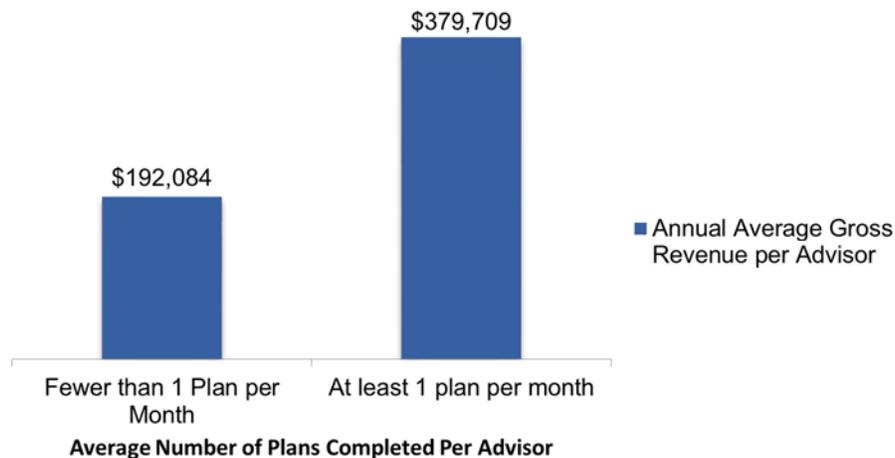
KBR&C researchers examined financial planning activity in 33 banks and credit unions to identify best practices in encouraging Advisors to adopt financial planning. What they found was that supporting Advisors to obtain planning certifications helps, but setting goals for the number of plans expected of Advisors and providing incentives for completing plans stood out as the most effective practices.

“When used in isolation, goals are more effective than incentives at achieving broad Advisor adoption of financial planning, but those firms that use goals and incentives together have the greatest share of advisors completing at least one plan per month, he said. “For those firms



looking to increase the number of plans completed per Advisor, setting goals alone is the best course of action.”

Peter Bielan, another KBR&C principal, pointed out to the participants that the research also confirmed that adoption of financial planning is one of the five Pillars of Performance that will drive the growth of investment services in banks and credit unions. “In firms where Advisors completed at least one plan per month, Advisor productivity is twice as high as the experience in firms that do little planning,” he said.



The study group participants also discussed the other Pillars of Performance that KBR&C has identified as the drivers of growth—growing the size and skills of the Advisors, transitioning from transaction business to an advice model grounded in advisory business, adopting technology to streamline operations and support the Advisor-client relationship, and integrating the disparate business units in the financial institution.

“KBR&C has organized our research and consulting activities around these Five Pillars of Performance,” Bielan said, “and the study group discussion followed suit. Participants interacted with our latest research and shared their own experiences and views of best practices.”

This session of the Kehrer Bielan Leadership Study Group encompassed 34 senior executives responsible for managing or supporting investment services in large banks or credit unions. The meeting took place October 21-22 in Chapel Hill, North Carolina. The next meeting of the study group will be May 14-15.

**About Kehrer 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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