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# Financial Advisors Put Their Practice to the Test with Envestnet's Intelligent Financial Life™ Advisor Practice Score

*Industry-first interactive assessment shows high-scoring advisors significantly outperform low-scoring peers in total client assets managed*

BERWYN, Pa., Oct. 4, 2022 /PRNewswire/ -- At a time when traditional financial planning has become table-stakes and clients increasingly seek holistic advice, Envestnet is helping financial advisors understand just how well they stack up. Through a partnership with the financial services research and advisory firm, Aite-Novarica Group, Envestnet has launched the industry's first financial advisor assessment – The Intelligent Financial Life Advisor Practice Score – evaluating to what degree an advisor is helping clients' achieve peace of mind and financial security regarding their ability to meet all their financial needs and goals. Critically, the assessment yields insights on how an advisor can deliver even greater value and achieve higher levels of client satisfaction to help them grow their practice.



The Intelligent Financial Life Advisor Practice Score interactive assessment can be viewed [here](#).

"Our mission has always been to help advisors make sense of their clients' overall financial picture and empower them to take the advice they give—and their practice—to the next level," said **Mary Ellen Dugan, Chief Marketing Officer for Envestnet** "This assessment provides advisors with a way to understand how well they're positioned to help clients navigate their complex financial lives – through their day-to-day and more long-term financial decisions. By expanding their planning approach, advisors can help clients feel more secure in their ability to meet current and future financial obligations."

The accompanying white paper, "[Taking the Measure of Advice: The Intelligent Financial Life Advisor Practice Score and How it Benefits Advisors' Practices](#)," analyzes a range of advisor behaviors and capabilities and uncovered five categories that are used to calculate the Advisor Practice Score:

- **Breadth of financial advice provided**—Advisors who advise on a wide range of

topics, including wealth transfer, tax planning, insurance planning, debt advisory, and cash-flow planning and budgeting, in addition to investing and retirement readiness, produced better outcomes for their clients than advisors whose advice was more narrowly focused.

- **Frequency of multi-goal financial plans**—The creation and implementation of comprehensive or multi-goal financial plans for their clients produced better outcomes than advisors who didn't engage in formal plans, or who delivered plans to clients that addressed only one or two goals.
- **Addressing the emotional side of money**—Advisors who helped clients understand how their attitudes and behaviors towards money affect their ability to reach their goals, and make these issues a standard part of their practice, produced better outcomes than their counterparts who didn't.
- **Engaging spouses and other family members**—The inclusion of clients' spouses and other family members in meetings and conversations about financial goals tended to help advisors achieve better client outcomes.
- **Breadth of capabilities on platform**—Even if advisors don't utilize the full range of technology capabilities available to them for crafting and implementing financial plans, just having them at their disposal was shown to help them improve client outcomes.

For advisors, there is a high correlation between achieving a top Advisor Practice Score and managing more client assets. Advisors with a score of 80 or higher manage \$443 million in client assets on average – representing 69% more assets than their counterparts who scored in the bottom quartile of the survey, with a score lower than 67.

## Methodology

In Q4 2021, Aite-Novarica Group conducted an online study on behalf of Envestnet with 483 professional financial advisors to examine how financial advisors are helping their clients achieve a concept Envestnet developed called "The Intelligent Financial Life" – a unified ecosystem to connect every facet of investors' finances through data driven advice, solutions, intelligence and technology – and to quantify how advisors and their practices benefit from the delivery of this concept to their clients. The survey asked advisors detailed questions about their practice, the nature of their client base, and how they worked with clients. Through analysis of the survey data, Aite-Novarica Group made a quantitative assessment of the extent to which each advisor was delivering financial wellness to clients.

The data for the full sample has a 4-point margin of error at the 95% level of confidence; statistical tests of significance among segments were conducted at a 90% confidence level.

To learn more visit <https://www.envestnet.com/intelligent-financial-life>.

## About Envestnet

Envestnet refers to the family of operating subsidiaries of the public holding company, Envestnet, Inc. (NYSE: ENV). Envestnet is Fully Vested™ in empowering advisors and financial service providers with innovative technology, solutions, and intelligence to help make financial wellness a reality for their clients through an intelligently connected financial life. More than 105,000 advisors and over 6,500 companies—including 16 of the 20 largest U.S. banks, 47 of the 50 largest wealth management and brokerage firms, over 500 of the largest RIAs, and hundreds of FinTech companies—leverage Envestnet technology and

services that help drive better outcomes for enterprises, advisors, and their clients.

For more information, please visit [www.envestnet.com](http://www.envestnet.com), subscribe to our [blog](#), and follow us on Twitter ([@ENVintel](#)) and [LinkedIn](#).


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