Is Your Advisor Nearing the End of Their Career? A Checklist

Why this matters now

Over one-third of financial advisors (38%) expect to retire within the next 10 years. Just 6% of those planning to retire have a fully documented succession plan.

If your advisor retires without a clear plan, your accounts may be handed to someone you have never met, or you may be left to find help on your own. This checklist helps you find out where you stand while you still have time to choose.

Questions to ask your current advisor

These are fair questions for any advisor, at any age. A good advisor will be glad you asked.

- [ ] When do you plan to retire or slow down?
- [ ] Do you have a written succession plan? Can I see a summary of it?
- [ ] Who would take over my accounts, and have I met that person?
- [ ] Would my fees, services, or investment approach change after the transition?
- [ ] Would my accounts stay at the same custodian, or would they need to move?
- [ ] What happens to my accounts if you become ill or pass away unexpectedly?
- [ ] How would my spouse or family be contacted and supported?

Check your own plan and paperwork

Whatever your advisor's plans, make sure your own financial picture doesn't live only in their head.

- [ ] You have a written financial plan, not just account statements.
- [ ] You know where every account is held and what it is invested in.
- [ ] You understand what you pay in total, including advisory fees and fund costs.
- [ ] Beneficiaries on retirement accounts and insurance are current.
- [ ] Your will, power of attorney, and health care directive are up to date.
- [ ] Your retirement income plan says which accounts you will draw from, and when.
- [ ] You keep copies of key documents somewhere your family can find them.

Protect your family

If something happened to you, would your spouse or children know who to call and what to do?

- [ ] Your spouse has met your advisor and feels comfortable calling them.
- [ ] Your adult children know who your advisor is and how to reach them.
- [ ] You have named a trusted contact on your accounts.
- [ ] Your family knows where to find your plan, account list, and estate documents.
- [ ] Your advisor will likely still be working when your family may need them most.

Signs it may be time for a second opinion

If two or more of these sound familiar, a fresh set of eyes may help.

- Your advisor couldn't clearly answer the succession questions above.
- You rarely hear from your advisor unless you reach out first.
- You're not sure what you pay, or why you own what you own.
- Your plan hasn't been updated in years, even though your life has changed.
- Your calls are increasingly handled by assistants or people you don't know.
- You'd feel uneasy if your spouse had to manage things with your current advisor alone.

Next steps

Want an honest second opinion? Brian Limborg, CERTIFIED FINANCIAL PLANNER® professional, has more than 20 years ahead of him in this career, with a team supporting every client relationship. If your advisor is doing a great job, we may tell you to stick with them.

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Sources

1. Cerulli Associates, U.S. Advisor Metrics, 2023.

2. Kestra Financial, “Bridging the Gap: Succession Misalignment Between G1 and G2 Advisors.”

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