

How We Chose the Best Financial Planners of 2024

This list of the best financial planners is a collaboration between Money and the Financial Planning Association (FPA), a trade association and membership organization that represents more than 17,000 financial planners across the United States. We begin with more about the respective roles of these partners in the project.

Roles of the project partners

The partnership allowed Money to benefit from the assets and knowledge of FPA, while also carrying out an independent evaluation.

Money partnered with FPA to develop a comprehensive survey of 35 questions, which was emailed to the association's membership. As we detail below, the queries included questions about qualifications and planning experience, as well as requests for the planner to quantify the importance they attach to a number of factors and behaviors when working with clients.

Money led the development of the survey methodology. The association served as a consultant to those efforts, but with safeguards to ensure it had no direct influence on how the list of best planners would be determined, nor which professionals might be included.

FPA assisted Money in fine tuning our understanding of the components of financial planning, and how best to express those in order that they would be clear to survey respondents.

We also engaged more than a dozen FPA members in discussions — both in person and virtually — in support of the questionnaire development. We probed their views on the relative importance of a number of factors to the success of the comprehensive financial planning process. These consultations were within groups of planners, with any actionable input arising from a consensus of the group, supplemented by additional research, both empirical and based on reporting.

Money then finalized the methodology, with the assistance of an independent survey-design consultant who has decades of experience with survey research at Consumer Reports, among other organizations. We narrowed down the various factors required for eligibility for the list, and

that would be weighted in order to determine how respondents eligible for the list would be scored (and so ranked) within it.

Overall score and ranking

More than 1,000 planners responded to the e-mail invitation and completed a 35-question survey that asked about themselves and the ways they work. Money then researched any planners who reported disciplinary issues with either regulators (such as the Securities and Exchange Commission) or licensing bodies for certifications (such as Certified Financial Planner Board of Standards, which sets and upholds standards for CFPs).

If research revealed any violations that were upheld by the relevant organization, the planner was eliminated from our potential list of best planners. (All planners on the final list were also vetted late in the process, to ensure they had reported accurately about their lack of any disciplinary history.)

Next, we scored the remaining planners through a system that rolled up relevant responses into scores in four major areas: qualifications; services and specialties; trust and customer service. Each of these subscores were

weighted – as detailed below – to create an overall score. For the overall score, we calculated scores out of 5.0 to a single decimal (such as 4.7). For visual purposes, we then accompanied those precise scores with displays of stars. For planners with an overall score of 4.3 to 4.7, four-and-a-half stars were shown, while a full five stars were displayed for those with overall scores of 4.8 to 5.0.

The final list of 80 planners comprises those who received overall scores that converted to at least 4 out of 5 stars in each of those four areas – and, as noted, were also free from any upheld disciplinary actions.

In addition to the self-reported information we gathered from the surveyed planners, we also put their knowledge to the test. Part of a planner's composite scores was based on several analyses that measured how well the planner is in tune with the needs of clients. To determine this, Money asked the planners to rank in order of importance 21 factors related to trust, communication and shared values with clients. We then analyzed the planners' lists against what clients view as most important, based on empirical research, using Kendall's Tau, a rank correlation coefficient.

All of this is reflected in the published list of 80 top planners, which displays a final score for each (out of 5.0, to one decimal point) along with visual star

symbols that are rounded from those scores. Five stars are displayed for planners who received an overall score between 4.8 and 5.0; 4 and a half stars are displayed for planners who scored between 4.3 and 4.7.

Qualifications, including Key Designations and Planning Experience

(30% of overall score)

Above all, a planner needs to be qualified for their work, based on a combination of their education, ongoing training and experience on the job.

We asked respondents to detail some key indicators of their background.

These included their formal education, including whether that was as a financial planner or other related field. Respondents also listed their certifications, including whether they were Certified Financial Planners (CFPs), a certification that involves both tests of knowledge and adherence to professional standards. (This was a requirement in order to be considered

for the list, and we vetted respondents to ensure they indeed held CFP and other key certifications they claimed.)

The other designations we list, because they were most common among the 80 planners, are:

ChFC (Chartered Financial Consultant), from the American College of Financial Services, which requires completing a series of courses and exams and gaining three years of relevant business experience.

CPA (Certified Public Accountant), which involves completing coursework in areas including accounting, auditing and taxation, and passing examinations from the American Institute of Certified Public Accountants.

CFA (Chartered Financial Analyst), the requirements for which include passing exams from the CFA Institute in portfolio management, economics, ethical and professional standards, fixed income, equity and more and having at least four years of work experience.

CPS (Certified Portfolio Specialist), a certification from Interfima that involves a combination of work experience and/or education in portfolio management.

PFS (Personal Financial Specialist), a credential given to Certified Public

Accountants (CPAs) who have a comprehensive understanding of financial planning and tax expertise.

We also asked planners for their years of accumulated experience in financial planning. All those on the list had at least five years of experience. This threshold gives preference to planners who have advised throughout at least one full cycle of economic expansion and slowdown. Additional experience gave the planner an incremental boost in their qualifications score.

We also asked about any disciplinary action the planner may have received from bodies such as the federal Securities and Exchange Commission. We verified the accuracy of all such information provided, even if no actions were cited. Planners who had a complaint or complaints that had been upheld by disciplinary authorities did not make the list.

After the preliminary list was developed, we vetted the planners on it to establish whether they had fully and accurately answered the questions regarding their background and experience.

Specialties. including Focus Areas

(25% of overall score)

The best planners need to be experienced in providing plans for the fundamental components and life stages of financial planning – including plans for investment, retirement, taxes, estates, and budgeting and debt. Indeed, CFPs (as all survey respondents were required to be) must be at least capable in all of those core areas.

We asked planners to tell us the proportion of client time they devoted to each of those areas, in order to indicate which of them were especially prevalent in their day-to-day work. The core topics listed under Focus Areas were the two in which the planner reported spending the most time in their work.

We did not reward planners based on the proportions they reported. We did, however, give a slight credit to planners who reported their expertise extended into specialized areas of financial planning. These include

education planning (for those with family members in a college, or expected to attend one), as well as small business planning (for those whose enterprise and personal finances are intermingled) and planning for a dependent with special needs. (While these specialities are not reported for the best planners listed, we hope to feature them in another list soon.)

Also rewarded in this section were the number and range of other professionals that planners said they regularly tapped to help with plans, from divorce attorneys to philanthropic advisors. Further, we gave additional credit to planners who taught financial literacy in their communities and diverted time from serving paying clients in order to provide pro bono services.

Trust (25% of overall score)

Experience and credentials do not alone make a good planner. Also needed is the ability to create trust and empathy with clients and to demonstrate high ethical standards.

We developed a unique (and proprietary) methodology to elicit from respondents' information about how they work, and how well those aspects

match the priorities in a planner, as identified by financial planning clients. We mapped the planners' ranking of those working priorities against the evidence – including empirical evidence – about what clients consider most helps them build trust in their planner.

We also asked the planners to rank in importance a number of their practices related to how and what they disclose to clients about themselves.

The more closely planners' survey responses match what data suggests creates trust with clients, as per our methodology, the higher the score they received.

Customer service (20% of overall score)

Excellence as a financial planner isn't just about what you can deliver in terms of expert planning – it's also how clearly and flexibly you deliver that advice.

To assess these aspects of planning, we returned to the unique methodology employed to assess planners for trust and ethics. Specifically, we compared

what planners told us they considered most important in how they communicated with clients with empirical evidence about what best resonates with clients – and so contributes to the client having trust in, and clarity about, what they were being advised.

The dimensions we assessed ranged from the planners' flexibility in where and when they will meet to their techniques in communication, from restating client's remarks to provide reassurance to the relative importance of courteousness and timeliness in their client interactions.

The closer the match of the planners' declared priorities with those that research shows is more and less important to clients, the more credit the planner gets for customer service.

In addition, we asked about the client load the planner is carrying, and how it may have changed of late. Planners who reported very high client turnover – so high that service might be affected, according to experts – did not make our list. And planners with a lower reported turnover in clients in the past year also received credit for that customer loyalty.

A note on minimum assets for new clients

We asked planners to detail if they require a minimum level of assets of potential new clients. While a number of the best planners had no such minimums, others did, as detailed in the listing.

Some respondents also indicated that, while they have no minimum asset requirement, they may impose a minimum fee for some or all of their services. That might mean that if, for example, you wanted your planner to manage your assets as well as provide a comprehensive financial plan, they might impose a minimum fee for doing so that could override a formula they have – such as an annual charge of 1% of the portfolio's value for asset management.

Such minimums might especially affect the actual cost for managing a portfolio that is relatively modest – say, of \$1,000,000 or less.