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>> Hello, everyone, and welcome to another edition of the Inside Track. I'm Stuart Parker, and with me today is Rob Pettman. Rob is head of Wealth Management at LPL. Rob, welcome.

>> Thank you. Happy to be here.

>> Rob, tell me a little bit about LPL.

>> LPL is a company that's singularly focused on the delivery of advice. And whether that's through a financial advisor or if it's through an institution that has financial advisors helping end investors, it's really just about advice delivery and empowering that overall. So we are, for instance, a large REA. We are a REA custodian. We are a TAMP. We are a broker-dealer. We are arguably a Fintech as well.

>> Tell me a little about your day-to-day. What are you actually providing to your advisors?

>> So within my role, I'm responsible for the investment products that the firm makes available, its advisory platforms, which essentially stitch those together to help create client outcomes. The independent research organization that can help, you know, create guidance for advisors or in how they might think about setting up their asset allocation model, or helping investors understand what's actually happening in the markets right now.

>> So everything from how they determine what the needs of their clients are, finding the portfolios and whatever the products are that are going to meet those needs, and then the reporting and the service that you do ongoing?

>> That's right.

>> That's all within your world?

>> Correct.

>> It sounds like a big job.

>> [Laughing] Indeed.

>> And you do it for only 22,000 people.

>> [Laughing] My closest friends, yes.

>> Exactly. Maybe that's a great way to pivot for a second to what's happening with clients and what are they investing in and how are their needs evolving over the past several years?

>> Well, sure, I mean, certainly, the elements of scale and scaling an advisory practice is important. And, you know, you've got this macrolevel shift from brokers

to advisory. Advisory is a higher standard. And so you have things like an annual meeting requirement. You've got activity that needs to occur. You've got a broader shift towards planning. And that actually has to -- you have to create the time in your business to be able to fulfill that component to help you differentiate in the market. So the manner in which that you can construct your practice to be able to take out a lot of that time. Consuming labor that doesn't necessarily differentiate you in the market, to be able to bring in some of those other things that actually do, that's the type of ecosystem that we're creating and trying to optimize to solve for our clients.

>> So when you think about that in terms of let's just take a cohort like Baby Boomers. They are all -- either they have or will very soon enter into their retirement ages. How are their investing needs changing? I hear all the time about the importance of creating retirement income. We've done a great job of accumulating assets, but how do we move into the decumulation phase? Is LPL thinking about that particular challenge in any way?

>> Oh, absolutely. I mean, this is, it's one of the things, it's one of the best things that we can do for society, is help Americans make this transition particularly within that defined contribution zone of taking a lump sum asset, right, and thinking about how tall you can grow it, to how wide you can make it, right, and stretch it across an entire lifetime. And certainly that there's considerations as it relates to financial products, whether we're talking about things like annuities -- which might offer longevity guarantees. Or there's even the systematic way in which we think about creating retirement income and reconciling both what's happening within the portfolio and then also tax consequences at the same time.

>> Right, right.

>> To optimize the right distribution strategy to get the most bang for the buck for the end investor.

>> When you think about, you know, the next five years and the things that you're working on today, what gets you the most excited about what you're working on today and what you're trying to solve for in the future?

>> Well, what gets me the most excited is just solving problems, right. I mean, the business is getting more complicated. Certainly as we think about our advisory platform, there's a number of different problems that are still left to solve, particularly for financial advisors. You know, alternative investments don't talk to traditional trading systems. They can be very cumbersome to manage at scale inside of your practice. So being able to actually sleeve that off and create an environment to have it be a present part of a model in a way that's feasible, that's an interesting problem to solve as an example.

>> So, Rob, congratulations on all your success. Thank you so much for being here.

>> Thank you.

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