

43% Of Advisors Nearing Retirement, Says Cerulli

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The average age of financial advisors is 50.9 and 43 percent are over the age of 55, according to new research from Cerulli.

"Nearly one-third of advisors fall into the 55 to 64 age range," reports Kenton Shirk, associate director at Cerulli.

"As the advisor population ages, broker-dealers and custodians are at risk of losing AUM as advisors exit the industry," says Shirk. "Broker-dealers continue to struggle to recruit new young advisors into the industry to offset those advisors who are nearing retirement."

Cerulli suggests firms encourage advisor teams to bring in junior advisors and train them in a specific area of expertise in order to increase the success rate of these new recruits. To guard against asset attrition, the research firm says broker-dealers and custodians need to provide support and resources to help advisors tackle succession planning, and development of internal succession candidates.