



## **FIVE STAR: Best in Client Satisfaction Wealth Manager Program**

### **San Diego Market --2008**

#### **Summary: Evaluation/Selection Methodology**

##### Crescendo Business Services

Crescendo Business Services LLC. (Crescendo), a Minneapolis, MN based company, working with city and regional magazines, presents the FIVE STAR: Best in Client Satisfaction award to professionals in many industries, and in many markets. This award is given to just 7% of all professionals within a specific industry and market area. As an independent third party, Crescendo gives the FIVE STAR award in order to assist consumers in selecting a service professional other consumers have indicated provide exceptional client satisfaction.

Crescendo assists FIVE STAR professionals in effectively marketing themselves, and their award, to enhance their business results. Because the award is based on sound research methodology, and comes from an independent third party, it can be the cornerstone of an effective marketing program that positively differentiates the professional from their competition.

##### Research – evaluation/selection methodology summary

- We asked 44,000 consumers and reader's of the magazine and 5,000 financial service professionals to consider evaluating "wealth managers" <sup>(1)</sup> with whom they have worked to develop and/or implement aspects of their financial plan..
- After the evaluation surveys are received each wealth manager receives a preliminary score based on their evaluations<sup>(1)</sup>. The scoring algorithm takes into account the quality of each evaluation. The evaluation survey asks the respondent to evaluate the wealth manager across nine different attributes (customer service, integrity, knowledge/expertise, communication, value for fee charged, meets financial objectives, post-sale service, quality of recommendations, and overall satisfaction).
  - <sup>(1)</sup> Both favorable and unfavorable evaluations are incorporated into the overall evaluation score.
- Each wealth manager is reviewed for regulatory actions, civil judicial actions and customer complaints as reported by FINRA.
- We then compile a list of the top scoring wealth managers – representing less than 7% of the wealth managers in the market – which we forward on to the Blue Ribbon Panel for review. The Blue Ribbon Panel is comprised of knowledgeable individuals from within the financial services industry. Each Blue Ribbon Panelist reviews a partial

list of wealth managers and is asked to indicate which wealth managers they believe are undeserving of the best in client satisfaction distinction and to add wealth managers they believe are deserving, but are not on their partial list. Checks and balances are in place to avoid conflicts of interest; specifically, panelists remain anonymous, only receive a portion of the nominee list and, in most cases, cannot add or remove a wealth manager by themselves.

- Finally, the wealth managers who have made the list are required to certify that their license(s) has never been suspended or revoked by a regulating authority (e.g. FINRA or state bar) and that they have not had more than three customer complaints filed against them with a regulating authority where at least one complaint resulted in a settlement payment by them. <sup>(1)</sup>

<sup>(1)</sup> This certification is part of the Business Contact Confirmation Form that wealth managers must fax back to Crescendo.

- Please remember the final list identifies precisely what the evaluations are designed to do ... it identifies many of the "best in client satisfaction" wealth managers in the market. The list is not intended to be exhaustive – in fact the verbiage we use in the editorial is as follows:

*“Although this list will certainly be a useful tool for anyone looking for help in developing a financial plan or implementing aspects of their financial plan, it should not be considered exhaustive. Undoubtedly, there are many other excellent wealth managers who, for one reason or another, are not on this year’s list. But don’t be surprised to see them next year.”*

- The following declarations are included in the section editorial:
  - *“As with any research or recognition program, it is important that we provide you the following declarations — The list of 2008 Five Star Wealth Managers do not pay a fee to be included in the research or the final list of Five Star Best in Client Satisfaction Wealth Managers; and that the overall evaluation score of a wealth manager reflects an average of all respondents and may not be representative of any one client’s evaluation.*
  - *“Also, please keep in mind that working with a FIVE STAR Wealth Manager or any wealth manager is no guarantee as to future investment success.”*