

# Finding Freedom to Focus on Strengths: Strategic Hires and Realignment

Best practices of successful investment advisors

Here's a quick mental exercise: Take a moment and think of all the various tasks you handle during the day—administrative, compliance, business development, investment management—and place a dollar value on each one. Chances are that the highest-value task is the one that brings you the most revenue or the one that you are best suited to do. But here's the rub: How often do you spend a good part of your day working on the lower-value tasks?

To succeed as an individual and as a firm, it is critical to allow employees the ability and time to focus on what they do best. Of course, that is easier said than done. For some firms, that may mean reassigning job functions among existing team members. For others, it could mean hiring new resources to focus on specific job functions, providing greater freedom and focus for other team members.

In the following pages, three of your peers in the investment advisory field will share their stories of how a combination of strategic hires and organizational realignment helped propel them among *Fidelity's most successful clients*.

By the end of this report, we hope you will be able to use these stories and best practices to help your team members focus on what they do best, fueling stronger growth. You will also see the specific ways Fidelity can partner with you to help foster growth.

<sup>1</sup>Fidelity CRM database.

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## ABOUT "PROFILES IN GROWTH"

Success breeds success. When searching for the best path forward with your practice, following the trail blazed by the industry's best can bring powerful results. Fidelity's "Profiles In Growth" series provides an inside look at the real-world best practices that have helped turn some of your industry peers into Fidelity's most successful clients. All firms profiled are in the top quartile of Fidelity clients for growth, as measured by their three-year compounded annual growth rates. Further, these firms report assets under management of more than \$500,000,000.<sup>1</sup>

FIRMS IN FOCUS <sup>2</sup>			
Name	BRINTON EATON	MARINER WEALTH ADVISORS	REHMANN
Founded	1988	2006	1941
Home	Madison, NJ	Leawood, KS	Detroit, MI
Assets Under Management	\$660 million as of June 30, 2011	\$1.79 billion wealth management as of June 30, 2011 \$8.3 billion institutional as of June 30, 2011 through the firm's asset management affiliate, Montage Investments, LLC	\$2.5 billion as of June 30, 2011 (Rehmann Financial)
Typical Clients	Corporate executives, retirees, established entrepreneurs, foundations, and institutions with \$2 million to \$10 million in investable assets. The majority of these clients seek comprehensive wealth management with a focus on asset preservation and growth.	Wealth management clients include current and former owners of closely held businesses seeking to preserve wealth and create a legacy for future generations.	Wealth management clients include: <ul style="list-style-type: none"> <li>• HNW clients with more than \$1 million</li> <li>• Retirement plan assets, including management of 300-plus plans and administration of 1,500-plus accounts</li> <li>• Nonresident aliens (Florida, Latin America, Spain)</li> </ul>
History	Over the past 23 years, the firm has grown from 7 employees to close to 20 professionals today. CEO Robert DiQuollo has been with the firm since its inception.	Led by CEO Marty Bicknell, the firm was established with the original intent to grow organically. During the 2008 economic downturn, the firm began focusing on growth through acquisitions, lift-outs, and strategic hires.	Established as a local accounting firm in Michigan. CEO Steve Kelly and Rehmann Financial President Fred Schaad have led the firm through a series of acquisitions allowing it to expand beyond its headquarters in Michigan to include Ohio and Florida.
Team	20 professionals, including a chief investment officer, financial advisors and analysts, and professionals dedicated to marketing, operations, and compliance.	Approximately 80 wealth advisory professionals, including back-office support in marketing, finance, and HR from Mariner Holdings. Dedicated wealth advisory teams consisting of a senior wealth advisor, wealth advisor, and client service associate. Separate business development teams.  Additional specialty teams to support wealth advisors and clients. Total firm, including asset management business, employs more than 300 professionals.	Approximately 700 professionals (600 are in the accounting division). The wealth management division is comprised of 96 professionals.
Firm Focus	The firm focuses on comprehensive wealth management services: <ul style="list-style-type: none"> <li>• Financial planning</li> <li>• Risk management</li> <li>• Tax and estate planning</li> <li>• Investment management</li> </ul>	The firm focuses on two areas: <ul style="list-style-type: none"> <li>• Comprehensive wealth management: wealth transfer, business succession planning, philanthropy, investment advisory, family office services</li> <li>• Asset management: diverse strategies, including traditional and alternative investments via multiple vehicle types—separate accounts, mutual funds, MLPs, etc.</li> </ul>	The firm focuses on three areas: <ul style="list-style-type: none"> <li>• Wealth management (Rehmann Financial)</li> <li>• CPA: audit/accounting/tax/consulting</li> <li>• Corporate investigative services</li> </ul>
Points of Differentiation	<ul style="list-style-type: none"> <li>• Consultative selling process, resulting in high close rates for new business opportunities and high levels of asset consolidation among existing clients</li> <li>• Delivering innovative ways to manage portfolio risk</li> </ul>	<ul style="list-style-type: none"> <li>• Decision-making criteria and process for making acquisitions</li> <li>• Ability to integrate new entities, teams, and people seamlessly into the organization</li> <li>• Focus on process and people</li> </ul>	<ul style="list-style-type: none"> <li>• Integration of various units fostering revenue growth among entire client base</li> <li>• Integrated client service delivery program</li> <li>• Synergistic, strategic acquisitions</li> </ul>

<sup>2</sup>Based on information provided during client interviews.

BRINTON EATON

## Using Strategic Hires to Free the Existing Team to Succeed

*“With the economic and market headwinds, we knew it was important to revisit how we manage our business for continued profitable growth.”*

— Robert DiQuollo, CEO,  
Brinton Eaton

Throughout the 1990s, Madison, NJ—firm Brinton Eaton wisely played to its strength—and profited greatly. Known for helping clients efficiently exercise stock options, Brinton Eaton’s results and reputation escalated to the enviable point where the firm’s clients proactively sent them a constant flow of referrals that met their ideal client profile—fueling the bulk of the firm’s growth in the decade.

The one downside to such a strong flow of referrals: The firm didn’t invest in any business development or marketing activities—nor did it have an established process for lead management. Ultimately, when the economy changed and flows slowed, this effortless and one-pronged approach to referrals became a liability for the firm.

“Once we felt the economic and market headwinds, we knew clients were less likely to just walk in the door,” says DiQuollo. “The times demanded that we look in the mirror and become more proactive and diversified in the ways we approached growth.”

Led by DiQuollo, the firm identified several bold operational and infrastructure changes that would better position them for future growth:

- **Better focus on developing and managing the lead generation process.** While the firm realized that it needed to expand its marketing focus beyond referrals, Brinton Eaton also took a hard look at further improving the close rate on high-value leads.

“We realized that, while we may have done a good job in the past garnering referrals

and closing business, a new economic reality demanded we work even harder at building trust with prospects,” says DiQuollo.

To excel further, Brinton Eaton decided to refine the method in which referrals would be distributed among the team. Going forward, the firm would implement a lead management process that would align each prospect’s needs and personality with the Brinton Eaton advisor who possessed the specific expertise and chemistry to help them. Specifically, prospects were asked a series of questions about their needs and concerns during their initial outreach with Brinton Eaton. This information was used to pair each prospect with a compatible advisor. This matching resulted in an even higher prospect close rate and successful consolidation of assets at Brinton Eaton.

- **Strategic hires in marketing and operations.**

With firm members expected to take on greater business development activities, it was vital to take some responsibilities off their plates. That meant one thing: strategic hires.

“In hiring the right professionals,” says DiQuollo, “we felt the firm could earn a greater return on investment for the entire team.”

The first important hire was a chief marketing officer. The new CMO would be responsible for defining and owning the one central marketing voice that would be ingrained in all employees. This senior employee would also be the focal point for designing and implementing the new proactive business development practices utilized by all employees.

Second, Brinton Eaton hired a dedicated operations manager in 2008 to focus on ways technology could automate business processes and increase overall firm efficiency. The goal of this new role was to free up time for the firm’s partners and advisors to serve client needs and pursue business development.

- **Staff training on firm messaging.** With more firm members taking an active role in business development, Brinton Eaton recognized that maintaining consistent branding and messaging was going to be a challenge due to the lack of marketing experience among team members.

“We needed to make sure all members were speaking in one voice,” says DiQuollo. “That was going to be vital to keeping our name and value proposition strong in the marketplace.”

To solve this issue, Brinton Eaton embarked on training each employee on the firm’s specific value proposition. That process first demanded that senior management closely define the firm’s values and then make sure they were ingrained in every member. Scripts and one-on-one coaching helped with these efforts.

- **Clear definition of roles and responsibilities.**

After adding new resources, the firm needed to create greater clarity in the job responsibilities of all employees. Written job descriptions were needed to keep clear lines of delineation on what was expected of each employee—and how they would be measured.

“In some ways, it was just as important to tell individuals what they should not be doing,” says DiQuollo. “For instance, with our new operations manager on board, we could tell everyone that we did not want them spending any time on technological solutions. This enhanced focus has allowed our employees the ability to really hone in on the true skills that will make them most successful in their individual roles. The exercise also helped our firm define and implement our vision for the future.”

“Our actions have led to greater focus, efficiency, and better use of resources,” says DiQuollo. “While we have plenty of work ahead of us, we’re delighted with the results thus far and continue to conduct ongoing client surveys to help ensure we stay the course.”

## MARINER WEALTH ADVISORS

### How Functional Realignment Maximized Team Power

*“A pivotal hire for the firm three years ago changed how we align resources—and transformed our approach to growth.”*

*— Marty Bicknell, CEO,  
Mariner Wealth Advisors*

With more than two decades of experience leading financial advisors, Marty Bicknell has faced countless critical decisions in his career. None, however, turned out to be as pivotal to the direction of the company as the organizational move he made in 2008.

At the time, Bicknell was just two years into leading a new venture, Mariner Wealth Advisors, which had a goal of growing by using traditional methods of client and center-of-influence referrals. For certain, Bicknell had the pedigree to lead his new firm to success, having previously spent 15 years leading a large team at a nationally recognized independent broker-dealer. What’s more, during the economic downturn, Bicknell’s extensive personal experience in advising closely held businesses allowed Mariner to successfully redirect the firm’s strategy. Specifically, Bicknell spearheaded Mariner’s acquisition of more than 14 wealth and investment management entities through a combination of pure acquisitions, lift outs, and strategic hires.

While these important acquisitions helped Mariner grow to new heights, with assets increasing from \$300 million to more than \$10 billion over the past five years. Bicknell knew he still needed to address an important question: How would the newly expanded firm continue to grow organically? After much deliberation and analysis of how the company was structured, Bicknell implemented a critical wholesale change that would fundamentally alter Mariner’s mode of operation. Bicknell began realigning employee job functions so that, going forward, each individual focused solely on what he or she did best.

Bicknell’s efforts began with his most significant addition to the firm: the 2008 hiring of a two-person

breakaway team with \$50 million in assets under management from a leading broker-dealer. Prior to joining Mariner, the two-person team shared all of its practice's responsibilities, including business development. Bicknell saw an immediate opportunity to implement the type of change his firm needed, splitting the two-person team's responsibilities. Under the new structure, the team member who was the stronger financial planner would be dedicated solely to relationship management—and would be compensated based on retaining the existing book. Meanwhile, the other team member would now be 100% dedicated to sales—and would be compensated based on new business.

The results were astonishing. After the change, the team member focused on retaining the existing book grew her business through the consolidation of client assets to \$200 million—a \$160 million net increase—in 24 months. Meanwhile, the team member dedicated to new business brought in \$115 million through the first five months of 2011.

Due to this overwhelming success, Mariner's realignment and integration of the two-person team became a "blueprint" for how the firm would align resources throughout its entire operation. The new way of maximizing the team output was simple: assign functional responsibilities to the professionals who did them best.

Ironically, for Bicknell, the toughest application of this new mindset would be to his own role.

"At various times in my career, I have been used to wearing many different hats," says Bicknell. "I realized that, at this point, I have to allow myself to let go of some things and focus on the big picture so that the organization can continue to prosper. As a leader, I also have to be able to delegate so my employees can feel empowered to deliver the very best they have to offer to the firm."

One way that Bicknell now empowers the team is by filtering all firm initiatives through a 10-step process. While Bicknell is involved at the very beginning and end of the process, he allows the team to manage all steps in between.

Says Bicknell, "I still know everything that's going on, but I'm now more selective on when to get into all of the details. I hire the very best people I can find—and then I try to get out of the way as much as possible."

## REHMANN

### Formalizing Integration for Growth

*"Our philosophy for growth is to get better versus bigger."*

— Steve Kelly, CEO,  
Rehmann

When is bigger not necessarily better? For any business, there's one consistent answer: when greater size takes you and your business away from your core strengths.

Michigan-based Rehmann is undoubtedly a firm that has had to keep that threat top of mind in order to succeed through the years. Established in 1941 as a local accounting firm, Rehmann now offers wealth management and forensic services in addition to providing tax services. The firm has grown over the years from 12 employees in 1974 to more than 700 professionals spread across three states today.

"That type of growth poses specific challenges," says CEO Steve Kelly. "How do you maintain proper focus on client service and success? How do you keep a strong entrepreneurial spirit? How do you offer associates great opportunities to grow and develop?"

To tackle these issues, one of the primary keys to success was proper integration of different business lines and associates. This was particularly important for Rehmann with its three distinct business lines.

"Typical CPA firms make additional service offerings or divisions a side venture," says Kelly. "They never fully integrate them in the firm and consequently miss out on growth opportunities."

Instead of looking at the firm's three divisions as stand-alone entities, Kelly focuses on integration by employing a client service model, "One Rehmann," that's designed to help the client look at the firm and its diverse business lines as one organization.

“One Rehmann,” says Kelly, “boils down to one crucial concept: No one professional in the Rehmann organization owns the client.”

While many firms can suffer internal strife over firm members speaking with one another’s clients, Rehmann embraced the concept in a unique fashion, with a dedicated cross-function team serving each client, including a wealth manager.

To help ensure the team is meeting each client’s needs, Rehmann takes the effort a step further, ensuring that a firm “ambassador”—independent of the client team—periodically contacts each client to review his satisfaction with the relationship and to identify unmet needs. In addition to the ambassador outreach, the firm now conducts periodic client satisfaction surveys. But the firm doesn’t just stop with clients. It surveys employees frequently as well.

By integrating findings from all three touch points, the firm proactively and systematically identifies new opportunities—and also addresses client needs before they lead to client defections. This approach helps the firm get better at what it does and, ultimately, helps Rehmann maximize the value of each client relationship.

Client feedback has another important benefit for Rehmann. It allows the firm to identify potential ways the firm can grow its service offerings to meet client needs. Namely, Rehmann entered the wealth management arena 10 years ago based on feedback from CPA clients.

When asked about the firm’s next direction, Kelly says it comes down to one factor: “What we hear from our clients. And we’ll be listening closely.”

## Best Practices for Success

When plotting your organization’s path to growth, consider following these strategies employed by our profiled clients:

- **Dedicate resources to specific functions.** In a tough economy, adding resources may seem like a luxury you cannot afford. Step back, however, and consider how your firm’s members may

benefit by investing in a new part-time or full-time professional who can take work off others’ desks by focusing on specific functions in your organization.

For Brinton Eaton, one specific business need was freeing up the time for the firm’s advisors to expand their business development activities. To help, the firm invested in the hiring of a dedicated operations manager, who would focus on ways technology could automate business processes and increase overall firm efficiency. The net result: that individual’s focus on operations and efficiencies freed up others to become more productive and profitable by allowing them to focus on what they do best—developing and managing relationships.

The bottom line: Adding resources that focus on specific functional areas may allow other team members the freedom to fully focus on what they do best, bringing you greater returns. If you don’t feel your firm is ready to hire full-time professionals, you may consider starting out by using consultants to help you with compliance, technology, operations, and marketing.

- **Hire excellent people and delegate.** Once you’ve decided to hire talent, focus on finding professionals who can bring expertise and excellence to your organization—and who also fit with your firm’s culture. When you find these employees, take that next important step: Empower them with responsibilities that will push them to deliver their best.

Consider how Mariner Wealth Advisors’ Marty Bicknell used a 10-step approach to manage firm initiatives—yet was only involved in the beginning and end processes. Bicknell let his team fully manage all other steps, providing his associates with a greater sense of ownership in firm decisions and results.

Ask yourself: Is the talent in your organization maximized today? Use your response to begin identifying and implementing the specific steps you can take to increase the engagement and output of your team.

- **Invest in client and staff feedback.** Listening is one of the best ways to strengthen client and employee loyalty and to identify the next area of growth for your firm.

As Rehmann demonstrated, a proactive approach to listening to clients through its One Rehmann model led to the pursuit of two new lines of business: Rehmann Financial and its forensic accounting services. Recognizing the power of client feedback, the firm now employs several additional techniques and programs to gather and assess client feedback, including formal client surveys. It also conducts employee surveys to better understand how to best invest in its people.

To maximize the value of client feedback for your firm, consider a proactive and multi-faceted process to gather, evaluate, and act on findings. For example, client advisory boards, formal client surveys, and feedback in one-on-one client conversations are all valuable ways to uncover unmet client needs. Also, don't neglect the importance of gathering feedback from your team. They are one of your most essential assets for delivering an exceptional client experience. If your firm currently uses these approaches—or decides to begin using a combination of these tactics—be sure to establish a process for your team to develop thoughtful plans based on the findings, and continuously monitor the results.

## Sample Fidelity Resources

We hope you've been inspired by the real-life examples of firms who have achieved success by investing in people and processes that provide team members greater freedom to focus on what they do best. What's more, we hope you have clarity on best practices that you can apply to propel your own practice. As you move forward, you may wish to use the Fidelity resources described below. We hope you find them valuable as you continue your efforts to proactively

find new paths to growth. As always, we invite you to contact your Fidelity Relationship Manager. Our priority is to help you accomplish your goals.

### SAMPLE FIDELITY RESOURCES

#### TALENT MANAGEMENT

##### AdvisorHRSolutions.com

An array of online guides and tools to help you hire, develop, and retain talent, including:

- **Hire for Performance**  
A white paper offering strategies and tactics for hiring high-performing talent.
- **Enhancing Business Results with Effective Compensation Plans**  
A guide designed to help you structure your compensation program in a way that helps support your business objectives and helps drive specific employee behavior.
- **Creating Revenue Downpour**  
Developed by ManpowerGroup Solutions,™ this white paper provides tips and techniques to attract and retain rainmakers.
- An array of sample job descriptions and templates.

##### ManpowerGroup Solutions™

Human resources consulting and recruiting services

#### BUSINESS DEVELOPMENT AND MARKETING

##### Firm Story Development Guide

This guide provides advisors the tools that may help them create their firm's messaging platform and find ways to tell their story in the business development process.

#### CLIENT SATISFACTION

##### Client Satisfaction Guide

Developed by Wm. Law & Associates, this guide is a useful tool for assessing different client feedback methods and reviewing best practices and industry benchmarks, with sample worksheets to help clients get started.

##### Client Satisfaction Research Programs

Through our Alliance Partner program, we offer two opportunities for advisors to work with third-party firms to assess client satisfaction:

- Client Audit from Advisor Impact
- Client Satisfaction Research Program from Richard Day Research, Inc.

*Contact your Fidelity Relationship Manager to learn more about these resources.*

For more information, please contact your Fidelity Relationship Manager.



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