

The Most Important Success Factors

August 18, 2015

by Bob Veres

Advisor Perspectives welcomes guest contributions. The views presented here do not necessarily represent those of Advisor Perspectives.

I'm working on my opening keynote speech for my own Insider's Forum conference (September 28-30 in Chandler, AZ), tentatively titled "*The Biggest Issues Facing Advisory Practices Today*"— and (spoiler alert) they're bigger, more interesting and harder to navigate than they were at any time in my career.

But the exercise has gotten me thinking about the kind of audience I want to hear this important message. My conference attracts thought leaders, leaders of the profession, successful advisors (and their staff) and people who participate in wonderful hallway conversations.

But how would I define that? What do those abnormally-successful people have in common?

More generally, what are the most important success factors that you should have in order to achieve your business and personal goals (whatever they may be) and in what order?

Here's what I came up with:

1. **Focus.** Ross Levin at Accredited Investors in Edina, MN – one of the most successful advisors in the business, and one of the best-known – once talked about the fact that he very seldom watches television. I've talked with other successful advisors, and discovered that they are much less likely to read the *Wall Street Journal* cover-to-cover every day, and pay almost zero attention to the "junk information" and "white noise" that gets passed off as news. Their free time is spent with friends and family, not playing video games, watching sports or browsing the Web for the latest news on the Kardashians.

Success is really a competitive game. If you're devoting a higher percentage of your attention and effort than others, you stand a higher chance of succeeding. I really do think it's as simple as that.

2. **Awareness.** You want to have your finger on the pulse of your business world. This doesn't mean reading everything; it means being selective and intentional about what you read. Being willing to think and read is one of the unfair advantages that a few successful advisors have over their peers.

Unfortunately, a lot of what's published in the trade press in our world is filler, junk or gossip, and it's up to you to figure out which writers you can trust to reliably give you good information, and which you can safely not read and not miss anything. The same applies to conferences; when you attend a conference, you need to be highly-focused on filtering the relevant information from entertainment and junk. This is why it drives me crazy when the major conferences bring in keynote speakers who are entertaining, are well-known, but have no idea what you do for a living and nothing substantive to offer.

3. **Inertia** (or lack thereof). How resistant to change are you? You should always be skeptical of the latest fad. But too many advisors I talk with are warding off any disruption in the way they're doing things – which means new (and better) processes, changing software, adding services, changing the way staff is organized, shifting their revenue model, or adopting new marketing approaches.

On the other hand, a high percentage of successful advisors are constantly questioning whether their way, currently, is the best way. And they have systematic (rather than random) ways to implement change. Which brings me to:

4. **Process management.** I never see this written about, but if you talk to the best advisory firms, they have very specific ways that they go about implementing changes in their practices – and, incidentally, about pretty much every other activity in the office. Instead of getting work done ad hoc with a lot of one-off activities and decisions, they've systematized how they deliver their planning and asset management services, so that every staff member has a well-

understood set of tasks in each process that they can master. The champions will have an open-source procedures manual where all staff members are constantly updating how they do each individual task in great detail (with screen shots), which makes it relatively easy to cross-train and bring new employees up to speed. It also makes it easy to create job descriptions for new hires.

When attending a conference, the best process starts with identifying your three biggest challenges in your current business before you go to the meeting. Then make that the subject of your hallway conversations (It helps if the quality of the attendees is good) and pay particular attention to whether that topic is addressed from the podium. Take notes at the sessions you attend, thinking about how you can implement what you're hearing.

The real champions will bring key staff members to the meeting, which is something we encourage at the Insider's Forum. That way, you can meet with your key staff throughout the conference, and identify two or three changes you could be making in the office right there on-site. If you're the only attendee, then go through your notes on the flight home and circle the three most important changes to make based on what you learned.

Then... Do nothing.

What? It's very important that you not arrive back at the office, breathless with new ideas and introduce them in haste at a time when everybody (especially you) is recovering from the time away from the office.

Get caught up first, and then, when you're able to take a deep breath, introduce one (and only one) of the changes you want to make. Discuss it with the staff, and encourage everybody to talk about how this change would be implemented from their particular angle.

Finally, assign everybody different tasks associated with making this change. The champions will have one morning a week devoted to making positive change, so you can all meet for ten minutes on Wednesday morning, assess progress, and then spend the next three hours getting the change incorporated into your processes.

When the change has become a habit, then introduce the second change you want to make. By the time you've implemented three, it's time to go to the next national conference.

5. **The ability to delegate.** Creating a team means empowering others to do parts of the work that has to be done around the office – and that takes the rare and valuable ability to let go of just about every actual task. I've written in my newsletter about the fact that *mentoring and helping people on your staff become the kind of leaders who can operate on their own and mentor others to become leaders* is the most leverageable activity you can engage in.

"Empowering" and "delegating" are concepts you hear all the time, but rarely are you told how to do them. You start by writing down (or have an intern follow you around and write down) exactly how you perform a particular task (and this can go up on that open operations manual referenced above), and then show another appropriate person on your staff how you do it.

Then (this is the empowering part) you tell that other person to perform the task, not necessarily the specific way you're doing it, but up to your standards of care. In other words, if that person can find a creative way to do the job more efficiently, or better, then you have given him or her permission to make that process change. All you ask is that it be done as well or better than you're doing it now, by whatever standards you want to create.

One of the new concepts, which are presented each year in my conference, is the Leadership Pipeline program, where every staff person has a detailed list of the skills he or she has to master in order to do his/her job well – and this includes behavioral, interpersonal and leadership skills as well as technical expertise.

More importantly, there's a list of skills that this person has to master in order to move to the next level of responsibility.

Presto! The staff members are now able to manage their own careers. When they meet for their semi-annual review, it's their job to show their supervisor or the founding partners which skills they've been working on, and to request training in the ones they still lack. This pipeline extends all the way to the partnership level.

There are a few other skills that are important, but I think you know those already, so I'll be brief.

Expertise. It's crucially important that you have technical expertise and training, so you have the confidence to sit down in front of a client and add value.

Communication skills. No matter how good your technical advice will be, how well you connect with clients will always be the foundation for the quality of your professional relationships. If you're not a great communicator, then identify (or hire) people who are, and make them the primary client contact.

Coaching. Many of the best-performing advisors I talk with have a coach. It's very difficult to see your own blind spots without an outside perspective, and it can be difficult, with all the outside distractions of managing your office, career and life, to hold yourself accountable for positive change.

Interestingly, I've found that a lot of advisors are just not selfish enough to put their interests ahead of the work on their desk or client issues. So they need somebody on the outside to force them to think about themselves on a consistent basis.

Reflection and perspective. Most advisors I talk with don't really know where they want to be in five years, which means they won't get there. You're constantly told to have a plan in place, and that's important. But you should also set aside an hour a week to just think about what you want to happen in your business and personal life, and how you might get there.

Keeping the big picture in mind, brainstorming with yourself, identifying goals that most people are too busy to think about are probably the best use of your time all week. And that hour a week, and the hours spent on designing and updating your plan, will be the hardest time to find in your schedule. Your worklife conspires against you.

That, in a nutshell, describes the qualities of my ideal audience when I'm talking about where the future is taking us, faster now than at any time in my 30-year career. None of this is hard to understand, but all of it seems to be hard to do, based on the fact that only a very small handful of advisors achieve it at a high level on a consistent basis.

I hope this helps you become my perfect audience. And more importantly, I hope it will become a blueprint for your success.

(If you're interested in being a PART of my perfect audience, you can see our conference lineup here:
<http://www.insidersforum.com>.)

Bob Veres's Inside Information service is the best practice management, marketing and client resource for investment advisors and financial planners. To get a free sample issue of Inside Information, send your request to bob@bobveres.com, or order online at <http://www.bobveres.com>.