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Forbes Best-In-State Wealth Advisors Methodology 2021



R.J. Shook Senior Contributor ⓘ ⊕

Top Advisor/SHOOK



Forbes/SHOOK Best-In-State Wealth Advisors FORBES

Here's what our research has found: the very best advisors are laser focused on having a positive impact on their clients' lives, they want to add meaning, help them live better lives.

This is how we think about our research process every day. If we're going to recommend advisors to the public, we have to make sure every advisor is high quality. When we meet with an advisor in person or on the telephone we are thinking to ourselves: Is this someone that can offer impact, and we would recommend to a friend or family member?'

For the full list of Forbes' Best In-State Wealth Advisors and more, [click here](#).

Our Top Advisor and Top Women Advisor rankings are published annually, but they don't tell the whole story, most of these advisors are concentrated around the bigger markets such as New York and San Francisco. We've uncovered great advisors in *all* markets—South Carolina, Oklahoma, and other states with smaller concentrations of wealth.

It is our belief clients are oftentimes better served by *local* representation. For example, a Houston-based investor who made her fortune in oil may prefer a local advisor with experience in that sector; a tech entrepreneur may want an advisor well-versed in start-ups and funding; or a farmer may seek an advisor with expertise in the futures markets. Many of the clients we talk to say they consider their advisors and teams like a part of their families, so it's nice to have them close by.

The *Forbes* ranking of Best-In-State Wealth Advisors, developed by [SHOOK Research](#), is based on an algorithm of qualitative criteria, gained through telephone, virtual and in-person due diligence interviews, and quantitative data. Those advisors that are considered have a minimum of seven years experience, and the algorithm weights factors like revenue trends, assets under management, compliance records, industry experience and those that encompass best practices in their approach to working with clients. Portfolio performance is not a criteria due to varying client objectives and lack of audited data. Neither Forbes or SHOOK receive a fee in exchange for rankings.

([Click here for the Forbes Best-In-State ranking and more](#); advisors can complete a survey for upcoming rankings at www.SHOOKresearch.com.)

Research Summary (as of January 2020)

We don't want 300,000 nominations so we set thresholds to minimize the quantity we receive:

- 32,725 nominations received, based on high thresholds and qualifications
- 15,854 invited to complete online survey
- 13,114 telephone interviews
- 2,085 in-person interviews at advisors' location
- 619 Web-based interviews

The Research Process

SHOOK scours the financial services industry—banks, brokerages, custodians, insurance companies, clearing houses and others for nominations. SHOOK accepts advisors who meet pre-determined minimum thresholds and acceptable compliance records. As of this date, SHOOK has received almost 32,000 nominations—advisors who meet SHOOK's thresholds. SHOOK invited 15,854 of these nominees to complete an online survey.

Unlike other advisor rankings, SHOOK is not a “robo-ranker”—numbers such as production and assets don't tell the whole story, especially when much of the data is self-reported. SHOOK Research creates rankings of role models—advisors that are leading the way in offering best practices and providing a high-quality experience for clients. A focus on both quantitative and qualitative factors, including telephone and in-person meetings, is imperative.

SHOOK Research is the only rating firm that interviews advisors via telephone and in person at advisor's location.

Basic Requirements

- 7 years as an advisor
- Minimum 1 year at their current firm, with exceptions (acquisitions, etc.)
- Advisor must be recommended, and nominated, by their firm
- Completion of online survey
- Over 50% of revenue/production must be with individuals
- Acceptable compliance record

Quantitative

- Revenue/production; weightings assigned for each
- Assets under management—and quality of those assets—both custodied and a scrutinized look at assets held away. (Although individual numbers are used for ranking purposes, we publish the entire team's assets.)
- Client-related data, such as retention
- Portfolio performance is not a factor; audited returns among advisors are rare, and differing client objectives provide varying returns

Qualitative

- Telephone and in-person meetings with advisors (if an in-person meeting cannot be accomplished, exceptions are considered in which the interview will occur after a ranking has been published).
- Advisors that exhibit "best practices" within their practices and approach to working with clients.
- Compliance records & u4s. Some “dings” can be overlooked (e.g., firm or product failure beyond the scope of an advisor's due diligence; the older a ding, the less we look). Since there are many

gray areas, the SHOOK team is willing to listen to a Firm that is willing to stand behind the advisor with written support from leadership.

Advisors that provide a full client experience:

- Service model
- Investing process
- Fee structure (higher % of fee-based assets earns more points)
- Breadth of services, including extensive use of Firm's platform and resources (eg, liabilities)
- Credentials (years of service can serve as proxy)
- Use of team & team dynamics
- Community involvement
- Discussions with management, peers, competing peers
- Telephone and in-person meetings

U4/Compliance Issues

The following conditions will be considered in order to lessen weightings infractions

- Infractions that are denied or closed with no action
- Complaint arose from a product, service or advice initiated by a previous advisor or another member or former member of team
- Length of time since complaint
- Complaints related to product failure not related to investment advice (some limited partnerships, adjusted-rate securities, etc.).

- Complaints that have been settled (must be proven) to appease a client who remained with the advisor for at least one year following settlement date.
- Complaints that are proven to be meritless.
- Actions taken as a result of administrative error or failure by firm.

Once an advisor's compliance rating falls into a tenable category, the following conditions must be met:

- An advisor's rating must be among SHOOK's highest qualitative measures including in-person interview
- Letters of recommendation from firm

Ranking Algorithm

The algorithm is designed to fairly compare the business practices of a large group of advisors based on quantitative and qualitative elements. Data are weighted to ensure priorities are given to dynamics such as preferred “best practices”, business models, recent business activity, etc. Each variable is graded and represents a certain value for each measured component. These data are fed into an algorithm that measures thousands of advisors against each other.

SHOOK Disclosures

SHOOK is completely independent and objective and does not receive compensation from the advisors, Firms, the media, or any other source in exchange for placement on a ranking. SHOOK is funded through conferences, publications and research partners. Since every investor has unique needs, investors must carefully choose the right Advisor for their own situation and perform their own due diligence. Rankings are based on the opinions of SHOOK Research, LLC and not indicative of future performance or representative of any one client's experience; the firm's

research and rankings provide opinions for how to choose the right financial advisor. Portfolio performance is not a criterion due to varying client objectives and lack of audited data. Remember, past performance is not an indication of future results.

For more information, please see www.SHOOKresearch.com.

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R.J. Shook

We are experts in two areas. We are the world's #1 Wealth Advisor research organization that focuses on the quality of the advisor (disclaimer: no one else in the world... **Read More**

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