2021 RIA Benchmarking Study Insights

With insights for firms over $1B in assets

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Key Highlights

Keeping an eye on the fundamentals, firms innovated to move their businesses forward.

Focusing on the fundamentals helped firms pivot and meet their growth goals.

- Larger firms, with over $1 billion in assets, are more likely to document strategic, marketing, and referral plans. The study shows that firms that leveraged planning saw stronger growth in 2020. Being thoughtful about how to move the business forward and aligning with the team on strategies and vision can help firms effectively pivot and develop innovative tactics when situations change. (Slides 10, 12, 13, 14, 25, 26)

- Firms with over $1 billion in AUM continue to prioritize client acquisition, with digital channels increasing in importance. More than half of these firms optimize their websites for lead generation through search engine optimization and content designed for their ideal client persona and use website metrics and analytics to track the effectiveness of their websites to attract and engage prospects. (Slides 4 and 24)

Hiring new talent and retaining existing staff to meet firm needs grew in importance.

- Recruiting staff to expand firm’s skill sets and capacity ranked as the second highest strategic priority, the highest it’s ever been. Larger firms tend to serve more clients and have more staff, highlighting the importance of this strategic initiative. (Slides 4 and 35)

- Supporting staff development is an important element of an employee value proposition and can help firms attract and retain talent. Larger firms are more likely to offer a client service career path, which can increase staff satisfaction and build bench strength. (Slide 29)

"Firms with more than $1 billion in assets under management succeeded in a year of change by building on their strong business practices and innovating. Tactics like focusing on their referral plans, optimizing their websites, and offering career paths support their long-term strategic goals.”

Lisa Salvi
Managing Director
Business Consulting and Education
GUIDING PRINCIPLES FOR ADVISORY FIRM SUCCESS

Effective planning and execution is a leading indicator of success
Growing your firm requires focus, strategic planning, and an innovative mindset. Establishing a shared vision for the future, creating alignment, and driving effective execution power your growth engine and provide a clear understanding of the future and how you’ll get there.

Value is defined through your clients’ eyes
Firms thrive when focusing on the client experience from their clients’ point of view. When every person, process, service offering and system maintains an extreme focus on your ideal client, you are able to differentiate your firm in an increasingly competitive landscape.

Operational excellence creates greater capacity for clients
Institutionalizing your business through technology and operations provides operational discipline, allowing you to maximize scalability, manage risk, and build a solid infrastructure so that you can reinvest time where it matters most—with your clients protecting the trust that you have built.

Your reputation is your brand
Every aspect of your firm—employees, centers of influence, clients and even your digital presence—should effectively amplify your firm’s reputation within the community you serve in a way that increases referrals and generates new business.

People are your most important asset
Creating a cycle of opportunity to attract and retain top talent helps ensure continuity of your firm’s people, culture, and values as you prepare for the future. That’s why having a high-performing and diverse team, unlocking their potential, and rewarding and developing the next generation of leadership is a long-term commitment and critical to building a legacy.
GUIDING PRINCIPLES FOR ADVISORY FIRM SUCCESS

Effective planning and execution is a leading indicator of success

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Your reputation is your brand

People are your most important asset
Advisors continue to prioritize client acquisition. Recruiting new staff ranks the highest it has been in the study’s history and leveraging digital channels is rising in importance.

<table>
<thead>
<tr>
<th>Top strategic initiatives for firms over $1B in AUM</th>
<th>Rank</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquire new clients through client referrals</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Recruit staff to increase firm's skill set/capacity</td>
<td>2</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Enhance strategic planning and execution</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Improve productivity with new technology</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Acquire new clients through business referrals</td>
<td>5</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Acquire new clients through digital channels</td>
<td>6</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>

Results for all firms with $1 billion or more in AUM that selected initiative as a top 3 priority. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
Last year’s AUM growth rate exceeded the 5-year annualized growth rates for all peer groups.

### Assets under management (AUM)

**In millions**

**Median results by peer group**

5-Year AUM CAGR (year-end 2015 through 2020)

<table>
<thead>
<tr>
<th>Peer Group</th>
<th>2015 (year-end)</th>
<th>2020 (year-end)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100M–$250M</td>
<td>$90</td>
<td>$175</td>
</tr>
<tr>
<td>$250M–$500M</td>
<td>$191</td>
<td>$350</td>
</tr>
<tr>
<td>$500M–$750M</td>
<td>$349</td>
<td>$621</td>
</tr>
<tr>
<td>$750M–$1B</td>
<td>$537</td>
<td>$864</td>
</tr>
<tr>
<td>$1B–$2.5B</td>
<td>$787</td>
<td>$1,492</td>
</tr>
<tr>
<td>Over $2.5B</td>
<td>$2,073</td>
<td>$4,263</td>
</tr>
</tbody>
</table>

Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.

2021 RIA Benchmarking Study from Charles Schwab
Five-year revenue growth remained solid, supported by strong AUM performance in the prior year.

**Revenue**
In thousands
Median results by peer group
5-Year revenue CAGR (year-end 2015 through 2020)

- 2015 (year-end)
- 2020 (year-end)

<table>
<thead>
<tr>
<th>Peer Group</th>
<th>2015 (year-end)</th>
<th>2020 (year-end)</th>
<th>Median CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100M–$250M</td>
<td>$700</td>
<td>$1,135</td>
<td>+8.8% CAGR</td>
</tr>
<tr>
<td>$250M–$500M</td>
<td>$1,310</td>
<td>$2,130</td>
<td>+8.1% CAGR</td>
</tr>
<tr>
<td>$500M–$750M</td>
<td>$2,265</td>
<td>$3,414</td>
<td>+7.5% CAGR</td>
</tr>
<tr>
<td>$750M–$1B</td>
<td>$3,157</td>
<td>$4,832</td>
<td>+6.3% CAGR</td>
</tr>
<tr>
<td>$1B–$2.5B</td>
<td>$4,820</td>
<td>$7,849</td>
<td>+7.9% CAGR</td>
</tr>
<tr>
<td>Over $2.5B</td>
<td>$13,164</td>
<td>$22,397</td>
<td>+7.1% CAGR</td>
</tr>
</tbody>
</table>
Growth in clients remained consistent even as firms relied on virtual interactions to engage prospects and build relationships.

**Total clients**
Median results by peer group

- 2020 Average assets per client ($M)
- 2015 (year-end)
- 2020 (year-end)

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2021 RIA Benchmarking Study from Charles Schwab
Organic growth reflects how clients and prospects respond to a firm’s value proposition, client experience, and strategy.

**Contribution of net organic asset growth to AUM growth**

<table>
<thead>
<tr>
<th></th>
<th>Firms $250M-$1B</th>
<th>Firms over $1B</th>
<th>Top Performing Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 Net organic growth</td>
<td>5.1%</td>
<td>3.9%</td>
<td>12.3%</td>
</tr>
<tr>
<td>2020 Net organic growth</td>
<td>5.1%</td>
<td>3.4%</td>
<td>11.4%</td>
</tr>
<tr>
<td>2019 AUM growth</td>
<td>20.4%</td>
<td>21.1%</td>
<td>26.0%</td>
</tr>
<tr>
<td>2020 AUM growth</td>
<td>13.8%</td>
<td>13.2%</td>
<td>20.1%</td>
</tr>
</tbody>
</table>

Top Performing Firms are those that rank in the top 20% of the Firm Performance Index. The index evaluates all firms in the study according to 15 metrics to arrive at a holistic assessment of each firm’s performance across key business areas.

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And firms continue to seek inorganic growth opportunities.

**Firms actively seeking to buy another RIA**
- Firms over $250M: 27%
- Firms over $1B: 39%

**Firms actively seeking to merge with another RIA**
- Firms over $250M: 11%
- Firms over $1B: 14%

**Firms actively seeking to bring on an advisor with a book of business**
- Firms over $250M: 47%
- Firms over $1B: 59%
Strategic and succession plans support firm performance and endurance, helping firms adapt to change.

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Operational excellence creates greater capacity for clients.
Documenting an ideal client persona and client value proposition helps RIAs refine their offer and drive referrals.

**Firms with a documented ideal client persona/profile (ICP)**

- **Top Performing Firms:** 68%
  - Firms over $1B: 60%
  - Firms $250M-$1B: 59%

**Firms with a documented client value proposition (CVP)**

- **Top Performing Firms:** 70%
  - Firms over $1B: 65%
  - Firms $250M-$1B: 55%

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Over half of Top Performing Firms have a documented marketing plan and these firms spend more to execute their plans.

Firms with a documented marketing plan

- **Top Performing Firms:** 53%
- **Firms over $1B:** 54%
- **Firms $250M-$1B:** 43%

Average marketing and business development spend as a percent of revenue

- **Top Performing Firms:** 2.1%
- **Firms over $1B:** 1.3%
- **Firms $250M-$1B:** 1.8%

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2021 RIA Benchmarking Study from Charles Schwab
Firms with written marketing plans, ideal client personas, and client value propositions attracted more new clients and assets.

**Firms over $250M**

↑50% More new clients in 2020

↑62% More new client assets in 2020

Median results for all firms with $250 million or more in AUM.
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Specialized services have increasingly become part of a firm’s offering.

Firms over $1B offering service

<table>
<thead>
<tr>
<th>Service</th>
<th>2016</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax planning and strategy</td>
<td>78%</td>
<td>80%</td>
</tr>
<tr>
<td>Bank deposits</td>
<td>24%</td>
<td>28%</td>
</tr>
<tr>
<td>Estate planning</td>
<td>72%</td>
<td>71%</td>
</tr>
<tr>
<td>Annuity products</td>
<td>27%</td>
<td>32%</td>
</tr>
<tr>
<td>Charitable planning</td>
<td>83%</td>
<td>89%</td>
</tr>
<tr>
<td>Family education</td>
<td>72%</td>
<td>75%</td>
</tr>
</tbody>
</table>

Results from the 2017 and 2021 RIA Benchmarking Study from Charles Schwab. Results for all firms with $1 billion or more in AUM. Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.

2021 RIA Benchmarking Study from Charles Schwab
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Operational excellence creates greater capacity for clients
Advisors leveraged opportunities for productivity gains during the pandemic.

**Firms over $250M**

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUM per professional ($M)</td>
<td>$101</td>
<td>$99</td>
</tr>
<tr>
<td>Clients per professional</td>
<td>57</td>
<td>53</td>
</tr>
<tr>
<td>Annual hours per client for client service</td>
<td>31</td>
<td>34</td>
</tr>
<tr>
<td>Annual hours per client for operations &amp; administration</td>
<td>16</td>
<td>17</td>
</tr>
</tbody>
</table>

**Top Performing Firms**

Manage 59 clients per professional

Spent 12 hours per client for operations and administration, 25% less time than firms with over $250 million in AUM.

Results from the 2020 and 2021 RIA Benchmarking Study from Charles Schwab. Median results for all firms with $250 million or more in AUM.

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2021 RIA Benchmarking Study from Charles Schwab
Technology was essential for client connections and operations during the pandemic.

Firms over $1B using technology systems

Technology systems selected as having greatest impact or ROI in 2020

- Portfolio management system: 99% (2016), 99% (2020)
- Client relationship management (CRM) system: 93% (2016), 96% (2020)
- Financial planning system: 82% (2016), 91% (2020)
- Portal to share information with clients: 78% (2016), 85% (2020)
- Trading and rebalancing system: 75% (2016), 84% (2020)
- Document management system: 60% (2016), 72% (2020)

Results from the 2017 and 2021 RIA Benchmarking Study from Charles Schwab. Results for all firms with $1 billion or more in AUM.

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Leveraging CRM systems can help serve clients more consistently and streamline communications.

<table>
<thead>
<tr>
<th>Firms with three or more data sources or systems integrated with CRM</th>
<th>Firms with standardized workflows within CRM for over 50% of tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Firms</strong></td>
<td><strong>Top Performing Firms</strong></td>
</tr>
<tr>
<td>$250M-$1B</td>
<td>50%</td>
</tr>
<tr>
<td>over $1B</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Top Performing Firms</strong></td>
<td><strong>54%</strong></td>
</tr>
</tbody>
</table>

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2021 RIA Benchmarking Study from Charles Schwab
Advisors are taking key steps to strengthen their cybersecurity programs, protecting their clients and firms.

**Cybersecurity activity implemented**
Results for firms over $1B
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Despite the challenges of 2020, firms succeeded in achieving their new client growth goals.

68% of all firms in the study met or exceeded their new client growth goals.

81% of Top Performing Firms met or exceeded their new client growth goals.

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Results for all firms with $25 million or more in AUM that reported tracking their new client growth goals. Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
By pivoting to virtual business development and trying new tactics, firms maintained their level of new client assets in 2020.

**Firms using digital tactics for prospecting**

<table>
<thead>
<tr>
<th>Method</th>
<th>Top Performing Firms</th>
<th>All other firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>82%</td>
<td>71%</td>
</tr>
<tr>
<td>Email</td>
<td>71%</td>
<td>58%</td>
</tr>
<tr>
<td>Social media</td>
<td>61%</td>
<td>61%</td>
</tr>
<tr>
<td>Blog</td>
<td>50%</td>
<td>47%</td>
</tr>
<tr>
<td>Webcasts/webinars/seminars</td>
<td>47%</td>
<td>38%</td>
</tr>
<tr>
<td>Online advertising</td>
<td>41%</td>
<td>32%</td>
</tr>
<tr>
<td>Virtual events with clients inviting friends</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Podcast</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Virtual events with prospects only</td>
<td>10%</td>
<td>7%</td>
</tr>
<tr>
<td></td>
<td>7%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Over 1/3rd of all firms implemented these tactics for the first time in 2020.

Results for Top Performing Firms and all other firms. Top Performing Firms are those that rank in the top 20% of the Firm Performance Index. The index evaluates all firms in the study according to 15 metrics to arrive at a holistic assessment of each firm’s performance across key business areas.

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With websites serving as the new “front door” during the pandemic, firms optimized them to attract and engage prospects.

### Features firms have implemented to optimize website for lead generation

<table>
<thead>
<tr>
<th>Feature</th>
<th>Firms $250M-$1B</th>
<th>Firms over $1B</th>
<th>Top Performing Firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search engine optimization</td>
<td>53%</td>
<td>44%</td>
<td>45%</td>
</tr>
<tr>
<td>Content designed for ideal client persona</td>
<td>53%</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td>Website metrics and analytics</td>
<td>51%</td>
<td>51%</td>
<td>51%</td>
</tr>
<tr>
<td>Lead capture form</td>
<td>42%</td>
<td>42%</td>
<td>42%</td>
</tr>
<tr>
<td>Blog</td>
<td>38%</td>
<td>42%</td>
<td>38%</td>
</tr>
<tr>
<td>Social media buttons</td>
<td>38%</td>
<td>36%</td>
<td>32%</td>
</tr>
<tr>
<td>Video</td>
<td>36%</td>
<td>40%</td>
<td>46%</td>
</tr>
</tbody>
</table>

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2021 RIA Benchmarking Study from Charles Schwab
Referrals account for a majority of new clients, yet fewer than half of firms document referral plans.

Firms with a documented referral plan for existing clients

- Top Performing Firms: 45%
- Firms over $1B: 47%
- Firms $250M-$1B: 33%

Firms with a documented referral plan for business partners

- Top Performing Firms: 32%
- Firms over $1B: 39%
- Firms $250M-$1B: 24%

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2021 RIA Benchmarking Study from Charles Schwab
Firms with referral plans achieved stronger results from those channels in 2020 than firms without referral plans.

**Firms with existing client referral plans**

- 9% more new clients generated from existing client referrals
- 16% more assets from new clients generated from existing client referrals

**Firms with business partner referral plans**

- 2x more new clients generated from business partner referrals
- 4x more assets from new clients generated from business partner referrals

Median results for all firms with $250 million or more in AUM. Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
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Investments in staff help team members feel connected and appreciated—especially important during uncertain times.

Median spend per professional staff on training, education, and professional dues

- **Firms under $250M**: $1,250
- **Firms over $250M**: $1,717

Median results include only those firms investing in training, education, and professional dues for staff. Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
Providing career paths supports staff development and can increase satisfaction and build bench strength.

Client Service Career Path

Firms with staff in at least 2 of the 3 roles:
- Client Service Associate
- Client Account Manager/Relationship Manager
- Senior Client Account Manager/Relationship Manager

<table>
<thead>
<tr>
<th>Firms under $250M</th>
<th>Firms $250M–$1B</th>
<th>Firms $1B+</th>
</tr>
</thead>
<tbody>
<tr>
<td>39%</td>
<td>69%</td>
<td>87%</td>
</tr>
</tbody>
</table>

Firms with staff in at least 2 of the 3 client service roles (Client Service Associate, Client Account Manager/Relationship Manager, Senior Client Account Manager/Relationship Manager) listed in the Compensation section of the RIA Benchmarking Study from Charles Schwab.

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Growing your firm requires focus, strategic planning, and an innovative mindset. Establishing a shared vision for the future, creating alignment, and driving effective execution power your growth engine and provide a clear understanding of the future and how you’ll get there.

Value is defined through your clients’ eyes
Firms thrive when focusing on the client experience from their clients’ point of view. When every person, process, service offering and system maintains an extreme focus on your ideal client, you are able to differentiate your firm in an increasingly competitive landscape.

Operational excellence creates greater capacity for clients
Institutionalizing your business through technology and operations provides operational discipline, allowing you to maximize scalability, manage risk, and build a solid infrastructure so that you can reinvest time where it matters most—with your clients protecting the trust that you have built.

Your reputation is your brand
Every aspect of your firm—employees, centers of influence, clients and even your digital presence—should effectively amplify your firm’s reputation within the community you serve in a way that increases referrals and generates new business.

People are your most important asset
Creating a cycle of opportunity to attract and retain top talent helps ensure continuity of your firm’s people, culture, and values as you prepare for the future. That’s why having a high-performing and diverse team, unlocking their potential, and rewarding and developing the next generation of leadership is a long-term commitment and critical to building a legacy.
The Firm Performance Index identifies Top Performing Firms and helps advisors pinpoint strengths and opportunities.

- The Firm Performance Index ranks all firms on 15 metrics that align with the Guiding Principles for Advisory Firm Success.
- The index is a holistic assessment of RIA performance across key areas.
- Top Performing Firms are those that rank in the top 20% of the index.

### Firm performance
- 5-Year client CAGR
- 5-Year net asset flows CAGR
- 5-Year revenue CAGR
- 2020 AUM growth rate from new client assets
- 2020 AUM growth rate from existing client assets
- Client attrition
- Staff attrition
- Operating margin (reported)
- Time spent on client service
- Time spent on operations

### Activities implemented
- Standardized workflows in CRM for over 50% of tasks
- Written strategic plan
- Written succession plan
- Ideal client persona/profile
- Client value proposition

Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
## Overview by peer group

<table>
<thead>
<tr>
<th>Metrics (median)</th>
<th>Firms over $1B</th>
<th>$100M-$250M</th>
<th>$250M-$500M</th>
<th>$500M-$750M</th>
<th>$750M-$1B</th>
<th>$1B-$2.5B</th>
<th>Over $2.5B</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 ending AUM ($M)</td>
<td>$1,982</td>
<td>$175</td>
<td>$350</td>
<td>$621</td>
<td>$864</td>
<td>$1,492</td>
<td>$4,263</td>
</tr>
<tr>
<td>5-year AUM CAGR&lt;sup&gt;1&lt;/sup&gt;</td>
<td>12.8%</td>
<td>12.6%</td>
<td>12.5%</td>
<td>12.0%</td>
<td>10.2%</td>
<td>12.8%</td>
<td>12.8%</td>
</tr>
<tr>
<td>2020 organic growth&lt;sup&gt;2&lt;/sup&gt; ($M)</td>
<td>$60</td>
<td>$9</td>
<td>$18</td>
<td>$28</td>
<td>$23</td>
<td>$50</td>
<td>$148</td>
</tr>
<tr>
<td>5-year organic growth&lt;sup&gt;2&lt;/sup&gt; CAGR&lt;sup&gt;1&lt;/sup&gt;</td>
<td>5.3%</td>
<td>7.5%</td>
<td>6.5%</td>
<td>5.4%</td>
<td>3.4%</td>
<td>5.4%</td>
<td>5.1%</td>
</tr>
<tr>
<td>2020 revenues ($K)</td>
<td>$10,605</td>
<td>$1,135</td>
<td>$2,130</td>
<td>$3,414</td>
<td>$4,832</td>
<td>$7,849</td>
<td>$22,397</td>
</tr>
<tr>
<td>5-year revenue CAGR&lt;sup&gt;1&lt;/sup&gt;</td>
<td>7.6%</td>
<td>8.8%</td>
<td>8.1%</td>
<td>7.5%</td>
<td>6.3%</td>
<td>7.9%</td>
<td>7.1%</td>
</tr>
<tr>
<td>2020 ending number of clients</td>
<td>913</td>
<td>161</td>
<td>255</td>
<td>344</td>
<td>440</td>
<td>722</td>
<td>1,449</td>
</tr>
<tr>
<td>5-year client CAGR&lt;sup&gt;1&lt;/sup&gt;</td>
<td>4.7%</td>
<td>4.6%</td>
<td>5.5%</td>
<td>6.1%</td>
<td>4.1%</td>
<td>5.0%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Average assets per client ($M)</td>
<td>$3.25</td>
<td>$1.16</td>
<td>$1.60</td>
<td>$1.93</td>
<td>$2.39</td>
<td>$2.96</td>
<td>$4.68</td>
</tr>
<tr>
<td>Standardized operating margin</td>
<td>30.1%</td>
<td>27.5%</td>
<td>28.1%</td>
<td>33.3%</td>
<td>27.7%</td>
<td>32.2%</td>
<td>27.5%</td>
</tr>
<tr>
<td>Total staff</td>
<td>28</td>
<td>4</td>
<td>7</td>
<td>10</td>
<td>14</td>
<td>19</td>
<td>56</td>
</tr>
</tbody>
</table>

<sup>1</sup> Median compound annual growth rate (CAGR) over the five-year period from year-end 2015 through 2020.

<sup>2</sup> Organic growth is the change in a firm’s assets from new, existing, and lost clients before investment performance is taken into account, and it excludes the growth from acquisitions or divestitures and from advisors joining or leaving.

Median results by peer group (AUM) unless otherwise noted. Past performance is not an indicator of future results. 2021 RIA Benchmarking Study from Charles Schwab, fielded January to March 2021. Study contains self-reported data from 1,340 firms. Participant firms represent various sizes and business models categorized into 7 peer groups by AUM.
Methodology and disclosures

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Schwab designed the RIA Benchmarking Study to capture insights in the RIA industry based on survey responses from individual firms. The 2021 study provides information on topics such as asset and revenue growth, sources of new clients, products and pricing, staffing, compensation, marketing, technology, and financial performance. Since the inception of the study in 2006, more than 4,100 firms have participated, with many repeat participants. Fielded from January to March 2021, the study contains self-reported data from 1,340 firms that custody their assets with Schwab or TD Ameritrade and represents over $1.5 trillion in assets under management, making this the leading study in the RIA industry. Schwab did not independently verify or validate the self-reported information. Participant firms represent various sizes and business models. They are categorized into seven peer groups by AUM size. The study is part of Schwab Business Consulting and Education, a practice management offering for RIAs. Grounded in the best practices of leading independent advisory firms, Business Consulting and Education provides insight, guidance, tools, and resources to help RIAs strategically manage and grow their firm.

The Firm Performance Index evaluates firms in the study according to 15 metrics that align with the Guiding Principles for Advisory Firm Success, to arrive at a holistic assessment of each firm’s performance across key business areas. It provides comprehensive comparisons for all firms participating in the study, not just within a peer group. The metrics in the Firm Performance Index measure growth in clients, assets and revenue; client attrition; staff attrition; operating margin; time spent on client service; time spent on operations; standardized workflows; written strategic plan and succession plan; and ideal client persona and client value proposition. The Firm Performance Index is calculated among all firms in the study without regard to assets under management or firm type. Firms that rank in the top 20% of the index are included in the Top Performing Firms.

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