Special Episode: Compensation Data Points with Caleb Brown and Jesse Lineberry

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New Planner Recruiting

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New Planner Podcast **with Caleb Brown**

Special Episode: Compensation Data Points with Caleb Brown and Jesse Lineberry

Welcome to the *New Planner Podcast*, where it's all about helping you successfully enter the financial planning profession and accelerate your financial planning career.

This podcast will help you understand the profession, become familiar with the various career paths available to you, and avoid the mistakes that limit your success.

Join your host, Caleb Brown, to explore the human side of creating a successful planning career through interviews, personal experience, and insights from the trenches.

Let's get started.

Caleb Brown: Hey, Jesse. Welcome back to the New Planner podcast.

Jesse Lineberry: Thank you for having me, Caleb.

Caleb Brown: This is gonna be so fun. I look forward to this every year. I know this is, what is this, the fifth time we've done this? The compensation and data, our salary report and compensation data points, so I look forward to having you back.

Thanks for making time for us. And also just thanks for your help with the survey.

Jesse Lineberry: Of course, it's one of the highlights of my year as well. I love digging into the data and seeing what all the exciting things that are happening in the profession.

Caleb Brown: And our audience loves this. So, and again, if you have not downloaded or don't have access to the 2025 New Planner Recruiting Salary Report, you can go to our website, newplannerrecruiting.com, download it off the first page.

But really, Jesse, just wanna start with you on, just maybe give us an, walk us through an overview of what happened in kind of the average salaries in the different geographic ranges, but also size firms and different channels?

Jesse Lineberry: Absolutely. Thank you for the introduction there. So, as some of you know, just a real quick overview of the methodology, what happens is Caleb is talking to hundreds and thousands of candidates across the country every year.

He's asking these candidates, “Hey, what are you looking for? What sort of salary are we targeting? Where do you want to go? What sort of practice are you in now? And what's the ideal practice that you'd like to join?” And he had this idea that, “Hey, why don't we start recording that and why don't we aggregate it into a report?”

And so now that we're five years into this, we're starting to build a body of knowledge. And not only what are candidates looking for, but what are firms moving on and what are, what makes candidates move? And so kind of looking at the, kind of some generalities real quick. If we look at student paraplanner, associate financial planner and financial planner, those are the four categories we wanted to kick off with.

So a student being someone coming out of a CFP board-registered program, a paraplanner being someone who is either recently graduated and has a little experience or a career changer, somebody with say less than two years of experience, an associate planner being that second chair, right? That person with kind of more than two, less than five years of experience, and then the financial planner being that lead planner, somebody who's got the CFP, they've got more than five years of experience.

So let's kind of wrap up those categories to start with. So when we look at the average student expected salary, it was $60,926. That's only a small increase year over year from last year. I think that's something we'll talk about a little bit more. Paraplanner saw a significant increase from 2024 to 2025.

Last year was $65,000. This year was over $73,000, so we saw a big jump in that kind of zero to two-year person. Looking at associate financial planners, we saw a moderate increase from $90,000 last year to $95,000 this year. And financial planners again jumped from $109,000 to $114,000 this year. So large jumps there.

We try to break this data down geographically. So when we look at the change in the Midwest, we saw a 3% increase. In the Northeast, we saw a 9% increase. Similarly, in the Pacific region, we saw a 9% increase. The plains, we saw a 4% increase. In the Southeast, we saw a 7% increase. And if you've been following this survey for very long, you know the southeast, since we started this survey, there's been a 28% increase in salary demand across experience, across the different channels from inception.

And that's just the migration that you see talked about on the news on a regular basis. There are just a lot of people that want to come to the Southeast. It's a growing area. Those locations like Atlanta, Charlotte, Raleigh, Nashville, Florida are all seeing those big jumps.

Caleb Brown: Everybody, I mean, again, in the calls that we're having, the interviews, I mean, you feel like everybody is chasing the lower cost of living areas.

And I mean, which is, I totally get it. But part of me is like, “Well, if everybody, there's not gonna be any left, like if everybody keeps,” so we, and also too, we do attract a lot of firms from just this area. I mean, just based kind of out, even though we're a virtual national firm, but a lot of firms in the southeast, since we're based just outside of Atlanta.

So, I mean, that's amazing to me. And my 30% increase since inception. I mean, it just, I interrupted you, but, so keep going, but I just wanted to interject there.

Jesse Lineberry: I agree. This is, it's a really interesting piece of data. And look, there are a lot of rapidly growing RIAs in those regions, too.

I think that's probably an underlying part of that story. They're benefiting from the population migration too, and that's leading to growth and it's just continuing to compound. We also, so one of the, kind of the last over kind of general pieces that we want to talk about too are the different firm types, right?

So here at New Planner Recruiting, we are interviewing folks from all the different channels, right? Folks from large RIAs, mid-size RIAs, small RIAs, broker-dealers, independent firms, brokerage firms, asset managers, banks, insurance companies. And so we've tried to look at the data and break it down and see, okay, where are people coming from and how is that impacting what they're looking for salary-wise?

So when we look at folks coming from large RIAs, we saw a 13% year over year increase. Mid-size RIAs, we saw a 25% year over year increase. Small RIAs, we saw a 15% increase. But here's the interesting one, from non-RIA institutions, so banks, wirehouses, insurance companies, and some career changers, we saw an 8% decrease in salary demand year over year.

So I think this is something that we've all been talking about. If you're kind of in the Michael Kitce's advisor world, we've been talking for a long time about the vitality and the growth of the RIA channel, and I think this solidifies it because what it's telling us, and we can break down the data a bit further if you'd like, Caleb, but when you look at the data, people want to come to RIAs and people are willing to take a pay cut. And now we have a growing data set that suggests that that is the reality.

Caleb Brown: Well, those are good channels to recruit from. I mean, that's where we're getting the data, right? And that's what I tell the firm owners. I mean, it really is, I mean, just amazing on how these people want to get into the RIA space and what they're willing to take less money.

I mean, that's essentially what this tells me. And it's awesome. And what I tell the candidates is like, all right, now if you want to do financial plan, I mean, look, I mean, let's just, if you scan the headlines of all the magazines and all the media book, the headlines are all the same.

So and so from this other channel takes their $800 million or their $2 billion, whatever it is, and moves to the RIA side. You almost never see it going the other way.

Jesse Lineberry: Absolutely. I was at Schwab Impact last week and one of the data points that they shared with us was they expect the RIA channel to hire over 70,000 new employees over the next five years. And by the way, that's new employees. That doesn't mean someone leaves and gets replaced. That's additional bodies at these RIAs. So, if you're an RIA firm owner and you're listening to this, kudos, thank you for what you do to create opportunity for folks.

Caleb Brown: And just one other thing on that. So, I mean, I think they were saying like, employees total, not just new financial planners or advisors, so could be a CSA or something like, but I know we were talking before we got on the air, like that may, that number may even be low with the number of RIAs out there and just what we see and in terms of hiring. So anyways, keep rolling. Did you have a couple more points on this?

Jesse Lineberry: I did. And to kind of dive under the hood of that, some of that is certainly career changers that pull that number down. But here's just some really interesting anecdotes. When we look at, say, financial planners, so that person with five plus years of experience, what were they looking for salary-wise?

If they're coming out of a wirehouse, the average was $80,000 this year. Compared to the national average of 115. When you look at folks that are coming out of banks, that met the average of 114. When you look at folks coming out of insurance, they were looking for $103,000. Now, you contrast that to someone who's coming out of a large RIA or a mid-size RIA, it was $132,000 and $128,000, respectively.

So what you all are doing is the right thing. You're training people, your the lead advisors that are coming out of RIAs are the premium candidate from a salary standpoint.

Caleb Brown: Great data points. Awesome. Hey, I wanna go back to something you said earlier on the, why do you think the paraplan, I mean, I get it, that the student kind of stayed level. Why the big jump in the paraplanner? I mean, you got an $8,000 increase in sort of asking price. Any idea what's driving that?

Jesse Lineberry: That's an interesting piece, and you and I have talked a lot about this, about what we think may have driven that. Part of that could be some selection bias in the data, right?

Who did we talk to this year, and that pushes up the average sum. But I also think it's just everyone we talk to wants a candidate that's got some experience, maybe they pass the CFP exam. There's kind of that proof of concept in them as an employee. They've got some experience. And you all just need the help, right?

Someone who can come in and help build financial plans, who can participate in client meetings, and maybe they're willing to pay a little bit of a premium to get someone who's got a year or two years, or maybe even three years of experience. And I think that's why we saw the big jump for paraplanners and associate planners, because the demand for that kind of Goldilocks, two-year, three-year, pass the CFP candidate, just keeps going.

Caleb Brown: It's the people that get the work done, right? I mean, you got your, and a lot of firms, admittedly, that contact us are like, “Hey, we're top-heavy.” We gotta develop this G2, this G3, G4, whatever it is. And we need the workers, we need the people to get the plans done. And we touched on AI a little bit before we got on here.

But now, I mean now, and we've talked about this before. “Hey, I'm not just taking notes. I'm not just a player. But I mean, they're expecting me to do all this other stuff, so I'm gonna ask for a lot more money.” I mean, that could be part of it, too.

Jesse Lineberry: Absolutely, because what we think AI is going to do is just augment the associated advisor in the paraplanner, right?

Make them more efficient, allow them to add value. And if someone is coming out on one of these financial planning programs, or they're interested in technology at all, they're probably aware of these AI tools and they're already using different forms of AI, which means they might be able to come in and help add some value in those spaces within a practice.

Caleb Brown: Yeah. And just a couple other reminders. I mean, some of the people that maybe listening to this receive $115,000, a financial planner, it's like, oh, that's, and we get this all the time. Well, that's not, we hear that from the candidates. “Well, that's,” the firm owners, “That's too much.” Or the candidate, “That's not enough.: I mean, just a reminder, this is just salary only. So, and these are non-sales. I mean, this is somebody who is just a W2 employee who's getting the clients handed to them. Just the relationship person, and same for associate and paraplanner. No real sales call. I mean, so, yeah, I mean it's the production people, the salespeople. I see out there on Reddit and all the other stuff.

I mean, they're like, “150, I'm making,” this and that. Well, you're not comparing apples to apples usually. So these are, again, just the worker bee. Someone else usually generates the clients and these people are just sort of taking care of them and there's bonus and benefits on top.

Jesse Lineberry: That's right. That's right.

Caleb Brown: Well, what, anything else, Jesse, that kind of popped out? I mean, we covered some good ground here. Any other data points that were noteworthy?

Jesse Lineberry: I think the only other piece of data that maybe caught us off guard a little bit was the relatively small increase for students year over year. Caleb, can you talk about why, maybe, you think that is?

Caleb Brown: I mean, it's hard to put a figure on, I mean, again, it could have just been who we talked to, right? And a lot of this sometimes just has to deal with just the, what has the person done to prepare themselves. A lot of the students we talk to are coming out of CFP programs.

Some of them have gotten the Series 65 or the SIE, some of these things. But you know, a lot of them haven't. And we do talk to other students who just are, again, a history major, but it's like, “Man, I wanna do this. I can't get a job,” or, “I'm not, I don't wanna teach history or be a coach for the rest of my life,” or whatever it is.

But I mean, I would say that maybe there's, maybe there was fewer firms that said, “Hey, we want the new college grad, and we want the paraplanner and the associate planner.” So, just a little bit more demand there. I mean, but again, here at University of Georgia, and I know you at Virginia Tech, I mean, we have a lot of firms lined up to want to hire the students, so that could be just kind of a regional or local bias.

And it also, I mean, just, maybe the students weren't asking as much. I mean, one of the point you said something earlier. I mean, some of these career changers, and or people from other channels, we're trying to have the best data that we can, but like, “Caleb, I'm making a hundred grand at this other firm or this my other career.”

And like, “Look, if a firm will just, I mean, I talked to it with my spouse and man, I can go down like 20 grand. I mean, like some of the numbers they're giving me, it's like, wow. I mean, it's like, did we throw those out? Are those anomalies?” I was like, “No, that's actually impacting the," so just back to your original point on, especially with career changers and people from other channels, they are really making sort of drastic lifestyle or they're open to making drastic lifestyle changes just to get their foot in the door, which I think is a great thing for the industry and for the RIA firm owners out there as well.

Jesse Lineberry: Absolutely. Absolutely. I was talking to someone that was interested in joining faculty at Virginia Tech a couple of months ago, and we were talking about our financial planning program here at Virginia Tech, and this is a Wall Street veteran, and he leaned over to me and said, "Look, if I had a son or daughter entering college today, a CFP program with a path to an RIA is the career I would have them go into."

An anecdote, I know, but it is growing within the greater finance arena now. It's not just the secret within financial services. I think the greater finance world is starting to see that.

Caleb Brown: That's awesome. Hey, let me talk about some of the offers. So what we also do in addition to go, just whenever we place somebody, we just try to record as much data on that as we can. And we can include some of that in the report, but we also have a few other ones. The cool thing about this segment, looking at this year's placements, we were very close to 50% male and 50% female, which is another fabulous, at least in our data set.

I mean, most lead times, it follows, in years past, it's followed the typical CFP board, CFP gender bifurcation, about 80% male, 20, 25% female. So that's exciting as well. So we've got a couple of new college grads in here. One went to North Carolina, midsize RIA, $71,500 is what they started her out plus an annual bonus, which was about 10%.

I had a couple of ex–you know, one guy with experience. I mean, again, it just depends on their situation, sort of what they ask for. A lot of times, the firm owner's view on compensation like, "Hey, I just gotta pay the person's least I can."

Or, "Hey, I came from this channel and this is how they need to be paid." And so this was a firm in Texas, one year of experience. That person went $75,000, got a $2,000 moving or relo bonus, up to a 10% incentive based on firm profitability. Another person here who had a handful of years of experience, this is actually in California, couple years of, let's say, about three years of experience, $90,000 plus incentive.

And a couple other experience, more highly experienced people in sort of the Boston Northeast area that were in the low one hundreds with some experience and some incentives, but also client, they were a little higher level. So client, if they did bring on clients, there was a potential for bonus there. I got two years of experience, female, not a CFP yet, DC area, $105,000, up to 10% in bonus.

So not a lot of experience. Very high cost of living area, though. What else? Couple new college grads, $65,000 up in the Midwest, $2,500 signing bonus. That's interesting. Five-year female CFP, $80,000 at a small firm in New Jersey, plus profit sharing. New college grad, $60,000 worth of $2,000 signing bonus in a firm in Texas, smaller RIA.

Another person that had about three years of experience as a CSA, got hired in a virtual firm for $65,000 plus 15% bonus. Five-year CFP at a southeast large RIA $105,000, then up to 20% in annual incentive. Couple other, let's just look at, I mean, we got a lot here, but just trying to point out some of the other ones.

A couple other new college grad, that 60 sort of 65. What else? A career changer that had a CFP had a hundred thousand dollars for a virtual firm and kind of a lead planner role. I mean, I'm seeing anywhere from about 60 to up to about maybe 125 is kind of the people that we placed for last year.

I don't see anything lower than that. So what I would tell if there's any sort of students or any career, I mean what I try to tell you, like I don't, I just don't see people offering less than about four or $5,000 a month. I mean, it's gonna be, I mean, and I still have a lot of these younger people, they're living with mom and dad to try to make ends meet while they're getting their career started.

So, and that was a lot different than when I think you and I got started in the field. One, that wasn't an option, but two, you could afford to, I think, get a place and sort of get started. So, alright. So, those are just a couple other, looking through some other ones.

There's one person, one guy in here to 125K, CFP with seven years of experience, southeast, down in Florida. So really kind of all over the board, but hopefully those data points on the salary, but also some of the incentive and the signing bonus, and the relocation bonus helps.

Jesse Lineberry: Absolutely. And look, we recognize that if you've met one RIA, you've met one RIA, and every one of these firms is different. The compensation structure is different, and we just want to give you all some baselines to start with and kind of give you, if you're thinking about hiring or you're reviewing comp within your firm, just so you kind of know where the trends are going.

And to maybe cap off that part of the conversation, one of the things that we do is kind of of anecdotally pull together the range, right? What is the lowest salary requested and highest salary requested? For every range, the range was 50 grand to 120K. Now, I think. The 120K was probably a career changer and not likely to happen, and 50K is probably on the low end.

Again, that's probably someone who's making a shift. When we look at folks with three to five years of experience, we saw the range from 50 to 180. That 180 likely being somebody who was, it may be a little ahead of schedule in their career development, past the CFP, listening to the placements that Caleb just rattled off, obviously, that didn't come to fruition for that person.

And then folks with five years of experience, we saw 70 to 200, right? And when we're talking about five plus, that 200-person is likely someone that's got a lot of experience, right? And is probably outside of the scope of what we're doing here at New Planner on a daily basis. But that gives you an idea of the range that folks are asking for.

That 50 being the lowest any candidate articulated to us last year, and 200 being the very tip top end. But again, going back to what offers we actually saw happen, the lowest we see is somewhere around 60 at Virginia Tech as program director, that's about the lowest I see as well, and then the top end kind of being in that 120 range.

Caleb Brown: But you also have seen, I know we talked about this offline, so depending on where they go, like it could be New York or somewhere. I mean, you've seen a lot higher than 60, and I think that's an important point to make that for the firm owners know, like some of these kids, 80, 85 with a, maybe just talk about that a little bit.

Jesse Lineberry: Absolutely. So if the range of new college grads tends to be relatively wide, in my time as program director, I've seen in the 50s, I've also seen north of six figures for a graduate of our program. Now that was, those are some unique circumstances, more kind of the private banking world. But it isn't uncommon for us to see offers in the 70 to 80K range in the highest cost-of-living areas.

So take New York, Washington, DC, San Francisco, et cetera. So there is a pretty big range. Our median tends to work out somewhere in the mid to high sixties, so not that different than what our data says here.

Caleb Brown: And what about internships? I know that this is beyond the scope of our salary report, but we do get a lot of questions about how much should I pay an intern? Should I even pay an intern? How much should I pay them? Do I pay for housing? What have you been seeing?

Jesse Lineberry: Yeah, that's a good question. And this range is even wider, and you and I laugh about this when we talk all the time because we get this question a lot. And the answer is, it depends. And so I think it depends on what your internship is.

That's a good place to start it. This is a part-time intern where you're looking for a freshman or sophomore to maybe do a little bit of data entry and file for you. I think $15 to $20 an hour is probably pretty reasonable. But understand that if you're looking for a rising senior from a program like Georgia, Virginia Tech, Kansas State, Texas Tech, Texas A&M, they are, they're, they have friends that are getting offers in the $25, $35.

And I know of a student coming out of our program that had a $40 an hour offer last year. Now, I'm not saying that's what you need to go create in your internship program, but just know that is the range. I think our average probably sorts out somewhere between $20 and $25. Some of the big asset managers do offer housing.

What I would tell you before, if you're relocating a candidate, one of the first things they're gonna ask you is about housing. If you're close to a university, have the student or have the candidate call the university. Generally, they can get some sort of dorm rental pretty cheap. Have them network with their friends.

This is something that we recommend you do within the program. Just, "Hey, three or four of you. If all of you're going to DC, all of you're going to Richmond, Raleigh, wherever it is, just get an apartment. It'll be a great summer experience." So, sorry for rambling on there, Caleb, but it's just such a nuanced answer and it's so broad that it's very difficult to say, "Hey, this is what you should pay an intern." Because it really, really depends.

Caleb Brown: The college thing, the dorm is a good suggestion. That's the only way I could do an internship in Oakland, California, 25 years ago,

Jesse Lineberry: Right.

Caleb Brown: Was to live in Mills College for three months. So, Jesse, this is, again, always fun and insightful. And again, just a reminder too is we are very selective on the firms that come to us, so I have to make sure that they have a very strong offer that they can make so I can get the candidates excited about it. So there, a little bit is that is probably reflected in that because if we have really, really good firms that attract really, really good people, that's just sort of where we like to try to operate. I think a lot of people know that already, but you know, we're trying to do good work for good firms.

Jesse Lineberry: Absolutely.

Caleb Brown: Anything else before we close out, Jesse? A lot of good information here.

Jesse Lineberry: I don't think so. As always, thank you for having me. Keep up the good work. To all the RIA firm owners out there, we appreciate what you all do.

Caleb Brown: Thanks so much for coming on and joining us, Jesse.

Jesse Lineberry: Yes, sir. Thank you.

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