

PRACTICE MANAGEMENT: Boss Survival Tips For Fincl Advisors

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By Victoria E. Knight
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NEW YORK (Dow Jones)--If you want to make it as a financial advisor on Wall Street, you need to focus on building a good relationship with your boss as well as your clients.

"A branch manager can make or break your career," says Mindy Diamond, president of Diamond Consultants, an executive search firm in Chester, N.J.

How well you gel with your branch manager can be more important than who heads a brokerage firm. While chief executives set the tone of an organization, it is the branch managers who make decisions with day-to-day impact. The problem is branch managers and advisors clash.

"Compliance and resources are flashpoints," says Andre Cappon, president of CBM Group, a New York financial-consulting group.

And in advisors' fast-paced, highly competitive environment, where billions of dollars in investors' money are at stake and big personalities abound, tensions can run high, especially when the market has taken a tumble.

For example, an advisor may feel the branch manager is being overly zealous about compliance issues, impeding the ability to service clients. The branch manager, on the other hand, may feel advisors need to pay more attention to the recommendations they are making to clients because they may be putting the firm at risk.

At most brokerages, branch managers are paid a salary plus a bonus based on the branch's production. When advisors who feel they are getting a raw deal are high producers, tensions rise even more.

So what are advisors' options? The bad news is that if you want to keep your job, it is in your interests to find ways to work with your branch manager. The good news is that, even if you can't change their behavior, there are techniques you can use to ameliorate your situation, while you figure out your next move.

Psychological Tools

The first positive step advisors can take, says psychologist Ted Klontz, co-founder of Klontz Kahler, a firm in Rapid City, S.D., that trains advisors in client communication, is to "end the blame game." Instead of complaining to co-workers, identify what the

problem areas are and set up a time to talk to your boss.

"If you work on your 50% of the relationship, it can be twice as good even if the other person doesn't change," says Klontz.

At the meeting, offer suggestions about how you can better work together and ask for your boss's help in achieving this goal. (Asking for help is a subtle way of paying your boss a compliment.)

You can also change the way you feel about your boss's behavior. Charles Dwyer, director and senior research analyst for the Management and Behavioral Science Center at the University of Pennsylvania's Wharton School, says humans can train their minds to respond however they choose to external stimuli. If you no longer want to feel stressed in a certain situation, you can overcome these feelings by replacing them with others. To do this you need to visualize the "trigger" situation - your boss yelling at you - and imagine you are experiencing feelings of calmness. If you repeat this exercise twice a day for two weeks, Dwyer says, you can reprogram your brain: "It's like muscle memory in athletes."

Weighing The Options

If you see no improvement, maybe it is time to reconsider your options: filing a complaint versus exiting the firm. Advisors often opt for the latter. Diamond, the recruitment consultant, says a bad relationship with a branch manager is the top reason advisors cite for wanting to switch firms.

"I get calls like that all the time," she says.

Firms have a vested interest in creating a harmonious working environment. It is going to be harder to attract and retain top talent at a branch if word gets around that a particular manager is difficult. Plus, a manager who singles out individual advisors can open the door to lawsuits.

"High turnover at a branch is a red flag," says David Ritter, chair of the Labor and Employment Practice Group at Chicago law firm Neal Gerber & Eisenberg.

Companies can avoid difficulties by putting in place systems that identify and fix problems - by sending managers for additional training - before they escalate.

Anonymous "360-degree reviews" can help sound the alarm. Exit interviews can also provide insight into branch dynamics.

But when can a manager's bad behavior become grounds for a lawsuit?

"Many employees believe that harassment is unlawful, but it's only illegal if it affects a protected class as designated by a state or the federal government," says Joseph Schmitt, an attorney on the labor and employment team at Halleland Lewis Nilan & Johnson, a law firm in Minneapolis, who represents employers.

Federal law prohibits discrimination and harassment against employees based on their race, ethnicity, religion, age or sex, among other things.

If you are an advisor encountering problems, talk to the branch manager first - if you can. If the situation fails to improve, then it is better to contact human resources rather than your boss's manager, Schmitt says. HR is likely to be more objective and able to put your situation in a wider context. Discrimination can take a variety of forms, such as name calling, but typically is more subtle. A branch manager might deliberately leave an advisor out of key meetings, thereby putting the advisor at a disadvantage to peers.

Is a boss who is awful to everyone less likely to get in trouble? "There are equal opportunity harassers," says Schmitt, "but as a defense attorney it's hard to convince a jury that the individual is a jerk to everyone."

(Victoria E. Knight writes about business issues facing financial advisors.)

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