



KPIs OF RUNNING A **SUCCESSFUL ADVISORY BUSINESS**



SCOTT LEAK, CFP®
SENIOR CONSULTANT





FP TRANSITIONS®

END-TO-END CONSULTING SOLUTIONS



CONSULTING



M&A



SUCCESSION



BENCHMARKING



MULTI - GEN GROWTH



ENTITY STRUCTURE



COMPENSATION DESIGN

SCAN TO VIEW
CURATED **#FPINSIGHTS**



WHAT ARE KPIs



MARK
MEASURE
MONITOR
MASTER





REVENUE STRENGTH KPIs



- Recurring vs. non-recurring revenue %
- Average revenue growth rate
- Average fee charged
- AUM per client
- Revenue per client
- Profit per client





ENTERPRISE STRENGTH

KPIs



- Pay per employee
- Occupancy cost
- Marketing dollars per new client
- Number of owners
- Number of employees
- Number of professionals
- Profit per professional
- Profit per owner
- Clients per professional
- Clients per owner



COMMON **KPIs** BASED ON SCALE



SOLE PROPRIETOR

- Revenue
- Recurring Revenue %
- Recurring Growth %
- New Client Growth %
- Average Fee
- Profit per Client

PRACTICE

- Client Affluence
- Expense Percentage
- Revenue per Client
- Clients per Professional
- Profit per Professional

ENTERPRISE

- EBITDA
- EBOC/SDE
- Expense Ratios
- Compensation Ratios
- Client Acquisition Cost



RULE OF THIRDS



1/3 COMPENSATION
1/3 OVERHEAD
1/3 PROFIT





PEER GROUPS & TARGET GROUPS



EMS BENCHMARKING





MONITOR & MASTER KPIs



SCAN TO VIEW
CURATED **#FPINSIGHTS**

