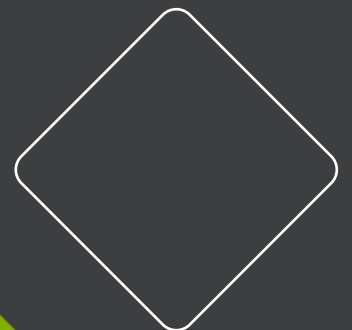
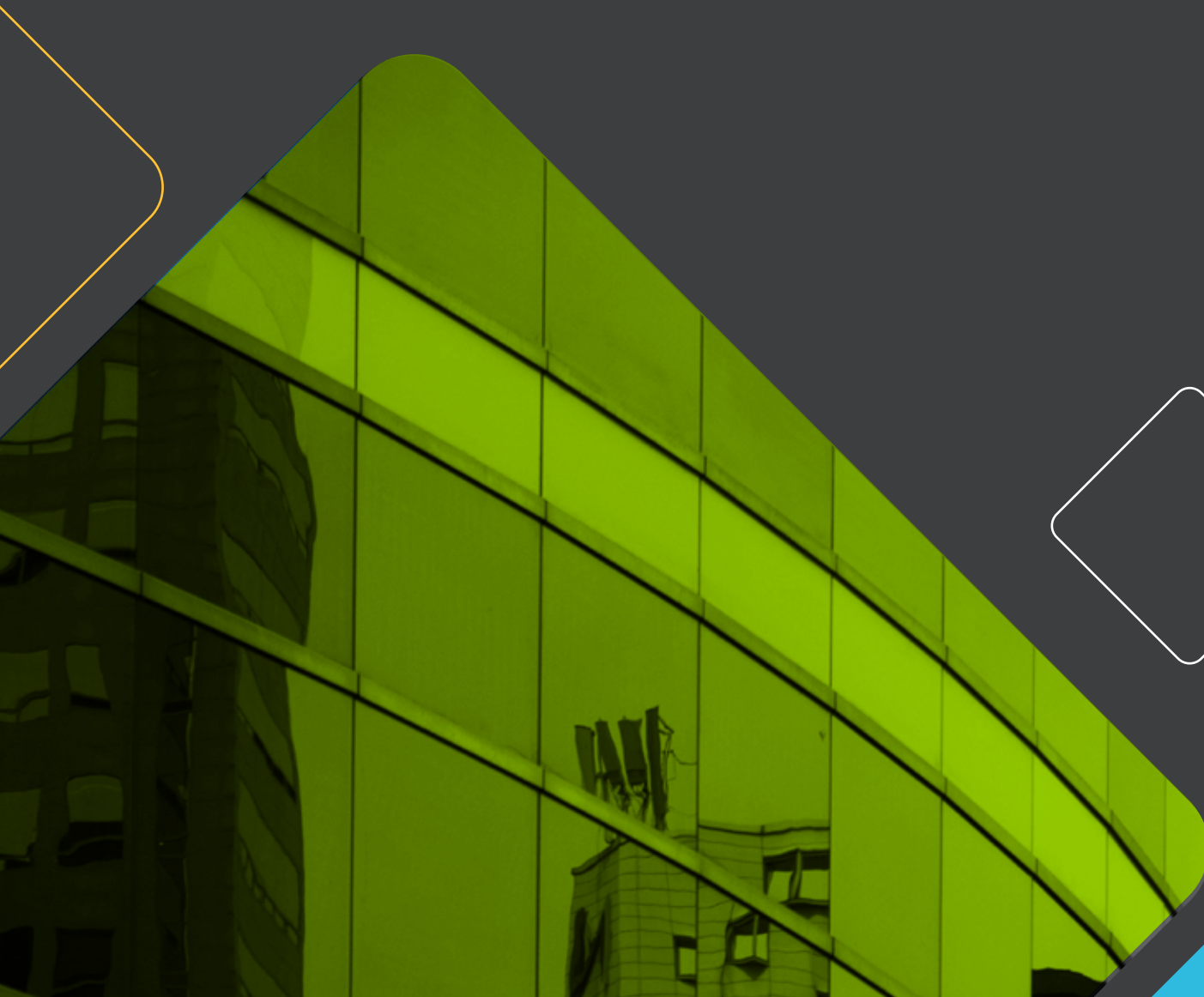




The Data-First Approach to Advisor Transitions



Advisor Turnover Increasing

As you've likely noticed, the people side of the financial advisory business is in the middle of a significant transformation. The graying of the workforce is one reason for this shift. More than one in seven advisors is over the age of 60, and a third of this group is expected to retire in the next decade.¹ The industry is at a crossroads. Plus, the next ten years will likely bring about the largest knowledge transfer of financial expertise and client assets to date.²

Over the past few years, advisor movement has entered a different phase. From 2021 to 2025, total advisor movement events increased by 76.9%.⁸ But the bigger story is what's driving that movement. Advisor switching increased 176% over the same period.⁸ In other words, the industry isn't just growing. It's re-sorting. More advisors are changing platforms and affiliations than entering the profession.¹

These transitions, motivated by a quest for greater autonomy and better technology, have prompted a wave of advisor movement. In 2025 alone, one in 10 advisors shared they had plans to switch firms in pursuit of better pay, a more aligned company culture and greater independence.²

We'll likely see more of the same, as younger advisors tend to prioritize workplaces that facilitate long-term growth and client success. However, these departures come with some risk and disruption. Advisors are worried about losing clients, feeling strained by operational hurdles and facing unexpected costs. Case in point: Advisors can lose up to 22% of their assets when switching between broker-dealer firms.² The cost in both time and dollars can give even the most prepared advisor a panic attack.



At the same time, the advisory world's complexity is a growing concern. Leaders struggle with succession. Teams are more diverse. Regulation is a moving target, and clients seem to expect more each year. This means managing advisor transitions is something you simply can't leave to chance.

The following is a roadmap to help teams adjust to the nuances of advisor transitions. The goal should be to create a seamless transition plan that keeps clients happy and puts you in the driver's seat as you unlock profitability and momentum. We also look at the challenges advisors face, prescribe best practices for a successful move, call out real-world examples and illustrate how a technology-first approach can help everyone.

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The State of Advisor Movement: A Perfect Storm of Change

Advisor transitions are no longer a side story in wealth management. They are one of the main ways growth and competition play out. AdvisorPro's analysis of SEC-sourced advisor data shows that by 2025, switching activity exceeded net new advisor formation by a wide margin, and overall advisor population growth plateaued.¹ In plain terms, more of the industry's momentum now comes from re-platforming than workforce expansion.

Advisors rarely change firms on a whim. The decision is often motivated by frustrations like disorganized back-office support or a lack of opportunity. They also might be drawn to elements like more advanced technology, a more service-oriented culture and flexible business models.

Why Advisors Are on the Move

Dissatisfaction with the status quo stems from a few core issues. Research and industry surveys consistently show that people move on due to one or more of the following reasons:

- **Compensation:** Advisors want better payout terms or a more transparent and equitable compensation structure. In fact, the Net Promoter Score (NPS) for compensation plans sits at an anemic -31.³ Only 43% of firms even report having defined, methodical incentive compensation plans in place.³ Most advisors find compensation unnecessarily obtuse and discouraging.
- **Firm Culture and Autonomy:** Advisors want to be part of teams where they have more control over how they work with clients. When a firm's culture no longer jives with the advisor, the pull to leave becomes strong for advisors. However, more relaxed practices related to branding, service models and technology use can pull people in.⁶

- **Lack of Growth Opportunities:**

Younger professionals want to know what they can expect from their employers in exchange for their hard work. Pew Research found that 63% of professionals changing jobs did so due to a lack of advancement.³ A lack of mentorship, succession planning and meaningful learning opportunities can be turn-offs and make advisors feel trapped.

- **Technology and Support:**

Back-office support and technology are two of the top reasons advisors decide to plot their exit.² Outdated systems, tech-related frustrations and sub-par operational practices prevent advisors from rising to their full potential.

- **Succession and Team Dynamics:**

With nearly half of advisors within 10 years of retirement, succession planning is top of mind.⁶ Solo practitioners approaching retirement are especially vulnerable. When forced to transition, they often struggle with limited options and lack support.

The High Stakes of Transition: Navigating the Pain Points

An advisor transition can come with great risks and challenges. Today's transition risk is higher because switching is more common, more competitive and increasingly tied to where advisors believe they can operate best long term. Advisors may prolong a change due to fear of the unknown and the financial and emotional weight.⁴ Here are a few of the reasons advisors may play it safe or small rather than make a move:

Client and Asset Attrition

The fear of losing clients keeps advisors up at night. Tasks like repapering accounts, transferring client assets to a new platform and re-establishing relationships are time and resource-intensive. Retention requires more than organizational skills. Advisors need to guide their clients through the change and uncertainty or face lost revenue and long-term business viability.

Operational and Compliance Nightmares

The fear of operational headaches can keep advisors on the sidelines. Manually preparing for a move means more time dedicated to non-client-facing activities, not to mention a loss of productivity.

For instance, advisors report friction in the following areas:

- **Repapering Accounts (74%):**
Every client will have to sign new paperwork. Lost forms or convoluted processes can set movement back weeks or months.
- **Account Transitions (70%):**
Advisors must monitor transactions to ensure they process without errors or compliance issues. This work is a heavy lift that necessitates coordination between departing and new firms.
- **Compliance (63%):**
Compliance with FINRA and SEC rules means advisors are burdened by the demands of flawless oversight (and paperwork).

Did You Know?

The average advisor move takes more than nine months from start to finish.⁴ Many advisors express regret that they didn't act sooner, citing the emotional weight of anticipation as more draining than the move itself.

The Financial and Emotional Toll

Advisors pay the price for a transition in both dollars and mental health strain. Legal fees, consulting contracts, licensing costs and even capital purchases add up fast. Many advisors lose income during the transition, which doesn't help with stress and uncertainty. It's also common for advisors to experience burnout, decision fatigue and self-doubt during this period. More than two-thirds of advisors who transition say, in retrospect, they wish they hadn't delayed the move.⁴ Often, the fear of change doesn't match up with the reality. Planning skills, a support system and clear communication with clients can offset the pain.

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A Blueprint for Success: Best Practices for a Seamless Transition

Even with these challenges, you can enjoy a successful transition. On average, advisors retain 80% of their clients and see an increase in AUM within the first year after a move.⁴ These advisors have a few things in common: a formal, technology-driven transition plan and a laser focus on maintaining the client experience. Here's what that looks like in practice:

1. Develop a Formal Transition Plan

Hoping for the best doesn't translate to results. Advisors who've made successful transitions have done so with the help of a detailed plan.

2. Prioritize Client Communication and Transparency

Your clients are your business. The best way to keep them loyal is by being proactive and transparent in your communication. Here are a few ways to put them at ease:

- **Personal Outreach:**
Face-to-face meetings or phone calls (vs. email) reinforce trust and respect.
 - **Benefit-Centric Messaging:**
Present the benefits of this change and what it means for them in the bigger picture. For example, you could emphasize better service, enhanced technology, broader offerings or alignment with a fiduciary standard.
 - **Anticipate Concerns:**
Clients might be unsure about changes in account access or if fees will apply. The same goes for the security of their assets during the transition. Create simple guides and timelines outlining what they should expect to ease this anxiety.
- Open Feedback Channels:**
- Make time and space for clients to ask questions or express uncertainty. Respond quickly and thoroughly to put them at ease.

3. Leverage a Robust Support System

It's not recommended to navigate a transition alone. A strong support network can help you practically and lead to the best results. Here's a list of the types of people and entities you need in your corner:

- **Recruiter Partnerships:**
Four in ten movers worked with a recruiter to select the right firm, negotiate deals and receive coaching.⁴ Recruiters often have insider knowledge related to firm culture and onboarding quality.
- **Clearing and Custody Firms:**
Trust these partners for matters like digital onboarding, repapering support, compliance risk checks and even "transition bonuses" to offset temporary income loss.

- **Destination Firm's Transition Team:**
Leading firms have dedicated transition specialists. Take advantage of team-based support that can simplify onboarding, technology set-up, compliance, marketing and even coordinating the moving of your personal items.
- **Peer Support:**
Approach advisors who've recently moved for candid insight into what pitfalls to avoid.



Case Study:

A Midwest-based advisor transitioning to an RIA reported weekly check-ins with their new firm's transition team and the adoption of a peer mentor program. These actions reduced transition-related stress and resulted in a 95% client retention rate.⁴

4. Start with Clean Data, Before a Single Account Moves

The single biggest source of delay in an advisor transition isn't the legal process or the market timing, it's missing, incomplete or incorrect client data. Forms come back not in good order (NIGO). Accounts get held up. Clients grow frustrated. The move that was supposed to take three months stretches to six. The right technology solves this at the very start of the process, before a single account transfer is initiated. It doesn't just make paperwork digital. It collects accurate, complete data the first time and keeps it connected across every tool in your stack. Look for solutions that offer:

- **Guided Digital Fact-Finders:**
Clients receive a secure link and are walked step-by-step through every required field, on any device. No paper, no PDFs, no back-and-forth emails chasing missing information.
- **Built-in Client Consent and Reg S-P Compliance:**
Clients sign data-sharing consent before they can proceed. This protects both the advisor and the destination firm from privacy regulation violations, one of the most significant legal risks in any transition.

- **Pre-Populated Forms and E-Signature:**
Once client data is captured, broker-dealer and custodian account forms are automatically pre-filled. Accounts are set up correctly the first time, dramatically reducing NIGOs and the rework that kills transition timelines.
- **Zero Rekeying Across Your Tech Stack:**
With 40+ integrations and 100+ mapped fields, client data collected once flows automatically into your CRM, financial planning tools and the destination firm's systems. Update a record in one place and it updates everywhere.
- **Bird's Eye View:**
Know exactly where every client is in the process. Engagement tracking, automated reminders and customizable pipeline stages mean nothing slips through the cracks, and the transition team always knows what's ready to move.

Conclusion

Change can feel scary and paralyzing at times. However, the right approach and resources can make it feel less daunting. The future of the financial advice sector lies in independent channels, innovative models and a renewed focus on adviser-client relationships. Your ability to carry out seamless transitions will define your future.



PreciseFP:

The First Step in Every Advisor Transition

Switching firms is one of the riskiest moves an advisor can make, and it usually goes sideways in the same place: the data.

A paralegal copies client data from one PDF into another. The advisor spends days in a conference room repapering hundreds of accounts. A form comes back not in good order, wrong account type, missing a beneficiary, and the whole batch gets rejected. Weeks lost. Clients start calling, and some start wondering if they made the right choice.

Without the right data infrastructure, this is the standard experience, and it's exactly what PreciseFP was built to prevent.

PreciseFP is the data and integration hub at the center of the transition. Instead of rekeying and chasing missing information, advisors send clients a secure link. Clients complete every required field on any device, sign their data-sharing consent and hit submit. The advisor gets clean, complete, compliant data. The destination firm gets accounts set up right the first time. No NIGO rejections. No conference room marathons. No panicked client calls.

For firms recruiting and onboarding new advisors, PreciseFP delivers:

- **Guided fact-finder engagements**
- **Built-in Reg S-P consent capture**
- **Pre-populated broker-dealer and custodian forms with e-signature**
- **40+ integrations and zero rekeying**

The result? Advisors spend less time chasing paperwork and more time serving the clients they fought so hard to bring with them. Transitions that used to take three to six months move faster, cleaner and with far less risk of client attrition along the way.

Don't let messy data be the reason a transition stalls. With PreciseFP, the data is clean, the forms are done and the advisor can focus on what matters, keeping their clients confident through the move.

Ready to make your next move your best move? See how PreciseFP powers smarter advisor transitions, from the first data collection to the last account transfer.

Speak to a transition specialist

to learn more and set yourself up for success for this year and beyond.

Sources and Citations

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