

Benchmarking Investment Call Centers

Findings from the Kehrler Bielan Investment Call Center
Survey



Kehrer Bielan Investment Call Center Survey

Many financial institutions are either building or considering building investment call centers

Useful to have some benchmarks from firms with experience managing call centers

During the summer we identified firms with investment call centers

Worked with a few call center managers to design the questionnaire

Survey conducted online this fall

20 firms with investment call centers participated

- 3 of the firms had opened their call centers since the Spring
- Another 3 were call centers embedded in major brokerage operations [LPL, Cetera, and Wells Fargo]

How Many Advisors Are in the Call Centers?

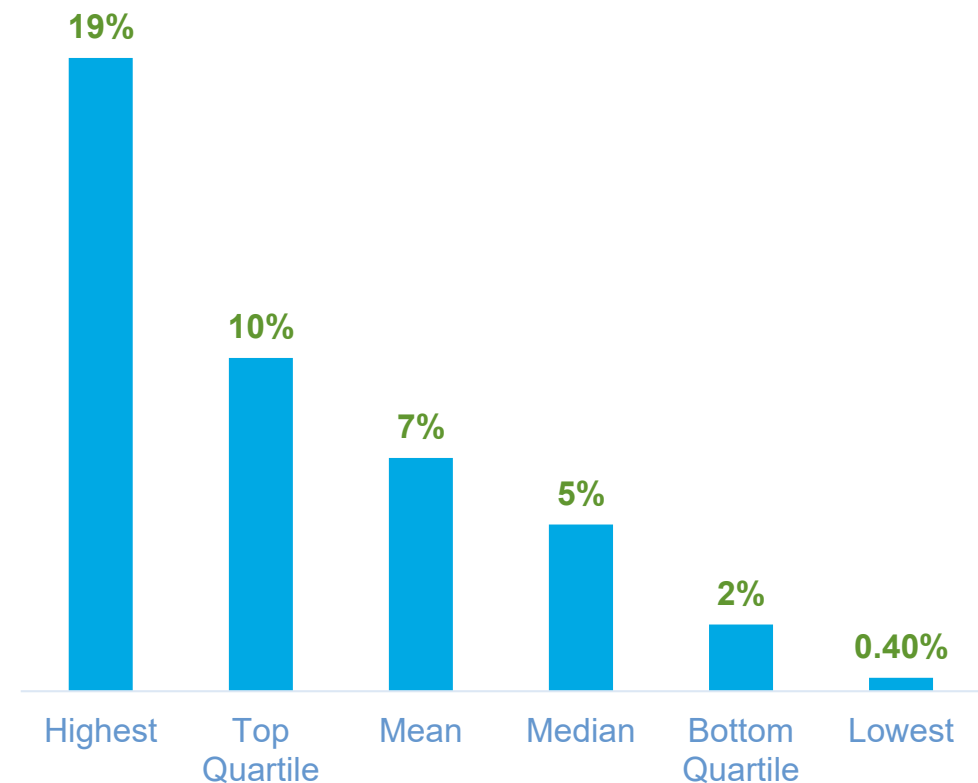
Altogether the Call Centers employ 542 advisors, although 400 of them work at Wells Fargo

Excluding Wells, the number of Call Center Advisors ranged from 1 to 40, with an average of 7.5 and a median of 5

The firms collectively employ 8,597 total advisors. of which typically 5% to 7% are based in a Call Center

However 60% of the Call Centers are actively trying to add advisors

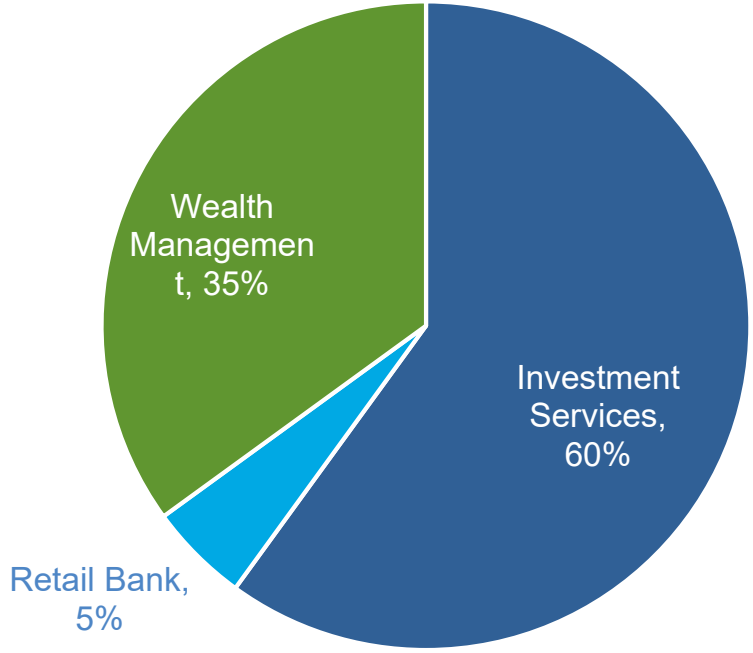
Share of Firm's Advisors Based in Call Center



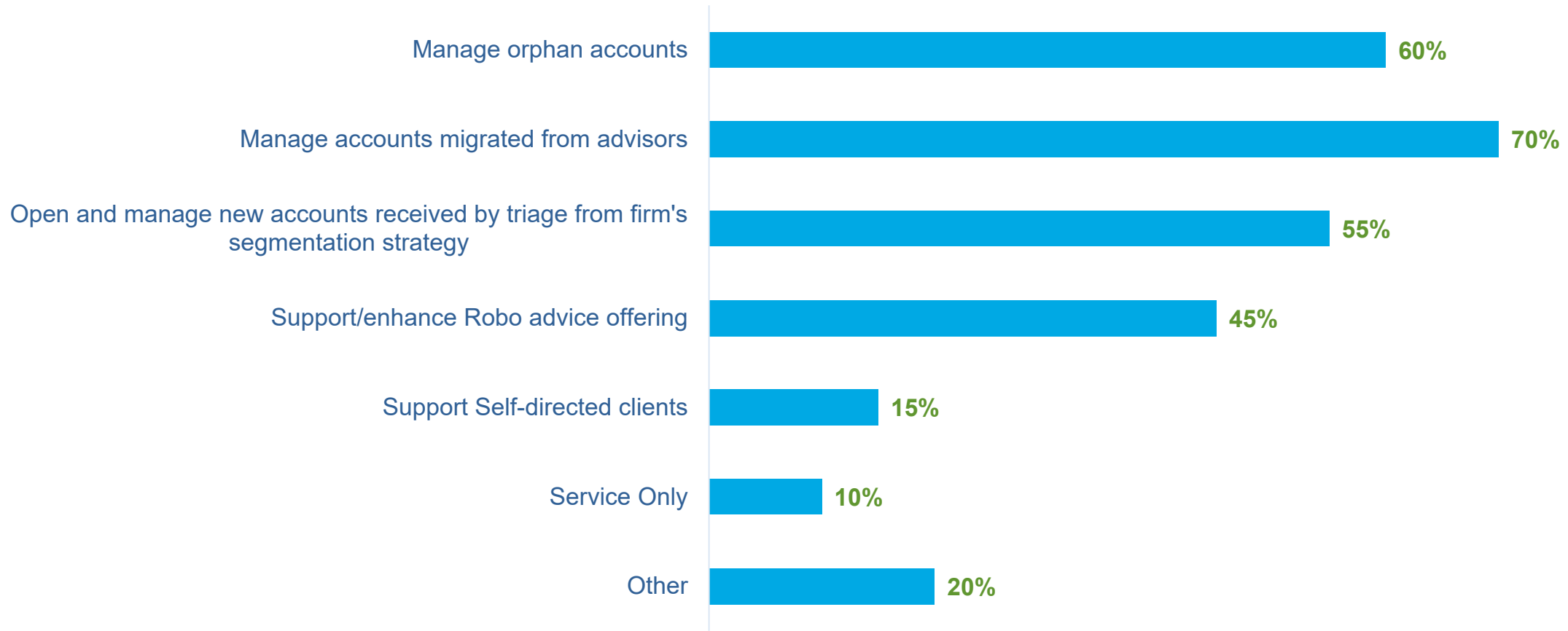
Where Does the Call Center Fit in the Firm's Organization?

- While only 5% of the investment call centers report to the retail bank, 15% of the others are embedded in the physical call center of the institution

What Business Unit Does the Call Center Report To?



What Is the Role of the Investment Call Center?

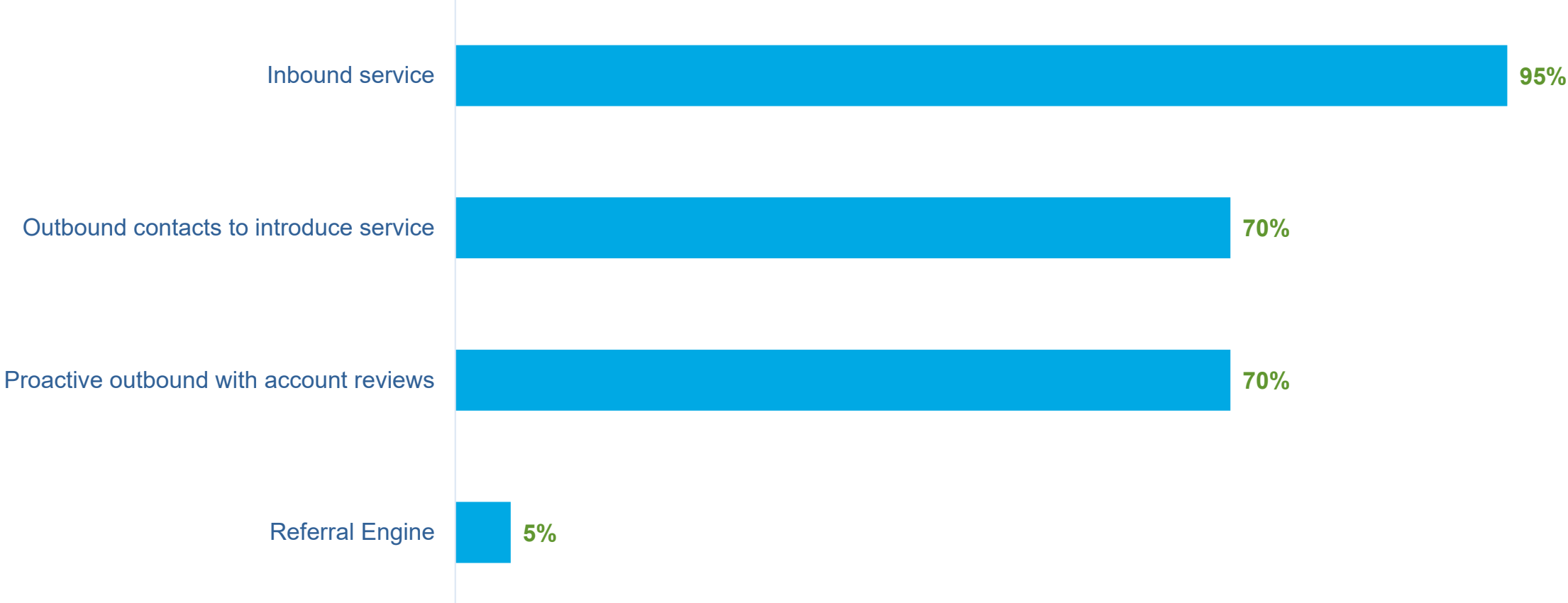


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Migrating Accounts from Advisors

- 36% of the firms that migrated accounts from advisors did so at the discretion of the advisors
- The other firms migrated advisors by coaching the advisors to divest clients

Is Call Center Proactive?



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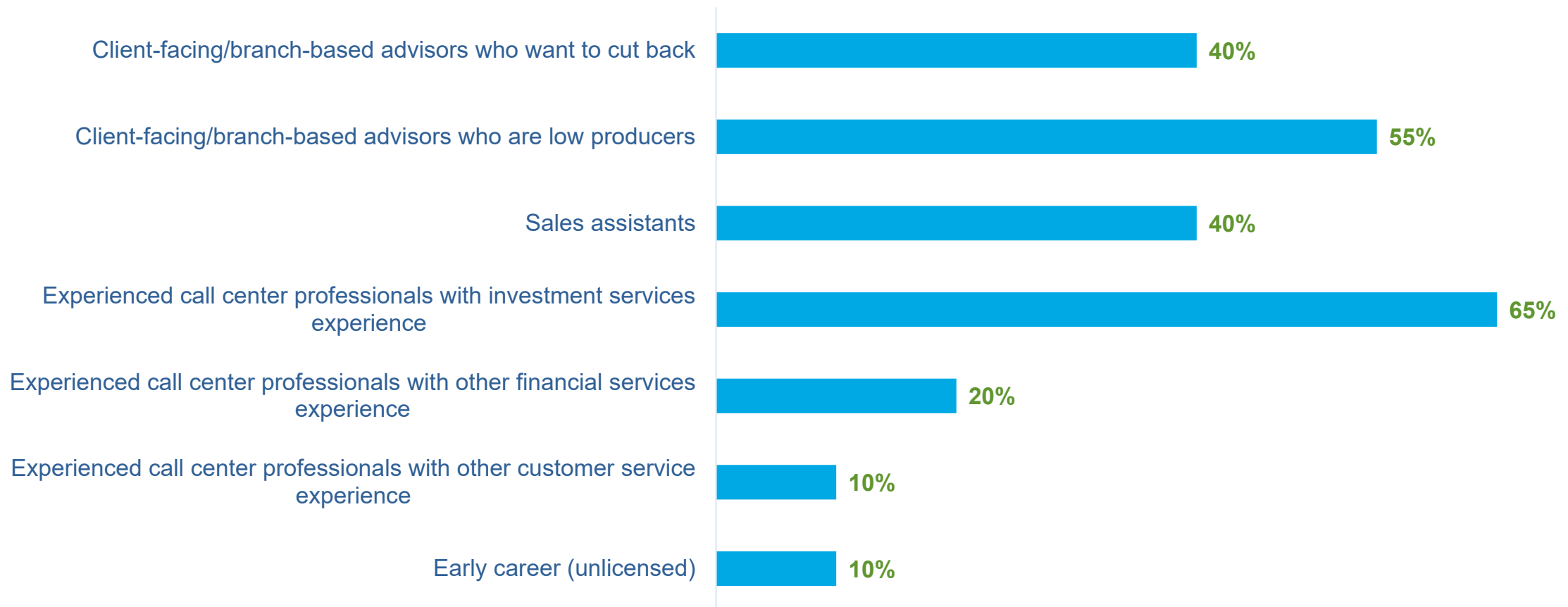
Product Menu

Advisors in 55% of the Call Centers have access to the same products as client-facing branch-based advisors

Among the 9 firms that restrict the product menu:

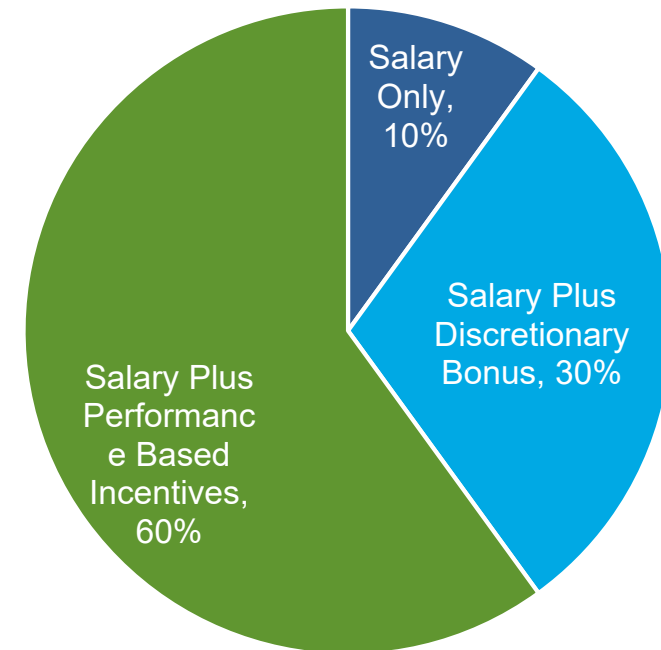
- 1 has the same products available, but emphasizes a limited menu
- Another is restricted to asset-allocation-style mutual funds and fixed and indexed annuities
- 4 do not provide advice, but process transactions
- 1 is staffed by unlicensed call center reps

Source of Investment Call Center Advisors

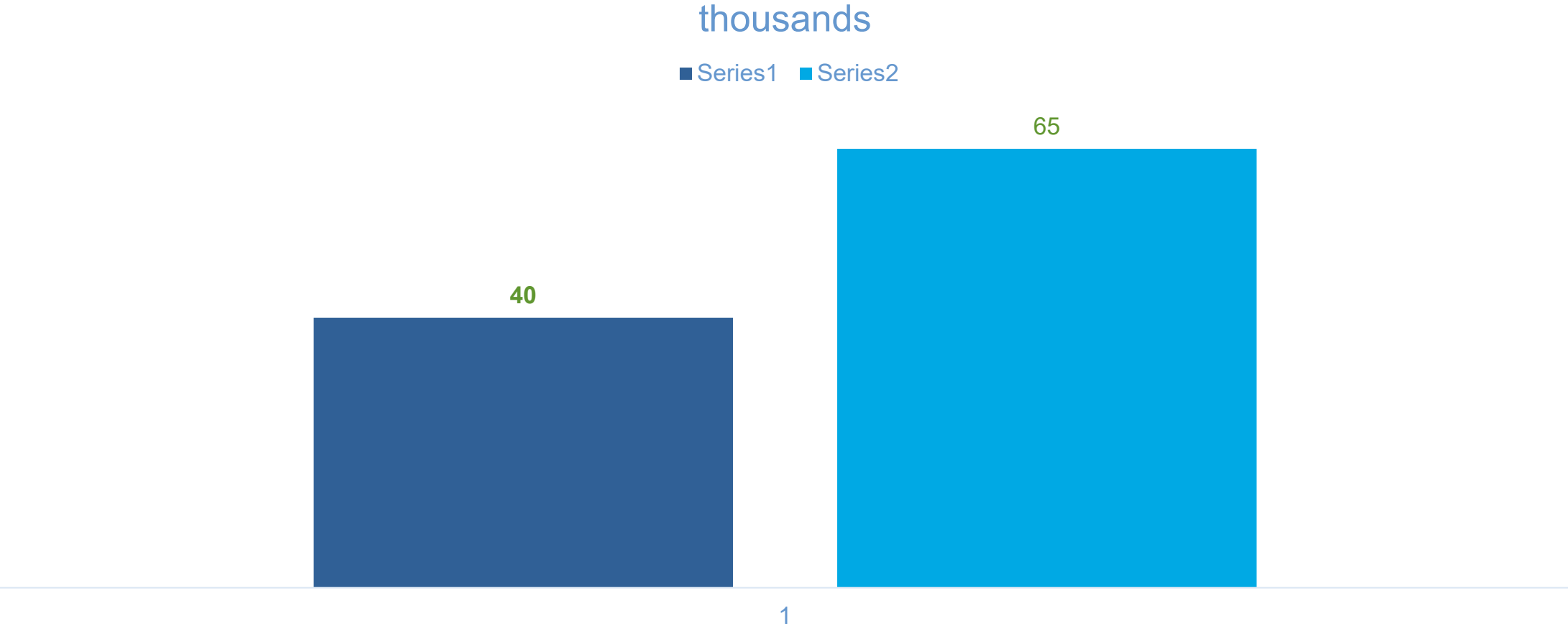


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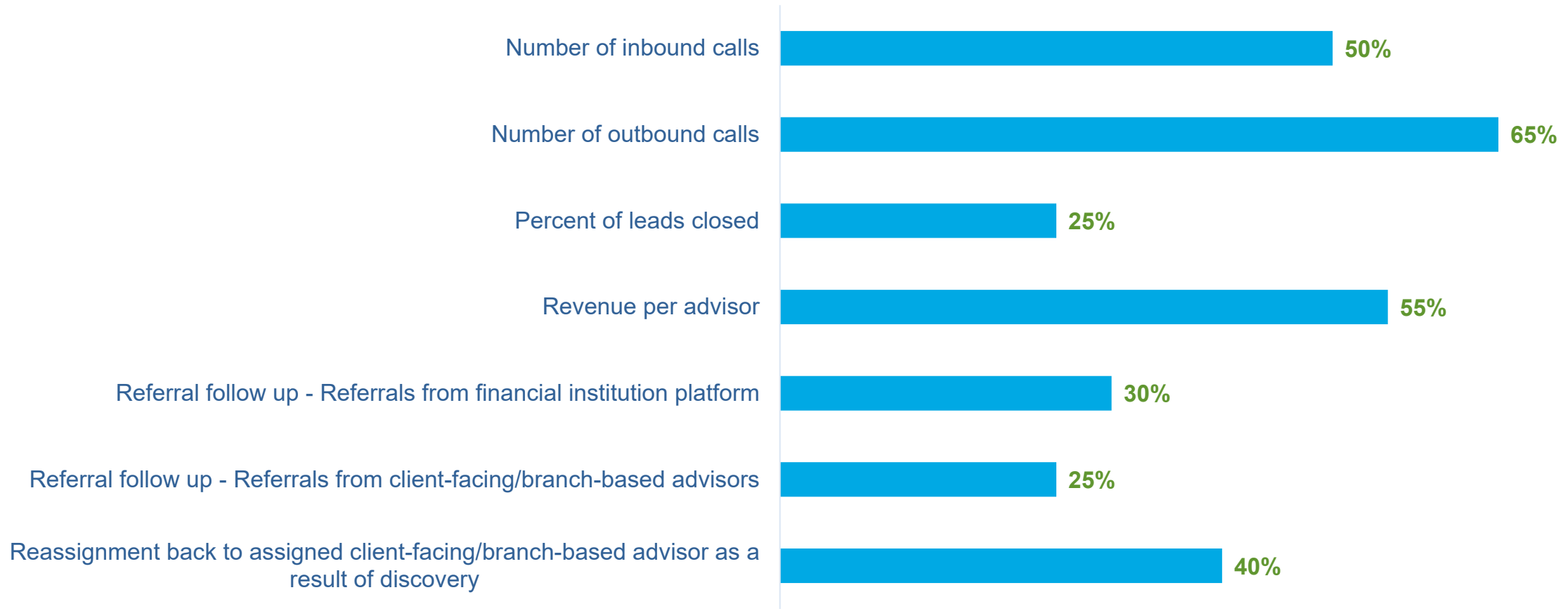
How Are Investment Call Center Advisors Paid?



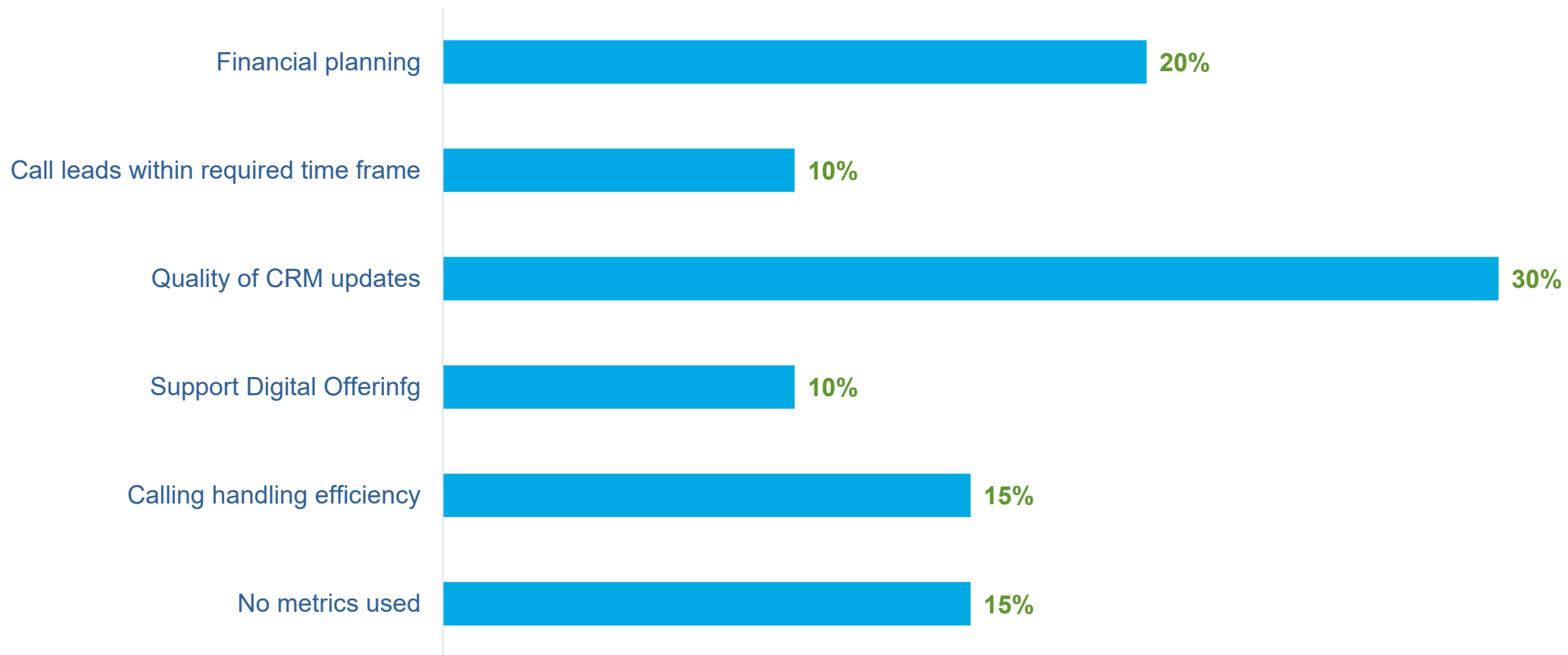
Base Salary Ranges for Investment Call Center Advisors



What Metrics Are Used to Evaluate Investment Call Center Advisors



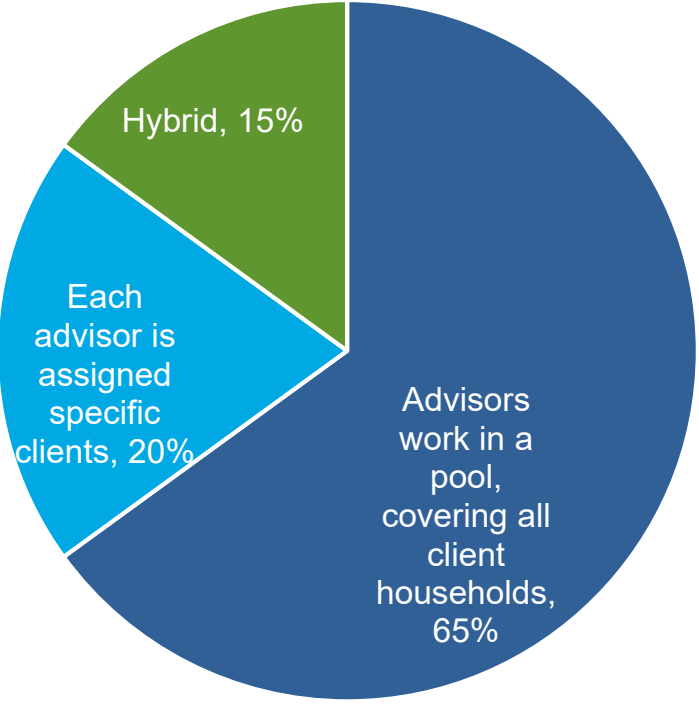
What Other Metrics Are Used to Evaluate Investment Call Center Advisors?



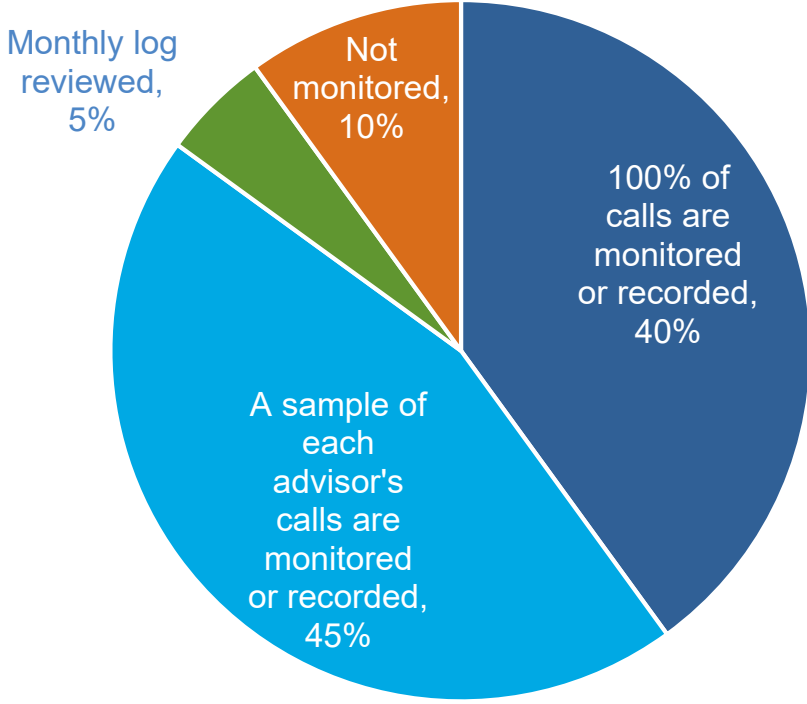
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Call Center Operations

Advisor Client Assignments



Frequency of Monitoring



How Are Investment Call Center Managers Paid?

Base salaries range from \$65,000 to \$200,000

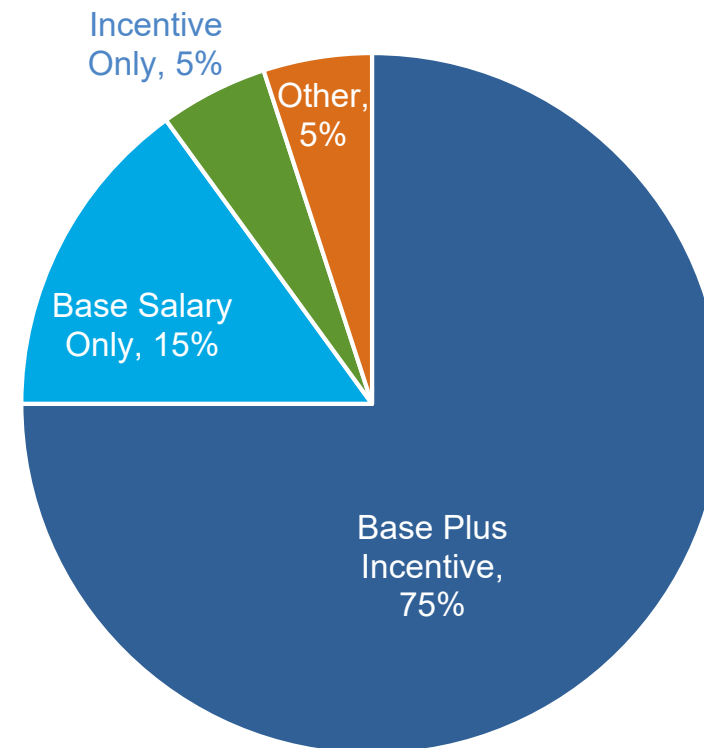
Incentives:

- Bonus: \$10k - \$40k
- 10%-75% of base
- 30 basis points of GDC

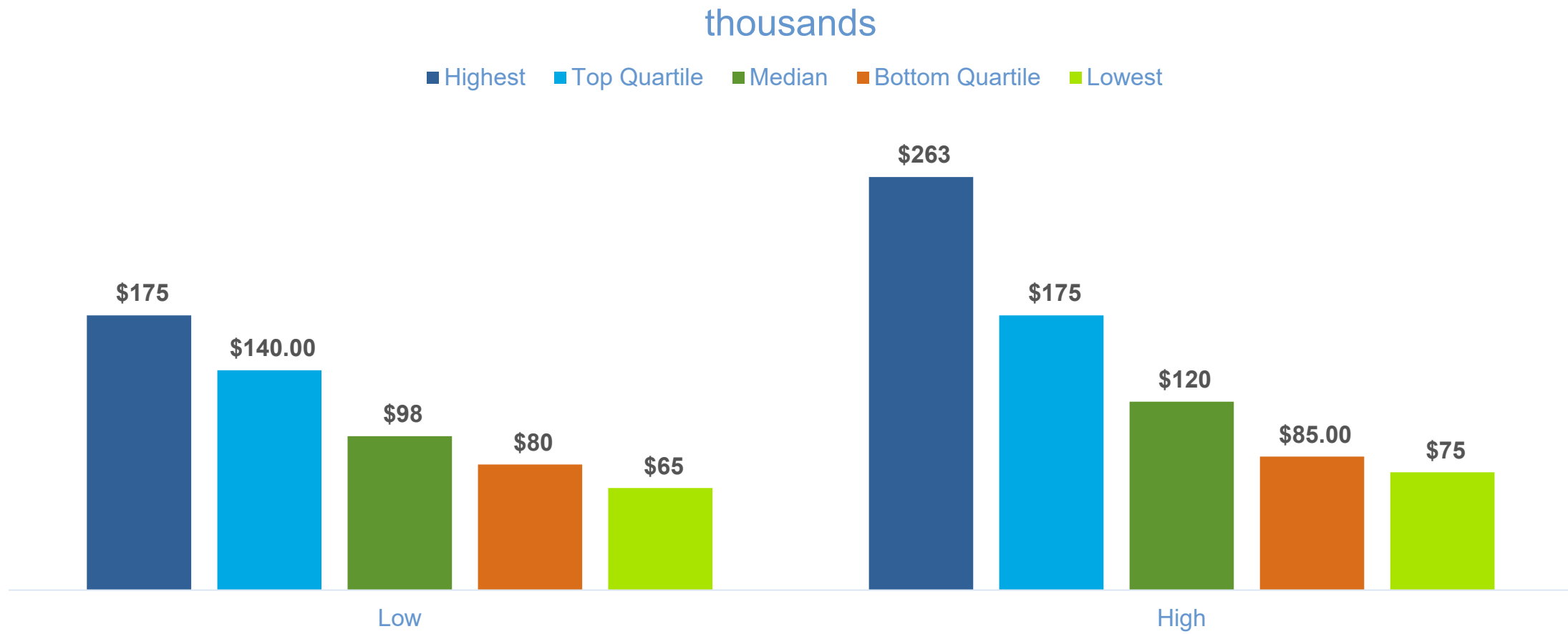
Average Total Compensation:

\$110,000-\$139,000

Column1

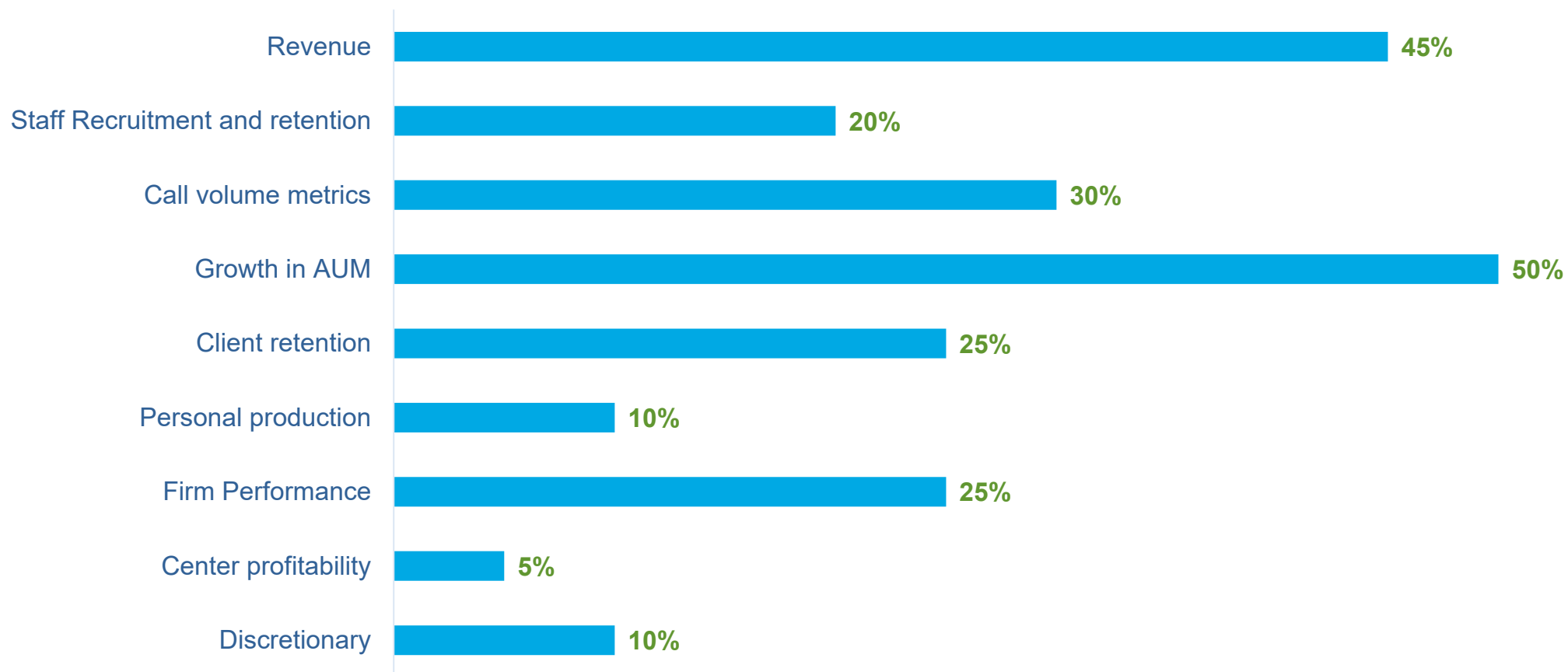


Total Compensation Ranges for Investment Call Center Managers



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What is the Basis for Incentive Compensation



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