



Milestones in Innovation

20
12

Click to explore

 Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit www.djreprints.com

• See a sample reprint in PDF format. • Order a reprint of this article now

THE WALL STREET JOURNAL.

WSJ.com

WEALTH MANAGEMENT | February 5, 2013, 4:09 p.m. ET

Want Young Talent? Skip the History Lesson

By CAITLIN NISH

NEW YORK—As the adviser population grays, attracting and retaining top young talent is becoming increasingly important. But younger advisers' view of success is like them: new and different.

More From Wealth Management

[Advisers Brace for Pullback in Stocks](#)

[Family Partnership Trims an Estate's Value](#)

[Visit the new Wealth Management section](#)

And while three out of four advisers know they need to add talent and build the right team to succeed, a study by Pershing LLC found, only 40% have accomplished that. Panelists at a roundtable hosted Tuesday by Pershing said advisers must understand the next generation's mindset and preferences to attract talent and ensure a smooth

succession. Here are their tips:

--When recruiting, focus less on you, more on them

Founders of advisory practices often had to borrow on their credit cards or mortgage their homes to get their businesses off the ground, notes Kim Dellarocca, director of practice management for Pershing. But trying to win a new recruit with those stories of sacrifice will fall flat.



Bari Goodman

Generations X and Y, or those born after 1965, are less interested in a firm's history than where it is going--and especially their role in that future, says Cam Marston, president of Generational Insights, an Alabama-based research and consulting firm.

The message, "You should want to work here based on all the sacrifice we've done," resonates with a baby boomer. But if you want to attract a younger adviser, the message should instead be "let me tell you about your future and how we're going to alter your future," Mr. Marston says.

--Provide structured training

Young advisers want "people to show them the way and guide them," Ms. Dellarocca notes. This includes a desire

for structured training, on-boarding programs and mentoring.

Generations X and Y grew up in a syllabus- and agenda-driven culture, Mr. Marston says. They weren't pushed outside and told to find something to do. Rather, they had a constant schedule of activities.

In the recruitment phase, advisers should explain what the learning process will be and how it will help the new adviser achieve success, Mr. Marston suggests. Gen X and Y like to see the agenda.

--Be prepared to teach client service

Not surprisingly, Pershing's study shows that younger advisers are much quicker to embrace technology. But that reliance on technology comes with a "loss of empathy," Mr. Marston says. As such, experienced advisers should be prepared to teach client service, such as how to talk to a baby boomer client about what is important to them.

Barbara B. Hudock, chief executive of Hudock Moyer Wealth Resources LLC in Williamsport, Pa., has an 84-year-old team member whom she calls the "coordinator of first and lasting impressions."

"She is a great mentor for how to talk on the telephone," Ms. Hudock says. "I will have the new people sit with her for as long as it takes to start to develop that ability to reach out and grab people when they call and truly make people feel welcome when they call our office."

--Don't make them go it alone

Don't buy into the idea that the young want independence. Pershing's study found that advisers ages 25-39 are much more likely to select "team-oriented" as a phrase to describe themselves.

"They tend to have a proximity component borne out of this idea called play-dates," Mr. Marston says. That pack mentality influences how young advisers want to function in the workplace.

Plus, "the younger generation really does take an interest in how their team is doing beyond work," Ms. Dellarocca says.

Ms. Hudock holds a "team night" once a month for her staff, half of which is under age 40. The staffers take turns leading the events, which can include seeing a local show, going bowling or even riding go-karts. The younger team members in particular love having that opportunity to interact with each other, she says.

Copyright 2012 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008  or visit

www.djreprints.com