

Giving Up Control Remains Top Barrier for RIAs Contemplating a Sale

New study identifies key emotional drivers involved in RIA M&A

For immediate release
January 31, 2023

Over one-third of sellers or potential sellers say that giving up control is the top fear they have when considering a transaction. This is according to a new white paper released by DeVoe & Company and Allworth Financial, titled: **“The Heart of the Deal: Understanding and overcoming the emotional barriers of selling your RIA.”**

Through custom quantitative and qualitative research with RIA owners, the paper highlights the role of aspiration and fear when contemplating and working through the process of selling an RIA. The paper also reveals that the selling process can create a cycle of emotions that, if not managed, can stall or derail what would otherwise be a strong partnership.

Other key findings from the paper include:

- 23% of firms are concerned with **selling to the wrong buyer**.
- **Client care** is top of mind as both a fear and motivator when contemplating a sale. 22% chose it as a top concern and 42% chose it as a top motivator.
- The fear of **giving up control** is more heightened for smaller firms: 39% of firms with <\$1B in AUM vs 30% for firms >\$1B.
- 72% of firm principals **want to remain in some sort of leadership or senior advisor role** for several years or longer.

The research was developed by DeVoe & Company, in collaboration with Allworth Partners, to support RIA owners in managing the emotional journey. Both firms have witnessed the challenge that can sometimes prevent a new partnership.

“Selling your firm is likely the most important business decision of your career. But it is also a profound personal decision. All sellers will experience an emotional rollercoaster through the process,” said David DeVoe, Founder and CEO, DeVoe & Company. “Anticipating the strong emotions that will emerge will optimize the likelihood this important transaction gets completed, and the new partnership starts on the right foot.”

“We see it all the time, principals work to build something they can be proud of, then it comes time to think about what’s next,” said Allworth Co-founder, Pat McClain. “You pour your heart and soul into nurturing something, then it comes time to sell, and you’re faced with feelings you couldn’t have anticipated. Our hope is that this paper will facilitate not only a deeper understanding of the experiences of other principals who have gone through a deal, but it will help guide them as they make important decisions about the future.”

The paper, in its entirety, is available at AllworthPartners.com and devoeandcompany.com.



About Allworth Financial

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About DeVoe & Company

DeVoe & Company is a goal-based consulting firm and investment bank focused exclusively on guiding wealth management and investment management companies to a higher level of success. The firm provides M&A, business consulting and valuation services to help RIAs accelerate the achievement of their business goals. For more information, visit www.devoeandcompany.com.