

# Developing a Successful Financial Advisor Team:

## A Practical Framework for Practice Management



### Key Takeaways

As complexity grows, advisors must shift from being the primary producer to building and leading a team with clear structure and shared accountability.

High-performing teams are built on trust, clarity, and peer accountability.

Without clearly defined roles, productive conflict, and mutual accountability, growth stalls and client experience suffers.

The true test of a successful financial advisor team structure is whether the business runs smoothly, even when the leader isn't in the room.

Most advisors begin their careers focused on serving a small book of business. Over time, referrals increase, assets grow, and complexity follows. What once felt manageable becomes layered – more clients, more planning demands, more expectations.

Eventually, the question shifts from:  
“How do I serve this client well?”

To: “How do I build a team that can serve all of them – consistently?”

That's the moment when financial advisor practice management becomes leadership.

According to Cerulli Associates<sup>1</sup>, nearly half of advisory firms now operate in team structures, highlighting the growing importance of team-based approaches in the industry. An advisory team can often serve more clients than a sole proprietor, as team structures allow for greater specialization and capacity. Not because teaming is trendy, but because scale, specialization, and succession demand it.

“Once complexity increases, you can’t operate as a solo decision-maker anymore,” says [Anders Smith](#), VP, Managing Director, National Sales Consulting at Delaware Life. “You’re not just an advisor at that point. You’re leading people — and that’s a completely different skill set.”

Building an effective financial advisory team requires careful consideration of the firm’s overall objectives and client needs. The right team structure can enhance both operational efficiency and client satisfaction as financial advisory firms grow.

## Why Financial Advisor Team Structure Matters

Clients expect comprehensive advice, as well as a consistent, positive experience. Markets test confidence. Technology accelerates service. And succession planning is no longer optional. If every decision still runs through one person, the business has reached its ceiling.

When considering financial advisor team structure, key organizational models include the vertical team structure, horizontal team structure, and hybrid team structure.

- **A vertical team structure** is a top-down setup where a senior advisor leads and oversees a team of supporting professionals, emphasizing clear roles and streamlined delegation.
- **A horizontal team structure** is a collaborative, skill-based model where advisors with complementary expertise share responsibilities and leadership equally.
- **The hybrid team structure** combines elements of both vertical and horizontal models, creating a holistic, client-centered approach with lead advisors and specialized teams.

Building the right team requires careful consideration of your firm’s overall objectives and client needs. An effective team is able to leverage the expertise and skill sets of a range of different people and viewpoints. Clear job descriptions and expectations about roles are essential for team success. High functioning teams execute on clear handoffs between

team members when servicing clients, preparing for client meetings, and follow through. The type of team you build — vertical, horizontal, or hybrid — should reflect your firm’s goals, client base, and growth strategy. But structure alone isn’t enough.

High-performing teams share foundational characteristics that go beyond an org chart.

## The Foundations of High-Performing Advisor Teams

A helpful lens comes from the framework outlined in *The Five Dysfunctions of a Team* by Patrick Lencioni. It identifies five building blocks of effective teams:

### 5 Building Blocks of Effective Teams



You can’t skip steps. And you can’t scale dysfunction. Here’s how those layers show up in financial advisory practices.

### 1. Trust Is Structural — Not Soft

Trust is the foundation. Without it, teams avoid hard conversations. Mistakes stay hidden. Issues escalate to clients.

“With no trust, people won’t admit errors,” Smith explains. “And if leaders can’t say, ‘I was wrong,’ the team won’t either.”

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That vulnerability sets the tone. When leaders model accountability, problems surface early, before they damage client relationships.

Trust becomes especially visible during volatile markets. Teams either tighten up and collaborate or fracture under pressure.

## 2. Productive Conflict Drives Better Decisions

Many advisory teams equate harmony with health. But alignment without debate is fragile.

“Make your case,” Smith says. “You’ll win some and you’ll lose some, but if you do lose, be prepared to simply move on.”

Healthy teams challenge ideas – not people. They debate before decisions and align fully after them. Decision-making processes can vary depending on the financial advisor team structure. In horizontal teams, advisors are comfortable sharing decision-making and equity among the lead advisors.

Without productive conflict, there is no true commitment. And without commitment, execution slows.

## 3. Commitment Requires Role Clarity

Ambiguity is one of the most common breakdowns in financial advisor team structure.

“Growth breaks when roles aren’t clearly defined,” Smith notes.

### When ownership isn’t explicit:

- Decisions stall
- Clients receive inconsistent messaging
- Junior advisors stagnate
- Senior advisors feel overwhelmed

### Clear definitions matter:

- Who owns primary client relationships?
- Who leads planning strategy?
- Who manages service tiers?
- Who drives business development?

Clearly defined roles and responsibilities within a financial advisory team help avoid confusion and ensure accountability. Significant overlap in duties should be avoided to prevent redundancy and inefficiencies.

“If the answer to ‘Who owns this?’ is ‘everyone,’ it’s usually no one,” Smith adds.

Think about what happens when a client calls in with a question. If they can’t immediately speak with their advisor or advisor team, they may leave a message with an administrator. If all the advisors on that client’s account assume someone else on the team is handling the call, then no one is handling it and the client feels that personally. With clear roles and structure, it may be delegated to a certain advisor based on subject matter or severity – and the client will be answered in a timely fashion.

## 4. Peer Accountability Builds Momentum

Accountability is where many teams struggle.

“No one wants to babysit,” Smith says. “Accountability works best peer-to-peer.”

When goals are visible and teammates hold one another responsible, leadership spreads across the organization.

Smith often recommends a simple allocation framework for advisors transitioning into leadership: “About 60% of your time should be developing individuals, 30% managing the team, and 10% setting direction.”

Without that focus on development, leaders spend their time fixing problems instead of building capability.

## 5. Results Follow Structure – Not Personality

The final layer is results.

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When trust, conflict, commitment, and accountability are in place, outcomes improve naturally.

You see it in measurable ways:

- Clients remain calm during market swings
- Junior advisors grow in confidence
- Meetings become more focused
- Succession becomes realistic

Team structures can also enhance client satisfaction by allowing firms to build specialized roles that address a sophisticated range of client needs.

“If everything still runs smoothly when you’re not in the room,” Smith says, “you’ve built a team.”

That’s when financial advisor practice management shifts from reactive to intentional.

## The Delegation Barrier

One of the most persistent challenges advisors face is delegation.

Advisors are trained to be experts. Letting go of control can feel uncomfortable – even risky.

“You can’t scale if you can’t delegate,” Smith says plainly.

Hiring associate advisors and support staff is not about reducing quality. It’s about expanding capacity. Support roles, such as client service associates, can take on non-revenue producing activities and administrative tasks like client onboarding, paperwork, and daily operational duties. This frees up advisors’ time for high-value client activities and generating revenues. Hiring support staff allows financial advisors to focus more on client-facing work and optimize their capacity, enabling them to serve more new clients overall, even if they do not spend significantly more time with each client. Associate

advisors support lead advisors by creating financial plans, preparing for client meetings, and performing research. Administrative and client service professionals free advisors to focus on planning, strategy, and relationship development.

“If you’re still reviewing every form and handling every service issue,” Smith notes, “you don’t have a team. You have help.”

Delegation also relies heavily on an advisor’s ability to effectively manage their own time. It’s just not possible to hold onto every top relationship. There’s not enough time in the day, and for the practice, this also limits junior advisor development, succession planning, and enterprise value.

Practice management isn’t maintenance. It’s evolution.

## Hire for Culture, Not Clones

Hiring decisions shape a firm’s trajectory.

“Don’t hire yourself,” Smith advises.

Strong teams are complementary. They balance strengths across planning, operations, business development, and leadership.

Equally important is protecting culture.

“Hire slow. Fire fast.”

Tolerating toxic behavior erodes trust and undermines accountability. Career paths and professional development matter too. Offering a clear career path helps attract and retain talent, supporting the firm’s sustained growth. Team-based models can improve recruiting and retention by creating a growth mindset for next-generation advisors within the firm. Investing in team members’ professional development can enhance loyalty and create enterprise value for the firm. Next-generation advisors are drawn to firms where growth is intentional and leadership is developed.

Culture ultimately drives client experience – and client experience drives enterprise value.

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## Structure for the Future

Healthy team structures evolve.

Advisors should ask:

- If I stepped away for two weeks, what breaks?
- Are decisions appropriately distributed?
- Does every key client depend on one person?

Looking ahead:

- What roles will we need in three years?
- Who is being developed for leadership?
- Is succession embedded in our structure?

“A real team works well even during difficult times,” Smith says. “Stress reveals structure.”

## Technology Supports Structure — It Doesn’t Replace Leadership

Modern advisory teams leverage CRM systems, planning tools, and automation to improve efficiency and identify opportunities proactively. Support services and Operations Managers play a key role in overseeing workflows, technology, and compliance to ensure office efficiency.

But technology is not a substitute for leadership. “Automate the paperwork,” Smith advises. “Don’t automate the relationship.”

Clients stay because they trust the team behind the process. Technology should reinforce clarity — not replace human connection.

## Building a team isn’t about complexity. It’s about clarity.

When structure and culture align, advisors gain confidence — in their client relationships, in their growth trajectory, and in their succession plan.

Optimizing team performance in financial advisory firms can lead to boosting revenue and improved client satisfaction. The most successful advisory practices share a key ingredient: teams that are optimized for success.

At Delaware Life, we believe in supporting advisors with transparent solutions that never put you in a difficult position with clients. No bells and whistles. Just pure value.

Because when your team is strong, everything else becomes simpler.

<sup>1</sup> <https://www.cerulli.com/resource/top-performing-teams>

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