



Press Release

J.D. Power and Associates Reports: Compensation Is Not the Primary Driver of Financial Advisor Satisfaction with Their Firm

Edward Jones Ranks Highest in Employee Advisor Satisfaction;
Commonwealth Financial Network Ranks Highest in Independent Advisor Satisfaction

WESTLAKE VILLAGE, Calif.: 29 March 2012 — Adhering to best practices regarding firm performance, technology, compliance and administrative support yield the highest levels of advisor satisfaction, even among advisors who receive payouts that are lower than industry average, according to the J.D. Power and Associates 2012 U.S. Financial Advisor Satisfaction StudySM released today.

The study measures the satisfaction of both employee advisors (those who are employed by their investment services firm) and independent advisors (those who are affiliated with a broker-dealer but operate independently). The study examines nine key drivers of employee advisor satisfaction: firm performance; compensation; contact; people; job duties; work environment; products and offerings to clients; technology; and services and support offered to financial advisors. The study also examines eight key drivers of independent advisor satisfaction: firm performance; contact; people; job duties; compensation; technology; products and offerings to clients; and services and support offered to financial advisors.

“Providing the right mix of technology and support to advisors, thus optimizing the time they spend with clients, has the biggest impact on satisfaction,” said David Lo, director of investment services at J.D. Power and Associates. “It’s no coincidence that the firms struggling with the key best practices identified in the study are also paying the highest retention and signing bonuses to compensate for a poorer work experience.”

The study also finds that firm performance continues to be the most important factor that drives advisor satisfaction among both employee and independent advisors. Satisfaction is based on advisors’ perceptions of their firm, including senior management that support the firm’s mission and values, the firm having a clear set of priorities and objectives and the firm acting in the best interest of clients.

“Ultimately, financial advisors want to work with a firm whose actions are in the best interest of clients,” said Lo. “Firms that stray from this fundamental principle diminish the connection with their advisors and eventually damage the overall culture of the firm.”

Lo said that the most common disconnects with senior management involve pushing non-investment products and services as well as keeping advisors from client-facing work due to excessive administrative burden.

Additionally, best practices pertaining to compliance, as well as administrative and technology support, have a significant impact on advisors’ perceptions of their firm. Best practices include technology and software solutions that are aligned and integrated with workflow processes and addressing and resolving compliance issues quickly and efficiently.

Advisor Satisfaction Rankings

Edward Jones ranks highest in overall satisfaction among employee advisors for a second consecutive study with a score of 901 on a 1,000-point scale, and performs particularly well in the technology and firm performance factors. Raymond James and Associates, Inc., ranks second overall (864), and performs well in the compensation and firm performance factors.

Commonwealth Financial Network ranks highest in overall satisfaction among independent advisors for a second consecutive study with an overall score of 917. The firm also earns high scores in the job duties, firm performance and technology factors. Raymond James Financial Services follows in the rankings (887), performing well in firm performance and firm's services and support offered to financial advisors.

The 2012 U.S. Financial Advisor Satisfaction Study is based on responses of nearly 2,800 financial advisors. Survey sample and industry weighting was provided by Qualified Media and Investment News. The study was conducted between November 2011 and January 2012.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing forecasting, performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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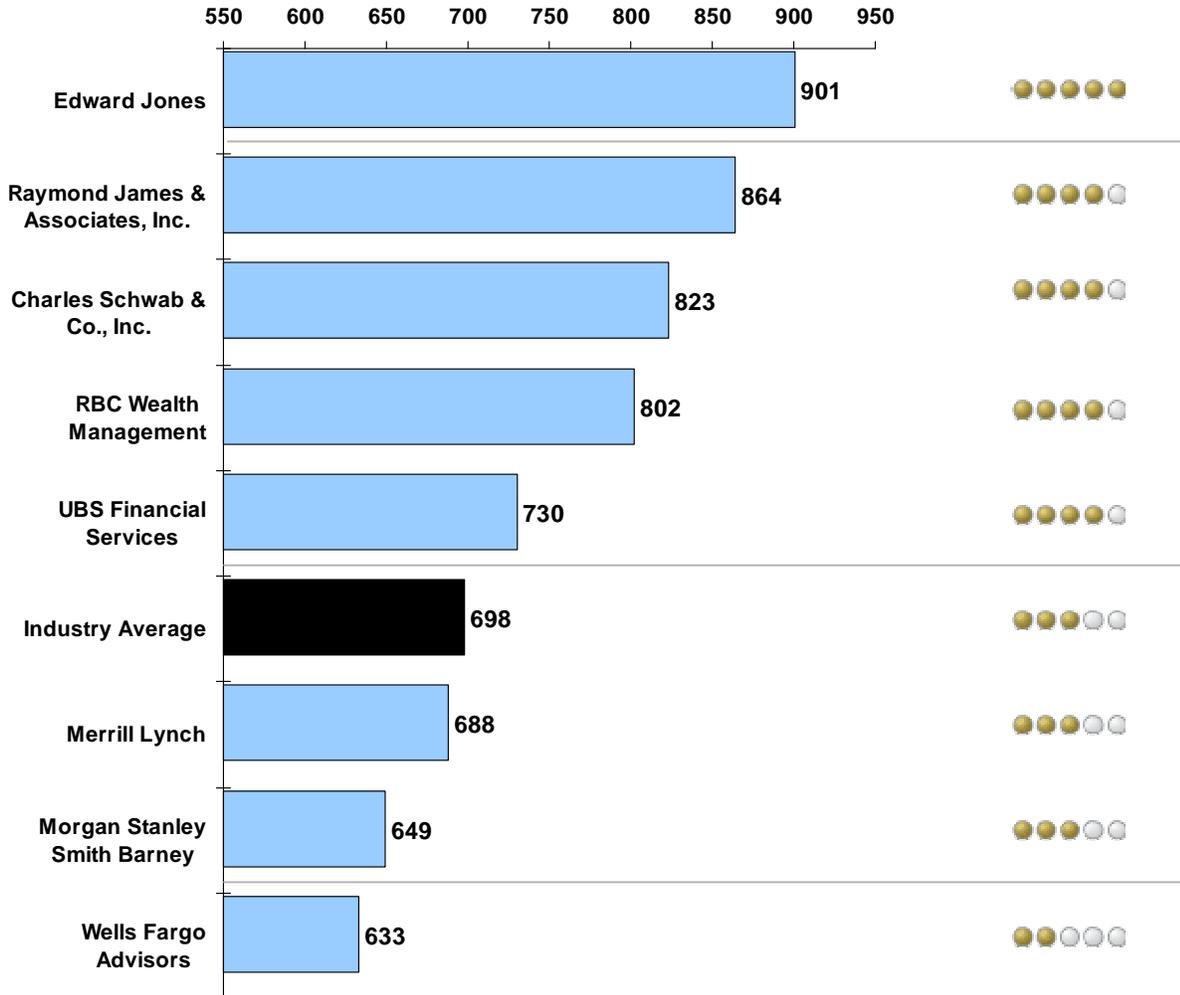
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Note: Two charts follow

J.D. Power and Associates 2012 U.S. Financial Advisor Satisfaction StudySM

Customer Satisfaction Index Ranking Employee Advisor Segment (Based on a 1,000-point scale)

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Included in the study but not ranked due to small sample size are Stifel, Nicolaus & Company, Ameriprise Financial and Chase Investment Services.

Source: J.D. Power and Associates 2012 U.S. Financial Advisor Customer Satisfaction StudySM

Power Circle Ratings Legend

- Among the best
- Better than most
- About average
- The rest

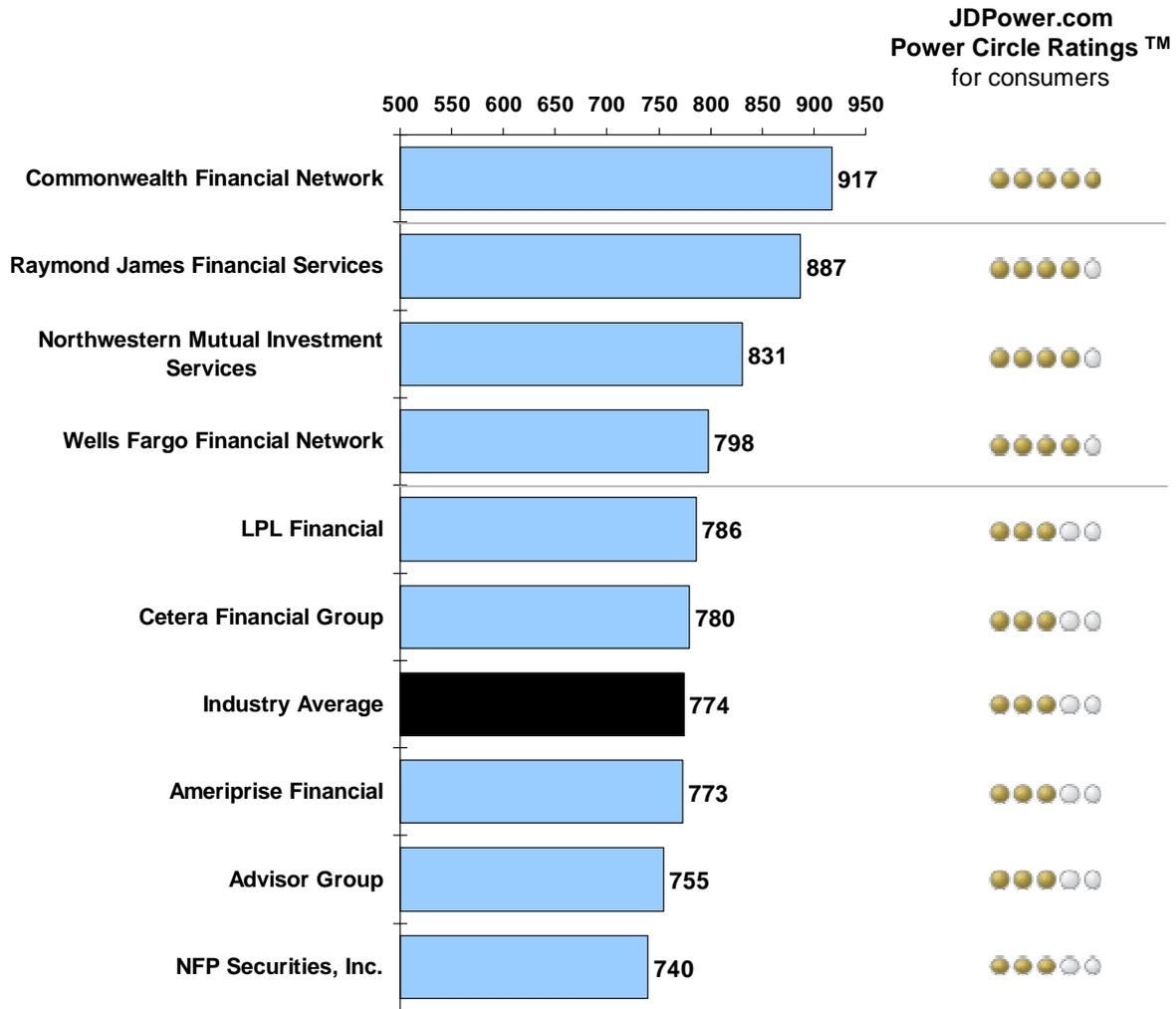
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J.D. Power and Associates 2012 U.S. Financial Advisor Satisfaction StudySM

Customer Satisfaction Index Ranking

Independent Advisor Segment

(Based on a 1,000-point scale)



Source: J.D. Power and Associates 2012 U.S. Financial Advisor Customer Satisfaction StudySM

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