

Building Profitable Practices

How to discover rising stars

Recruitment is an important part of keeping your practice growing. But it could be more pressing than you know. The average adviser is in their mid-50s¹ and it's expected over 50% of financial advisers will look to retire over the next 10 years.² This could cause quite a shortage.

On the plus side, this might be great news for your business – as long as you have the right talent on your side.

First things first – what do you want to achieve?

It's no secret that recruitment can be a struggle. In our recent IFA DNA report, finding and keeping people was cited as the fourth most mentioned concern across advisers.³ But working out your goals up front can make things simpler.

Are you a small practice looking to grow? Replacing an existing role? Do you run a medium-sized firm wanting to bolster a particular department? Are you a two-man band looking for another partner?

Of course, you'll carefully need to consider the type of role you're looking to fill. If you have highly experienced advisers spending most of their time on administrative tasks, then bringing on support staff could obviously be a good investment.

Ask yourself the big questions

Why do you need new staff? Do you really need to recruit? Start by making a solid business case and don't forget, outsourcing some functions could also be a cost-effective option too.

How will you find the time? It can take months to find the right candidate and get them up to speed, so putting together a timeline could help you manage workflow.

How to attract the right people

There's no secret formula, but there are steps you can take to secure success. The first is to figure out why people would want to work for you. Think hard about those positives. Does your firm offer:

- A benefits package
- Room for progression
- Experts to learn from
- Flexible working
- A great location
- Remote or hybrid working
- Training and support

There are lots of reasons people may want to join, but you need to sell it to them. That's particularly true when trying to attract the next generation of talent.

Those born between 1997-2013 (Gen Z) will account for 27% of the workforce by 2025⁴, yet less than 6% of advisers are under 30.⁵ To avoid a skills shortage, firms will need to appeal to the shifting priorities of this younger cohort. And do more to encourage those who've previously felt excluded, whether that's women or black, Asian and minority ethnic individuals.

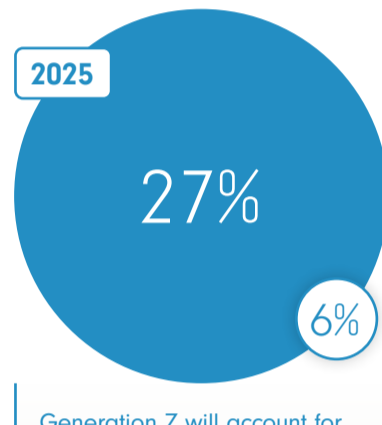
According to research, 83% of graduates would prefer to work for companies that have a clear diversity and inclusion policy.⁶ For many, a firm's values – honesty, integrity, empathy – are more (or equally) important than financial remuneration.⁷

Teams most aligned with the next generation in terms of purpose, culture and development are likely to attract the best talent.

Overall, the reasons why someone should work for you can make a huge difference, so it's worth taking the time to craft your compelling story. Though of course your business should be honest and authentic about what it can offer.



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How to spot a rising star

The type of company you run and the team you already have can dictate the type of person you need to hire. The FCA's guidelines can also give you a steer, as they expect firms to consider an individual's honesty, integrity, reputation, competence, capability, and financial soundness when recruiting.⁸ But, as a bit of further guidance, here are some attributes that suggest a person has the potential to excel.



Personable

Helps clients feel at ease (especially when face-to-face) and fits within your team culture.



Great communicator

Simplifies complex information for clients and colleagues.



Specialist

Understands their role and has the knowledge and skills to succeed.



Curious

Invests in their own learning and drives others to improve.



Technically minded

Digests and understands the nuances of your business and the wider industry.



Resilient

Navigates the sometimes-choppy waters of regulation and clients' futures with ease.



Strategic

Sees the bigger, long-term picture.

Where to find your next rising star

Naturally, businesses often rush into finding a reputable recruiter or uploading ads onto specialist job boards. However, you could save time and money by exploring a few other avenues too:

- 1 **Set up a colleague referral programme** where current staff are rewarded for recommending friends or family.
- 2 **Look internally too.** Is there someone who'd be interested in moving into a different but related role?
- 3 **Make use of government support** and apprenticeship schemes.
- 4 **Use your network** and see whether your LinkedIn connections can help you find potential candidates.
- 5 **Partner with a local university or college** and attend their recruitments fairs. Only 19% of firms have a graduate scheme⁹, so offering one that allows candidates to experience all aspects of adviser life could give you an edge.
- 6 **Look outside of the job title** – those who work in the financial industry, or even ex-armed forces or sports people, could have highly interchangeable skills.
- 7 **Contact potential recruits through forums where like-minded people connect** – whatever their current role, if they're knowledgeable and curious, there's no harm in reaching out.

Crafting an effective job advert

Whatever role or level of experience you're looking to fill, it's always a good idea to include:

- What your business is trying to achieve
- How the candidate can contribute
- The vision and culture of your company
- Perks and benefits
- Whether you offer hybrid or remote working
- Reasons to believe in working for your company

Once you've found the right candidate

A proper screening process is important, and candidates will want to know if there's going to be a phone call, presentation, or multiple interviews.

During any interviews you hold, it's also a good idea to have a checklist of required skills and attributes that you can tick off along the way. Are they a good fit? Are they confident? Do they have great emotional intelligence (EI)?

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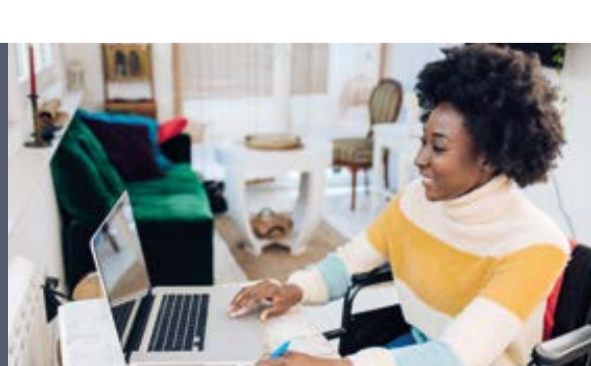
What is EI?

Find out why emotional intelligence is essential to your business in our [training article](#).

Good luck with your search

Your business is at the heart of ours, so we're always on the lookout for ways to help you improve and grow. That's why we've put together our Profitable Practice series.

For more help and support, take a look at the rest of the series and discover other areas that could help you drive greater profitability for your business.



1. IFA DNA 2022.
 2. Money Marketing 2022.
 3. Meeting of Minds 2022.
 4. Zurich 2022.
 5. FT Adviser 2022.
 6. FT Adviser 2020.
 7. FT Adviser 2023.
 8. FT Adviser 2023.
 9. FT Adviser 2020.