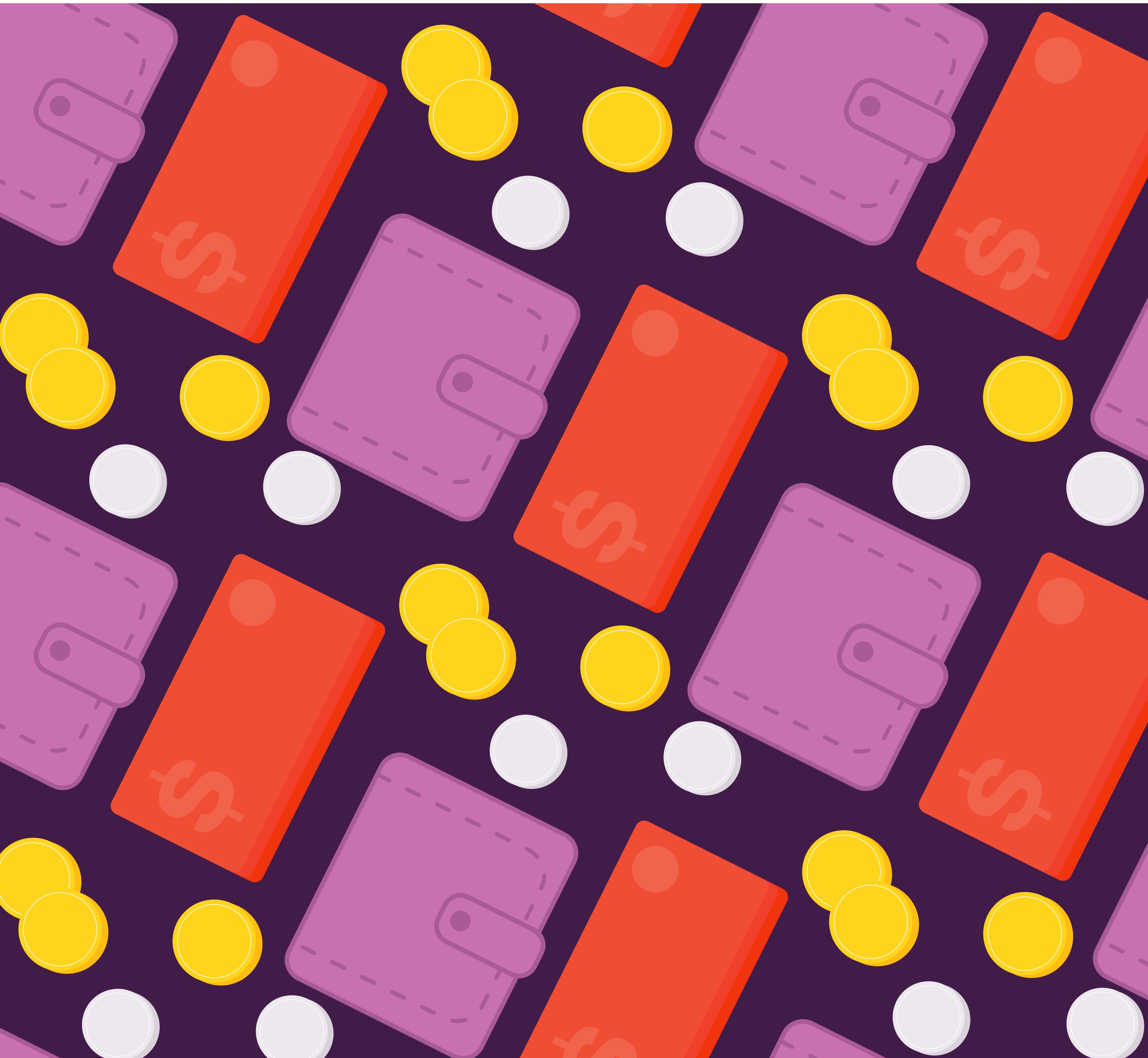
# For what it’s worth

## Compensation trends in Australian advice firms



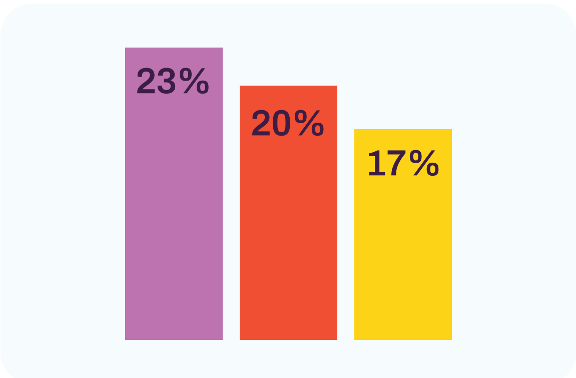
# Advisely intro

At Advisely, we're determined to foster the kinds of conversations that really matter to the advice profession.

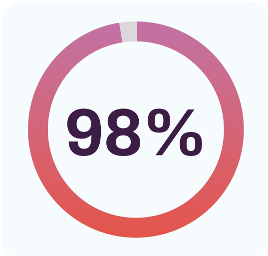
And for that reason, we're excited to partner with Business Health to bring you this research, which represents the most detailed and up-to-date picture of Australian advice remuneration and compensation currently available on the market. We hope that everyone working advice – from the practice owner to the senior paraplanner – finds these insights as valuable as we have.

The last time this research was conducted was in 2023, and it's clear that two years can make a world of difference in such a fast-moving industry. At a glance, we can see that:

- demand for new talent, particularly experienced advisers, client service managers and support staff, **has driven up pay packages for these roles by 23%, 20% and 17% respectively**




- **the average bonus payment across all roles has increased by 98%**, reflecting a marked shift away from salary as the primary tool to effect change




- **remote work provisions have dropped from 92% to 88%** as many firms adopt RTO policies

One major takeaway from this research is that, over the past two years, ancillary benefits have become an increasingly powerful tool for advice firms looking to differentiate themselves to prospective employees. And with 68% of firms on the hunt for new talent, standing out from the crowd is critical.

That's why research like this is so important. It's an opportunity for advice businesses (and the staff they employ) to understand what they're offering and what they're getting in return. If your firm comes up short compared to those surveyed here, it might be time to readjust and reassess.

After all, the advice business never stands still.

# From Business Health

> “If you want to go fast, go alone; if you want to go far, go together.”

This popular proverb highlights a fundamental truth: while individual effort can lead to quick progress on a task, long-term success and greater achievements usually require collaboration and teamwork.

For this reason, few practice principals would deny that the staff of any advisory firm are absolutely critical to the ongoing success of the business. They represent the frontline of the business - its face and its image.

With quality staff extremely hard to find and even harder to keep in this overheated marketplace, all businesses need to keep abreast of the latest trends for attracting and retaining the best available talent.

In 2023, as part of our ongoing commitment to supporting the Australian advice community, we conducted a marketplace research project aimed at better understanding the benefits packages advisory firms were offering their staff.

Our report generated a lot of interest, comments and questions, so much so that we decided to return to the market in 2025 to find out the current situation: what’s changed, what hasn’t and, perhaps, what should have? In doing so, we have included a number of new areas, reflective of just how quickly the market can change.

With over 100 practices again contributing data, we were delighted with both the participation levels and the breadth and depth of information provided.

Our heartfelt thanks go to all those who took the time to contribute. We trust you will find these results of interest and of value, and we look forward to exploring in more detail the key findings and possible implications for your business.

**From the team at Business Health**
Business Health Pty Ltd

# Executive summary

This report provides a detailed insight into the changing staff dynamics within Australia's financial advice firms. It highlights a number of critical areas that firm owners and their senior managers will need to carefully consider if they are to thrive in today's business environment.

While each reader will likely focus on their specific areas of interest and have their own thoughts about the key challenges and issues, the following items are, in our view, the five most strategically important issues in the latest analysis:

## 1 The war for talent is the new advisory battleground

The significant reduction in adviser numbers over the past few years – coupled with an increased demand for advice as the baby boomer generation plans for retirement – has shifted the Australian advice battleground. Attracting and retaining the best available talent is now one of the key factors for success.

Two thirds of practices that participated in this research project indicated they are looking to add new recruits to their team in the coming 12 months.

If you're planning to build your team, be aware that competition for quality staff members is going to be intense – and the best candidates are going to have a wide choice of future employers.

Even if you aren't in the market for new employees, your best people will be in high demand, and they will be receiving calls and offers from your competitors.



## 2 Outsourcing is not seen as the cure-all solution

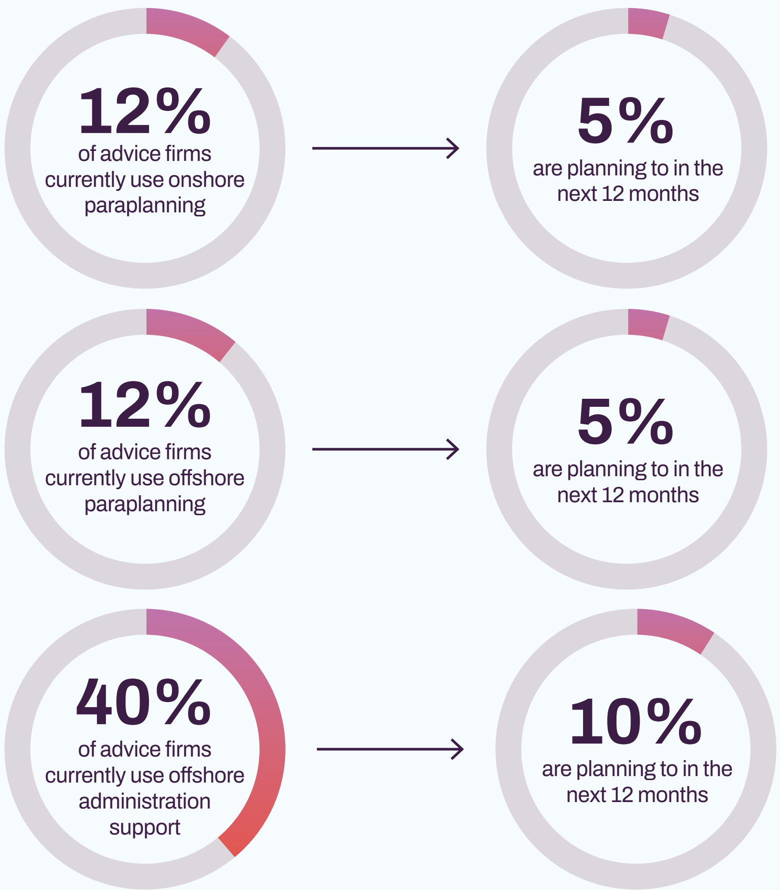
While there's been a lot of focus on the growth of outsourcing and its potential to radically change the dynamics of advice practices, this currently appears to be more talk than action.

None of the firms who participated in this research are currently leveraging an outsourced partnership to access advisers, general managers/practice managers or professional support personnel. And, for those looking to add people to these roles in the coming 12 months, none plan on using an outsourced solution.

Currently, 13% of practices use an offshore outsourced arrangement to meet at least some of their paraplanning needs; 12% work with an onshore outsourced paraplanner.

Of those looking to recruit paraplanning staff in the coming 12 months, only 10% of firms are planning to engage an outsourced paraplanning solution.

While 40% of firms currently use offshore outsourced arrangements for administration/ support work, only 10% of those firms looking to recruit administration staff in the year ahead are planning to fill these roles through offshore outsourcing. And just 4% will do so through an onshore outsourcing partnership.



## 3 Increased demand has driven increased remuneration

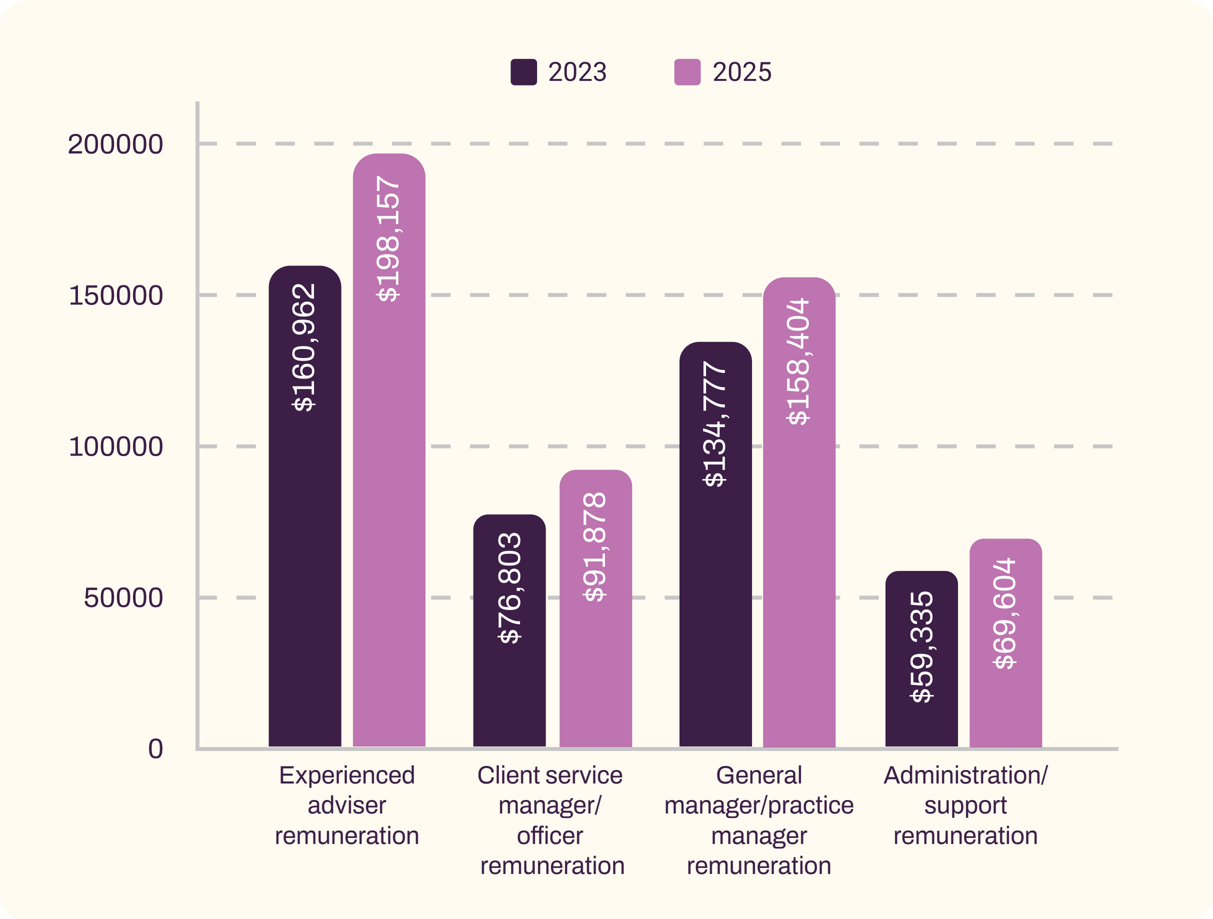
This probably won't come as much surprise, but remuneration for almost all key roles within an advice firm has increased significantly over the past two years.

Given participants' stated recruitment appetite, this trend is likely to continue in the immediate future.

The average package being paid for experienced advisers is up 23% to just under $200,000 per annum. Client service manager/officer remuneration increased 20% to $92,000, and the average compensation package for administration/support personnel was up 17% to $70,000.

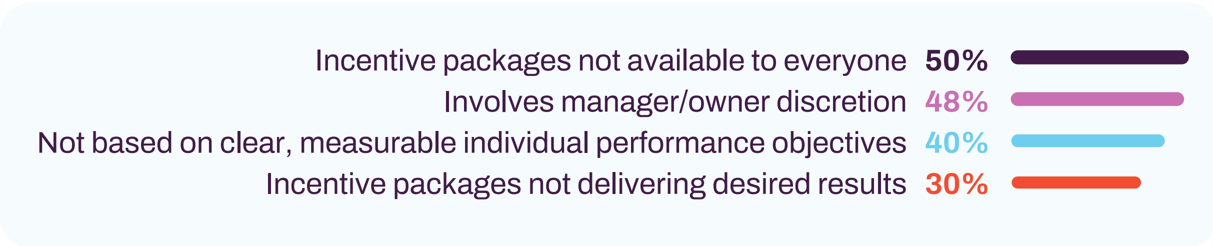
The exception to this is the total compensation package paid to senior paraplanners, which is down 2% to $107,397.

With fewer firms directly employing paraplanners, and with AI promising to automate many of the key paraplanning functions, perhaps this has resulted in a rethink of how these roles are structured.



## 4 Performance based incentive/bonus payments have become more important

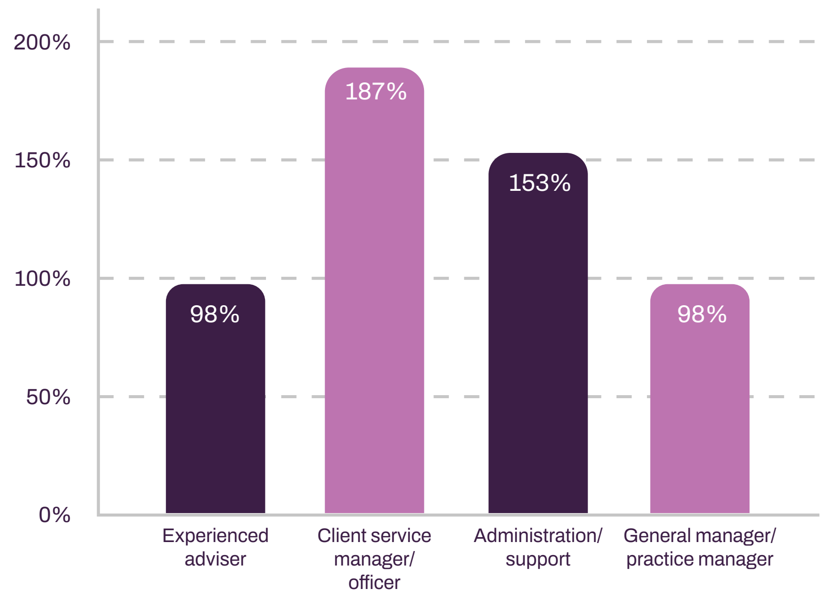
While 45% of firms now offer some form of incentive plan, many of these bonus programs lack clarity, inclusivity, objectivity, governance and structure.




Almost one in three owners (30%) said their incentive plan was not delivering the desired results for either their employees or their business. While this result is worrying, it's even more alarming when taking into account the considerable increase in the size of bonus payments currently being made to employees.

As stated in our 2023 report, continuing to invest money in incentive payments that do not incentivise is a very poor deployment of capital.

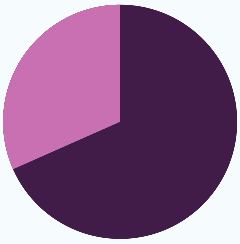
**% increase in average bonus payments from 2023 to 2025**



## 5 Hybrid work is the new normal, but support gaps remain

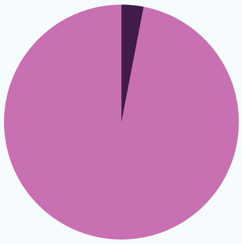
While most advisory firms have implemented a hybrid work environment – where employees split their time between working from home and the office – many still lack adequate infrastructure and policies to support non-advisory staff who work remotely, especially in regional areas.

To maximise productivity benefits (and manage the inherent risks associated with a hybrid working environment), it might be prudent for business owners to review their working-from-home policies and procedures.



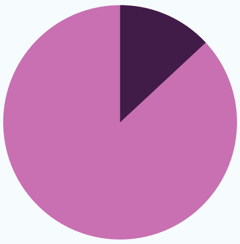
**68%**
of advice firms provide dedicated IT hardware

**up 4%**
from 2023



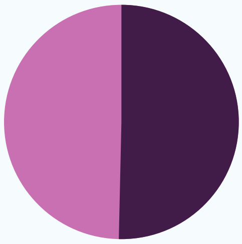
**4%**
fund home internet subscription

**down 7%**
from 2023



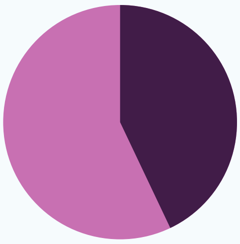
**13%**
provide ergonomic office equipment

**up 8%**
from 2023



**51%**
hold all company in-person team building events

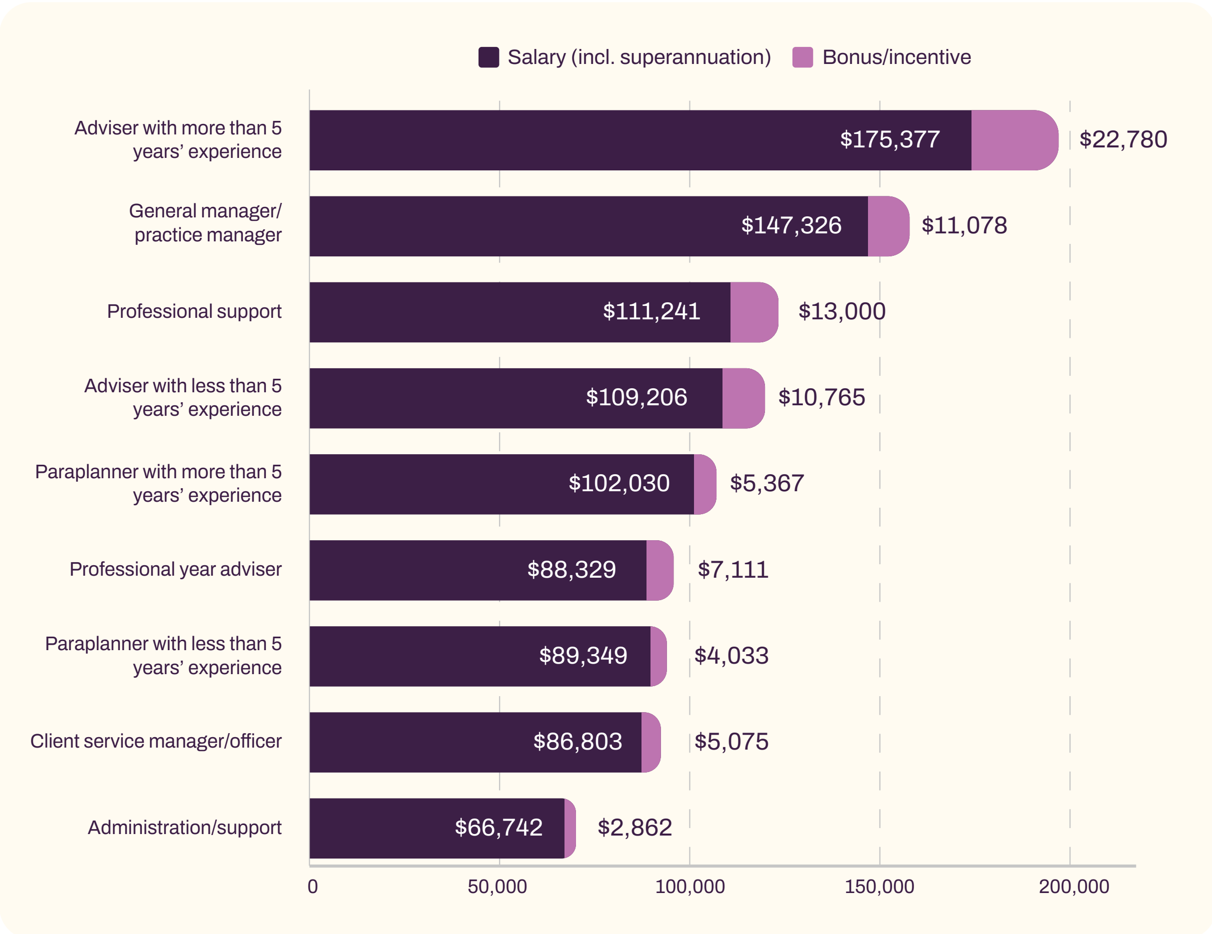
**up 1%**
from 2023



**43%**
mandate certain times or days to be in the office

**down 9%**
from 2023

# Salary packages for in-house/ direct employees




## Senior adviser

The number of experienced advisers employed by Australian advice businesses has risen to 3.3 (up from 2.7 in 2023), with the average salary for an adviser with more than five years' experience being $175,377.

This represents a 17% increase on the 2023 average of $149,443.

While there was again little difference in the average salary paid to experienced advisers along the eastern seaboard – $175,275 in New South Wales, $162,077 in Victoria and $166,428 in Queensland – experienced advisers in South Australia/ Western Australia are now being paid significantly more than their east coast colleagues. Their average salary is $211,519.

Similar to the 2023 results, there is a clear discrepancy between the average salaries of city/metropolitan based experienced advisers ($184,979) and their regional/rural peers ($148,594).

Reflective of the overall move to more performance-based remuneration, the average bonus/incentive payment received by experienced advisers is up 98% over the past two years – from $11,519 to $22,780.

Interestingly, this jump in bonus payments is even greater in the regional/rural areas – the experienced advisers working outside of the city receive an average bonus payment of $35,144.

Overall, rising remuneration costs and evolving pay expectations will require advice firms to be more strategic in workforce planning, budgeting and compensation design. This will be especially important in traditionally lower-paying zones such as regional/rural areas and those outside of the eastern seaboard states.

Of course, margin pressure will exacerbate even further if revenue inflow doesn't increase, leading in turn to the reviewing of fees.

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## Junior adviser

While only 40% of Australian advice practices employ less experienced advisers (i.e. those with fewer than five years' experience), those that do have an average of two junior advisers on staff. This implies a selective but growing interest in developing future talent.

The average salary for these junior advisers is now $109,206, which is up from $97,872 in 2023.

As with their more experienced peers, the difference between city- and country-based advisers is again reflected in junior adviser salaries. The salary for less experienced advisers operating in a metropolitan location is $116,851 compared to $87,225 for those based in a rural/regional area.

This further highlights ongoing challenges in attracting younger professionals to rural areas.

Junior adviser salaries also varied widely across states – from a high of $117,400 in Victoria to $117,137 in WA/SA, $101,813 in Queensland and $99,150 in New South Wales – which suggests that local market conditions and cost-of-living factors are influencing remuneration strategies.

In the past 12-months, only half (55%) of the firms that employ a junior adviser paid them a bonus/incentive payment. Where a bonus was paid, the average payment was $10,765 and outside of Queensland (where the average bonus payment is just $4,000) there was little variation across states.

## Professional Year (PY) adviser

A third of the firms that participated in this research employ a Professional Year adviser, which indicates there is an opportunity for many practice owners to further invest in developing future talent through structured pathways.

The average salary paid to these PY advisers is $88,329, and this is augmented by an average bonus/incentive payment of $7,111. Interestingly, the average bonus paid to regional/rural PY advisers is almost double that of their metropolitan peers ($11,250 compared to $5,929). And bonuses paid to Victoria- and Queensland-based PY advisers are significantly less than those paid to PYs in NSW and WA/SA (less than $4,000 versus $8,750).

## General manager/practice manager

While half (53%) of firms in metropolitan areas employ a general manager/practice manager, this drops to just 26% of country-based practices.

The lower proportion of rural firms employing a general manager/practice manager may highlight the challenge of attracting senior talent to non-urban areas. Or it could suggest that many regional practices are operating with leaner management structures, potentially limiting their capacity for strategic oversight and operational efficiency.

The average salary for a general manager/practice manager is $147,326, which represents a 14% increase on the $129,168 salary in 2023. While there was very little difference in the average general manager/practice manager salaries across the states, the variation between metropolitan firms ($152,538) and rural practices ($122,133) is significant.

Similarly, while the average bonus/incentive for a city based General Manager/Practice Manager is $11,078, none of the rural/regional based managers received a bonus payment in the past 12 months.

## Professional support

In this context, professional support includes compliance managers, investment managers, technology managers and marketing managers. With only 21% of firms directly employing people in one of these functions, many practices may be missing opportunities to strengthen operational efficiency and strategic capabilities.

The average salary paid for these roles is $111,241. Interestingly, this was down from $115,188 in 2023. There was virtually no difference between the average city-based professional support salary ($111,296) and the regional/rural average one ($111,075).

While only a third of professional support managers received a bonus, the average bonus payment varied significantly across states – from a high of $25,000 in Victoria to $20,000 in WA/SA, $5,000 in Queensland and just $3,000 in NSW.

Practice owners should assess whether investing in these specialised roles could enhance their business performance and scalability, especially as their firms grow in complexity.

## Senior paraplanner

A third (36%) of practices directly employ a senior paraplanner (one with more than five years' experience), which is down from over 50% in 2023. The average senior paraplanner salary is $102,030 – which is slightly down from $107,075 in 2023 – and the average bonus/incentive payment is $5,367 (up from $2,826 two years ago).

The decline in the proportion of firms employing senior paraplanners could indicate a shift in staffing models, possibly towards outsourcing or redistributing responsibilities within the team. There has also been speculation in the industry press about the future of paraplanning given the rise of AI.

In a recent article in Professional Paraplanner, software vendors claimed that "one paraplanner can do the work of 10" using their AI applications. Ian McKenna, founder of FTRC, warned that "AI is going to change every single business," adding that "advice firms who don't employ AI will work far harder than they need to, or more likely, they will cease to exist."

## Junior paraplanner

Mirroring the reduction in senior paraplanning roles, just 22% of firms now employ a junior paraplanner with less than five years' experience – down from 31% in 2023. The average salary for these junior paraplanners is $89,349 (up from $74,127) and the average bonus is $4,033.

## Administration/support

On average, each advice firm directly employs 2.1 administrative/support people and their average salary is $66,742 (which is up from $58,207 in 2023). On top of this base salary, the average bonus payment is $2,862 (up from $1,131). As was the case in 2023, these averages varied little across location.

## Client service manager/officer

Somewhat surprisingly, the number of practices employing at least one client service manager or client service officer has dropped from 80% in 2023 to 71%. This is perhaps reflective of a shift in operational models, possibly toward leaner teams or increased reliance on technology and automation.

However, the average salary being paid to these CSM/CSOs is $86,803 (up from $75,036) and while the average bonus payment is $5,075, only half of the CSM/CSOs received an incentive payment in the past 12 months.

Practice owners should consider whether maintaining strong client service support is essential to sustaining high-quality client engagement and operational efficiency, especially as competition and client expectations continue to rise.

### Australian advice firms average compensation by role (2023/2025 comparison)

| Role | 2025 salary (incl. super) *(2023)* | 2025 bonus/ incentive *(2023)* | 2025 total *(2023)* |
|---|---|---|---|
| Adviser with more than 5 years' experience | $175,377 | $22,780 | $198,157 |
| | *$149,443* | *$11,519* | *$160,962* |
| Adviser with less than 5 years' experience | $109,206 | $10,765 | $119,971 |
| | *$97,872* | *$7,414* | *$105,286* |
| Professional year adviser | $88,329 | $7,111 | $95,440 |
| | *N/A* | *N/A* | *N/A* |
| General manager/ practice manager | $147,326 | $11,078 | $158,404 |
| | *$129,168* | *$5,609* | *$134,777* |
| Professional support | $111,241 | $13,000 | $124,241 |
| | *$115,188* | *$3,375* | *$118,563* |
| Paraplanner with more than 5 years' experience | $102,030 | $5,367 | $107,397 |
| | *$107,075* | *$2,826* | *$109,901* |
| Paraplanner with less than 5 years' experience | $89,349 | $4,033 | $93,382 |
| | *$74,127* | *$2,481* | *$76,608* |
| Client service manager/officer | $86,803 | $5,075 | $91,878 |
| | *$75,036* | *$1,767* | *$76,803* |
| Administration/support | $66,742 | $2,862 | $69,604 |
| | *$58,204* | *$1,131* | *$59,335* |

# Outsourcing

## Offshore

None of the practices that participated in this research project currently leverage an offshore outsourcing partnership to access advisers, general managers/practice managers or professional support.

### Paraplanner

Just 13% of practices use an offshore outsourcing arrangement for paraplanning and the average offshore paraplanner salary is $45,680. Only three firms paid their offshore paraplanners a bonus/incentive payment in the past 12 months (with the average bonus payment being $1,650).

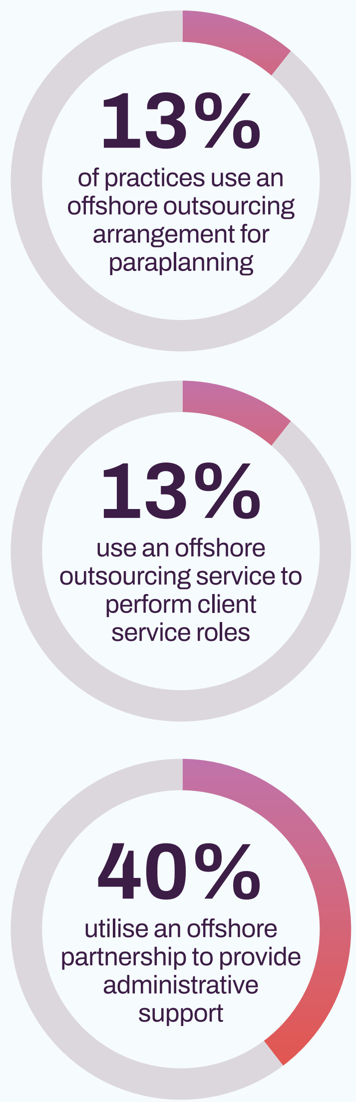
### Client service manager/officer

Similar to the above, 13% use an offshore outsourcing service to perform the client service manager or client service officer role, with their average salary being $36,649. Less than half (40%) of these firms paid their offshore CSM/CSO a bonus and the average incentive payment was $1,500.

### Administration/support

This is by far the most common function to be outsourced to an offshore organisation. 40% of firms advised that they utilised an offshore partnership to provide administrative support.

The average salary paid to an administrative/support assistant in this role was $33,743 and, where a bonus was paid, the average was $1,141.



## Onshore

As is the case with the offshore outsourcing, none of the practices currently leverage an onshore outsourcing partnership to access advisers, general managers/practice managers, client service managers/officers or professional support.

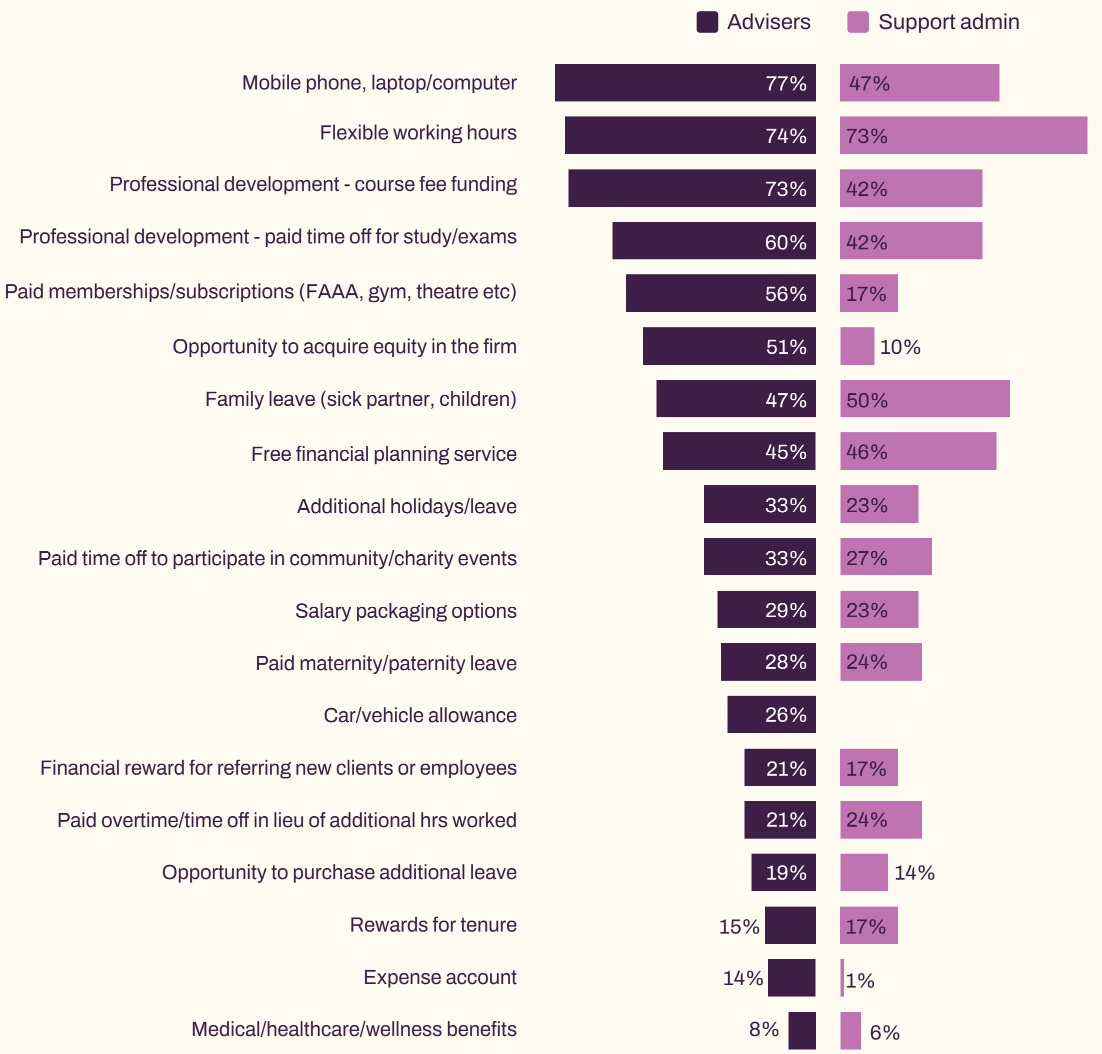
Only one of the respondents confirmed that they were outsourcing their administration/support work to an onshore third-party provider, while 12% of firms reported that they were using an onshore outsourcing service for their paraplanning requirements.

The average onshore paraplanner salary was $45,000. None of these firms paid their onshore paraplanners a bonus/incentive payment.

# Ancillary benefits

In such a heated marketplace, simply offering a competitive financial package to employees and potential new team members is just the entry ticket. It's a great place to start but, as the following findings clearly show, more is needed.

### Inhouse/direct employees – ancillary benefits offered



## Ancillary benefits for in-house/direct employees

As shown in the above chart, many of Australia's advisory firms may need to review the depth and breadth of their employee offer to ensure it aligns with the changing expectations of today's (and tomorrow's) workforce.

Back in 2023, we observed the potential for a cultural divide between advisers and non-advising staff; this divide has widened since then. While it may be appropriate to offer advisers additional benefits that aren't applicable to support staff – travel would rarely be a requirement for support staff, so a car allowance probably isn't as relevant – it can create discontent when more generic benefits are also reserved for advisers.

Currently, 10% of firms offer the opportunity to acquire equity to select members of their non-advising staff (up from 6% in 2023). With succession planning being such a huge issue in our marketplace, perhaps practice principals need to re-think which team members are allowed to acquire an equity stake in the business.


This situation is exacerbated by the fact that only 51% of advisers are being offered the opportunity to buy in – down from 61% two years ago.

If we accept that most employees want to improve themselves both professionally and personally, assistance with professional development and further education is critically important. With just under half (42%) of advice practices not providing their support/administrative staff with education support – whether course fee funding or paid time off for study – some employees may feel they aren't getting sufficient help to broaden their skill set and develop a career path.

This finding is slightly down from 2023, and it should not surprise employers if these team members are susceptible to an approach from a competitor firm.

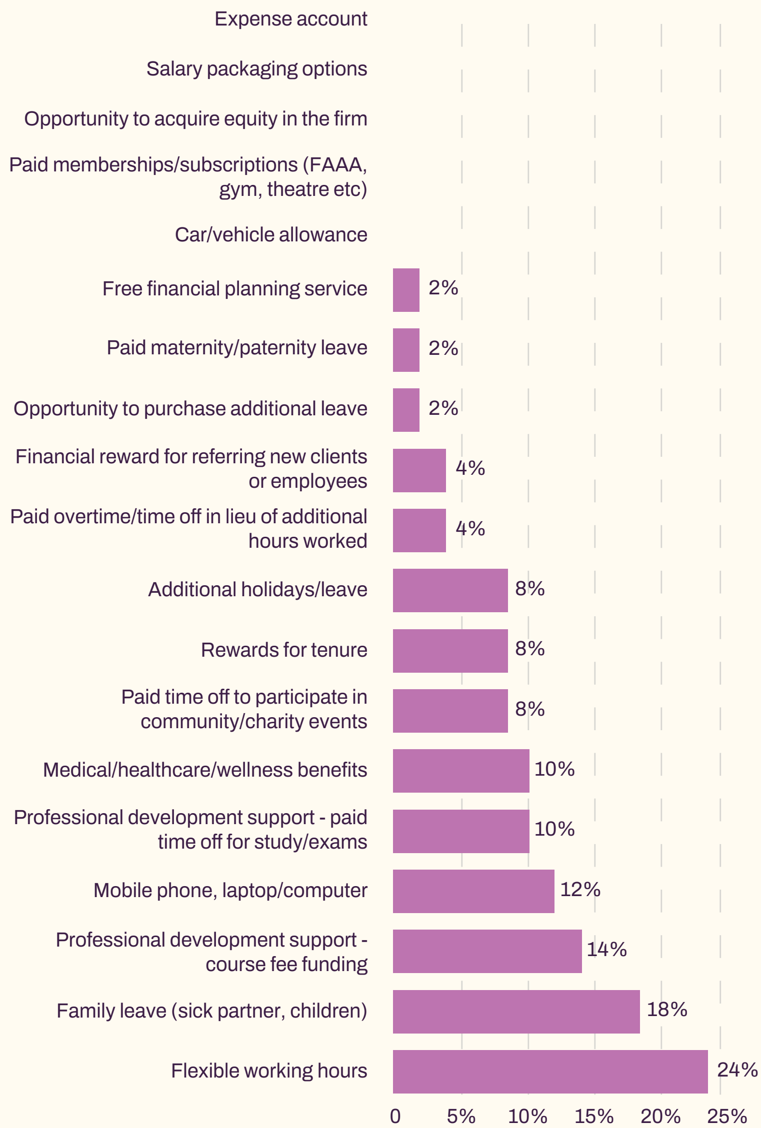
Today, one in three advisers (33%) and 27% of employees are offered paid time off to participate in the community/charity events. As more people are seeking a better alignment between their own personal values and the business they work for, it was pleasing to note an uplift over the 2023 findings.

While many business owners place a strong emphasis on employee loyalty, the vast majority of practices still do not recognise or reward employee tenure milestones – e.g. 5, 10, 15 and 20-year employment anniversaries. This is another area that's seen only marginal improvements over the past two years and could lead to long-term team members questioning their employer's level of appreciation.

Firms that employ staff through an outsourcing partnership are generally not legally required to offer ancillary benefits to outsourced employees. However, as shown in the graph below, some firms have made a business decision to differentiate their offer and strengthen their “whole of firm” culture by offering their outsourced team members an extended suite of benefits.

As competition for the best available talent intensifies and spills into the outsource arena, it will be interesting to see how this evolves in the coming 12-24 months.

## Ancillary benefits for outsourced employees



# Working remotely

As we learned from COVID and the post-pandemic recovery, flexible work-from-home options offer significant benefits for both employers and employees (when done well).

Operating a remote work environment gives employers access to a wider talent pool and the potential for higher employee productivity, lower operational costs, higher employee retention and reduced absenteeism.

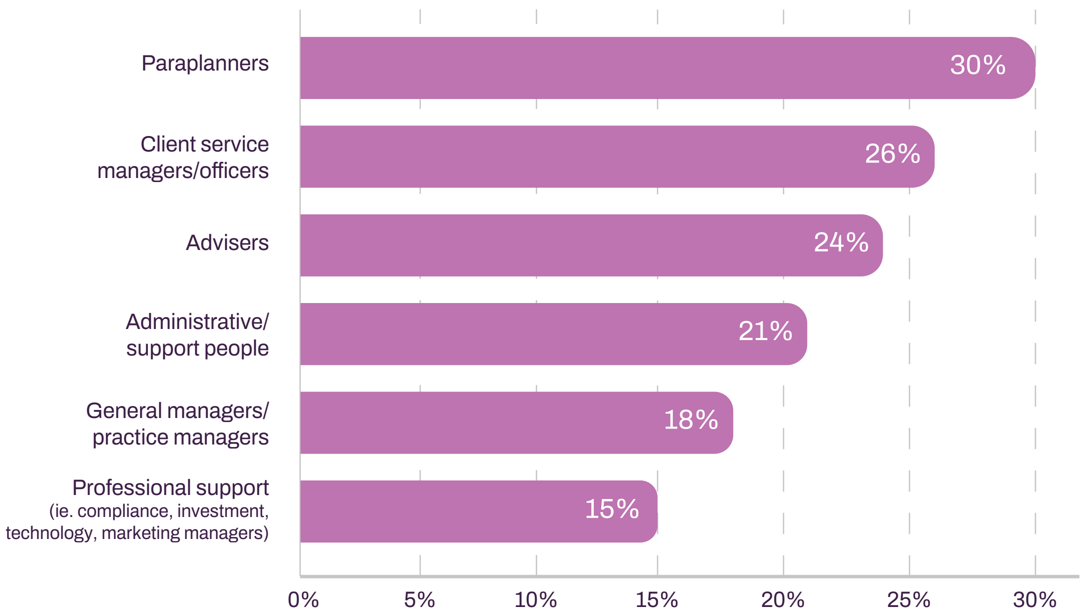
Employees of remote/hybrid work environments consistently report improved work-life balance, increased flexibility, significant cost savings, reduced stress, a healthier lifestyle and fewer workplace distractions.

However, it's interesting to observe that, despite all the benefits, many businesses are now mandating a return to the office (either wholly or through a hybrid combination) in an attempt to address specific concerns relating to company culture, collaboration, productivity and leadership oversight.

While these concerns are being influenced by larger, institutional-based businesses, the back-to-office trend is also evident in Australian advice practices.

As shown in the graph below, there has been a distinct shift to a hybrid working policy where time spent working remotely is supplemented with time in the office.

**Average % of time spent working remotely, by role**



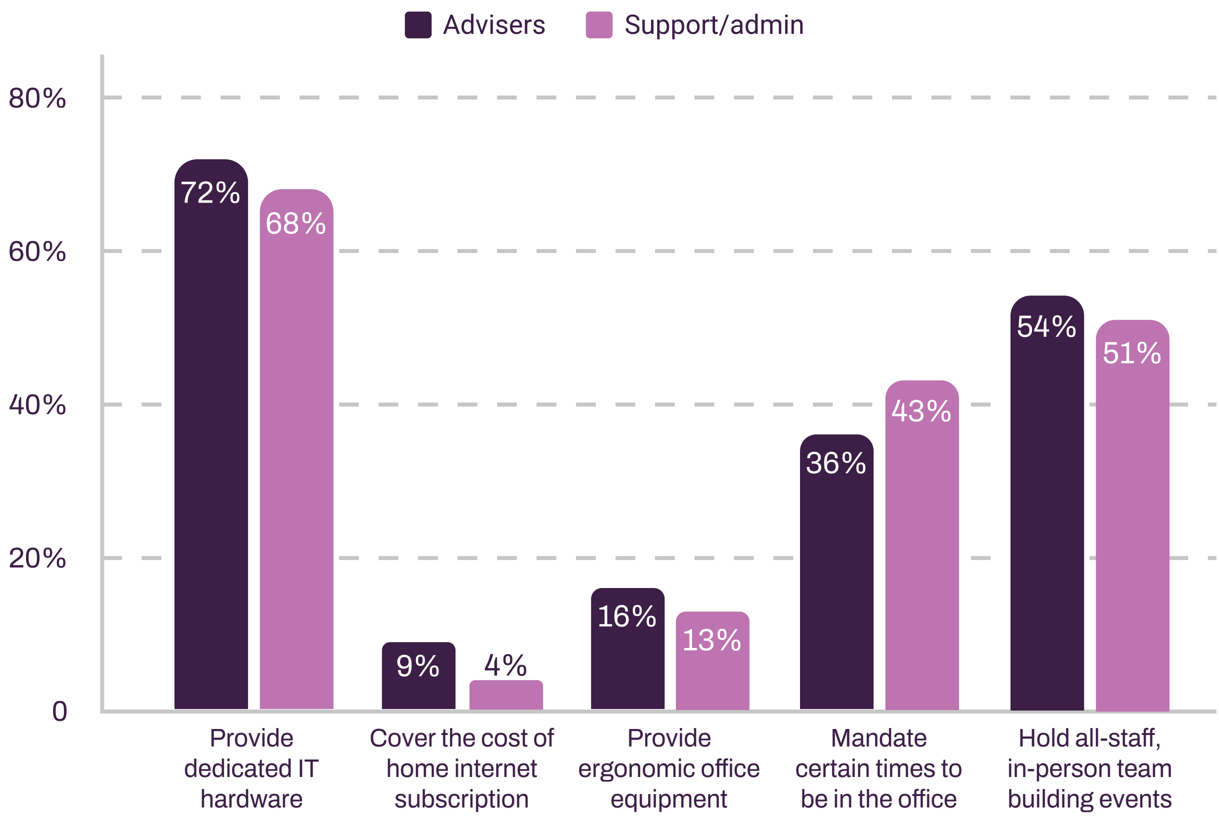
In 2023, 92% of advice businesses offered their employees the option to work from home. This has now dropped to 88%; it's down to 78% in rural/regional practices, 95% of which allowed remote work two years ago.

This is a major shift from our 2023 survey results and one we fear could very well blow back on smaller advice practices who are competing for the best available talent.

As practice owners and team leaders review their working-from-home and return-to-office policies, the following findings might provide insight to help maximise the productivity benefits and manage the inherent risks associated with a hybrid/remote environment.

A third (32%) of firms do not provide their support/administrative staff with dedicated IT hardware – computers, laptops, printers, webcams, headphones – when working remotely. While this is marginally better than the 36% recorded in 2023, the fact remains that when staff access sensitive client files or company records from a personal (and often shared) computer, the threat of cyber-crime/theft increases exponentially.

**Remote work policies implemented by % advice firms**



Fast and reliable internet access remains a mandatory requirement for all staff. This is simply a cost of doing business, no matter whether an employee is working from the office or their home. It is therefore somewhat surprising that just 4% of practices cover the cost of home internet subscription for their support/administrative staff and 9% fund home internet access for their advisers. (This is also down from 2023 results, which were 11% and 21% respectively in 2023.)

All employers have a legal obligation to provide a safe working environment. This extends to the set-up of the physical workplace (be it in an office or home setting), and while 13% of firms now provide their support/administrative staff with approved ergonomic office equipment, many firms may still struggle with an Occupational Health & Safety audit.

While video calls, webinars, podcasts and telephone calls remain extremely valuable communication vehicles, they do not make up for the person-to-person interactions, casual conversations, incidental acknowledgements and the general sense of belonging and reassurance that comes from being physically together.

As such, it's surprising that over half of Australian advice firms do not mandate specific times to be together in the office or hold all-staff, in-person team building events. Both of these initiatives go a long way to mitigating the risk of employees feeling isolated – and they're the perfect opportunity for leaders to develop and strengthen the company culture.

## Five actions for building confidence and culture

### 1 Maintain regular team meetings

Just because staff are working remotely shouldn't mean they are "out of sight, out of mind."

Business Health's Future Ready IX analysis shows that only 65% of Australian practices are currently holding team meetings on either a weekly or fortnightly basis. While the agenda will largely be focussed on current work issues, it is a good idea to allow time for any hot topics and "water cooler" chat.


Ideally, you should also find time for the personal side of the team.

### 2 Share the state of your nation

Convey the plans you have for your business to your staff and report regularly as to your progress. Without this clarity and certainty, your people can easily assume the worst!

This is an obvious strategy that's easy to implement – and yet, just over one in two owners (54%) have shared their high-level plans/goals for the upcoming year with all staff. We suggest at least twice a year for such updates – both to outline the business plan and to report your progress to it.

### 3 "How's things?" calls

These should be ad hoc and unscripted, just to check in with your team. How are they faring without the camaraderie of their work colleagues and peers?

The impact of an owner calling off-the-cuff to ask "how are you going" can never be underestimated.

## 4 Bring all the team together in one place, at the same time

This is a great way to build your own unique culture. It's the perfect opportunity to celebrate or acknowledge someone who has done a good job (no matter how small it might seem).

While this will undoubtedly pose some logistical challenges and expense, we believe the investment will produce a valuable return in terms of team confidence and culture. It also allows the business to cover a number of important hygiene areas such as training, introducing new hires and shared lessons.

## 5 Proactively seek input and feedback from all staff

How happy are they in their work? Do they have any suggestions to improve their work environment? Business Health's Future Ready IX report reveals that only 5% of firms use someone external to their business to seek feedback from their staff.

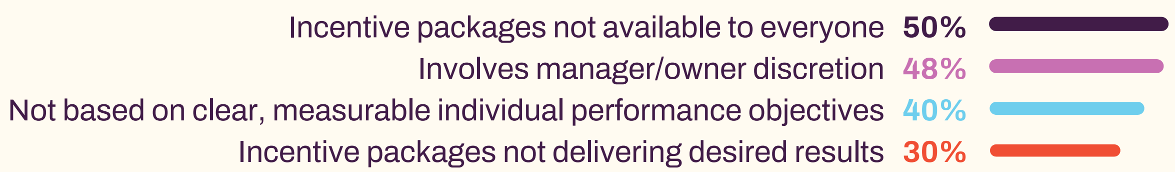
# Incentive/bonus plans

While it isn't mandatory to offer incentive or bonus programs to staff members, there's no denying the fact that money is the primary motivator for many employees.

Well-designed, well-managed, performance-based incentives that are founded on clearly-articulated business (and individual) goals can dramatically impact both productivity and morale.

Given this, it's surprising that almost half (45%) of the advisory firms who participated in this research do not offer any form of incentive plan. (The needle hasn't moved much here since our 2023 analysis.)

**Attributes of incentive/bonus plans**




Of those who do, 50% state their plan is not open to every employee in their firm – this is a third higher than our 2023 findings.

While we've seen a significant improvement in the number of firms with a current bonus/incentive program that's delivering the desired results for both employees and the business – up from 50% in 2023 to 70% in 2025 – continuing to invest money in incentive payments that do not incentivise remains a very poor deployment of capital.

If incentive payments/rewards are only open to certain members of the team, it's important that the reasons for this are clearly communicated to all staff members to ensure the situation does not become a de-motivator or foster resentment amongst those excluded.

An effective incentive program must be clearly defined and encourage challenging (but achievable and measurable) goals. As was the case in 2023, over a third (39%) of practices that do offer a bonus plan report that their program is not based on clear, measurable and pre-agreed individual performance objectives, and 45% say their bonus/incentive plan was not dependent on the achievement of clear and measurable business goals.

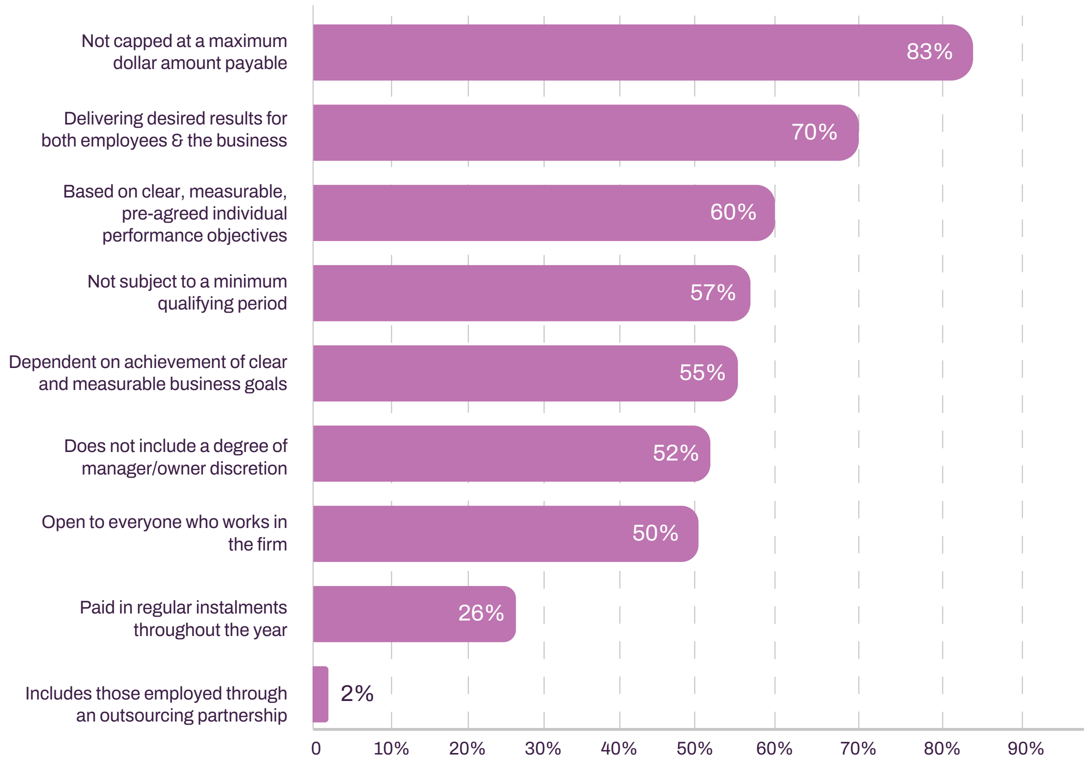
Almost half (48%) of firms stated that individual payments include a degree of manager/owner discretion. Our direct experience with the thousands of staff who have participated in our Employee Satisfaction Surveys tells us that bonus programs involving a high degree of owner/manager discretion are fraught with danger.

43% apply a minimum qualifying period before staff are eligible to participate in the bonus plan, and only a quarter (26%) pay their incentive payments in regular instalments throughout the year.

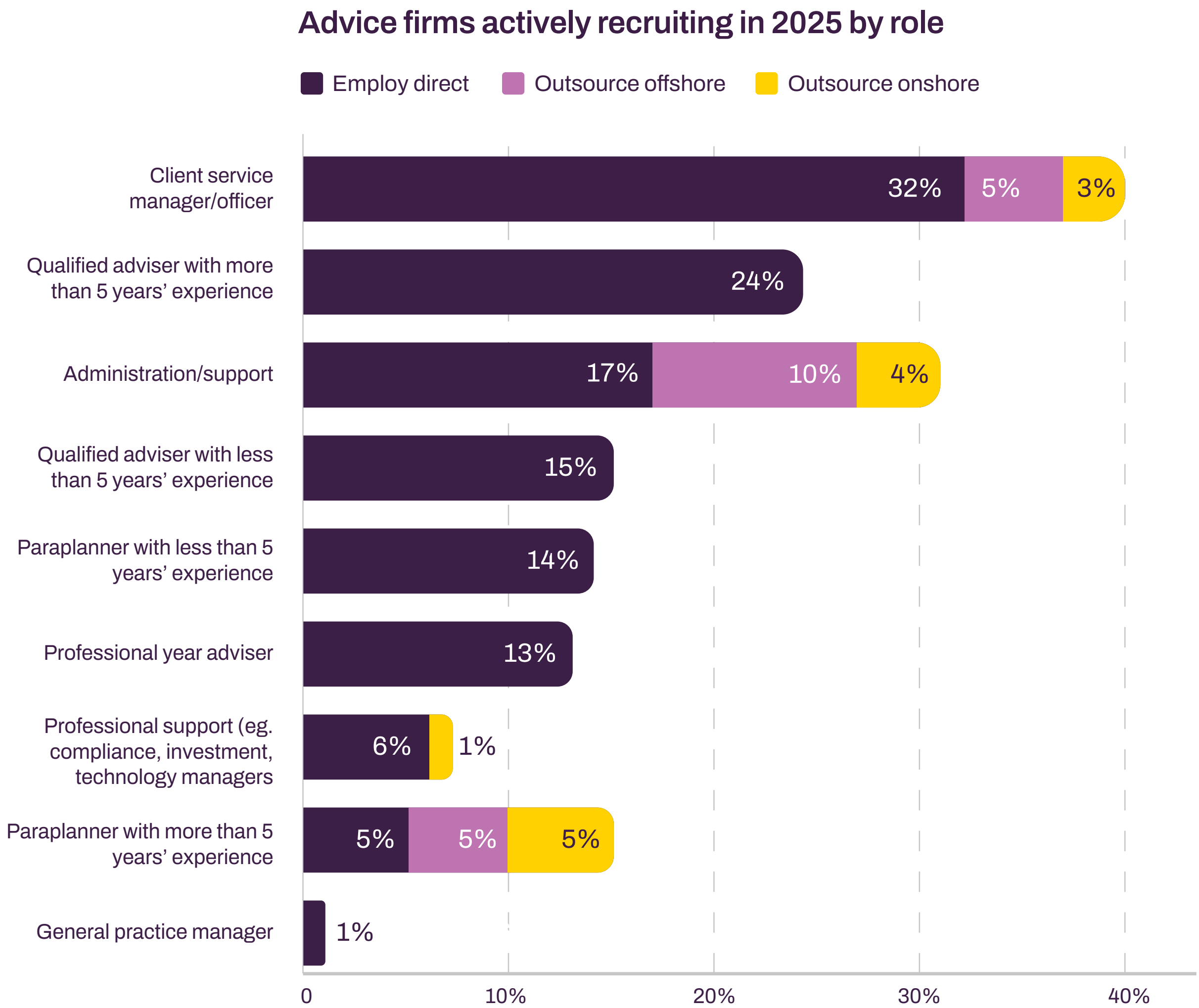
Incentive programs are commonly monetary-based, but this isn't necessarily their best design. In challenging business and market environments, employers could consider an incentive program that differentiates through offering equity shares, flexible work schedules, additional holidays/time off and family gift passes, for example.

Incentive frameworks should be reviewed in the context of strategic goals, as well as supporting staff recruitment, retention and engagement across all levels.

## Incentive/bonus plan features and failings



As was the case in our 2023 results, the demand for quality staff in 2025 remains at an all-time high and the market is still not showing any signs of cooling.




As in 2023, two thirds (68%) of advisory firms report they are looking to add new members to their team during the coming 12 months. There is little difference in recruitment intentions between city/metropolitan firms (where 69% are looking to add additional staff) and their regional/rural peers (65%).

As shown in the previous chart, of those firms looking to add team members, very few are planning on meeting their need for additional resources through an outsourcing partnership (either onshore here in Australia or through an offshore international organisation).

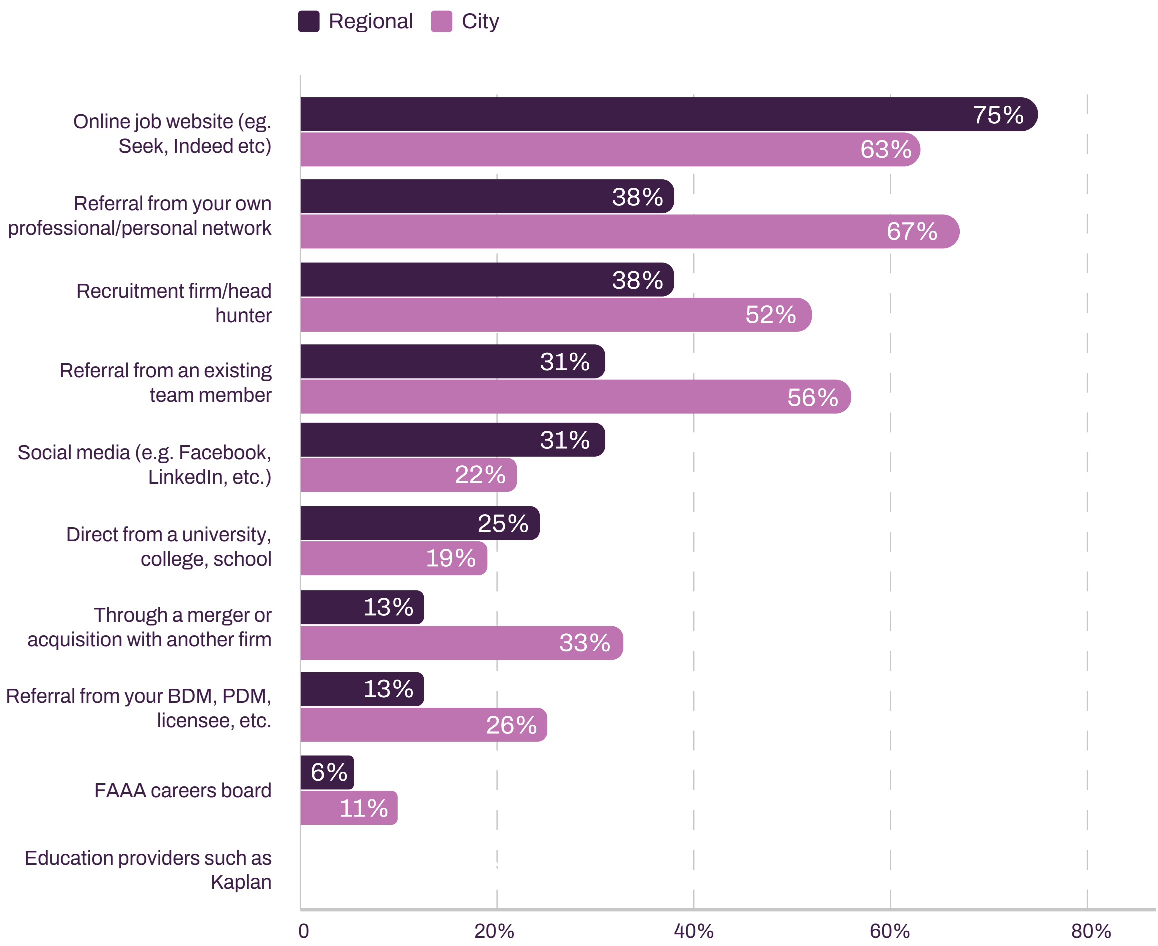
This suggests a preference for maintaining control over strategy, quality and client relationships. However, the modest use of outsourcing for paraplanning and administrative support indicates that some firms are exploring cost efficiencies and scalability through external partnerships.

Mirroring our 2023 findings, the most sought-after role to fill is client support.

49% of firms intend to appoint additional client-facing support staff. A quarter (24%) of all businesses will be searching for a senior adviser with more than five years' experience, while 15% of firms indicate they will be looking to add a junior adviser. 13% are planning to bring on a Professional Year adviser.

While two thirds (67%) of firms plan to use an online job website such as Seek or Indeed, over half (56%) will rely on a referral from their own professional/personal network. As the chart below shows, the location of the practice itself can play a role in determining the preferred recruitment channel.

### Anticipated sources of direct employees



City-based firms tend to rely more heavily on professional networks, recruitment firms and internal referrals, suggesting stronger access to established hiring channels and industry connections. On the other hand, regional firms are seemingly more dependent on online job platforms and direct outreach to educational institutions, which may reflect limited local networks or a need to cast a wider net.

Irrespective of location, we would suggest that owners consider diversifying their sourcing strategies to improve access to quality candidates, especially in regional areas where recruitment challenges may be more pronounced.

To support the increased headcount, 61% of firms are budgeting for at least a 10% increase in salary expenses. Less than a quarter (21%) of practices expect their corresponding staff benefits costs to meaningfully increase in the coming 12-months.

### Anticipated changes to employment costs

| Change in employment costs | Reduce by more than 25% | Reduce between 10% and 25% | Remain relatively unchanged | Increase between 10% and 25% | Increase by more than 25% |
|---|---|---|---|---|---|
| Salaries | 1% | 1% | 37% | 58% | 3% |
| Benefits | 3% | 0% | 78% | 18% | 3% |

# In closing

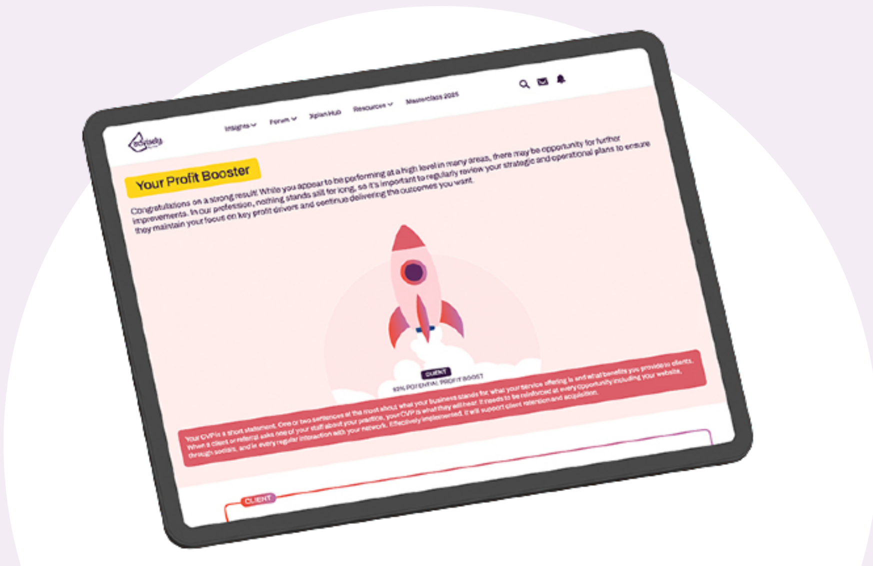
We trust this report has provided you with valuable insights into the current state of the employee marketplace and, in doing so, helps you to assess your remuneration strategy going forward, ensuring that it remains attractive to existing staff as well as future hires.

We wish you every success with your plans for the remainder of 2025 and beyond.

## Want to find out the single most impactful action your advice business can take for maximum profit uplift?

**Try the Advisely Profit Booster**

In just a few clicks, you'll get a clear picture of your biggest profit drivers and future profit potential – all powered by Business Health data.



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