QUANTIFYING THE VALUE OF FINANCIAL PLANNING ADVICE

FINANCIAL PLANNING STRATEGY	POTENTIAL ECONOMIC IMPACT
INVESTMENT PLANNING BENEFITS	
High-Yield Cash Strategies	3.37% - 4.97%
Picking Lower-Cost Investments	0.30% - 0.61%
Asset Location	Up to 0.60%
Tax Loss Harvesting	0.20% - 0.60%
Asset Allocation Using Broadly Diversified Funds/ ETFs	>0%*
Systematic Rebalancing	0.14% - 0.30%
Diversification	Risk Reduction
Avoid Risky Investments	Risk Reduction
Behavioral Coaching	Up to 2.00%
RETIREMENT PLANNING BENEFITS	
Retirement Portfolio Tax Strategies & Withdrawal Sourcing	0.50% - 1.20%
Maximizing Social Security Benefits	$10,000s
Creating Plan So You Can Stop Working!	Priceless!
INCOME TAX BENEFITS	
Tax-Deductible Strategies (FSA, HSA, QBD, 529, Cash Balance Plan)	$1,000s to $10,000s
Tax-Deferred Investing Opportunities (Pre-Tax 401(k), SEP IRA, Solo 401(k), Cash Balance Plan)	$10,000s or $100,000s
Tax-Free Investing Opportunities (Roth, Backdoor Roth, Mega Backdoor Roth, 529, HSA, Roth 401(k), Solo Roth 401(k))	$10,000s or $100,000s
INSURANCE PLANNING BENEFITS	
Optimize Insurance Coverage	$100s or $1,000s
Eliminate Financial Catastrophes	Priceless!
ESTATE PLANNING BENEFITS	
Probate Cost Savings	$1,000s to $10,000s
Ensure Assets Go To Loved Ones	Priceless!
IDENTITY THEFT PROTECTION BENEFITS	
Protection From Identity Theft	$1,000s to $10,000s
NON-MONETARY BENEFITS	
Reduce Bias	Unquantifiable?
Ensure Things Actually Get Done!	Priceless!
Free Up Your Time	Emotional Well-Being!
Peace of Mind, Be More Confident With Your Money	Priceless!
Accelerate Reaching Your Goal	Priceless!
TYPES OF IMPACT	
Financial Gain	
Behavioral Change	
Risk Reduction	
Well-Being Enhancement	

*Value is deemed significant but too unique to each investor to quantify.

"The Kitces Report, Volume 3: Evaluating Financial Planning Strategies And Quantifying Their Economic Impact" by Kitces, 2015
"Quantifying Vanguard Advisor's Alpha" by Kinniry, Jaconetti, DiJoseph, Walker & Quinn, 2022
"Alpha, Beta, and Now... Gamma" by Blanchett and Kaplan, 2013
"Capital Sigma: The Advisor Advantage" by Envestnet & PMC's Quantitative Research Group, 2019

*If you have any questions regarding the criteria and assumptions above, or the risks and limitations of these metrics, please email us

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