FinancialPlanning
DECEMBER 13, 2020

21 people who will change wealth management in 2021

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2020. What a year.

Will 2021 be as tumultuous? Hopefully not. But it will likely be eventful as key industry players, regulators, advisors and others are poised to change the business.

The list below identifies those with potential to be the industry's changemakers next year. Some are veterans of the business, others working to change it from the outside.

The staff at *Financial Planning* compiled the list by reflecting on who were this year's newsmakers — and who would likely make headlines in 2021. We've done this several years running now, and each time we've debated, we've argued and we've ultimately produced what is admittedly an informed but subjective take.

21. Noel Stave, COO, RBC Clearing & Custody

RBC's custodian may be small, but it is growing quickly. Between August and December, it signed on 50 new RIA firms — 58% growth.

A key driver of interest is the firm's RBC Black technology platform, of which Noel Stave oversaw construction.

Stave has big plans for 2021, in which RBC Clearing & Custody will start beta testing the new advisor portal it is building with Salesforce and Deloitte, and introduce a new client-facing website and app.

With the future of TD Ameritrade's Veo up in the air, RBC has an opportunity to enhance its technology offering at its $175 a month per advisor price tag and recruit more RIAs into the fold.

20. Jodi Perry, president of the independent contractor division, Raymond James Financial Services

With large wealth managers further consolidating a fragmented industry each year, Perry's role atop the independent advisor unit is only getting more influential with every turn of the calendar.

A 26-year veteran of the firm who took over her current role in 2018, Perry will be pivotal as her firm aims to serve advisors in all types of affiliation.

The IBD's every move will put the onus on competitors of all sizes to keep up in a competitive indie channel.

19. Larry Fink, CEO, BlackRock

With a warning sent to corporate executives in a January letter that climate change could one day upend the financial services industry, Larry Fink enacted a series of steps to increase the firm's attention to ESG. For starters, the chief executive pledged that BlackRock would integrate ESG metrics into 100% of its portfolios by the end of 2020.

At Morningstar's annual investment conference, Fink sounded the alarm again: "As we sit here today, we have raging fires. We have a hurricane. We have five tropical storms in the Atlantic. We have had record heat throughout the world," Fink said. "We are seeing more and more examples of how climate change is becoming investment risk."

Despite Labor Department efforts in 2020 to slow the use of ESG factors in retirement plans, Fink doubled down and outlined the responsibility for money managers toward client assets is "to educate. Our job is to persuade."

Next year may test his ability to bring more of Wall Street on board.

18. Tom Rampulla, managing director, head of U.S. financial intermediaries business, Vanguard

With roughly $2 trillion of Vanguard's assets tied to advisor recommendations, there's a lot riding on Tom Rampulla's shoulders.

Vanguard Digital Advisor, the firm's new all-digital solution, now in pilot-phase, is the follow-up to its hybrid robo Personal Advisor Services, an offering with $189 billion in AUM as of Sept. 30.

Vanguard is also developing software to help advisors guide clients through their financial goals. "We built a great platform and we're taking the technology of that platform and re-architecturing it so we can make it available to you, our clients," Rampulla told advisors in a July webcast.

All eyes are sure to be on Vanguard's next move.

17. Adena Friedman, CEO, Nasdaq

To help move the needle on diversity in corporate America, Nasdaq CEO Adena Friedman has proposed a new rule: companies listed on the exchange must have at least one woman and at least one person who identifies as either an underrepresented minority or LGBTQ as directors on the boards

Firms who do not meet the requirement won't necessarily be delisted, but will need to publicly explain why it cannot satisfy the goals. However, failure to publish data on board diversity could result in delisting.

It remains to be seen if Friedman's rule will get approval from the SEC, but the proposal is already a hot topic. Critics call it "hypocritical corporate wokeism" and cynical posturing for a future in politics, while proponents hail the mandate as key to improving diversity among companies resisting change.

If enacted, the rule could send shockwaves through the industry. More than 75% of the 3,200 companies listed on Nasdaq do not meet the criteria, according to *The New York Times*.

"We are taking the leadership here because there has been so little action on this front and we do think it's an important thing for us to do — to create a more inclusive capitalist society and we think this is a step forward," Friedman told CNBC.

16. Tricia Rothschild, president, Apex Clearing

Consolidation among custodians is creating opportunities for new challengers to expand their presence among RIAs.

Some industry observers say no firm is better positioned than Apex Clearing, the digitally native custody and clearing firm probably best known for working with fintech startups like Robinhood, Betterment and Wealthfront.

Apex hired Tricia Rothschild, the former chief product officer at Morningstar, as its president in August to lead a concerted effort to forge new relationships with traditional RIAs. The firm's technology infrastructure can offer human advisors a more cutting-edge platform they can get at larger custodians — or at least that's the pitch Rothschild is making.

Wealth management firms comprise just 30% of Apex's existing client base, but Rothschild believes the firm's modern infrastructure and lack of a retail business can help it grow quickly among advisors unhappy with Charles Schwab's acquisition of TD Ameritrade or Morgan Stanley's purchase of E-Trade.

15. Erinn Ford, CEO, KMS Financial Services

The veteran IBD executive's Seattle-based firm formally closed in November. Advisor Group has consolidated the three smallest former Ladenburg Thalmann firms into the largest, Securities America, following its $1.3 billion acquisition.

Still, Ford's experience with KMS, Cetera Advisors and Pacific West Securities carries sway in the industry. In *Financial Planning's* most recent interview with CEO Jamie Price in late October, he praised Ford's stewardship in the transitional period and said the parent firm's executives are "huge fans" of Ford.

Next year, though, we'll find out where this seasoned insider will land, whether with Advisor Group or another firm.

14. Rich Steinmeier, divisional president of business development, LPL Financial

No superlative would do justice to LPL's dominance in indie recruiting in 2020, and no firms are likely to challenge it next year, either.

LPL has added a net 819 advisors and nearly $41 billion in recruited client assets in the past four quarters, according to the firm.

There are no signs the nation's largest IBD will slow down in 2021. In addition to an influx from its $300-million acquisition of Waddell & Reed's wealth management business, LPL will also complete two massive bank-channel moves that will probably move more assets than any other single recruiting grabs in 2021.

13. Dasarte Yarnway, managing director, Berknell Financial Group

A financial advisor, author, merchandise designer, podcast host and head of community at startup custodian Altruist, Yarnway masters new mediums and gigs with every passing day. He even took the time to serve as a judge for *Financial Planning's* first-ever Visionary Leaders Award.

He's already well known in wealth management for his business acumen and motivational tweets. Here's betting that in 2021 he'll be moving into even more new territory and earning additional accolades.

12. Emlen Miles-Mattingly, CEO, Gen Next Wealth

The Madera, California-based advisor uses his must-listen podcast to discuss personal finance, health and education and how to "change the complexion of wealth," as the program's tagline says.

This year, in the wake of the murder of George Floyd and nationwide Black Lives Matter protests, he launched a special series entitled "We Need to Talk" exploring the implications for advisors and the industry. He also started his own line of clothing and merchandise that is further spreading his message.

In 2021, Miles-Mattingly's words are likely to resonate even more, whether via his podcast, social media or new ways.

11. James Gorman, CEO, Morgan Stanley

The chief executive oversaw two huge acquisitions: E-Trade and Eaton Vance. The former gives Morgan Stanley access to a platform for DIY investors as well as E-Trade's technology. It also builds on Morgan Stanley's 2019 deal to buy Solium, expanding its presence in the stock plan administration business.

The wirehouse sees its foray into the workplace as a source of future wealth management clients. Morgan Stanley is making a multibillion-dollar bet that workplace clients will sign up for its wealth management services.

And the question for 2021 is, could Gorman find room for more giant M&A deals in 2021?

10. Sarah Kirshbaum Levy, CEO, Betterment

Jon Stein shocked the finance and technology industry when he announced he would step down as CEO of Betterment, the digital advice firm he founded in 2008.

Along with West Coast rival Wealthfront, New York-based Betterment pioneered the digital advice business model. Across its consumer investing and banking accounts, 401(k) business and Betterment for Advisors, the firm manages $25 billion.

Taking over is Sarah Kirshbaum Levy, who most recently served as COO of Viacom Media Networks. She spent 10 years as COO of Nickelodeon before that. All eyes will be on how Levy's steers the robo, especially if the destination is an IPO.

9. Troy Prince, founder, Wall Street Bound

Wall Street Bound's mission is to "create pathways of success for urban youth through careers in finance," according to the training and job placement organization.

There would be few, if any, better positioned to lead it toward that goal than founder Troy Prince, a veteran trader and angel investor who launched Wall Street Bound in 2018 after more than 20 years in the industry.

This year, the organization began new collaborations with Maverick Trading and Stocktwits, to name a few. Prince aims to advance careers in every sector of the financial services.

8. Tom Bradley, senior vice president, Charles Schwab

The custodial industry is shifting as a result of the massive Charles Schwab-TD Ameritrade acquisition, but the work has only just begun for Schwab, which has laid off staff and started building a new advisor tech platform.

A key decision Schwab made earlier this year was to recruit Tom Bradley, the former TD Ameritrade executive, who was well-respected among firms that custodied with TD.

As Schwab determines how it will serve its approximately 13,000 RIAs, Bradley will be responsible for all the advisors with under $300 million in assets, which represents 80% of the firms on its platform.

He's already started to play a pivotal role, appearing on calls with advisors to answer their questions and assure them that Schwab is committed to firms of all sizes.

The next steps Bradley and the rest of the Schwab Advisor Services team take will be critical in helping the company retain TD's RIAs.

7. Andy Sieg, president, Merrill Lynch Wealth Management

In his nearly four years at the helm of Merrill Lynch, Andy Sieg has overseen significant changes and growth: record assets, client acquisition and more. This summer, he broke new ground for a wirehouse by publishing for the first time demographic data on Merrill Lynch's brokerage force. Women and people of color are underrepresented — no surprise there — but the data also shows Merrill has made some progress toward adding more diversity in its advisor ranks.

Few firms, especially among the largest wealth managers, release such data. Sieg said he hopes to change that and create some accountability toward diversity goals.

"For too long, the larger firms — including Merrill — have been able to avoid the diversity spotlight," Sieg said last month, urging other companies to follow Merrill Lynch's lead.

Historically, the thundering herd has been a trendsetter. When it comes to diversity, next year will test whether that's still the case.

6. Rachel Robasciotti, founder, Robasciotti & Philipson

Financial advisor Rachel Robasciotti has become a prominent voice in ESG investing through her work to develop an investment strategy that helps clients invest in goals that achieve racial, gender, economic and climate justice.

This year she spun out that strategy into an independent investment management firm, Adasina Social Capital, and in December, Robasciotti introduced the Adasina Social Justice All Cap Global ETF on the NYSE.

Next year will determine whether clients are as ready as she to use their investments for change.

5. Ben Harrison, managing director and head of advisor solutions, BNY Mellon Pershing

In what has become a year of consolidation in the custodial industry, Ben Harrison, the newly-selected RIA head at BNY Mellon's Pershing, has begun to implement major changes at the organization, the results of which will start to emerge in 2021.

Pershing has restructured its leadership team, introduced new pricing models and reduced its asset minimum to attract smaller firms, among other changes.

Pershing is the smallest of the three major custodians, but Harrison has big shoes to fill. He is the successor of Mark Tibergien, a well-respected leader in the independent channel, who retired at the end of May. The coming year will offer a glimpse of what Harrison's vision for Pershing may entail.

4. Andrea Seidt, Ohio Securities Commissioner, head of NASAA's Regulation Best Interest Implementation Committee

In her role at NASAA, Andrea Seidt is leading efforts to research whether Reg BI is effective. Her work may determine how state regulators update their own rules in response to new federal standards in the coming year.

NASAA recently released research that surveyed more than 2,000 wealth management firms and showed that brokerage reps were far more likely to recommend complex, costly and risky products than independent advisors in 2018.

In the first quarter of 2021, NASAA will be studying whether Reg BI has shifted those figures.

"We'll have a lot of good data on what has changed at a high level from these firms," she told *Financial Planning* at the end of October. "We'll basically have the apple-to-apple comparison."

3. Lazetta Braxton, co-founder, 2050 Wealth Partners

Lazetta Braxton started off the year with the announcement that she and fellow advisor Rianka Dorsainvil had merged their practices into a new firm called 2050 Wealth Partners.

Braxton has been a stalwart innovator pushing wealth management forward for her entire career. But when the industry finally began taking a hard look at itself in the wake of nationwide Black Lives Matter protests, she emerged as a leading voice and willing partner to all professionals willing to make real systemic change. Braxton calls it "#DoingTheWork."

Next year, Braxton will be driving industry-wide shifts through the force of her writing, speaking and expertise.

2. Omer Ismail, head of U.S. consumer business (Marcus), Goldman Sachs

In 2014, Goldman Sachs selected Omer Ismail to lead a strategy team exploring how the Wall Street powerhouse could introduce itself to Main Street.

Goldman's consumer business is now a key part of CEO David Goldstone's vision for the firm and in 2020 was folded into Goldman's wealth and asset management unit. A corporate restructuring in the fall around the strategy made Ismail the new head of Goldman's U.S. consumer business.

Ismail oversees Marcus, a digital banking brand with $50 billion in deposits and $5 billion in consumer loans balances, and Goldman's partnership with Apple.

In 2021, Ismail will lead the firm's first foray into digital advice with the launch of a Marcus robo advisor.

The idea of offering investment advice to $5,000 accounts would have been heresy within Goldman just a decade ago. But with 4 million customers already on Marcus, Ismail's team could change the game by showing how digital advice can turn emerging affluent customers into first-time investors.

1. Joe Biden, President-elect

The challenges Joe Biden will face next year are unique in American history. Mass unemployment, businesses hanging by a thread, soaring numbers of coronavirus cases, and far too many deaths. Beating the coronavirus and healing the economic damage is a tall order.

Of course, Biden's other choices as president, particularly his appointments to the Labor Department and SEC, will have a direct impact on wealth management. Could the fiduciary rule make a comeback? Is Reg BI due for an overhaul? There's no doubt that these and other financial issues matter to advisors and their clients.

But the biggest issue, the one that dwarfs all others, is our nation's intertwined public health and economic crisis. Since March, wealth management offices that would normally be bustling with clients, advisors and staff have been largely devoid of life. Business trips and conferences got canceled — as did so much else. Video calls replaced in-person meetings, but a lot of advisors probably would like to see clients face-to-face again.

Many Biden administration policies, from ESG to tax rates, will have an impact on wealth management. But how successful Biden is at resolving the nation's preeminent crisis will determine how quickly advisors, and America, get back to business as usual.