

Book Review by George Hartman

Hundreds of tips

Rosemary Smyth's new book contains advice that could apply to any stage of an advisor's career. Keep it close at hand

By George Hartman | Dec 05, 2011 14:31

When I was a youngster, I had the great fortune to spend summer vacations at my grandparents' cottage. Aside from the pleasures that came from being spoiled by my grandparents, one of my fondest memories is of curling up on an old sofa in the screened-in porch to read the Old Farmer's Almanac. That's where I learned the scientific theory behind "red sky at night..."; the meaning of "indubitably"; and what the weather forecast was for my birthday in February. The Almanac was a compendium of useful and — from the perspective of a curious 12-year-old — essential information.

I was reminded of that experience when reading through Rosemary Smyth's 101 Success Tips and Strategies for Financial Advisors. In fact, while there are, indeed, 101 pages of ideas, the book might be more accurately entitled "400 Success Tips" because each topic includes a list of three to five key points.

The book is divided into four sections: "Rookies," "Advisors," "Senior Advisors" and "Managers," suggesting that each section deals with the common topics that occur as financial advisors progress through their careers.

This layout raises the only real question I have about the book. I would argue, after reading through all 101 tips, that most could apply at any stage of an advisor's journey, from the early days through to preparing for retirement. The perspective might be slightly different and awareness may improve over time, but good lessons learned in the beginning of a career can serve forever.

Another challenge for the author is that any attempt to bring forward a complete list of dos and don'ts means you have to accept that there are few universal truths among advisors about what needs to be done to achieve success, and even less agreement on how and when things are to be done.

For example, in the "Rookies" section, one of the tips deals with how to choose a client-contact system and includes such good advice as asking your colleagues what they are using and how they like it.

My guess is that exercise could leave a neophyte advisor more confused than informed, as he or she hears that everything from a full-fledged, computer-based client relationship management system or an Excel spreadsheet to a series of recipe cards in a box is what works best.

I suspect the author had anticipated this, as she wraps up this tip with: "Pick a system that works for you... And don't forget to back it up!" That sounds like good counsel at any level.

Similarly, in the "Advisors" section, you'll find the "Top Three Questions to Ask Your Prospects":

1. What does your financial dream look like?
2. What is your current financial reality?
3. What concerns do you want solved?

This might be a good approach for advisors of any vintage to follow. Regardless of your prospective client's stage in life, these are common concerns and thought-provoking questions to begin a great discussion.

Moving to the section directed toward senior advisors, Smyth lists five "questions to ask before hiring a family member." Once again, I can appreciate the relevance of this topic for all advisors. Many new advisors hiring their first assistant will choose a family member (most commonly, a spouse or child) because the advisor feels this relative can be trusted, because it keeps the salary in the family and, quite frankly, because the advisor often can get away with paying less than market-rate wages.

More experienced advisors who previously have had staff who did not perform as well as expected will often revert to a family member to "get it done right."

In either case, the same questions need to be asked. The one I like best from this tip is: "If [he or she] was not related to you and you saw their qualifications and experience on their resumé, would you hire them?"

The final section, which is dedicated to managers, probably has more topics in it that are specific to someone in that role, such as recruiting and coaching tips, than to other advisors. However, once again, there are ideas concerning time management, delegation and effective communication from which all of us can benefit.

In particular, I liked being reminded of the different ways in which people learn new information: auditory (hearing); kinesthetic (manual engagement); visual (seeing or reading); and oral (speaking). That knowledge is invaluable for any advisor trying to convey information to a prospect or client.

This book is not profound and contains information you probably already know but haven't applied in a while. The tips and strategies are short and both easy to understand and remember.

Like my Almanac treasures, the lessons in Smyth's book should stay with you a long time. Keep a copy beside your bed or some other comfortable place and read it for few minutes every once in a while. You will indubitably be reminded of something valuable that you can do to elevate your practice to a new level. IE