



# The Cost of Staying

WHAT 11,172 ADVISORS  
ALREADY FIGURED OUT.



# The Number is Only Part of the Story

A 16% jump is easy to write off as a hot recruiting market or ordinary churn. Harder to write off is who is doing the moving.

The 2025 movers averaged 22 years of experience. They weren't early-career advisors reshuffling, and they weren't below average producers pushed out over minimums. They were the advisors with the deepest client trust and the highest switching costs, and yet that chose to move anyway. Showing that they ran the math and decided they could do better elsewhere.

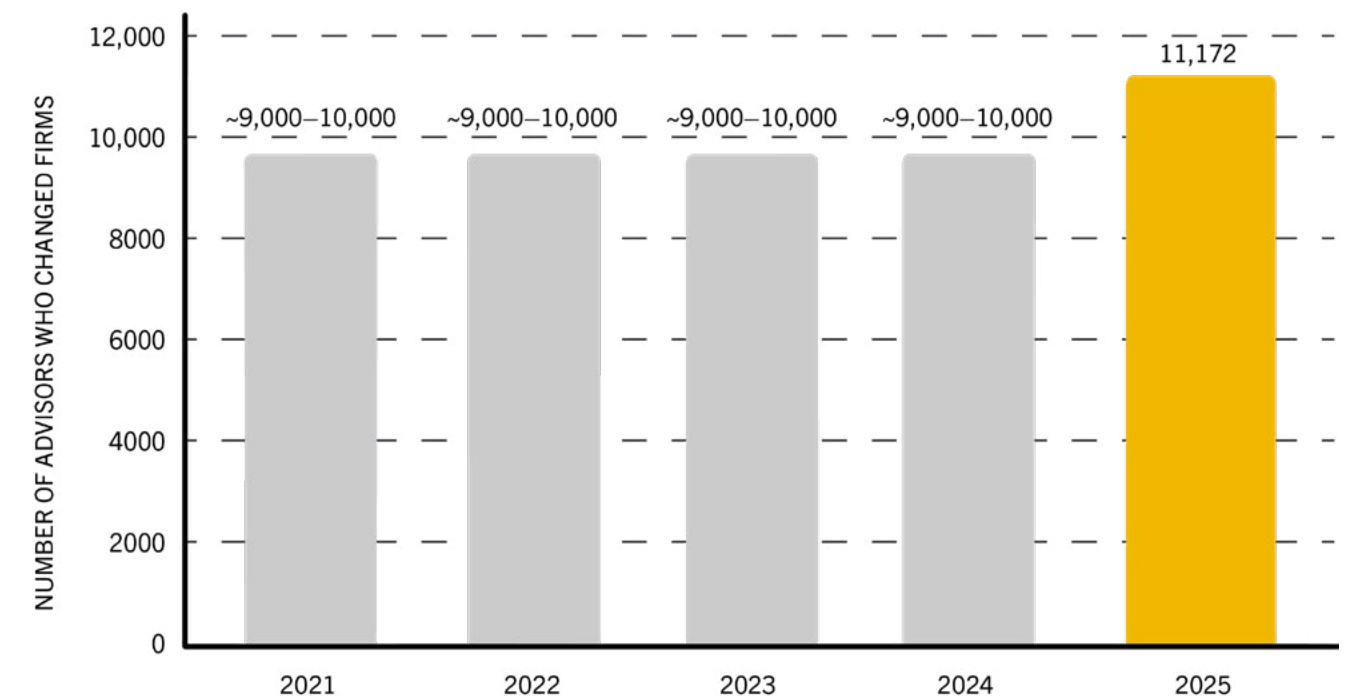
The stigma of moving has also changed. Leaving a firm used to imply a stalled book or a relationship that had gone wrong. That association has faded. A move now tends to signal an advisor who reassessed and acted rather than one who came up short. Two things to keep in mind are that this count includes only advisors with at least three years of experience, and that the four prior years all landed between roughly 9,000 and 10,000 moves. While instead of drifting to the top of that range, 2025 shot beyond the scope and had 11,172 advisors moving forward.

## Executive Summary

In 2025, 11,172 experienced financial advisors changed firms, up 16.2% from the year before. This is also the highest move total in the four years the figure has been tracked. The number is large and tells part of the story, but the more useful information is in who moved, when, and why.

The advisors who left averaged about 22 years in the business; these are established professionals with mature books, have long client relationships, and were the people with the most to lose if a transition goes badly. They also moved during a strong bull market, which historically is the worst time to move because typically clients are content, so there is no need to rock the boat. And the year's headline event was the largest breakaway on record: a team managing roughly \$129 billion left Merrill to start its own firm.

For most of the past decade, staying put was the safe, neutral choice. In 2025, that changed; staying looked more like a bet that your firm's economics and platform will continue to perform for your business and your clients. That is a bet that 11,172 high performing advisors chose not to make. The question is: what do they know that you don't?





## Moving in a Bull Market Is Hard

A rising market is the least convenient time to change firms. Account values are up, statements look good, and clients are satisfied, which removes the one thing that makes a transition easier to explain: a reason. There's no downturn to point to, and no service failure is fresh in anyone's mind. The advisor must ask happy clients to re-paper accounts and sign new agreements for a benefit they can't see yet.

That's what makes the 2025 numbers worth a second look. Movement during a crisis tells you about the crisis. The departures in 2008 said more about Lehman and the broader system than about any one firm; movement during a rally is different. An advisor who takes on the cost and friction of a move while business is good has decided the new firm is structurally better, not just safer in bad weather.

## The Largest Teams Moved First

If experience is one marker, scale is the other; and in 2025 the largest teams led the way. Fifty-four teams managing \$1 billion or more changed firms, and 29 of them left from wirehouses.

The clearest example came in September 2025, when, according to InvestmentNews, a team managing about \$129 billion at Merrill left to launch OpenArc Corporate Advisory, an Atlanta-based RIA, with platform support from Dynasty Financial Partners and custody at Schwab. It was the largest breakaway the industry has on record. The big takeaway of what matters here is that a flagship wirehouse team concluded that gaining more equity and ownership of their own business was more valuable than staying at a large and well-known institution. It also proved that a book of such size still can move and be successful.

When a book that large moves, it acts as more of an early indicator than an exception. Since they moved first, and moved toward independence, that marks the start of a trend rather than the end of one.

**When the industry's largest teams move first, it signals that independence has become a strategic business decision — not just an option for smaller firms.**

# What “The Cost of Staying” Actually Means

The cost of staying is not just one expense but several that accumulate onto each other, and before you realize it’s already too late to leave. Ownership, deferred compensation, platform decline, and finally falling behind all quietly build up.

An advisor at a large firm spends a career building the value of a book the firm owns. The client relationships and recurring revenue add enterprise value to the firm’s balance sheet, not the advisor’s. Over time that’s the difference between renting the value of your practice and owning it, and the gap widens as the practice grows. Owning that value outright was the stated reason behind the OpenArc team’s move.

Then there’s deferred compensation; that’s presented as a reward for tenure, but it usually works as a lock-in: money that’s cut or forfeited if you leave. In a September 2025 advisory opinion from the administrative ruling 2025-03A, the Department of Labor concluded that a major wirehouse’s deferred-comp plan is a bonus program rather than a pension protected by federal retirement law; which means an advisor who departs

early can lose the unvested balance, and the agency that enforces ERISA has now said the firm is within its rights to withhold it. This continues now to that same logic running through sunset programs or retire-in-place deals, which firms are offering earlier and with more strings attached, sometimes a decade or more before a planned retirement, to keep teams in place and narrow their options later.

Platform decline is also a major issue, and it’s one you don’t control. Staying is only safe if the platform holds, and it often doesn’t because cost cuts, margin compression, and policy changes can wear down the value to an advisor. UBS is the cautionary tale here. Its 2025 pay changes, plus management talk of more cost-cutting, pushed a lot of advisors past their limit. 318 of them left that year, more than any other firm, according to Diamond Consultants’ Financial Advisor Transition Report. Whatever the firm gained on margin, the people who stayed are the ones living with the new plan. Whatever a firm decides, the advisors who stay live with it.

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**Advisors left UBS in 2025—the highest advisor departures of any major firm that year.**

Finally, there’s falling behind the wave as a platform can hold steady and still lose ground. When competitors add better technology, cleaner economics, or more flexible models and your firm doesn’t, you slip without doing anything wrong. Because the losses are relative to the advisor, no single gap looks big enough to act on until they add up. The first few months of falling behind may not be noticeable; however, when the stone begins to roll and more time passes it will be. The practice still runs; but it’s standing against the field erodes.

Any one of these is manageable on their own; but the trouble is that they build quietly and then lead into each other’s effects in a way that is easy to miss. Before you know it, it’s already too late to act. An advisor who put the decision off for ten years can find that the unowned enterprise value, the forfeited deferred comp, the weaker platform, and the lost ground all hit the bill together now, and by this point all of the best options have been long gone.

# The Case for Caution

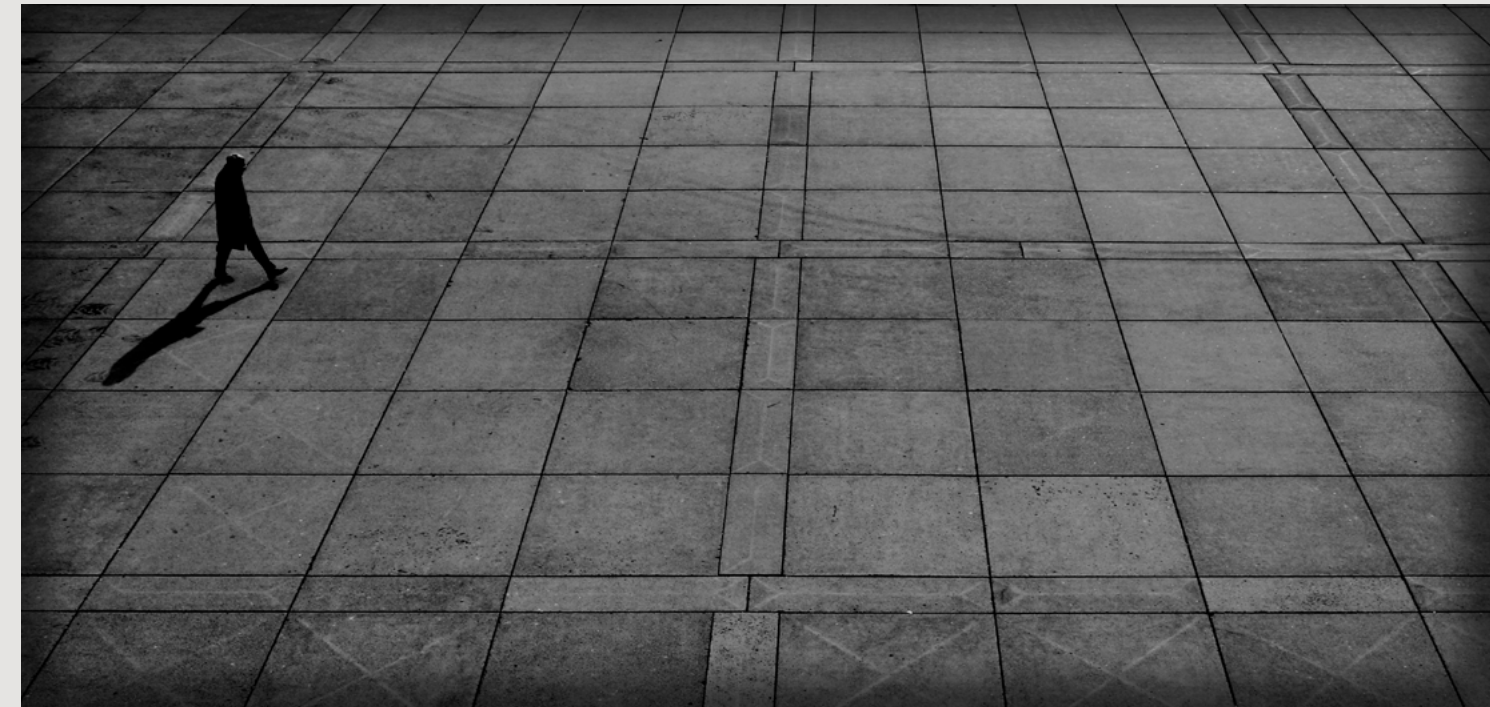
A fair argument has to survive the obvious objections, and there are three to note of.

11,172 is most likely not the new floor going forward. A good part of the jump came from events unlikely to repeat, notably LPL Financial's acquisition of Commonwealth Financial Network, which shook advisors loose on both sides, and one firm's compensation overhaul.

Going independent isn't always a guaranteed win as where you land matters just as much as what you're leaving behind. Private-equity-backed RIA roll-ups are consolidating fast, and some are starting to resemble the very wirehouses their recruits walked away from, with constraints and equity arrangements of their own.

Mostly, we only hear from the winners and success stories of advisors who've greatly benefitted from moving. The moves that happen and the teams that go on to thrive get written up; the advisors who stayed and did fine, or left and struggled, tend to stay quiet. The data shows direction and scale, but it can't prove that every move paid off.

None of which cancels the main point that the lesson here isn't to follow the crowd. Staying put is simply no longer the automatic safe choice it once was; it's a position now, a bet that your firm's economics, platform, and standing will all hold up.



## Conclusion

The biggest, most experienced advisors with the most to lose are moving at record numbers. They left during a bull market, the hardest time to justify a move; and the largest, best-informed teams went first; towards better opportunities not only to make more money, but to better service their clientele.

With the current setup, staying is a bet that the value you build stays yours and the ground under you doesn't shift. It may pay off, but it's no longer the safe default it once seemed. Even in a calm and quiet year, 11,172 experienced advisors made the choice to move and show through their actions that the safer choice is no longer to stay put.

# Sources and Disclosures

This document is for information only. It is not tax, legal, accounting, investment, or financial advice, and it is not a recommendation to change firms, models, or business structure. Transition, compensation, and succession decisions depend heavily on individual circumstances, so consult your own tax, legal, and financial advisors before acting.

The figures cited, including the 11,172 total, the 22-year average tenure, the channel headcount changes, the count of billion-dollar team moves, and the firm-level numbers, come from the Diamond Consultants 4th Annual Advisor Transition Report and related industry coverage. That report aggregates data from Discovery Data, AdvizorPro, and FINTRX, which draw on FINRA BrokerCheck and SEC filings. Definitions such as the three-year experience threshold and the treatment of M&A-driven moves affect the totals. These third-party figures are unaudited and subject to revision.

The OpenArc and Merrill transition is described as reported in industry coverage. References to Merrill, UBS, Dynasty Financial Partners, and Schwab are for illustration and do not imply endorsement or affiliation. Forward-looking statements reflect estimates as of June 2026 and may prove wrong. Past movement is not a guide to future results.

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