Schwab Advisor Services

Independent Advisor Outlook Study

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Media contact:
Mike Peterson
+1.234.255.7533 | mike.peterson@schwab.com

Content

Foreword

The story of the independent registered investment advisor (RIA) is one of vision, resilience, and momentum. What began as a bold bet by a few forward-thinkers has become one of the most powerful growth engines in financial services. It's a model that gives advisors the freedom to lead with intention — and gives clients the trust that comes from true fiduciary care.

The 2025 Independent Advisor Outlook Study reinforces that advisors are reevaluating leadership priorities, adopting AI with purpose, and doubling down on strategies rooted in loyalty, referrals, and authentic client connection. They're building smarter, more flexible infrastructures and reinvesting in what matters most. In doing so, they're reshaping the very model of independence.

At Schwab, we're proud to be on this journey with RIAs. Our focus is clear: to provide the tools, insights, and partnership that help independent advisors seize every opportunity ahead. This year's study underscores what we have known for decades — that independence is not just a business model — it's a powerful engine of growth, built on trust, and driving continuous advancement.

This is the future of independence, and it's only just beginning.

- Jon Beatty, Head of Schwab Advisor Services

Methodology

Schwab's Independent Advisor Outlook Study (IAOS) is conducted for Charles Schwab by Logica Research.*

The study consists of a **quantitative online survey**, which was conducted from July 21 through August 1, 2025, polling 912 independent investment advisors who custody assets with Schwab Advisor Services, representing a total of $359 billion in assets under management (AUM). Participation was voluntary, participants were not incentivized, and the typical (median) survey length was 15 minutes.

*Logica Research is neither affiliated with, nor employed by, Charles Schwab & Co., Inc.

Introducing the experts

Schwab Advisor Services

Jon Beatty

Head of
Schwab Advisor Services

Jalina Kerr

Head of
Advisor Experience

Lisa Salvi

Head of Business
Consulting & Education

Tom Bradley

Chief Client Officer

Brad Losson

Head of
Enterprise Solutions

Alison Dooher

Head of
Digital Advisor Solutions

I

Building teams for tomorrow: Strategic thinking, tech fluency, and emotional intelligence

Capabilities, mindsets, and expertise to thrive in a changing world.

“Firms need talent and teams that dynamically combine innovation with emotional intelligence. In our relationship-based industry, sustainable growth will be driven by those who lead with both strategy and heart.”

- Jon Beatty

01 | Building Teams

Advisors are embracing a multifaceted view of what leadership looks like and leaning into the capabilities that will move their firms forward.

Advisors have a clear view of how they see themselves today and the leadership traits they believe will matter most tomorrow.

Most identify as client champions (57%) and business builders (54%) — a clear sign that client advocacy and growth go hand in hand. Others are stepping into roles as mentors, innovators, and legacy builders, showing that leadership in this space is dynamic, deeply personal, and evolving.

Description of Current Role

57%
Client champion

21%
Innovator

54%
Business builder

20%
Legacy builder

30%
Mentor

14%
Community leader

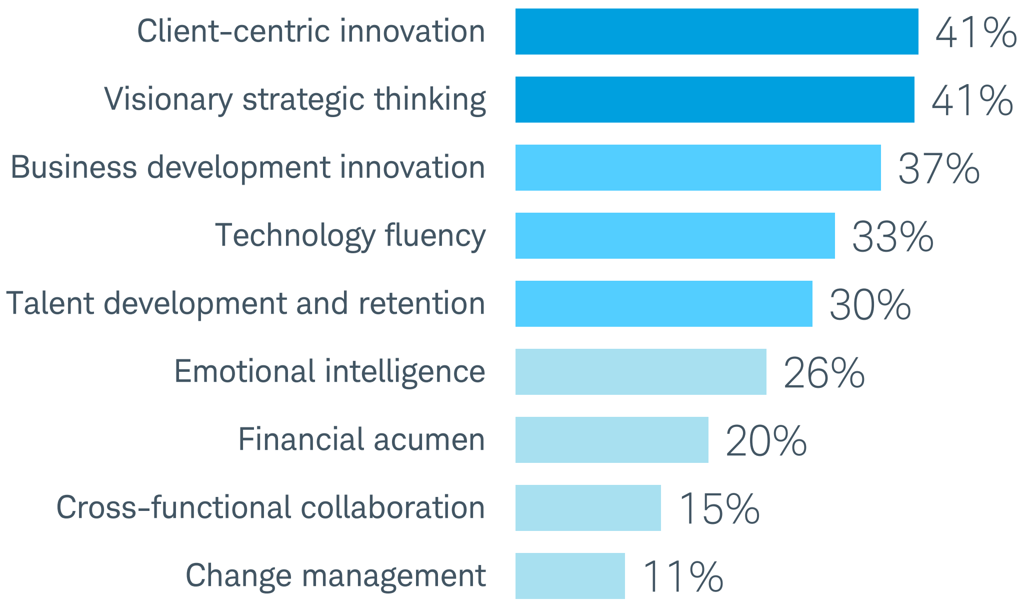
Q9: What will you do with the expanded resources from additional profit?
(Base: Scaling Business to Increase Profit = 539)

01 | Building Teams

Looking ahead, RIAs are prioritizing a mix of complementary leadership strengths that will matter most over the next three years – topped by client-centric innovation and visionary strategic thinking (both at 41%) and followed closely by business development innovation (37%).

But it's not just about big ideas and growth strategies. Advisors also point to technology fluency (33%) and emotional intelligence (26%) as essential traits – recognizing that success in a more complex world will take strategic acumen, technical knowledge, and deep relational skills.

Leadership Capabilities Most Critical to Firm Success



Q28: What leadership capabilities will be most critical to your firm's success in the next 3 years? (Base: Total Advisors = 912)

01 | Building Teams

These findings align with how firms plan to reinvest future profits, revealing a clear strategic emphasis on talent and capability building.

Among firms expecting increased profits, most plan to reinvest in people: nearly three quarters (74%) say they'll boost compensation for owners and/or staff. Nearly half also plan to hire new talent (49%) and plan to invest in technology (50%); clear signals that firms are thinking strategically about what it takes to thrive.

The message is clear. Firms are rewarding top talent, attracting new capabilities, and building a solid foundation for long-term growth.

Plans for Expanded Resources from Additional Firm Profits

74%

Increase compensation for owners and/or staff

Q9: What will you do with the expanded resources from additional profit?
(Base: Scaling Business to Increase Profit = 539)

"RIA firm leaders navigate various business tensions every day – balancing innovation with proven approaches, growth with stewardship, and personalized client care with operational efficiency. That's why it's so important to cultivate leaders who can do this successfully, to evolve and help their firms grow."

- Jalina Kerr

II

From curiosity to capability: RIAs embrace artificial intelligence

Advisors are turning AI from a concept into a capability – applying it where it matters now, while laying the groundwork for broader adoption ahead.

“Advisors are embracing AI with intention — and with every new policy, pilot, and use case, they’re moving it from the sidelines to the center.”

“What was once an emerging trend is now becoming an essential tool, reshaping how RIAs run their firms, serve clients, and grow.”

- Jon Beatty

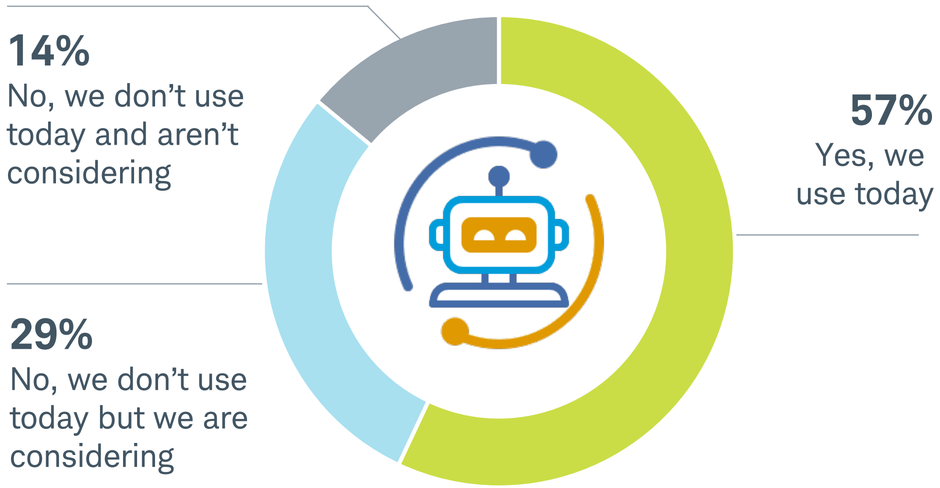
02 | Artificial Intelligence

AI isn't theoretical anymore – it's operational.

Over half of RIAs say they're already using AI tools, and another 29% are exploring how to bring them on board.

Just 14% say they're not considering AI at all – a clear signal that AI is quickly becoming table stakes in the industry.

Current Use of AI Solutions

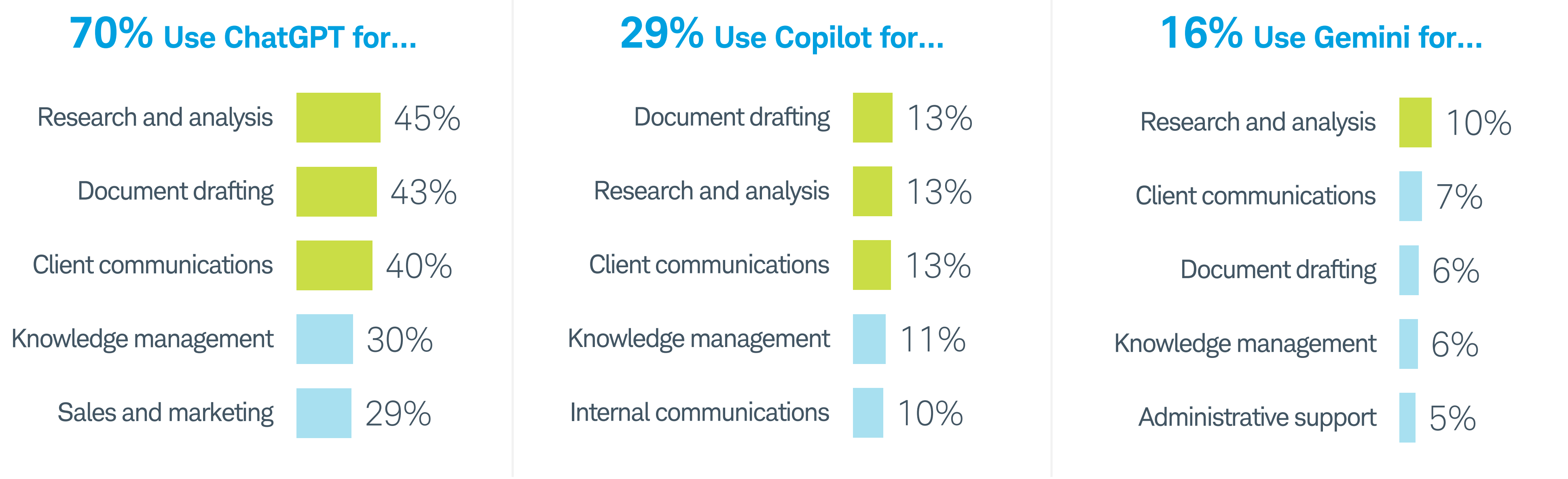


Q17: Does your firm use artificial intelligence (AI) solutions, such as ChatGPT, Claude, CoPilot, Gemini, or another AI solution today?
(Base: Total Advisors = 912)

02 | Artificial Intelligence

ChatGPT leads as the most used tool (70%), with Microsoft Copilot (29%) next in line. The focus is on using AI to streamline time-consuming tasks and create more space for client relationships.

Use Cases for AI Solutions



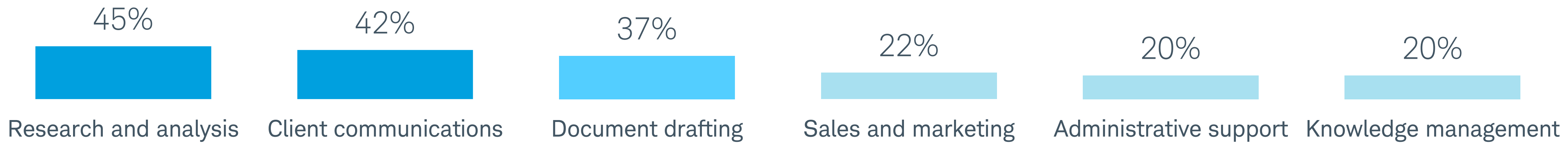
Q23: For each of the following activities, please select the AI solution your firm is using, such as ChatGPT, Claude, CoPilot, or Gemini.
(Base: Uses AI Solutions = 521)

02 | Artificial Intelligence

Advisors who are already using AI are leaning into areas where speed and scale matter most. Research and analysis (45%), client communications (42%), and document drafting (37%) top the list of current applications.

And the outlook is just as pragmatic. In the next three years, advisors expect the biggest impact to come from research and analysis (42%), operational workflows (34%), sales and marketing (31%), and client communication (30%).

Current Impact of AI Solutions



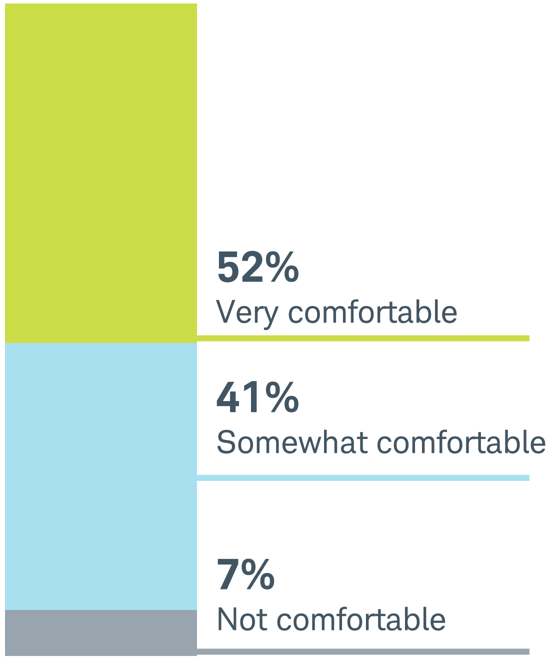
Expected Impact of AI Solutions in Next Three Years

Q18: Where has the use of an AI solution been the most impactful to your firm? (Base: Uses AI Solutions= 521)
Q19: Where do you expect AI solutions to be most impactful for your firm 3 years from now? (Base: Uses AI Solutions = 521)

02 | Artificial Intelligence

Advisors expect their comfort with AI to climb sharply. While many firms are still in the initial stages today, more than half (52%) expect to feel very comfortable using AI in daily operations within three years, and nearly half (41%) expect to be at least somewhat comfortable.

Expected Comfort Level with AI Solutions for Operational Workflow in Next Three Years



Q21: How comfortable do you expect your firm to be with using AI solutions for operational workflow 3 years from now?
(Base: Uses or is Considering Using AI Solution = 783)

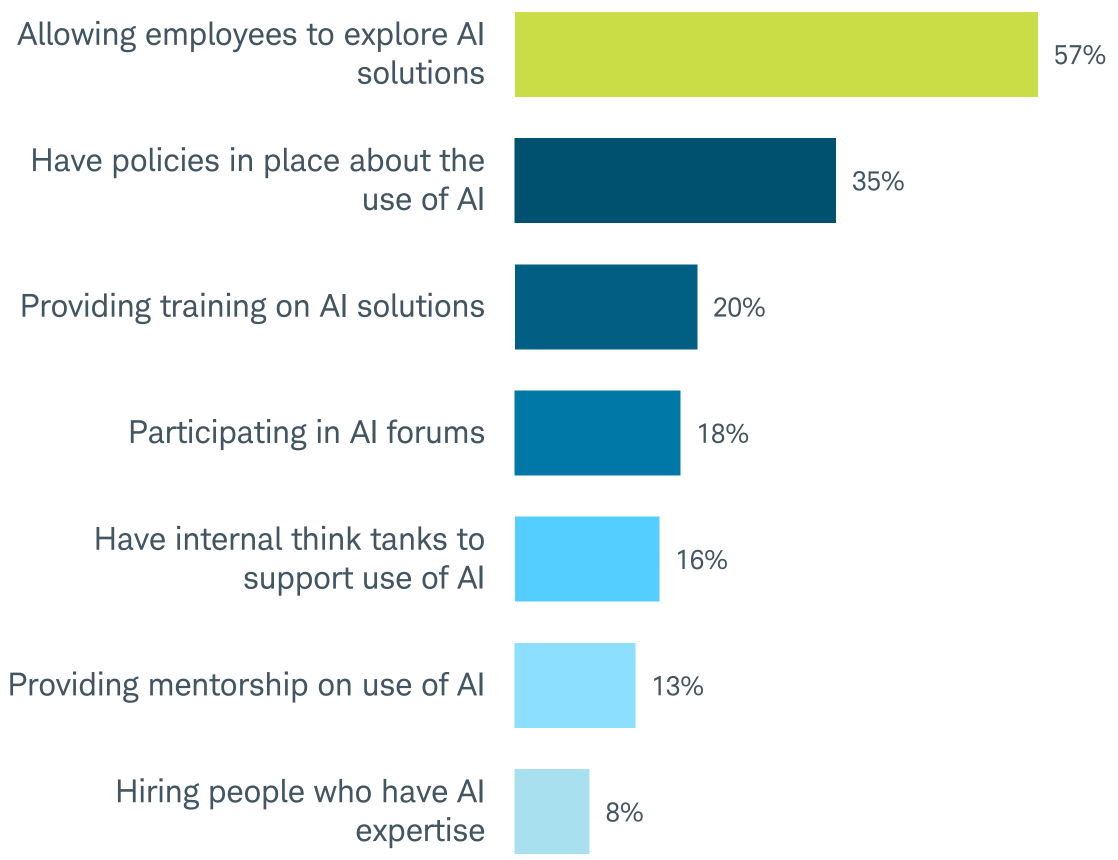
02 | Artificial Intelligence

Even with momentum building, most firms are still laying the foundation. Just over one-third (35%) have formal policies in place for using AI, and 20% have started employee training.

At the same time, 57% of firms are allowing employees to actively explore AI solutions, making space to experiment and learn before the technology becomes a core part of operations.

This balance — guardrails on one side, exploration on the other — reflects an industry that is preparing carefully while staying open to innovation.

Firm's Policies and Processes in Place for AI Solutions



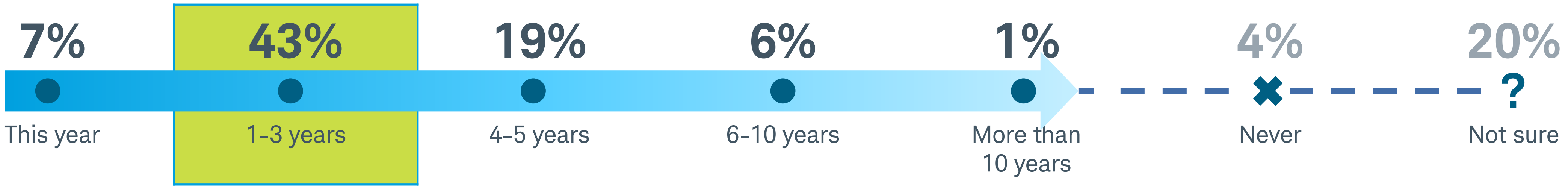
Q24: Which of the following does your firm currently have in place, or is considering, to address the use of AI solutions?(Base: Uses AI Solutions = 512)

02 | Artificial Intelligence

Looking ahead, two-thirds of advisors expect AI to be fully integrated into their firm's operations within five years — and half believe it will happen within three.

That level of confidence reflects not only the pace of adoption but a growing belief that AI is essential to staying competitive.

Integration Timeline of AI Solutions



Q25: When, if at all, do you think AI solutions will be fully integrated into your firm?
(Base: Total Advisors = 912)

"We're seeing advisors start where it matters most – in the day-to-day. AI is helping with essential tasks like notetaking, research, and even drafting documents, saving time and creating space for deeper client work."

"It's still early days for broader applications, but firms are making room to experiment, learn, and build real confidence."

- Lisa Salvi

III

The client playbook: Prioritizing relationships and loyalty

RIAs are pairing smart acquisition with deeper relationships. Growing and strengthening by trust, while investing in experiences that turn satisfaction into lasting loyalty.

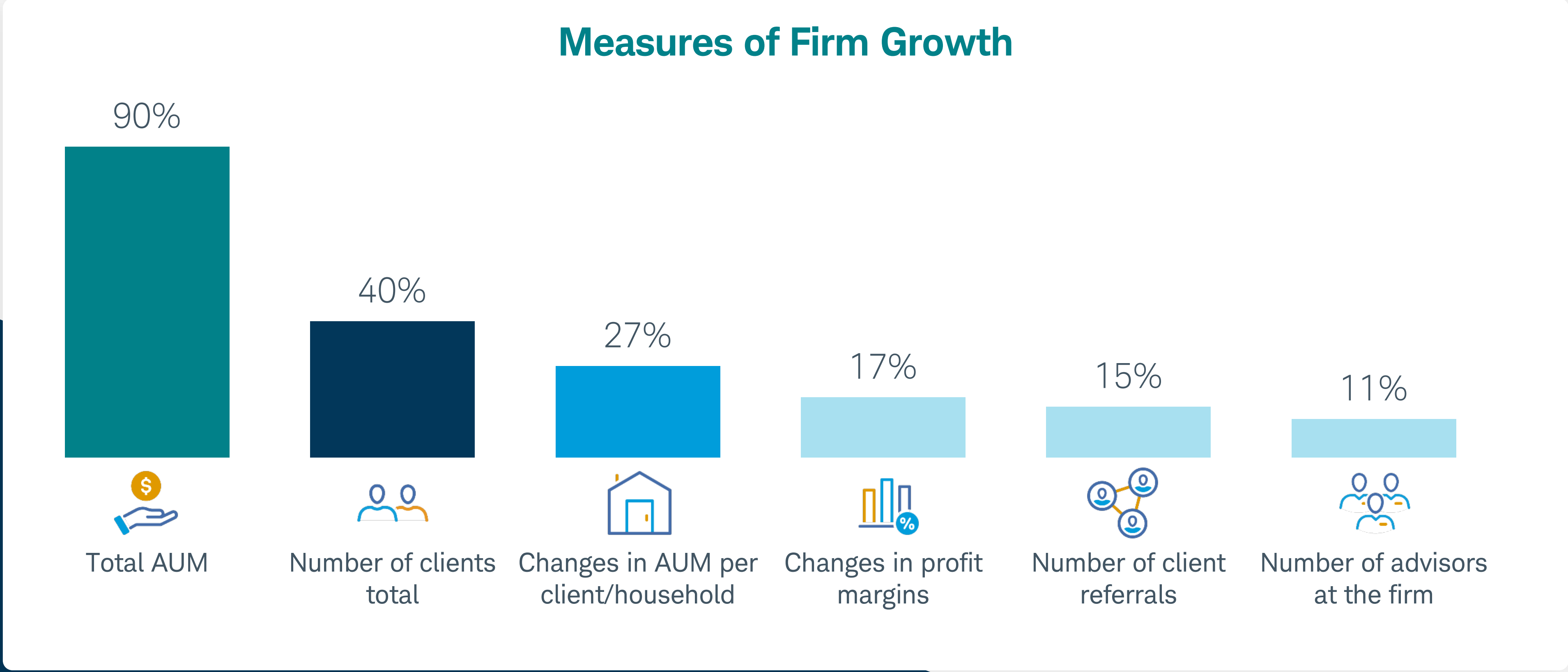
"RIAs are proving that growth doesn't come from chasing volume. It comes from deepening trust, delivering real value, and turning great client experiences into powerful referrals."

- Jon Beatty

03 | Client Playbook

For independent advisors, growth is increasingly rooted in relationships. Firms are focusing on loyalty, satisfaction, and referrals – outcomes of exceptional service that drive growth.

Most firms still define growth through total AUM (90%) but are also looking at number of clients (40%) and AUM per household (27%). These additional metrics reveal a focus on also gauging success in terms of depth of relationship and expanding reach.



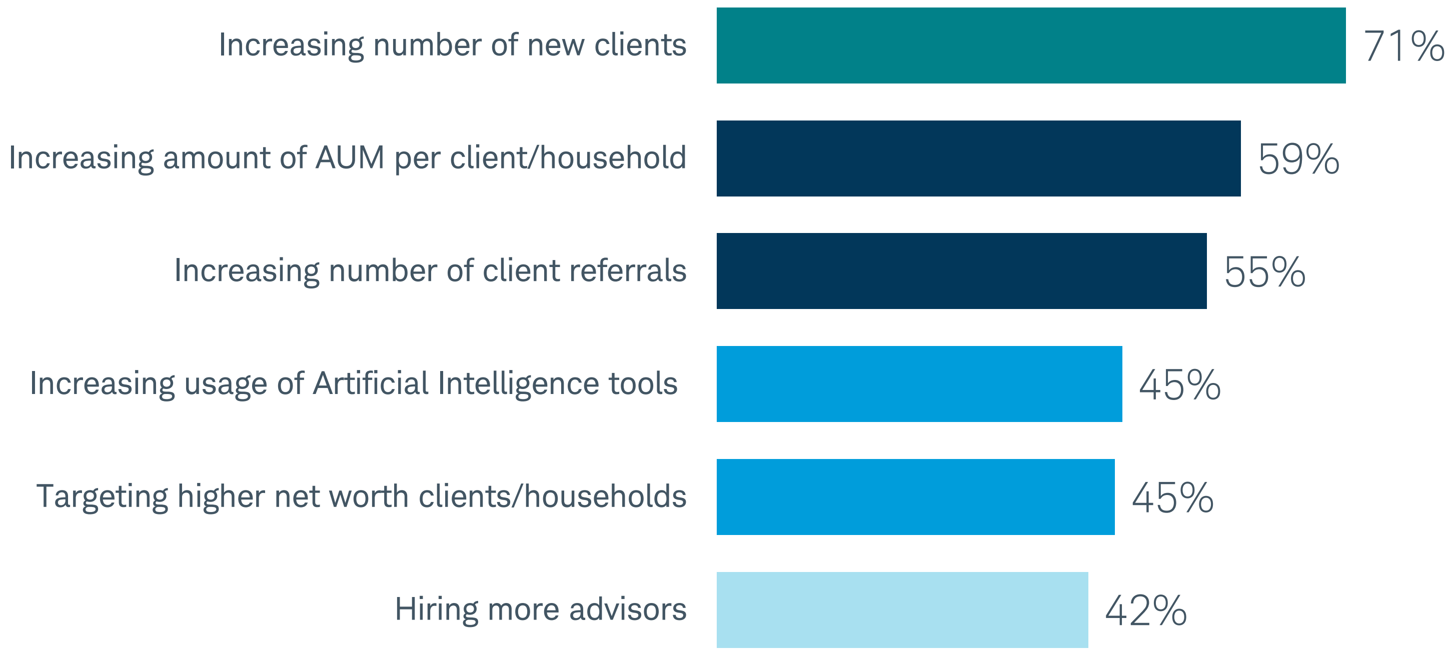
Q2: When you think about your firm's growth, how do you typically measure it?
(Base: Total Advisors = 912)

03 | Client Playbook

Looking ahead three years, firms are aiming for both breadth and depth. Top priorities include increasing new clients (71%), raising AUM per client (59%), and driving more referrals (55%).

But that's not all. Advisors are also investing in AI tools, targeting higher-net-worth clients, and hiring more advisors.

Growth Strategies for Next Three Years



Q4: Which of the following will be a part of your firm's growth strategy over the next 3 years?
(Base: Total Advisors = 912)

03 | Client Playbook

To power their growth, firms are tuning their engines. The top priorities for expanding services include evolving marketing and communications (70%), upgrading tech stacks (58%), hiring both advisors (54%) and support staff (41%), as well as investing in internal training (33%) and outsourcing (26%).

It's a client-focused approach. Sharpen the message, modernize the tools, and align talent to consistently deliver across the client journey.

Plans for Expanding Service Offerings in Next Three Years

70%	58%	54%	41%	33%	26%
Adjusting the firm's marketing and communications strategy	Upgrading the firm's tech stack	Hiring more advisors	Hiring more non-advisor staff	Conducting internal staff trainings	Exploring opportunities for outsourcing

Q5: What is your firm doing to expand service offerings in the next 3 years?
(Base: Expanding service offerings over next 3 years = 251)

"Firms that build a strong acquisition strategy and deliver standout experiences are set to lead. Growth will favor those who earn trust, deepen loyalty, and turn great service into lasting advocacy — with the right tools and teams behind it."

- Tom Bradley

IV

Growth without inefficiency: Scaling smarter, expanding capabilities, and driving profitability

Advisors are fine-tuning how they scale their businesses — modernizing stacks, tightening operations, and growing profits without adding unnecessary bulk.

"Today's playbook is lean by design. Efficiency creates capacity, and that capacity is reinvested in the people who power the client experience."

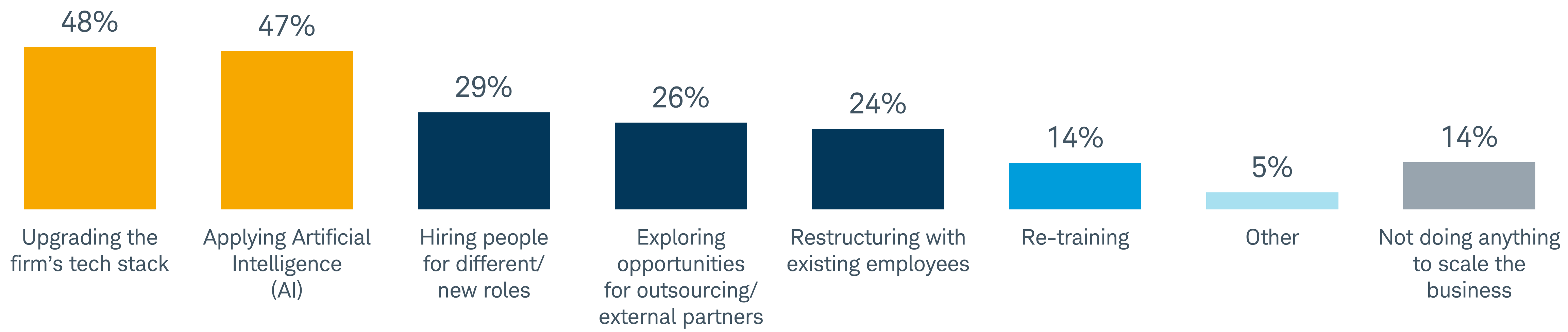
- Jon Beatty

04 | Growth

Firms are approaching scale with focus and discipline. This year's most common actions include upgrading their tech stack (48%) and applying AI (47%), followed by hiring for new or different roles, exploring outsourcing, and restructuring existing teams.

It's not just about accelerating teams — it's about building smarter infrastructure that supports growth.

Actions Taken to Scale Business This Year



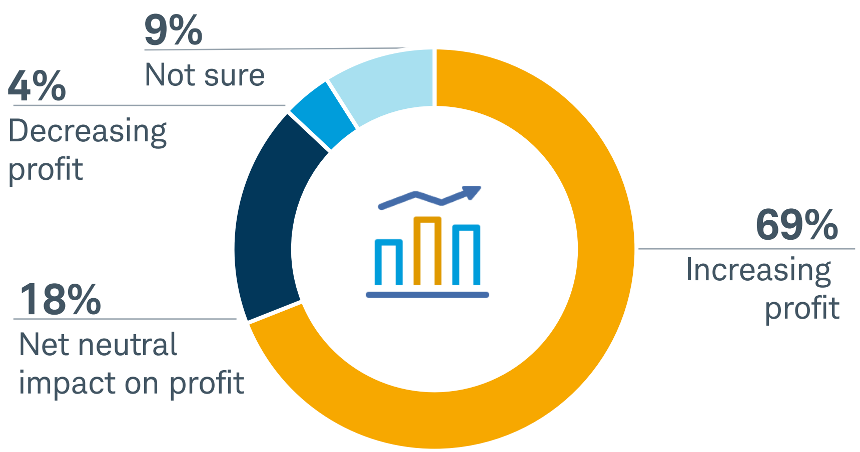
Q6: What is your firm doing to scale the business this year, if anything?
(Base: Uses AI Solutions= 521)

04 | Growth

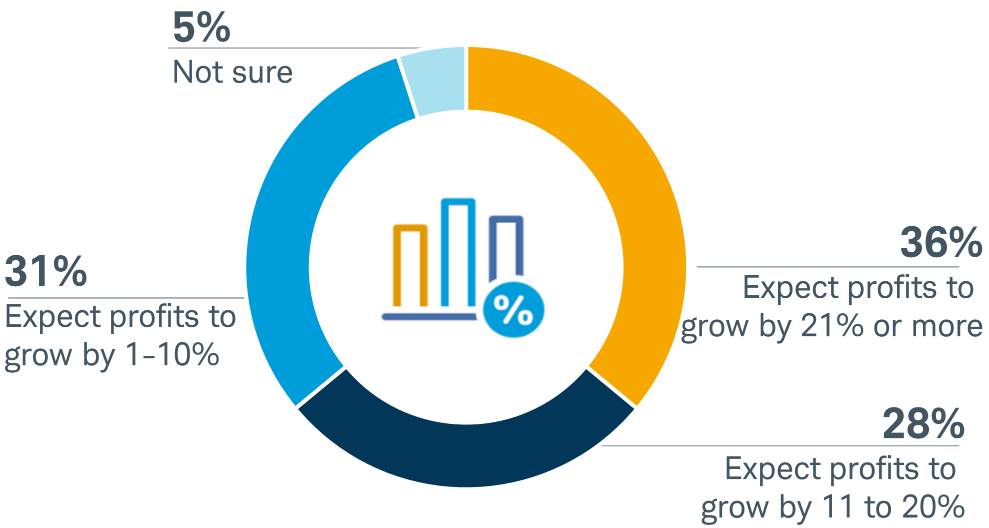
That mindset is expected to pay off. Nearly 7 in 10 advisors say scaling their firm will increase profits over the next three years.

When asked how much profit they expect from scaling, more than a third expect gains of 21% or more. While 28% expect 11–20%, and 31% expect more modest gains of 1–10%. Either way, most see upside.

Impact of Scaling Firm on Financials in Next Three Years



Impact of Scaling Firm on Financials in Next Three Years



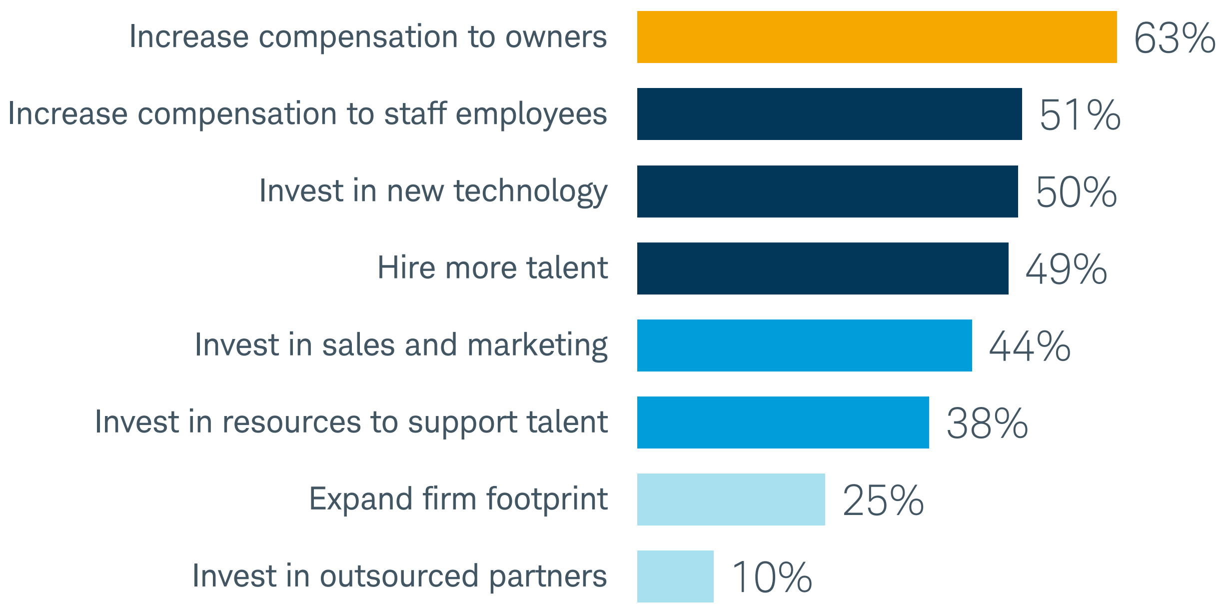
Q7: How is scaling the business impacting the firm's financials in the next 3 years? (Base: Scaling Business = 783)
Q8: By how much do you expect your profit to grow in the next 3 years due to scaling your business? (Base: Scaling Firm Will Increase Profit = 539)

04 | Growth

What happens to those incremental dollars? Most firms plan to put people first: 63% will increase compensation to owners, 51% to staff, 49% will hire more talent, and 38% will invest in resources to support their teams.

Plans for Expanded Resources from Additional Firm Profits

(Expanded resources refers to increased profits as a result of scaling the business)



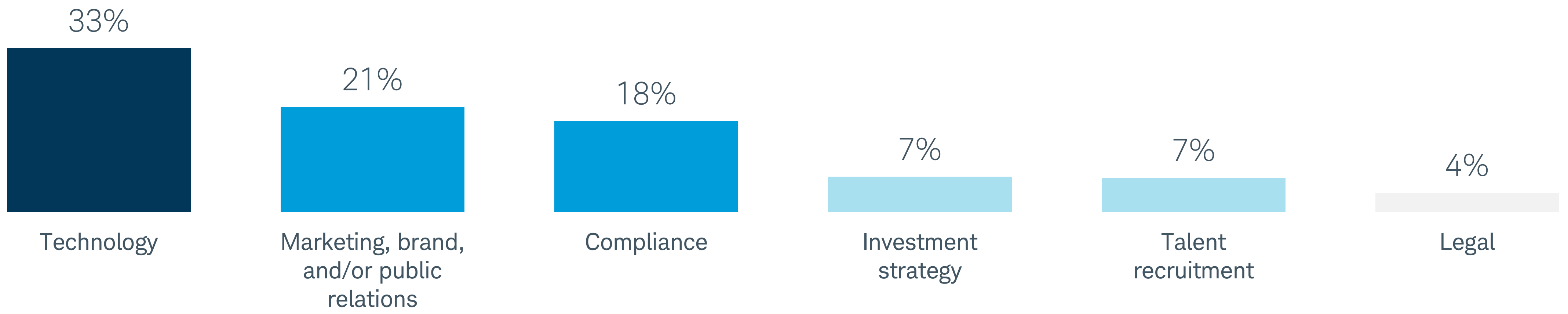
Q9: What will you do with the expanded resources from additional profit?
(Base: Total Advisors = 912)

04 | Growth

Firms also see smart opportunities for outsourcing. Over the next three years, the most critical partners will be in technology (33%), followed by marketing/brand/PR (21%), and compliance (18%).

The takeaway? RIAs want to keep strategy and client experience in-house, while turning to outside experts to speed operational execution and scale efficiently.

Outsourcing Partner Most Critical to Firm in Next Three Years



Q10: Which type of external outsourcing partners will be most critical to your firm in the next 3 years, if any?
(Base: Total Advisors = 912)

"The throughline is clear: growth without waste comes from building systems that scale, defining roles that matter, and partnering where it counts. It's about freeing up capacity – and reinvesting it where it will go furthest."

- Brad Losson

V

Building the "Best" Tech Stacks: Efficiency Meets Flexibility

Advisors are building hybrid tech stacks that combine integration with adaptability, keeping operations streamlined while staying ready for what's next.

“Advisors are building hybrid tech stacks that marry efficiency with flexibility — core systems for stability, specialized tools for innovation.”

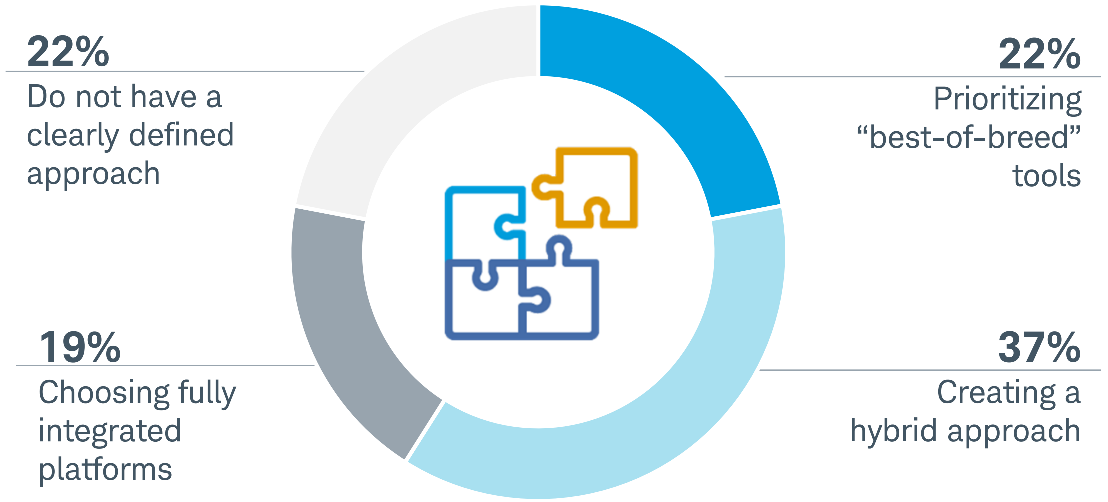
- Jon Beatty

05 | Tech Stack

When it comes to technology, firms are steering clear of extremes. Rather than relying on a single all-in-one platform or stitching together a tangle of standalone tools, most RIAs are choosing a hybrid path.

Today, 37% describe their approach as a hybrid tech stack – combining a core integrated system with select specialized solutions. Another 22% opt for a best-of-breed model which selects top-performing solutions for each function, while 19% prefer a fully integrated platform that favors end-to-end workflows for simplicity, speed, and vendor consolidation.

Current Approach to Tech Stack



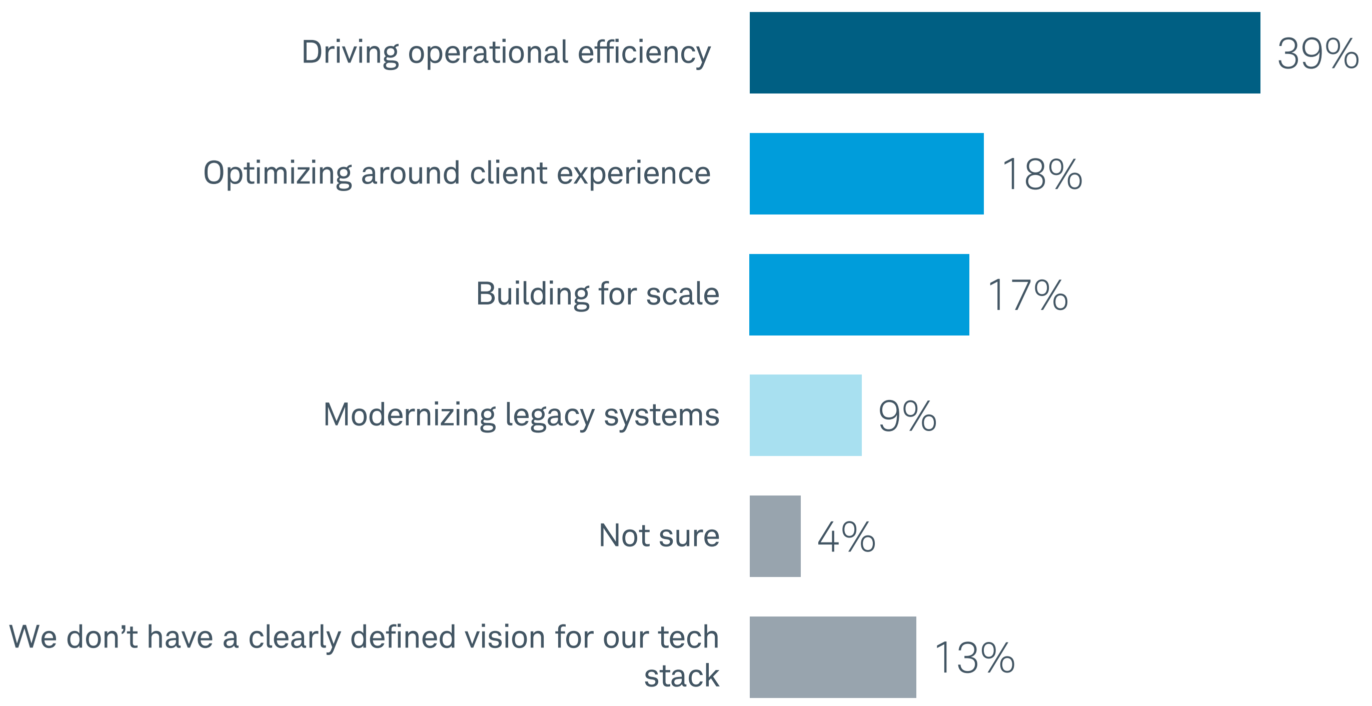
Q14: Which best describes the approach you are taking to your tech stack now?
(Base: Total Advisors = 912)

05 | Tech Stack

Why go hybrid? The priorities are clear: advisors want technology that supports growth and efficiency, but doesn't box them in.

The top goals include driving operational efficiency (39%), enhancing the client experience (18%), ensuring scale (17%), and modernizing legacy systems (9%). All pointing to a desire for tools that can grow with the firm while staying secure and sustainable.

Advisor Attitudes Towards AI



Q15: Which best describes what you are solving for with your tech stack?
(Base: Total Advisors = 912)

05 | Tech Stack

When advisors evaluate “easy-to-use” technology, the top priorities are strong data security (48%), cost-effectiveness (44%), well-integrated systems (42%), and reliable service and support (38%)—followed by streamlined workflows and scalability across teams/locations.

In short: secure, affordable, and well-connected tools that reduce friction and can grow with the firm.

Current Approach to Tech Stack

48%
Strong data security

38%
Service and support

44%
Cost-effective

29%
Streamlined workflows

42%
Well-integrated systems

19%
Scalable across teams or locations

Q16: Which of the following are most important to you in choosing technology solutions that are easy to use?
(Base: Total Advisors = 912)

"The best tech stacks aren't one-size-fits-all. They're hybrid; stable at the core, flexible at the edges, and built to evolve as client expectations and firm strategies change."

- Alison Dooher

Conclusion:

What's next for the RIA industry?

Conclusion

The 2025 Independent Advisor Outlook Study reveals an industry not just growing – but transforming. Across leadership, client engagement, technology, and scaling strategies, RIAs are reshaping how they operate and succeed.

The common thread? Intentionality. Advisors are building leadership teams with the vision and emotional intelligence to lead through complexity. They're applying AI where it adds value today, while preparing for deeper integration ahead. Growth is shifting from volume to value – driven by stronger relationships and client loyalty. Scaling is lean, tech-enabled, and focused on reinvesting in people, a firm's greatest differentiator. And tech strategies are balancing efficiency with flexibility through hybrid stacks.

Taken together, these trends reflect an industry charting its own course – confident in the fiduciary model, clear on the importance of protecting and cultivating trusted client relationships, and grounded in a forward-looking mindset. The RIA profession is stepping into its next era with the same principles that sparked its growth to date: commitment to clients, to innovation, and to independence.

Appendix

Firmographic snapshot

Based on advisors who responded to the study

Advisor Gender		
	Men	**Women**
	69%	27%

Average Advisor Age		
	Mean	**Median**
	54 years	57 years

Primary Role at Firm		
	Principal	**Client Relations**
	59%	12%
	Ops Staff	**Other**
	8%	21%

Number of Employees at Firm		
	Mean	**Median**
	34	5

Assets Under Management at Firm			
	Total AUM	**Mean**	**Median**
	$451B	$393M	$176M

Number of Clients per Firm		
	Mean	**Median**
	1,143	200

D9: Are you a...? (Base: Total Advisors = 912)
D6: In which of the following ranges does your age fall?(Base: Total Advisors = 912)
D7: Which of the following best describes your primary role in the firm? (Base: Total Advisors = 912)
D1: How many employees, including yourself, are at your firm? (Base: Total Advisors = 912)
D3: Approximately, what is the total value of assets managed by your firm? (Base: Total Advisors = 912)
D4: Approximately, how many clients does your firm have in total? (Base: Total Advisors = 912)

Disclosures

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