



Recruiting and Retaining

Finding new advisors helps with succession planning

The average age of advisors is around 55, so succession planning is more necessary than ever. When done properly, a good strategy improves new advisor productivity, client retention, and the value of your book of business.

That's where recruiting comes in. We find the best source of candidate introductions is existing advisors. Successful advisors recognize the qualities and traits that are needed to deliver value in today's economy. When they see those attributes in another professional, they are open to having a career discussion with the potential candidate. Targeted recruiting helps us maintain the high value of advisors, improves their productivity, and enhances our cultures as we share core priorities.

Retention should also be top of mind when it comes to recruiting. It's not typically a lack of competence or belief or fulfillment that leads new advisors to leave our career, but rather a shortage of people to see, and a lack of revenue.

As an industry, when we are aware of these conditions, we are better able to connect recruiting efforts with succession planning. A new associate who joins and is able to grow with an established advisor stands a better chance at long-term success. Senior advisors also feel more confident that their clients will be well looked after in the future.

Focused recruiting helps reduce the fear for a senior advisor who is thinking about retirement. Often, the emotional factor inherent in leaving full-time work and the overall mission of our business presents a stumbling block. Many top producers examine the financial outcome of retirement, but not nearly as many consider the qualitative



aspects. When senior advisors develop a successor, they can see first-hand how well their clients are being attended to, and that can increase their confidence and reaffirm that they are doing the right thing.

At the other end of the equation, younger associates afforded a successor role gain a clearer vision of their own career and how it fits into the bigger picture of the company and of their clients' lives. For solo producers, this business can be lonely. When newer advisors have a guide, they benefit from greater empathy, accountability, and shared purpose.

CLIENT PERSPECTIVE

Clients are also better off when a senior advisor develops a newer associate. It is always comforting to know that a trusted partner will continue on with the development and execution of their plans. The newer partner, often younger, can also be an effective liaison to the next generation of clients. The

multi-generational approach enhances client relationships and significantly improves asset and account retention.

Integrating mentorship into the early stages of a new advisor's career allows potential advisors to gauge the pros and cons of the career and the opportunity. Coaching the senior advisor when it comes to recruiting, selection, and retention includes two elements: identifying the ideal junior associate, and fostering a plan that allows the mentor to be in control while divesting of the business.

Clients are also comforted to see the advisor has a succession plan, which means they are more willing to commit to the advisors' services long-term. When advisors demonstrate that they actually subscribe to their own recommendations (i.e., succession planning for business owners), clients have greater confidence that their advisor is aware of, and sympathetic to, their issues and goals.

A solid recruiting focus, concentrating on key success traits and following an objective process, helps us identify and develop the next generation of advisors. By giving our senior advisors solid tools and avenues for succession planning, we afford them the opportunity to plan for successful transitions. No matter where they are in their careers, their next steps should be dealt with decency and alacrity. This is simply easier if we have a coordinated system in place.

Successful recruiting and succession planning do not happen by chance. Combining solid recruiting efforts with meaningful succession planning discussions improves retention and lays a path for our future success. Our clients benefit, our advisors can fulfill their purpose, and our industry is the better for it. 📌

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