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# Conference on Finance & Labor

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# Turnover in Market for Financial Advisers

When do financial advisers leave the industry or switch firms?

	No Misconduct	Misconduct
Stay with the Firm	81%	52%
Leave the Firm	19%	48%
Leave the Industry	48%	56%
Join a Different Firm (within industry)	52%	44%





# Motivation

- Vast literature on non-finance work
  - **Labor**: Baker, Farber (1994).
  - **Corporate finance**
- Finance differs from non-finance work
  - Information, incentives
- Opportunities and challenges
  - "the Forbes 400 while young and rich" (Rauh, 2013).
  - Sizeable wages (Lazear, 2012).

A. Ellul, M. Pagano and A. Scognamiglio





## Three extensions

### 1 Valuation

$$\phi_v = \theta_v$$

### 2 Composition

$$\theta_v = \theta_{v'} + \theta_{v''}$$

where

### 3 Recycling

entrepreneur

where

