

## JPMorgan's private bank CEO wants to hire 1,500 advisors. Here's which cities he's targeting and how a new training program will lock down next-gen talent.

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- JPMorgan's private bank wants to double its advisor head count to 3,000 over the next five years.
- The 1,500 new advisors will come from promotions and recruiting from JPMorgan's biggest rivals.
- Private Bank CEO David Frame told Insider where and why the firm is pushing to expand.

**M**any of America's richest people fled major cities like New York and Chicago during the COVID-19 pandemic and are making their moves to sunnier climes permanent. JPMorgan plans to follow them.

In the past year, the New York-based bank has hired about 100 advisors for its private-bank division, which oversees more than \$836 billion in client assets and caters to individuals worth at least \$10 million. JPMorgan plans to hire as many as 1,500 new advisors over the next five years, doubling its current private-bank advisor head count, Private Bank CEO David Frame said in an interview. About 45% of the new advisors will be based in California or Florida to meet the needs of clients who moved and reach new customers. Texas hot spots such as Austin and Fort Worth are also targets for expansion.

"The ability to work from home has given people choice, so clients are moving," Frame told Insider. "Clients that move can keep their advisor in New York or they might want local coverage. The Florida population is growing, and we want to have people there to help cover people who are moving to Florida who aren't yet covered."

Frame, who has worked at JPMorgan since 1995, took over as head of the private bank in December 2019, a few months before the pandemic hit the US. Transitioning to remote work rapidly was a challenge, but the lack of distraction meant advisors could connect with clients more easily.

"We had hundreds of Zoom meetings with clients," Frame said. "At one point we were doing weekly or biweekly client calls with luminaries in the world about what was happening because everyone was available. Every famous person who had a thought about COVID was available." Speakers included former Secretary of State Condoleezza Rice, Moderna CEO Stéphane Bancel, and Disney Executive Chairman Bob Iger.

Zoom made it easier to connect regardless of location, but Frame



JPMorgan

JPMorgan Private Bank CEO David Frame

wants the private bank to expand its presence across the US to capture new clients. The bank now has 1,500 advisors across 57 cities and plans to expand to another five or 10. The goal is to have a presence in every city with at least 10,000 people worth at least \$10 million.

"A lot of our competitors, their advisors, no matter where they sit, they cover the whole country. Their job is to assemble a book of business, and that book of business is often created and then maintained by the advisor that built it," Frame said. "We have a team in Miami whose job is to cover Miami, a team in Los Angeles whose job is to cover Los Angeles. And what that allows for, I think, is a far higher degree of engagement with the community."

The new advisors will come from a roughly even split between internal promotions and external hires. This strategy arose after the bank compared the performance of vice presidents who had started their careers with the JPMorgan analyst program to that of outside hires and finding them to be nearly identical.

To increase the odds of more analysts successfully becoming advisors, JPMorgan has doubled the size of its incoming analyst class to 170 and designed a new three-year training program that

covers a variety of topics such as multigenerational planning and alternative investments.

“We’ve set out to create a pretty comprehensive training program while they’re here, as opposed to just having them be on the desk and learn,” Frame said.

## **JPMorgan’s private bank wants to cover every city with at least 10,000 high-net-worth individuals**

The external hires generally come from other big banks at the vice president level or above and usually are recruited on an individual basis rather than as teams. He said the firm’s biggest

advantage is that advisors have access to JPMorgan’s wide breadth of services such as partner-level estate lawyers and credit lending advisors.

“There’s only 1.8 million people in this country that are worth \$10 million or more. And so there’s a rarefied amount of services that those clients expect,” he said.

The competition for wealth talent is fierce. Since October, UBS has poached at least eight teams from JPMorgan Private Bank, according to Advisor Hub. Frame said those departures were in line with normal levels of attrition for his division, though he declined to specify how many advisors usually depart annually.

“Advisors in this business can get paid to basically sell their revenue stream and move to another place. This industry will always have attrition, and it’ll always have people moving,” Frame said.