

RIA Talent Advantage™ Recruitment Playbook

A resource to support your
effort to attract and retain
diverse talent



Own your tomorrow.



A Message from Neesha Hathi

People. They are the foundation of your business. They are what differentiates your business from others. They created your history, and they will establish your legacy.

The Registered Investment Advisor (RIA) industry is thriving with more than \$4 trillion in total assets under management,¹ making the need to scale and grow efficiently more important than ever. Technology will be instrumental in supporting that growth, but it's not the only consideration. When we asked RIA [Firm of the Future Study](#) participants how they would allocate \$1 million of investment between people and technology, they told us they would invest 70% on people.²

Recruiting and developing the next generation of talent will be critical to your success. Even more important will be evolving your hiring strategies to expand the breadth of talent on your team. This need inspired us to create the RIA Talent Advantage™ program to help advisors attract, develop, and retain the right talent to serve the evolving investor. As the investor demographic becomes more diverse, RIAs will need to hire individuals who reflect the clients they want to serve. For most firms, this means evolving not only how and when to recruit but also whom to recruit.

I am pleased to introduce the RIA Talent Advantage Recruitment Playbook, an action-oriented guide to help you effectively execute your firm's hiring strategy. From determining the right time to hire to developing a robust employee retention strategy, this resource provides step-by-step guidance for effective recruitment and can serve as a valuable complement to your existing strategy. And in keeping with the mission of RIA Talent Advantage, you'll find specific strategies to support hiring women and multicultural talent in your firm.

I am enthusiastic about the continued growth of the industry you helped create, and we are committed to providing you with the support and knowledge you need to grow your business, exceed your clients' expectations, and thrive in the marketplace.

Sincerely,

Neesha Hathi
Senior Vice President
Schwab Advisor Services™
Charles Schwab & Co., Inc.

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Introduction

The shifting landscape

Investor demographics are changing. The majority of the client base at most RIA firms is aging. In a recent survey, Schwab advisors reported that nearly 70% of their RIA clients have retired or are expected to retire within the next 10 years.³ Of those who have already retired, 63% are drawing down their portfolios, including principal.⁴ Additionally, women, younger people, and culturally and ethnically diverse investors are controlling more assets and asserting more influence over investment decisions. These are today's clients, as well as the clients of the future. Firms that want to succeed in this marketplace have a simple choice: rise to the opportunity of the evolving investor—or risk being left behind.

Private wealth in the U.S. is expected to grow to **\$22T** by 2020, and **50%** of it will be in the hands of women.⁵

Minorities are projected to compose **57%** of the population in 2060.⁶

\$16T of global ultra-high-net-worth wealth will be transferred to the next generation over the next 30 years.⁷

Generation Now (investors ages 30 to 45) controls **\$3.8T** in investable assets.⁸



RIAs are a perfect match

This next generation of advisors' clients, Generation Now (high-net-worth investors ages 30 to 45), is present today. They have been shaped by their environment—the uncertainty and instability of markets in the past—and are cautious, anxious, and distrustful of financial institutions. They crave financial freedom, accessible service models, collaborative relationships, and personalized guidance—everything that RIAs can provide. Earning the trust of these clients starts with making small shifts that will have a big impact on your business moving forward. Revisiting and adjusting your talent recruitment strategy is one avenue that might pay large dividends to your firm in the future.

The next generation of advisors

Forward-thinking firms prioritize people as their most important organizational investment. They focus on hiring, training, and developing their people to create a singular firm culture, provide a unique client experience, and ensure continued asset growth and future success. They view the next generation of advisors as an opportunity and will learn from them to help attract the next generation of clients. This forward-thinking mind-set can help ensure the longevity of their firm. Therefore it is more important than ever that your talent strategy reflects a long-term vision to recruit, develop, and retain this next generation of advisors to successfully capture and serve tomorrow's clients.

Recruiting is not an event

Executing against your firm's talent strategy can be a daunting task. Competition for the best talent is tight, and winning the interest of the brightest, most promising candidates is vital to the future of your firm. As you navigate through the process of attracting, developing, and retaining talent, it is important to maintain the right mind-set.

Recruiting is an ongoing process of looking for the best people with the skills and talent required to implement your firm's business strategy. Investing time in developing your talent management plan and executing it in a thoughtful manner may ease any future burdens that hinder the growth and longevity of your firm.

This RIA Talent Advantage Recruitment Playbook is designed to support you in developing and executing key elements of a successful talent recruitment plan.

Schwab RIA Talent Advantage

In an industry climate where cultivating top advisor talent is crucial to serving an increasingly diverse investor profile, RIA Talent Advantage can help give Schwab advisors the tools and insights they need to see beyond the curve—and stay a step ahead of the competition.



How to use this playbook

This playbook is designed to walk you through four key phases of the recruitment process:

1. Getting started
2. Sourcing and screening candidates
3. Interviewing and selecting candidates
4. Onboarding and retention

Each phase has a dedicated guide containing actionable tips, insightful examples, and convenient forms and templates to strengthen your opportunities for recruiting, hiring, and retaining your ideal candidates.

This playbook is also designed to be an interactive tool, linking you to additional resources and helpful sites to further inform your talent recruitment plan.

Other helpful hints

- **Consider this**

Watch for “Consider this,” detailing ideas and recommendations to strengthen the execution of your talent recruitment plan.

- **Tools & resources**

Look out for links to additional tools and resources to further inform your talent recruitment plan.

- **Recruiting diverse talent**

Throughout this playbook, you will find sections focused on the importance of recruiting diverse talent. Keep an eye out for tips, tools, and recommendations for increasing diversity in your talent recruitment plan.



Diversify your talent portfolio

RIA firms are recognizing the need to attract, develop, and retain more-diverse talent to meet the needs of the evolving investor, and an increasing number of firms have placed diversity on their priority lists.⁹

RIA firms that prioritize diversity in their recruitment strategies stand to benefit from having talent that better reflects a diverse investor base.

The female imperative

Women are controlling more assets and asserting more influence over investment decisions. The ability to effectively acquire, serve, and retain them as clients is more important than ever. And having women in leadership and client-facing roles can go a long way toward understanding the unique perspectives of your female clients.

67%

of women feel misunderstood by their financial advisor.¹⁰

47%

of women wealth creators in the U.S. do not have an advisor.¹¹

The Gen Now imperative

Generation Now is looking for advisors to **be open**—acknowledge more than just their financial goals; **be knowledgeable**—collaborate with other financial professionals; and **be available**—offer a mix of face-to-face appointments, video conferencing, emails, phone calls, texts, and more. These investors want to see themselves represented in their RIA firm—to be understood and work with advisors who share the same values. Firms that incorporate this understanding into their recruitment and retention strategies will be well situated to meet the needs of the next generation of investors.

Today's outlook

55%

of independent advisors believe that the next generation of investors will be more diverse and that their firms will have to reflect that diversity.¹²

70%

of all workforce entrants are women or minorities.¹³



Guide 1

Getting started

You're considering your next hire. You know the importance of hiring for both skill set and cultural fit, and you want to make sure you get it right. Before you begin the search for your next hire, it's critical to first evaluate your recruiting needs, consider who in your firm should be involved in the process, and ensure that you have written a clear, concise, and comprehensive job description.

Topics include the following:

- How do I build a culture of recruitment?
- How do I know when it's the right time to hire?
- Who needs to be involved in the recruitment process?
- What should be covered in an effective job description?



Build a culture of recruitment

Searching for and hiring the best talent is a time- and resource-intensive endeavor. Many firms fall victim to waiting for a hiring opportunity to present itself before beginning the recruitment process. As a result, other employees often bear the burden of supporting the business without the appropriate amount of staff. Keeping talent acquisition top of mind can help firms focus on long-term strategic growth rather than just immediate hiring. This may help minimize the disruption when an employee resigns or the firm is operating beyond its capacity.

By developing a culture of recruitment, firms can transition from a reactive to a proactive recruitment model. Developing a culture of recruitment involves regular strategic discussions about talent and staffing and proactively engaging in recruitment activities ahead of the need.

To determine if your firm has a culture of recruitment, ask yourself the following questions:

- Does your firm seek talent well before you need to fill a position?
- Is your firm open about key talent and diversity gaps, and does it seek to address them through a broad range of sourcing and screening techniques?
- Does your firm encourage senior leaders to keep a list of talented people they meet through networking and to reach out to them on a regular basis, regardless of open positions?
- Do you prominently and regularly promote job openings to build awareness of your firm among both job candidates and potential clients?
- Do you regularly train and coach staff about your firm's recruitment process and the specific role each individual is expected to play?
- Does your firm have measurements in place for key recruitment goals (e.g., the percentage of men vs. women you expect to interview, the number of candidates by recruitment channel, and the length of time it takes to fill an open position)?

If you answered no to most of these questions, consider implementing one or more of these activities to develop or further strengthen a culture of recruitment in your firm.

“Every year we hire.
We try to hire in
front of the need.”¹⁴

James Knight
Vista Wealth Management

Is now the right time to hire?

Evaluating your firm's readiness to begin the recruitment process is critical to setting the stage for a seamless and cost-effective recruiting experience. Best practices demonstrate the need to evaluate any decision to hire from the perspectives of client capacity and day-to-day operations. It is critical to understand which parts of your business—especially which client service needs—are not being met by the knowledge, experience, and skills of your existing talent pool. These learnings will inform all phases of the recruitment process and ultimately dictate your hiring decisions.

Ask yourself the following questions to help assess the appropriate time to begin the recruitment process:

- How are your current staffing levels not meeting the demands of your business?
- How are the knowledge, experience, and skills of your current staff not meeting existing and future client needs?
- What changes are you making to your firm's strategy that would necessitate bringing on additional staff (e.g., targeting a new client segment or adopting a new technology platform)?



Consider this

At least once a year, explore anticipated client growth, staff productivity, and gaps in client service needs to identify critical times for hiring.

Forming a recruitment team

Establishing a recruitment team is an important step to ensuring that all aspects of the hiring process are coordinated—from posting the opening and screening résumés to interviewing and making the offer. It is also important to try to have the same team of individuals screen and/or interview candidates to ensure that your firm is taking a consistent approach to evaluating potential hires.

Consider including colleagues who can add a variety of perspectives—newer employees and those with long tenures; men and women; employees with multicultural backgrounds; those entering the workforce just out of college; and career changers coming from outside the financial services industry. Building a diverse recruitment team will enable you to leverage the different experiences and styles of your employees, which can result in a more robust and holistic candidate evaluation process. Smaller firms may want to ask their centers of influence to participate on recruitment teams to further solidify those relationships.



Once the team has been selected, agree on roles and responsibilities:

- Who will monitor job postings on external sites?
- Who will conduct the initial résumé screening?
- Who will be the main point of contact for candidate questions?
- Who will schedule the interviews and coordinate calendars with the internal team?

Set expectations for team members by establishing deadlines for each phase of hiring:

- How long will the job description be posted?
- When will the first interviews take place?
- What is the ideal timeline for onboarding?
- What is the process for providing candidate feedback to the hiring manager?

Writing an effective job description

Once the need for a position has been established, your firm must write a clear, concise, and comprehensive job description that attracts and encourages qualified candidates to apply. The best job descriptions are communication tools that describe how the role fits within the firm and with whom the candidate will collaborate up and down the organizational chart. Job descriptions also solidify screening requirements and can become the foundation for performance reviews.

Additionally, it is important to note that not all candidates will be familiar with the RIA industry. Talented individuals may need to be educated about its benefits. They may also need more information about your firm and the job responsibilities before deciding to apply.

Key RIA industry stats

The RIA industry is one of the fastest-growing segments in financial services, with the potential for even more growth:

\$4T

in assets¹⁵

\$1T

in growth over the next two years¹⁶

\$23T

market opportunity¹⁷



A well-crafted job description should include the following:

- Why a candidate should work in the RIA industry
- Why a candidate should work for your firm
- Why a candidate should take this role

Benefits of working in the RIA industry

To meet the growing talent needs of the RIA industry, many firms will look outside the industry and potentially even outside the financial services arena to find new talent. These candidates may bring a wealth of skills to your firm but may also lack knowledge about the RIA industry. Your job description should start by conveying the key benefits of working as an independent advisor.

Here are some benefits to consider highlighting in the job description:

- Being part of a dynamic and growing industry
- Feeling the satisfaction of helping people reach their financial goals
- Building long-term client relationships
- Realizing the potential to keep more of what you earn
- Focusing on results
- Enjoying flexible work schedules
- Putting clients first by offering investment advice that is truly in a client's best interest

Tools & resources



Download the [“Careers in the RIA Industry”](#) presentation from Schwab Insights Hub™ for use in outreach and recruitment efforts in your community.



Selling the benefits of the profession to women

“I’ve been in the industry for 25 years, and I have been both lonely and exhilarated. And I have always felt we need more women in the profession. Financial planning offers tremendous satisfaction. It’s a helping profession, improving others’ lives and options.”¹⁸

Eleanor Blayney
CFP® Board member

“We think women leaders are generally better consensus builders than men and do a better job of influencing outcomes, rather than using authority to direct outcomes.”¹⁹

Kenneth Coleman
Fairport Asset Management

A career as an independent registered investment advisor can be a viable, meaningful, and fulfilling career for women, but longstanding stereotypes about working in financial services may be a barrier.

To attract women to your firm, consider highlighting the following in your job descriptions:

- **Relationships.** It is an industry centered on strong personal interaction between clients and advisors.
 - The independent model allows for a consultative approach on which many women thrive.
 - The client-centered approach attracts those who are relationship driven, empathetic, and good listeners.
- **Independence.** A fee-based business model diminishes conflicts of interest.
- **Economic rewards.** The field offers excellent earnings potential.
- **Flexibility.** There is a strong potential for work/life balance.
- **Leverage.** There are opportunities for those reentering the workforce to capitalize on their previous experience.

69%

of female RIAs believe that the RIA industry is better than other financial services industries to remain in for the long term.



$\frac{2}{3}$ of female advisors became RIAs as a second or third career.

The 2014 Schwab RIA Talent Study found that women list excellent earnings potential, work/life balance, and working for a smaller company as the benefits of working at an RIA firm.

Source: Charles Schwab RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, September 2014.



Highlighting your firm

Recruitment has two sides: As you are evaluating candidates, they are also evaluating your firm as a potential employer. Having clear and organized communications with candidates will ensure that your firm is putting its best foot forward to attract in-demand talent.

In addition to advocating for the industry, make sure you highlight your firm's appeal. If yours is a small or medium-sized business, it is especially critical to hire for cultural fit. To do so, use the job description to communicate what sets your firm apart from others in the industry.

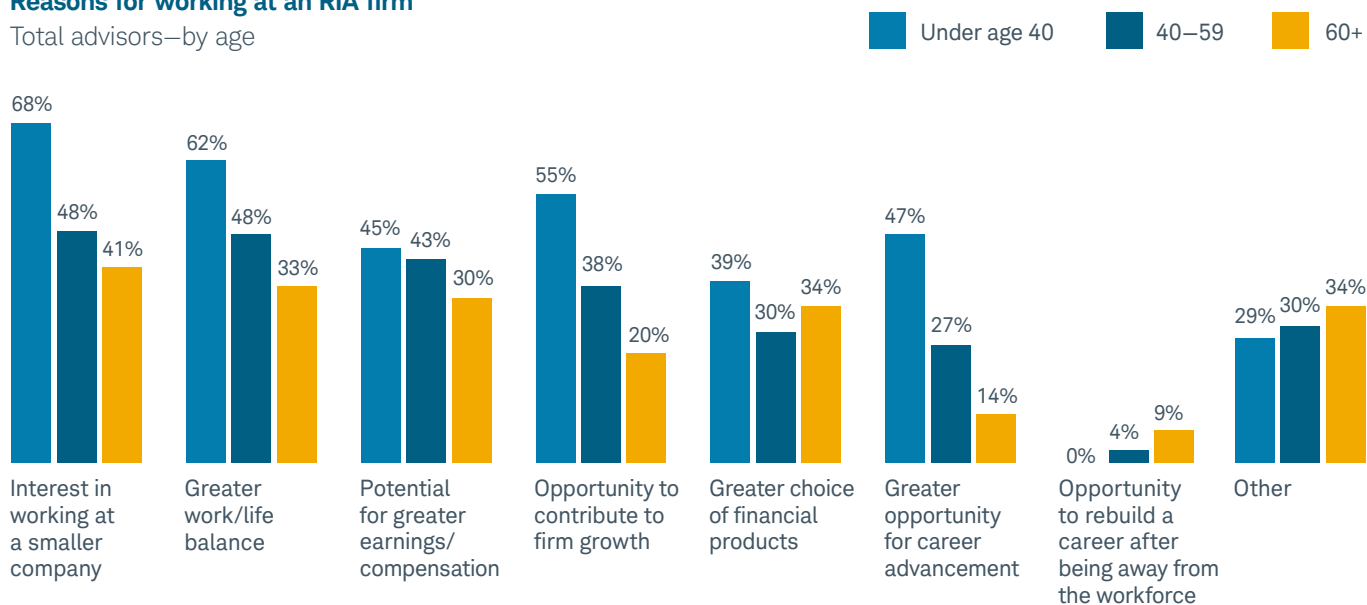
Be sure to clearly articulate your firm's unique value proposition, which should communicate your approach to client service and business beliefs and advantages. Provide a sense of what it's like to work at your firm. Include information about the firm's location, size, team members, key services, ideal client profile, and back-office and administrative support capabilities.

Based on the top reasons why advisors choose to work at an RIA firm (see graph below), consider including in your job description any of the following benefits that are relevant to your firm:

- Career paths within your firm
- Potential for equity ownership
- Flexible work policies
- Long-term vision and mission
- Awards received
- Accolades from satisfied clients

Reasons for working at an RIA firm

Total advisors—by age



Source: Schwab's RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, September 2014.



Consider this

How it all started. If your firm has a compelling “origin story”—the key events that led to starting your own firm—consider producing a video to feature on your firm’s website.

Your website is your calling card. Ensure that your website appropriately reflects your business. Revisit your use of images and examine the messages they convey. Do the images reflect your firm’s culture? Do they tell a story about your firm that appeals to the talent and clients you want to attract?

Describing the role

Effective job descriptions help identify qualified candidates who fit your firm’s culture and can contribute to growth. They offer candidates a clear, comprehensive, and compelling description of the position, and they outline expectations for both the new hire and the firm. The following are some considerations when writing a job description for your firm.

Be realistic

Job descriptions often include a lengthy list of every desired qualification and trait. This may discourage otherwise qualified candidates from applying. Focus on the one or two core traits that are necessary for success and marry those with the description of the work to be done. **For example: When hiring a business development manager, emphasize traits such as “ability to identify potential client leads and build client relationships” rather than “detail oriented” and “process driven.”**

Myth-busters

The financial services industry has a bad reputation, particularly among younger talent. According to Schwab’s Generation Now research among investors ages 30 to 45, many have a deep-seated mistrust of financial advisors and often assume they are all alike.²⁰ As a result, candidates may have a preconceived and inaccurate notion of what it is like to work as an RIA. Being direct in your job description about what the role is—and is not—will help address any misconceptions. **For example: Candidates new to the RIA field may assume that “cold calling” potential clients is a required part of their role. If this is not the case, be sure to address this misconception in the job description.**

“Our business is all about communication—the ability to sit down with somebody, help them understand, and build that level of trust.”²¹

Mike Ferman
RubinBrown Advisors, LLC



Consider this

Use the job description to describe potential **career paths**. The collection of job descriptions for your firm becomes a catalog of opportunities, each with a corresponding checklist of skills and qualifications. This is important for both talent retention and human capital planning.



Importance of emotional intelligence

So much of your business is about building relationships and serving clients. When writing a description of desired qualifications for any role in your firm, remember to strike a balance between hard and soft skills. Even for roles that are more technical in nature or non-client facing, attracting talent that is customer service oriented will go a long way toward delivering the consistent experience you want for clients.

Words matter

When seeking to attract a wide audience of qualified candidates for your open positions, pay special attention to the language your firm uses in job descriptions. Ask several members of your firm—from different levels of the organization and of different genders and ethnicities—to review the job description for any problematic or off-putting terms. The following examples show how slight variations in wording might be more appealing to a wider audience.

Writing a better job description

RIA firm description

Average

We are a dominant RIA firm that boasts a leadership position in the field. We are determined to stand apart from the competition.

Better

We are a community of advisors who have effective relationships with many satisfied clients. We are committed to intimately understanding our clients' needs.

Note the emphasis on relationships, which might be more appealing to candidates entering the field from nonfinance backgrounds.

Qualifications

Average

Strong communication and influencing skills. Ability to perform independently in a competitive environment. Superior ability to satisfy customers and manage the firm's associations with them.

Better

Highly proficient oral and written communication skills. Collaborates well in a team environment. Sensitive to clients' needs and able to develop warm client relationships.

Note the focus on communication skills and collaboration vs. directing a client's decisions.



Sample job description

Tools & resources



Review the [Sample Job Description template](#) in the appendix of this playbook.



Title: Support advisor

Why join a registered investment advisor (RIA) firm?

The RIA industry is one of the fastest-growing segments of financial services, with independent advisors managing more than \$4 trillion in assets. As an RIA firm, XYZ Advisors provides tailored advice based on investors' goals; offers a simple, transparent fee structure; provides advice for our clients' complex needs; and builds strong, long-term client relationships.

Why work for our firm?

XYZ Advisors is a small, collaborative team of financial advisors, portfolio managers, and operations and administrative staff focused on meeting our clients' financial goals. We offer a clear, realizable career path for our employees based on measurable performance objectives. We provide training, mentorship, and educational opportunities, with a preference for promoting from within our talent pool. At XYZ Advisors, we combine talented staff in partnership with industry-leading technology to offer our clients a superior experience.

Job summary

The support advisor is an entry-level client relationship management position that provides technical support for the lead advisor. We are seeking a candidate with strong interpersonal skills and a desire to make a positive impact on our clients' lives. Responsibilities include data gathering, modeling, case design, scenario building, plan development, and presentation development. The support advisor may participate in client meetings but not initially in an advice or decision-making capacity. No cold calling is required.

Duties and responsibilities

The support advisor can expect to focus on the following areas:

- Gather, organize, and synthesize client data within a financial-planning context
- Prepare client financial plans and presentations for review by supervisors
- Prepare financial scenarios

Qualifications

The support advisor position typically requires the following qualifications:

- Bachelor's degree from an accredited college or university
- CFP® (preferred), applicable licenses (e.g., Series 7, 63, 65), MBA (a plus)
- Proficiency with Microsoft® Word, Excel, PowerPoint, and Outlook
- Detail oriented and able to set priorities
- Desire and ability to work successfully in a small-company environment

Salary and benefits

- Pay and benefits are competitive based on industry standards and experience level
- Bonus potential
- Benefits include dental, vision, health care, and 401(k)
- Financial support for professional accreditation and continuing education requirements



Finalizing your job descriptions

Before circulating your firm's job descriptions to your professional and personal networks and posting to online job sites, review them with your recruitment team and other select colleagues to ensure that you have captured all the key points.

Job description checklist

Which of the following does your firm's job description include?

- ☐ A section on the benefits of the RIA industry
- ☐ A description of the firm, including professional environment and corporate culture
- ☐ Overall objective or purpose of the role
- ☐ Key areas of responsibility, including duties and tasks
- ☐ Professional experience and academic requirements for the job
- ☐ Key behavioral traits that make a candidate a successful fit for your firm's culture (e.g., self-motivated and team oriented)
- ☐ Specific areas of expertise, such as systems knowledge
- ☐ Benefits information



Conclusion

Great people make great businesses. Finding them requires a smart hiring strategy based on planning and foresight. To grow your firm and achieve your business objectives, you must have the right people at the right time.

Key takeaways

1. Recruiting is an ongoing process that requires planning.
2. Treat your job descriptions like communication tools.
3. In addition to describing the job role, consider highlighting the benefits of the RIA field and of your firm to both women and men.
4. Use job description language that appeals to a wide range of potential candidates.
5. When forming your recruitment team, consider including a diverse set of individuals who will offer a variety of perspectives.

Act now

1. Download the “[Careers in the RIA Industry](#)” presentation from Schwab Insights Hub.
2. Start drafting a job description using the [template](#) and [sample](#) in the appendix of this playbook.
3. Start thinking about who will be on your recruitment team.



Guide 2

Sourcing and screening candidates

You have laid the groundwork for an effective recruitment process by establishing the need to hire, forming a recruitment team, and crafting a comprehensive job description. You're now ready to begin building a pool of potential candidates by sourcing and screening the best talent with the highest potential for meeting the demands of your business.

Use this guide to determine the following:

- Which candidate profile best fits my job opening?
- Which talent pools and recruitment tools are useful for sourcing my ideal candidate?
- What are some tips for starting the screening process?



Consider a range of candidate profiles

Keep the job description top of mind as you consider the ideal profile of your next hire. **Focus on the complete person, not just his or her technical skills.** Recruit people with great motivation and talent, and do not focus on experience alone. Look for the fit between the person and the culture as well as the fit between the job and the skills. All of this will drive your talent-sourcing decisions.

For a business as relationship based as the RIA industry, you may want to focus your sourcing and screening efforts on identifying candidates with emotional intelligence over those with extensive financial services training. Job-specific skills can be taught, but client service acumen often cannot.

The following section includes a few samples of candidate profiles to consider as you begin sourcing potential applicants.

Financial service professionals

Focusing on candidates with financial services experience can shorten the recruitment process. Consider concentrating your recruitment efforts on wirehouse advisors, employees from other RIA firms, and candidates from other financial service areas. These candidates may have greater awareness of what it means to be an RIA. They may also require less time to develop competency compared with other new hires. Consider working directly with financial industry associations (e.g., CFP®, CPA, and CFA®), many of which assist with job postings. Use financial industry resources to post your job openings and screen available candidates (see “[Talent pools and recruitment tools](#)”).

Adjacent professions

In many cases, RIAs are tapping ancillary professions to find talent. For RIA firms that participated in the 2015 RIA Benchmarking Study, 53% have at least one certified public accountant on staff, and 33% have at least one juris doctor on staff.²² Many of these professionals are not providing tax and legal work as their primary job responsibilities. They are attracted to what an RIA firm offers to the well-trained professional.

Tools & resources



For resources on how to recruit advisors, including those currently working in wirehouses, see [Schwab's Recruiting Advisors Turning Independent MKT](#), available on Schwab Advisor Center® (password required).



Consider this

Nearly 40% of advisors under age 40 considered joining a banking, accounting, or insurance firm before joining their current RIA firm. Consider posting your job descriptions on sites that recruit for these professionals.²³



Career changers and reentrants

Career changers and reentrants—those who are looking to restart their careers after an extended absence from the workforce—can offer the advantages of minimal handholding on the job, familiarity with a professional work environment, a higher level of maturity, more life experience, and depth of relevant skills that you may not find in recent graduates.

There are many reasons why people consider a switch in career. Some of those motivators (e.g., work/life balance, more earnings potential, and greater meaning and purpose in their work) may be attributes your firm offers. Additionally, career changers and reentrants may come to your firm with a preestablished referral list of colleagues, clients, and connections who will take their call and potentially refer friends and family.

Finding candidates who are interested in switching careers or reentering the workforce requires a concerted effort. Look into the following to source career changers and reentrants.

- **Enlist employees, clients, and professional contacts** to identify talented individuals who might be a good fit.
- **Use websites that seek to match these job seekers with roles that complement their talents, such as Mom Corps, FlexJobs, and iRelaunch.** Alternatively, seek the services of a recruiter that specializes in placing women and minorities, such as WSS Executive Search.
- **Contact local colleges and universities that offer Certificate in Financial Planning programs** and whose enrollment will likely include seasoned professionals across various industries. Inquire about opportunities to meet the students (e.g., networking events and career fairs).
- **Consider offering “returnships” (internships for midcareer professionals)** to attract candidates who might not have the requisite work experience but who bring educational and life experience to bear. This allows your firm to audition candidates before committing to a long-term arrangement. It also allows candidates to determine if the field is right for them.



Recent graduates

Considering a recent grad as your next hire might be worth the investment of time and money, as candidates in MBA and undergraduate business programs are often eager to learn and grow with a company. Hiring newly minted graduates allows you to train them in your culture while they inject fresh perspectives across all aspects of your business.

Attracting the next generation of talent requires not only a keen understanding of their workplace motivators but also a willingness to adapt your talent strategy to a new set of worker expectations (e.g., clear path to success, performance-based compensation, workplace flexibility, and mentorship opportunities with senior leaders).

Companies can often get involved with student clubs by hosting networking events, presenting business cases, participating in brown-bag lunches or panel events, or becoming sponsors for conferences and other events.



Consider this

- Raise awareness of the RIA industry by identifying speaking opportunities with national or local organizations currently working with college business programs in your area. This gives your firm a chance to build awareness of the RIA role and your firm's job openings and culture.
- Search for nonfinance grads. Contact career counselors at liberal arts colleges to determine a way to participate in on-campus recruiting events or otherwise educate students about the RIA profession. The RIA field could be a great fit for those in service or helping programs, especially relationship-oriented fields such as psychology, social work, teaching, and nursing. Also seek out the local chapter of your college alumni association to see how to engage its members.

Tools & resources



The Schwab RIA Intern Program is a hands-on rotational internship program designed to prepare undergraduate college students for employment with RIA firms. Contact your relationship manager for more information.

“Our model is to hire people right out of college to learn the business and move up over the years.”²⁴

RIA firm leader of 10+ years

“The Schwab RIA Intern Program is a great way for students to launch their financial-planning careers. We're getting vast knowledge of the RIA industry, and it helped motivate me to go into the industry as an advisor.”²⁵

Schwab RIA intern, 2015

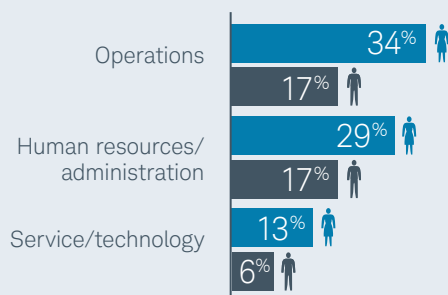


Women as candidates

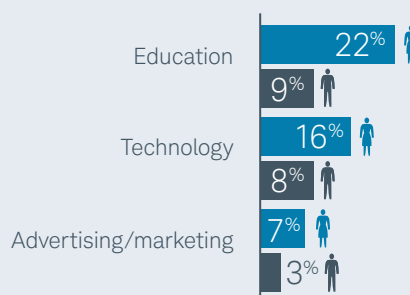
Female employees at RIA firms typically take a different career path than their male counterparts. Consider the following if you are looking to expand and cultivate female talent in your firm.

Knowing where to look

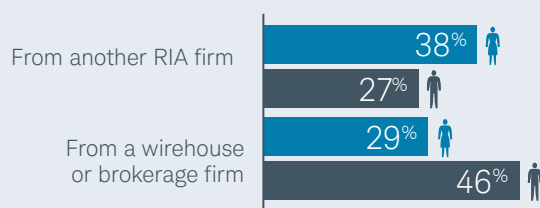
Women are more likely than men to become RIAs from the following previous positions.



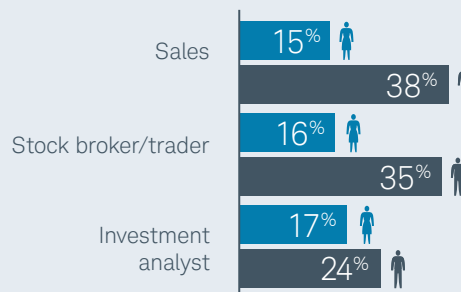
Earlier in their careers, female advisors were more likely than male advisors to have worked in the following positions.



Women were more likely to come to a new RIA position from another RIA firm, whereas men were more likely to come from a wirehouse or brokerage firm.



Men are more likely than women to become RIAs from the following previous positions.



■ Women ■ Men

Source: Schwab's RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, September 2014.

Sample candidate profile: Career changer



Jane, 45 years old

CPA with 15 years of experience

I've been a CPA my entire career, working for both a Big Four accounting firm and a midsize firm. I left full-time work four years ago to focus on my family. Now that my children are a bit older, I'm exploring career options in financial services, not just in the accounting field.

My previous roles involved a great deal of customer service in a rigorous, performance-based culture. I'm intrigued by financial planning and have taken courses toward my CFP®. I am especially interested in having a career that has a positive impact on clients' lives and allows me the independence to recommend the products I feel are right for each investor's situation.

What roles are there for someone with my background?

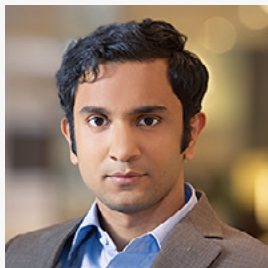
How to engage me

- Provide information about various roles in your firm and a career path for an experienced candidate.
- Focus on the fact that the RIA industry is based on strong personal interaction between clients and advisors, that fee-based business diminishes conflicts of interest, and that the field offers excellent earnings potential.
- Discuss your firm's emphasis on work/life balance for all.
- Confirm that this is an ideal career for those reentering the workforce who want to leverage previous career experience.

What I bring to your firm

- Years of experience serving clients in a demanding, results-oriented environment
- Financial skill and detail orientation
- Career and life experiences that require interpersonal skills, project and time management expertise, and resourcefulness

Sample candidate profile: Career changer



Kapil, 25 years old

Undergraduate business degree and client service experience

I graduated with a degree in business and a concentration in finance. I served as the treasurer of my university's Future Finance Leaders chapter. I am interested in working for a small to midsize firm, especially one that has an entrepreneurial culture.

For the past few years, I've been the office manager for a real estate firm, working closely with all of our clients while managing the day-to-day functions of the office.

I love learning and am willing to take the steps necessary to become a licensed professional. It would be helpful for me to learn what the day-to-day looks like in an advisory firm and understand the career path for a new hire.

Having seen the importance of solid financial planning within my own family, I am very interested in working with clients to help them meet their goals. And I'm very keen to help younger investors and minorities, like myself, get started toward their goals sooner rather than later.

How to engage me

- Connect me with a senior advisor in the firm to share information and answer questions about his or her path to becoming an RIA and the different roles available for more-junior candidates.
- Include young people and minorities in marketing materials and on your firm's website, if this is an accurate representation of your firm.
- Discuss your firm's willingness to pay for training and courses toward receiving certification.
- Reinforce the long-term growth opportunities for employees of all backgrounds and emphasize employee tenure.
- Confirm your firm's embrace of innovation and change and describe how you stay on top of industry and technological trends.

What I bring to your firm

- A solid academic background and familiarity with investment concepts
- A passion for serving clients and helping them meet their goals
- An understanding that great RIA careers start from a variety of roles and that finding a firm that I can grow with is critical
- Connections to former classmates, colleagues, and peers who are eager to work with a firm that treats them like valuable clients



Talent pools and recruitment tools

Search for the ideal candidate

You have positioned yourself for an efficient talent-sourcing process by first determining the candidate profiles that best fit your needs. Now you are ready to begin searching for your ideal candidate.

There are many approaches to identifying and recruiting qualified job candidates. And while networking is far and away the most common—with 60% of advisors indicating that networking is a frequent source for recruiting talent²⁶—expanding your search for talent across multiple channels will lead to a more thorough examination of prospects. Leading firms also elicit referrals from their own employees, use job search sites, and work directly with industry associations.

Possible sources for identifying candidates

Look within your own firm

One of the best investments your firm can make is investing in its people. You may have existing employees who not only are ready and qualified but also have the benefit of already being integrated into your firm's culture.

Try the following as you examine possibilities for internal prospects:

- Ask your peers and other leaders for recommendations of existing employees who might be a good fit for the job.
- Check with those who act as mentors or sponsors at your firm, as they are likely to have qualified candidates in mind.

Your firm can reap numerous benefits when filling positions from within your existing talent pool:

- Demonstrating opportunities for employee development and for pursuing a career path within the firm
- Fostering employee engagement, retention, and loyalty
- Saving time, effort, and money

Professional and personal networks

Successful firms continuously network for prospects. Tapping in to your professional and personal circles can cast a wider net for potential candidates.

Employee and client referrals

By leveraging your employees and clients as referral sources, you gain access to their networks of personal and professional contacts. This can increase your pool of potential applicants exponentially, allowing you to benefit from the likelihood that they are familiar with your firm's culture and can recommend individuals whom they feel would be a good fit. Employee referrals can lead to increased employee engagement and retention, while client referrals can deepen your relationship with that client.



Consider this

Many firms establish incentive programs that reward employees whose referrals lead to new hires.

Professional and industry associations

Some advisors use professional and industry associations (e.g., the [Financial Planning Association](#), [Investment Management Consultants Association](#), [CFP®](#), and [CFA® Institute](#)) to post job opportunities or search for possible candidates by accessing member directories, company names, and job titles. Additionally, professional associations can be a conduit for identifying specific candidate profiles for which you are trying to recruit (e.g., the Financial Women's Association, Young Entrepreneur Council, and National Association of Black Accountants).



Consider this

Many industry associations have regional chapters that meet on a regular basis. Leverage these events to build visibility, expand your professional network, and source potential candidates.

Other professional networks

Finally, consider other organizations and associations that may be viewed as nontraditional sources of talent. The following groups can also yield a large field of qualified candidates:

- Academic institutions and alumni groups
- Centers of influence (e.g., CPAs and lawyers)
- Industry conferences (e.g., Financial Industry Regulatory Authority conferences and the Morningstar Investment Conference)
- Organizations with local networking events (e.g., the Financial Planning Association, chambers of commerce, and Rotary clubs)
- Employment agencies specializing in RIA recruitment and placement (e.g., New Planner Recruiting, Diamond Consultants, and RJ & Makay)

It is important to note that when it comes to building a network for sourcing potential candidates, you should think long term. Take the time to build and cultivate a wide network of contacts and resources. When the time comes that you are faced with a hiring need, this group can be a valuable resource for identifying potential candidates.



Consider this

Consider asking your trusted colleagues, industry contacts, and friends to recommend people whom they consider exceptionally talented at what they do. Reach out to these talented people and stay in touch, regardless of immediate hiring needs.

Industry publications and websites

Similar to professional and industry associations, some advisors use industry publications and websites (e.g., [InvestmentNews](#) and [WealthManagement.com](#)) to post job opportunities or search for possible candidates.

Internet

The Internet can be a cost-effective way to reach a large population of job seekers. Many advisors search online and, in particular, place postings on high-traffic job sites such as LinkedIn, Indeed.com, TheLadders.com, Simply Hired, CareerBuilder, and Monster.

Alternatively, many job seekers search online for employment. Your website is your company's calling card. It is potential applicants' first introduction to your firm and gives them an initial impression of what it may be like to work there. You want that first impression to capture the interest and attention of the best talent. So, your website is critical not only to attracting the best talent by appropriately reflecting your business (e.g., key services and core values) but also to attracting future clients. Pay particular attention to your use of images and the messages those images convey about your culture. Ask yourself if the images reflect the clients you serve today and those you hope to serve in the future. Use imagery that will give your new hires a sense of the client demographic they will be fostering relationships with when working at your firm.



Consider this

As part of building a culture of recruitment, consider adding a dedicated careers page that articulates the benefits of working at your firm. Having a readily available way for candidates to indicate interest or share a résumé may ensure that you have a steady pipeline of interested talent, not just when you have an active job listing.

Tools & resources



Schwab Advisor Services' [Career Opportunity Service](#)* is an online employment database developed specifically to help independent investment advisors in their search for new talent. The service also helps connect advisors with students seeking internships.

*Schwab does not make any representations or warranties concerning the employers or candidates that list on the Career Opportunity Service, including the ability of any employer or candidate to enter into or fulfill the requirements of any employment relationship or the terms and conditions of employment.



Sourcing diverse candidates

Hiring for diversity is not about “filling a quota” or achieving an edge over the competition. It is about meeting the demands of the evolving investor. Finding the right talent now requires that you ensure that your employee base reflects the diversity of your current and future population of investors.

Unfortunately, history has shown that diversity does not always occur organically. To identify and attract new pools of talent, RIAs need to make a concerted effort to raise awareness of the opportunities in their industry. Recruiting diverse candidates for your firm starts with knowing where to source them.

To identify opportunities to network with and educate new pools of talent, consider reaching out to affinity groups and associations such as the following.

Financial services organizations

- Asian America Insurance & Financial Professional Association, aaifpa.org
- Association of African American Financial Advisors, aaafainc.com
- Financial Women’s Association, fwa.org
- Latinos in Finance, latinosinfinance.org
- National Association of Black Accountants, nabainc.org

MBA associations

- National Association of Asian MBAs, ascendnaamba.org
- National Association of Women MBAs, nawmba.org
- National Black MBA Association, nbmbaa.org
- National Society of Hispanic MBAs, nshmba.org

Professional organizations

- Association of Latino Professionals For America, alpfa.org
- National Association of Asian American Professionals, naaap.org
- National Association of Professional Women, nationalassociationofprofessionalwomen.com
- Society Of African American Professionals, soaap.org

Undergraduate organizations

- Smart Woman Securities, smartwomansecurities.com

In addition, most colleges and universities have a thriving network of student-led organizations. Contact your alma matter or local college or university to learn more about potential organizations that could be a source of diverse talent.



Starting the screening process

When interested candidates approach your firm to apply or gather more information, the screening process begins. Start by requesting the same information from each candidate, typically a cover letter, a résumé, and salary expectations. Route this information to the team member assigned to conduct the initial screening.

Once you have narrowed the applicant pool, call each candidate for a brief (15- to 30-minute) phone interview. This can eliminate time-consuming meetings with those who, despite strong résumés, do not meet all of your needs. Even a quick phone screen often provides a sense of whether the person is likely a good fit.

The initial screening process in three easy steps:

1. First, scan résumés for basic qualifications. Your clear and concise job description will limit responses from unqualified candidates.
2. After you eliminate unqualified candidates, focus on more-specific hiring criteria, such as strong customer service skills or supervisory experience.
3. During the phone interview, raise any concerns you noted when reviewing the candidate's résumé, such as an employment gap. If the candidate's answers do not resolve your concerns, you've saved yourself the time required for an in-person interview. The key is to be consistent with your questions so that you can fairly compare candidates.

Consider these screening questions:

- What is your current job status?
- If employed, what is the name of the company, your job title and job description, and your dates of employment?
- What are/were your responsibilities?
- Why are you interested in leaving your job, or why did you leave?
- If you are not currently employed, what was the name of your previous company, your job title and responsibilities, and your reason for leaving?
- Name three things you liked best/least about your current or previous job.
- What interests you about this job?
- What applicable attributes and experience do you have?
- What do you know about our firm?
- What are your compensation expectations (salary, bonus, and benefits)?



Consider this

Use video chat (e.g., Skype) to conduct the screening interviews.



Unconscious bias and candidate screening

Tools & resources



For more self-exploration on this topic, Harvard University has developed an online tool, the Implicit Association Test, to teach individuals how bias works and to give them a view into their own biases.

In 2003 researchers conducted an experiment by presenting the same Harvard Business School case study about a real venture capitalist, Heidi Roizen, to two groups of business students with one small change: For one group, the capitalist was presented as Heidi; for the other, Howard. While students found Heidi and Howard equally competent, Howard was perceived as the more likable colleague and Heidi was seen as not “the type of person you would want to hire or work for.”²⁷

This research illustrated that individuals can be subject to unconscious bias. This could have significant implications for a recruiting search where candidates are screened rather quickly based on a limited amount of information. If you are looking to diversify your talent pool, consider ways to mitigate any potential unconscious bias that may be present in your firm.

An easy first step is to raise awareness and understanding of the issue. There are numerous articles and books on this topic (search term: *unconscious bias*) to help educate your firm about the issue at hand.

Correcting for unconscious bias can be more challenging because it is hard to change something that you don’t even know you’re doing! Some tactics to consider are building steps into your recruitment process to identify and address any potential unconscious bias.

- One tactic could be to mask the name on résumés so that your recruitment team is solely focused on the experience and accomplishments of each candidate.
- Another tactic could be to use standardized candidate evaluation forms that force reviewers or interviewers to methodically think through all aspects of a candidate’s performance.
- Including quantitative and technical questions or case studies in your recruitment process can also help, as the results may be more objective vs. subjective.





After the screening process

Determine which candidates will move forward in the hiring process.

For candidates moving ahead:

- Document notes to share with your recruitment team.
- Request feedback within an agreed-upon time frame.
- Contact candidates to arrange the next round of in-person interviews.

For declined candidates:

- All external candidates not moving forward should receive a verbal or email declination.
- Contact information for external candidates who were strong but not the perfect fit for the role should be saved for more-relevant future openings.
- All internal candidates not moving forward should receive a verbal declination and specific feedback on why they are not the right fit for the position.



Conclusion

Sourcing and screening candidates are key steps toward building the talent pool from which you will find your new hire. Designing these processes to include a more diverse population of candidates from the start will increase the likelihood of expanding diversity in your firm.

Key takeaways

1. Think beyond traditional candidate backgrounds and profiles.
2. Tap in to your professional and personal networks for talent prospects.
3. Seek out ways to educate job seekers about the RIA field.
4. Explore niche job opportunity sites to reach a more diverse candidate pool.
5. Design a screening process that controls for unconscious bias.
6. Focus on the complete person and how well he or she will fit into your firm's culture.

Act now

1. Visit Schwab Advisor Services' [Career Opportunity Service](#) to post a job opportunity and search available candidates.
2. Leverage Schwab's ["Careers in the RIA Industry"](#) presentation to educate non-RIAs about career opportunities.



Guide 3

Interviewing and selecting candidates

Through the sourcing and screening process, you have narrowed your candidate pool to a select few. The next step is to conduct interviews with the top candidates to determine whom you want to hire. Done well, interviews enable you to not only assess the candidates' qualifications but also determine whether they will fit into your firm's culture, ultimately giving you insight into their ability to make meaningful contributions to the firm. This is why leading firms are as diligent in preparing for an interview with a prospective employee as they are in preparing for a meeting with a prospective client.

The more effort your team has put into prepping for the interview process—including drafting appropriate questions and creating a candidate tracking sheet—the smoother the experience will be for you, the recruitment and/or interview team(s), and the candidate.

In this guide, we highlight three key steps:

- How should I structure the interview process?
- What should I ask in the interview?
- What does the candidate evaluation and selection process look like?



Define your interview process

Taking the time to define your interview and selection process up front will help ensure that your colleagues and potential new hires have a seamless experience. Your recruitment team should think carefully about which criteria you want to assess through the interview process and which individuals in your firm will be best at evaluating those skills.

Organize the interview

The interview serves many purposes for both your firm and the candidates. For employers it is an opportunity to see the candidates in action and to assess how they present themselves, handle questions, and interact with you and your employees. For candidates the interview provides an opportunity to get to know your firm firsthand and determine whether they want to work with you. Many firms organize candidate visits as a series of interviews and social interactions over the course of a morning, afternoon, or entire day, all depending on the size of the firm.

When developing your interview process, you should consider including the following:

- **Technical skills interview.** This may include a skills test or demonstration.
- **Scenario-based interview.** Run candidates through a series of scenario-based questions to help gain insight into a variety of skills (e.g., communication, analytical, and interpersonal) and to determine cultural fit.
- **Social event.** This can be a meal or simply a coffee break.
- **Closing “sell” interview.** This is a closing meeting to capture a candidate’s reflections on the interviews and interest in the role. It serves as an opportunity for you to reinforce the benefits of working at your firm.

Over the course of the interview process, you will get a fuller picture of the candidate’s skills and personality.



Consider this

Adding a case study or presentation element to your interview process is a great way to objectively and tangibly evaluate technical and communication skills.

Select the interview team

As part of establishing the interview process, you need to identify your interview team. This may or may not be the same as your recruitment team. Depending on the number of candidates who advance to this stage, interviewing and candidate evaluation can be time-intensive for those involved. When selecting employees to be part of an interview team, you should consider including employees across roles, years of experience, gender, ethnicity, and age to help assess fit. This will not only give you a broad perspective on a candidate's potential but also demonstrate to the candidate the breadth of roles and diversity in your firm. Selection of interview participants should also be influenced by their availability to meet all candidates. Having a consistent team meet with all candidates face-to-face will help ensure that you are selecting the right candidate for the role.



Consider this

Think about including junior employees in the interview process. It could be a great way to demonstrate that you value their opinion and that they have a stake in the future of the firm.

Assign roles and responsibilities

Once you have assembled your interview team, you need to assign roles and responsibilities to execute on the interview process. Here are some tasks to consider:

- Designing and managing candidate tracking forms
- Assigning interviews (e.g., technical, scenario based, culture fit, and case study)
- Developing and reviewing core interview questions
- Scheduling candidate interviews
- Assigning a single point of contact to the candidate to field questions that may come up as part of the interview process; this individual may also serve as the candidate's "host" when the candidate is on-site for interviews
- Following up with candidates who have been interviewed and providing appropriate next steps or declinations
- Organizing and facilitating candidate evaluations

Establish a candidate evaluation process

In preparation for the interview process, you need to decide how you want to measure candidate performance. You should consider using a standardized evaluation form to ensure that interviewers are capturing notes effectively and submitting feedback in a timely manner. The sample Candidate Evaluation Form allows you to develop a quantitative and qualitative assessment of the candidate related to general skill areas.



Sample Candidate Evaluation Form

Advisor Services

[Insert Firm Name]

Candidate Name:
Interviewer:
Date:

Each question you ask during the interview should relate to one of the skill areas below. Consider the responses for each question and determine an overall rating.

| Skill Area | Poor Meets few expectations | Fair Meets some expectations | Moderate Meets most expectations | Strong Exceeds most or all expectations | Not Applicable Unable to determine ability |
|---|-----------------------------------|------------------------------------|--|--|--|
| General | | | | | |
| Overall evaluation of the candidate as it relates to the job for which he or she is being considered | 1 | 2 | 3 | 4 | N/A |
| Interpersonal | | | | | |
| Candidate's approach to communicating with coworkers, clients, etc. | 1 | 2 | 3 | 4 | N/A |
| Decision Making/Judgment | | | | | |
| Candidate's critical thinking and organizational/planning skills | 1 | 2 | 3 | 4 | N/A |
| Motivation/Values | | | | | |
| Candidate's attitudes, values, high standards, and self-motivation | 1 | 2 | 3 | 4 | N/A |
| Teamwork | | | | | |
| Candidate's approach to working as part of a team | 1 | 2 | 3 | 4 | N/A |
| Experience/Job Knowledge | | | | | |
| Candidate's specific job knowledge (e.g., planning theory, platform familiarity) | 1 | 2 | 3 | 4 | N/A |
| Emotional Intelligence | | | | | |
| Candidate's ability to control his or her emotions and understand, interpret, and respond to the emotions of others | 1 | 2 | 3 | 4 | N/A |
| [Insert Additional Skill Area] | 1 | 2 | 3 | 4 | N/A |
| [Insert Additional Skill Area] | 1 | 2 | 3 | 4 | N/A |
| Additional Notes | | | | | |

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Tools & resources



Review the [Candidate Evaluation Form](#) in the appendix of this playbook.

The evaluation form and process can be modified based on the role. For example, you may decide that a candidate's performance on a skills test or case study may carry greater weight than other skills in his or her overall evaluation. The interview team should determine what skills and feedback to prioritize when developing your candidate evaluation form.



Consider this

Assessment tools (often administered as online surveys) are designed to uncover information that may not be revealed in résumés or interviews. They can help predict potential performance based on profiles of existing employees, with the goal of increasing retention. Be sure to use screening tests that are Equal Employment Opportunity Commission (EEOC) compliant, such as the Kolbe RightFit™, to gauge a candidate's work style over personality type.



What to ask (and what not to ask) in the interview

Consistency and EEOC Compliance

During the interview, you and your employees should not ask about anything that the law prohibits you from considering when making a hiring decision. It is important to note that it is illegal to discriminate against applicants based on information unrelated to the job, such as age, race, sex, religion, and disability.

The following suggestions provide broad guidelines that you should consider; consult an attorney for more-specific information:

- Ask only job-related questions.
- Use planned questions and cover the same categories for all applicants.
- Word questions carefully.
- Avoid the following topics:
 - Age
 - Race
 - Sex
 - Religion
 - Sexual orientation
 - Gender identity
 - National origin
 - Disabilities
 - Marital status
 - Veteran status
 - Arrests
 - Dependents
 - Pregnancy
 - Military discharge
 - Child care
 - Transportation to work



Tools & resources



Review the [Sample Interview Questions](#) in the appendix of this playbook.



Drafting interview questions

The best interview questions focus on gathering information about a candidate's past performance, determining cultural fit in the workplace, and assessing the potential of future performance. Past performance is usually a good predictor of future performance, and examining cultural fit helps determine the impact the candidate will have on workplace dynamics. Consider some of the following interview questions when hiring for positions at your firm.

Get to know your candidate: Sample prompts and questions

| Overview of candidate | Assessing past performance |
|---|--|
| <ul style="list-style-type: none">▪ Tell me a little bit about yourself, including a brief overview of your work experience.▪ Tell me about a job you've had that you really enjoyed. Describe it in detail so that I know what, specifically, it was that you enjoyed.▪ Tell me about a job you've had that you did not enjoy. Describe it in detail so that I know what, specifically, it was that you did not enjoy.▪ Tell me about a boss you've had whom you really enjoyed working for/with. What was it, specifically, that made you enjoy working with this person? | <ul style="list-style-type: none">▪ Describe the work experience(s) you've had that you think are most relevant to this job.▪ Describe some experience(s) you've had outside of work that you think are relevant to this job.▪ Describe a difficult work situation and how you overcame it.▪ What are the most important two or three lessons you've learned from your work experience? Tell me a little bit about the circumstances that enabled you to learn these lessons. |
| Communication skills | Client service/client focus |
| <ul style="list-style-type: none">▪ Describe how you communicate (and with whom you communicate) on a regular basis at work.▪ Describe what you communicate in writing vs. what you communicate verbally or in person.▪ Tell me about feedback (both positive and constructive) that you've received on your communication skills at work. For areas where you received constructive feedback, describe what you have done to strengthen or develop that skill.▪ Tell me about a time when you got others to do something new or different. What was the situation? What did you do? Did you encounter any resistance? If so, how did you handle it? | <ul style="list-style-type: none">▪ Tell me about a time when you worked with a client to identify the client's specific needs relative to a certain project.▪ Tell me about a time when you recommended or implemented something that would benefit the client but that meant more work, less money, or some other negative outcome for you.▪ Tell me about a disagreement you've had with a client. Describe the situation. Why was there a disagreement, and how did you handle it? What, if anything, did you learn from the experience?▪ Tell me about one of the biggest mistakes you've seen others (co-workers or supervisors) make when dealing with clients. What did they say or do, and why was it a mistake? |



Consider this

When listening to candidate responses, keep the acronym *CAR* in mind: *challenge*, *action*, and *result*. Listen to candidates explain some challenges they faced, what actions they took to address those challenges, and what resulted from their actions. Listening for these cues will not only give you insight into the skills you are looking for but also demonstrate the candidates' ability to articulate their responses clearly and succinctly.

Finally, the closing interview is a great opportunity to ask candidates to share what they've learned about the role and your firm through the interview process. As they describe what they like about the role and your firm, you can get a sense of what they value. Here are some questions to consider:

- From what you've heard through your interviews, what do you think are the critical activities that this role is responsible for?
- What do you think sets this firm apart from other RIA firms?
- What do you think are the biggest opportunities facing our firm?
- What do you think are our biggest challenges?
- Why do you think you are a good fit to work at this firm?





Interviewing and selecting nontraditional candidates

Including nontraditional candidates in your job search—either recent graduates with little direct experience, career changers, or candidates returning to work after taking time off—is a great way to supplement your talent pool. Whether these candidates are professionals new to the industry or fresh out of college, one thing is for sure: They may lack some of the specific job skills and relevant work experience you expect, but they may still bring a wealth of talent to your firm.

Career changers and reentrants

These candidates may not have direct financial services or wealth management experience but may offer outside professional and life experience that could benefit your firm. To assess these candidates, you should consider amending or supplementing your interview guide with questions designed to find relevant, transferable skills. For example, you may choose to focus on three key areas: problem solving, time management, and communication.

Problem-solving skills

To assess problem-solving skills, ask candidates to describe a problem they had at a previous job and how they handled the situation.

- Who was responsible?
- What was your role?
- What skills were necessary to overcome the problem?

Answers to these questions will help assess accountability, attitude, and an ability to objectively reflect on a problematic situation.

Time management and organization

For time management skills, ask candidates to tell you how they organize their day. Look for responses that indicate they look at all they have to do that day and then prioritize their tasks. You may also ask what tools they use to keep themselves organized (e.g., online calendars, digital reminders, and spreadsheets).

Communication skills

To assess candidates' communication skills, observe how they speak to you and your colleagues before, during, and after the interview. Are they respectful, clear, and professional to everyone they meet in the firm? You could also ask how a previous employer or professor would describe their communication style.

Other skills to consider

Dig deeper to draw out other skills and resources the candidate offers:

- What did you excel at in your previous roles?
- Describe how your professional or volunteer roles make you a great fit for this position.
- What strengths do you bring from your previous roles that are especially applicable to this job?



By evaluating previous skills and experiences gained outside the workplace, you may find the best talent among these nontraditional candidates.

Recent graduates

As discussed in “Guide 2: Sourcing and screening candidates,” individuals in MBA and undergraduate business programs are often eager to learn and grow with a company. Plus, hiring graduates allows you to train them in your culture while they inject fresh perspectives across all aspects of your business.

As with career changers and workforce reentrants, you may need to probe a bit to discover the applicable skill set for the role. For each question area listed on the [previous page](#) (e.g., problem-solving skills), it is very likely that recent graduates can find useful answers from their academic and life experiences. To assist in this, consider asking these follow-up questions:

- What did you excel at while you were in college?
- Describe how your volunteer or extracurricular roles make you a great fit for this position.
- What strengths do you bring from your previous roles that are especially applicable to this job?

As the interviewer, it is helpful to provide the novice job candidate with clear guidance on how to respond to your questions. You may need to probe to get the detailed answers you are looking for:

- As I ask you questions, please give me examples from your classwork or prior jobs.
- Tell me specifically about the challenges you faced, what you did, and the results you achieved.
- Tell me a little more about how you handled your responsibilities.

Ultimately, there is a case to be made for expanding or departing from traditional candidates. Some firms place more importance on a person's past success—in other industries or in extracurricular areas—than on familiarity with specific financial advisory practices. Often a candidate's values and character matter as much to a prospective employer as do credentials and experience. The fact is, skills can be taught; character cannot.



Consider this

When you find an entry-level candidate who seems right for the job, make sure the job is right for the candidate. Find out if he or she understands the results you expect from the role. Allowing a candidate to shadow an employee may help clarify the role. Also be very clear when discussing how your organization measures performance in the first 90 days, six months, and year, whether it is by tracking efficiency or productivity or by some other metric.



Candidate selection process

Once you have completed the interviews, you need to evaluate how each candidate performed. Gather feedback on each candidate from all interviewers who participated. Read through the evaluation forms completed by the interview team to gain a sense of the themes that consistently surfaced. This will also allow you to identify questions for the interview team that can be discussed in a follow-up meeting.

Once you review the feedback, you should consider meeting with all the interviewers to discuss the top candidates. This can bring to light issues not captured on the evaluation form or allay any concerns that an interviewer may have had.

Other factors in the hiring decision

Before extending an offer to a candidate, you should consider conducting reference checks with two or three people who have worked with or managed the candidate.

The following reference interview questions can provide valuable insights into a candidate's past performance:

- In what context did you work with the person?
- What were his or her biggest strengths?
- What were his or her biggest areas for improvement?
- How would you rate his or her overall performance? Why?
- The candidate mentioned that he or she struggled with [X] on that job. Can you tell me more about that?

You may decide to perform additional checks on the candidate before making a hire. You should consult an employment attorney for specific guidelines.

The following are examples of additional checks available:

- Background check
- Credit check
- Drug test

Tools & resources



E-Verify is an Internet-based system that allows businesses to determine the eligibility of their employees to work in the United States. Visit uscis.gov/e-verify to learn more.

Conclusion

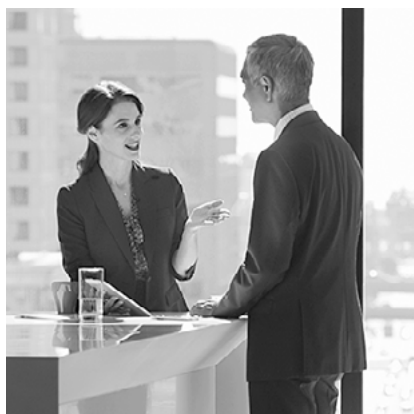
As you develop your interview strategy, you will want to revisit it frequently with your recruitment and/or interview team(s) to assess results and determine any changes to be made. Throughout this guide, you have learned tips to structure your interview and candidate selection process to better position yourself, the interview team, and the candidates for a seamless experience.

Key takeaways

1. Think through and map out the interview process before any interviews take place.
2. Draft interview questions and review them with colleagues for clarity, removing any that reflect an unconscious bias.
3. Assess each candidate using standard evaluation criteria.

Act now

1. Review the [Sample Interview Questions](#) in the appendix of this playbook.
2. Review the [Candidate Evaluation Form](#) in the appendix of this playbook.
3. Review the [Candidate Tracking Form](#) in the appendix of this playbook.





Guide 4

Onboarding and retention

A successful recruitment process continues beyond the interview and selection phase to include a well-thought-out onboarding and retention strategy. Like all steps leading up to this phase, taking time to map out these processes can help provide a seamless experience for you, your new hire, and the people at your firm. Moreover, a comprehensive retention strategy can increase employee engagement, loyalty, and job performance.

Topics include the following:

- What should be communicated in an offer of employment?
- What does a successful onboarding process look like?
- What are some best practices for retaining top talent?
- How do I build an inclusive culture?



Extending an offer of employment

By now you have sifted through dozens of résumés, met with numerous candidates, and debriefed your interview team. You've selected the best candidate for the role and for your firm's culture and are ready to extend an offer of employment. To increase the likelihood that your offer will be accepted, consider the following steps.

The offer stage

1. Finalize job details

As soon as you have decided who your next hire will be, work with your management team (or Human Resources counterpart) to finalize information that is critical to extending an offer of employment, including compensation, job title and responsibilities, and employment contingencies. These details will feed into your verbal and written offers.

To develop an effective strategy to attract, motivate, and retain outstanding talent, firms must structure their compensation and incentive plans in ways that generate real value for employees across the entire organization. Attractive plans should include the creative use of incentive compensation, benefits packages, non-cash compensation, and a formal path to partnership.

2. Extend a verbal offer

Once you have finalized the details of the job offer, you might consider extending a verbal offer of employment as soon as possible, advising that a formal offer letter will follow in the mail. Waiting until you've drafted an official offer letter, sending it in the mail, and receiving a response may be too late. The candidate is likely interviewing with several firms, and if you think he or she is the best choice, others are likely to have the same opinion.

Have the hiring manager speak directly with the candidate to extend an offer of employment. This is more personal and may give your prospective hire the impression that the manager is looking forward to having him or her join the team.

3. Draft an official offer-of-employment letter

Consider drafting an offer-of-employment letter to protect both you and your prospective employee. An offer letter is an opportunity to reiterate and clarify job details that may have been misunderstood during the interview process or verbal offer. Documenting details such as job title, responsibilities, compensation, and benefits leaves little room for future disagreements once the new hire is fully onboarded.

Be sure to add a response deadline that is no more than five to seven business days from the date of the offer letter. This will help ensure that you receive a timely response from the candidate. If no response is received after several follow-up attempts, you can have the confidence of moving on and making an offer to the next candidate.

Tools & resources



Visit Schwab Insights Hub to find insightful compensation data from [Schwab's annual RIA Benchmarking Study](#) to help you develop a well-planned and competitive compensation strategy.

Tools & resources



Review the [Sample Offer Letter](#) in the appendix of this playbook.



4. Stay in contact with your next hire

Although your offer letter should specify a deadline for acceptance, you may want to consider checking in with the candidate if you have not received a response within the first few days. This gives the candidate the opportunity to ask additional questions while giving you the chance to show your firm's commitment to the candidate.

Onboarding your new hire

Congratulations, your selected candidate has accepted!

The next phase is critical to an effective recruitment process: onboarding your new employee.

Onboarding your new employee begins before the first day on the job and can extend through the first year of employment. Establishing a structured, thoughtful approach to onboarding will help the employee adapt to the new job and become productive quickly and in the long run lead to employee loyalty and retention. Keeping an employee's onboarding experience top of mind for a year can be difficult. Consider implementing a checklist to manage the process and/or set reminders on your calendar for key checkpoints you'll want to track.

As you welcome new employees to your firm, it is an excellent opportunity to gain their trust and instill confidence that they have chosen a great place to work. When managed well, onboarding fosters employee engagement and helps ensure that contributions are in line with expectations. When not well managed, it can cause confusion, frustration, and potential turnover.

The following is a checklist of items to help ensure a smooth onboarding experience.

Offer accepted—lead up to first day

- Send a personal note of welcome from the firm principal(s) to the new hire's home address.
- Prepare an office or workspace for the new hire.
- Set up computer, phone and number, and other devices.
- Order business cards.
- Prepare and send a packet of information about the industry and the firm to the individual's home address.
- Identify a peer-level or more-senior person to help the new hire on his or her first day and to be a go-to resource in the first year.

Tools & resources



Review the [Onboarding Process Checklist](#) in the appendix of this playbook.



The crucial first day

- Circulate the new-employee announcement internally.
- Give a tour of the firm, with an orientation and introductions. Explain where things are and who is responsible for what. Ensure that firm principals participate in a visible way.
- Provide an office or workspace, computer, email, phone and phone number, business cards, basic office supplies, and other devices.
- Present a small but meaningful welcome gift (e.g., flowers or a gift card to a local coffee place).
- Introduce the new hire to the peer-level or more-senior person who will serve as his or her guide.
- Have the new hire complete payroll and benefits information, including all enrollment documents, forms, and direct-deposit paperwork.
- Describe all policies and procedures and provide the new hire with the employee handbook.
- Explain and provide all security needs (e.g., ID and building access).
- Explain the specifics of the position, the responsibilities involved, any expectations you may have, and how the position supports the firm's goals.
- Identify specific goals and objectives for the first 90 days and the first year.

First 90 days

- As appropriate, distribute the new-employee announcement externally to industry publications, associations, and clients.
- Identify and schedule training opportunities (e.g., systems and products).
- Ensure that the new employee has regular check-in meetings with his or her manager or mentor.
- Conduct a formal check-in on the new hire's 90-day goals and objectives. Discuss what's working and what isn't and provide an opportunity for questions and problem solving.

One-year milestone

- Conduct a formal review of accomplishments compared with the goals and objectives previously established. Discuss the individual's development and career path.
- Identify areas for further development and advancement (e.g., credentials, additional licenses, formal studies, and continuing education).



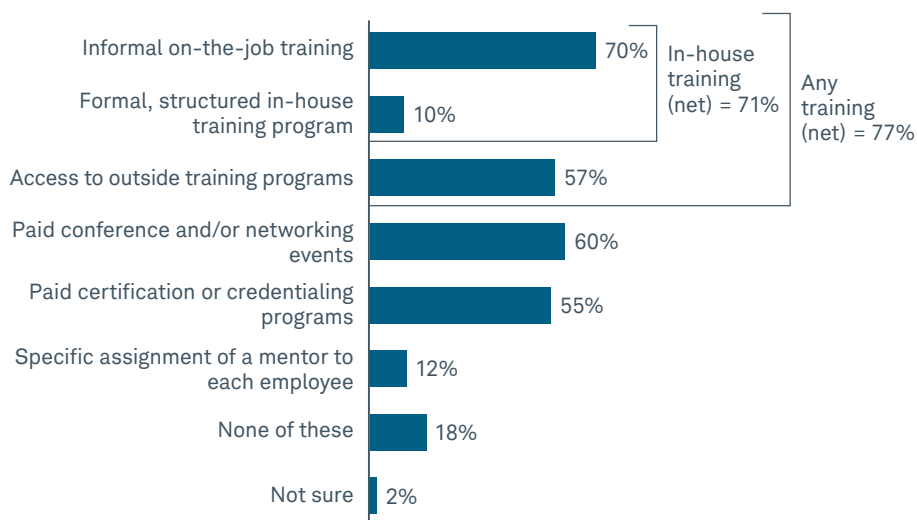
Retaining your top talent

High turnover is costly and disruptive, so employee retention is critical to a firm's success. Beyond a disciplined recruitment practice, successful firms also develop ways to retain top talent. Key tactics include offering training (formally or informally) and establishing coaching relationships between new hires and tenured advisors during the onboarding process and beyond.

Most RIAs say that firms provide career assistance programs, training (usually informal), paid conferences, and certification programs.

Programs offered by firm

Total advisors



Source: Schwab's RIA Talent Study, conducted for Schwab Advisor Services by Koski Research, September 2014.

"I think my sponsor support has really helped me build confidence in working directly with our clients. It's also resulted in deeper relationships with our clients, who in turn have started to refer their friends and family to work with me."²⁸

Amanda A. Tappen
Relationship Manager
Douglas C. Lane
& Associates, Inc.

"We've certainly done a lot of education. We have an education team that looks at what type of training people need, whether it's technical skills, investments, estate planning, tax planning, or soft skills."²⁹

James Knight
Vista Wealth Management



Consider this

Establish a coaching program to equip new hires with the skills required to succeed in their roles.

Tools & resources



Schwab offers a wide range of events and educational programs, including online learning opportunities, conferences, regional workshops, and best practices. Check out Events and Education under News & Resources on [Schwab Advisor Center](#)[®] for a list of available resources (password required).



Professional development relationships require a proactive approach

Firms committed to employee retention can take a more comprehensive approach that goes beyond coaching to support even more interactive, long-term partnerships. This requires commitment at the most senior levels of the firm.

All types of professional relationships—coaching, mentoring, advocacy, and sponsorship—are critical at every level and at each stage of development.

“It was clear that sponsorship had made the biggest difference for both men and women who have been successful.”³⁰

Rebecca Pomeroy
Chief Executive Officer
Moss Adams Wealth Advisors, LLC

| Building relationship capital | | | |
|--|--|--|--|
| Coaching | Mentoring | Advocacy | Sponsorship |
| <ul style="list-style-type: none">▪ Naturally occurs as a regular part of the manager/employee relationship▪ Tied to performance feedback and development | <ul style="list-style-type: none">▪ Provided or assigned to any employee expressing interest▪ Supports and encourages employees, providing tips on how to navigate the organization▪ Acts as a confidential sounding board for ideas and challenges▪ Gives career advice and guidance | <ul style="list-style-type: none">▪ Informal▪ May lead to new opportunities▪ Ownership and accountability not necessarily placed on advocate▪ Earned, based on performance and knowledge of the work▪ Can be a peer, subordinate, or superior▪ Speaks on employee's behalf, addressing career interests | <ul style="list-style-type: none">▪ A critical, reciprocal relationship between sponsor and protégé that impacts the protégé's career▪ Meritocratic and earned by top performers through exemplary performance▪ Reward from sponsorship is endorsed, <i>not</i> guaranteed▪ Must be nurtured and sustained—“The Maintenance Factor” |
| Note: Effective mentors and advocates frequently become sponsors. | | | |

Source: Hewlett Consulting Partners, October 2014.

Retention is

25%

higher for employees who have engaged in company-sponsored mentoring.³¹

“People tend to incorrectly use the words *mentor* and *sponsor* interchangeably. We've all had mentors who have offered advice, but sponsors are the people inside our company who have helped us get to senior levels. Sponsors are what you really need to succeed.”³²

Gordon M. Nixon
President and Chief Executive Officer
RBC



Consider this

Think about your diverse hires and consider the fact that they tend to be overmentored and undersponsored.

- Data show that only 8% of people of color—9% of African Americans, 8% of Asians, and 5% of Hispanics—have a sponsor compared with 13% of Whites.³³
- Among people of color, sponsorship is particularly crucial in invigorating ambition and driving engagement. Among African Americans with a sponsor, 53% are satisfied with their rate of advancement compared with 35% of those without such advocacy; 55% of Asians with a sponsor are content with their rate of advancement compared with just 30% of Asians without such backing.³⁴

Best practices for creating a culture of talent development

There is a good chance that today's junior talent will be part of your firm's future leadership. Here are some tactics that other RIAs are using to foster a culture of talent development in their firms:

- Have each partner make three specific commitments with clear goals at the beginning of each year that are explicitly related to developing more-junior talent.
 - Encourage partners to be proactive about reaching out to more-junior talent who may not look like them.
- Build accountability into partner behaviors by linking compensation to talent development.
 - When a partner fails to coach or mentor junior talent (or diverse talent), treat it as though the partner did not grow the practice, failed to take care of a client, or even lost a client.
- Educate senior leaders about the importance of relationships by requiring them to invite a junior employee to accompany them to a networking event.
- Offer external coaches to serve as safe and reliable sources of feedback.
- Hold a debriefing meeting after every client encounter to provide immediate feedback.
- Keep the office door open for any employee to share an idea or have a discussion.
 - Inviting employees to share new ideas in an office affords them the opportunity to have a safer, one-on-one discussion.



Retaining female talent

“Having role models who demonstrate communication, continuing education, and community involvement benefits any organization. We are remarkably lucky to have several senior female professionals who espouse those traits.”³⁵

Kenneth Coleman
Fairport Asset Management

“Create a community of female centers of influence—attorneys, accountants, even clients or any other well-connected women in business to support female advisors. People really want women to succeed at their own businesses.”³⁶

Alyssa Morris
Waypoint Wealth

Fostering a firm culture that is welcoming not only to female candidates but also to current employees often requires deliberate changes in your firm's approach.

Build a more inclusive culture

- Consider organizing off-site leadership events for women, including educational and skill-building seminars that expose new hires to senior women leaders in your firm (or women who are professionally affiliated with your firm) and that also provide networking opportunities.
- Offer women visible and complex roles that help them gain critical on-the-job skills.
- Identify high-potential talent early and provide them with the training and opportunities to reach leadership positions, then set clear steps for career development.
- Build internal affinity groups and firmwide professional networks for women and diverse groups to promote mutual support, mentoring, idea exchange, and relationship building.
- Encourage female employees to participate in industry groups and events focused on advocating for women (e.g., Ellevest, Smart Woman Securities, and the Financial Women's Association).
- Organize client appreciation and networking events that appeal to a broad audience, including music or sporting events, wine tastings, and team volunteering opportunities.



Consider this

- Provide colleagues with a one-page summary of the ways your firm supports female employees.
- Distribute the summary to female candidates as a tangible reminder of the firm's commitment to female talent.
- Compile a portfolio of information on an internal website, highlighting your firm's talent development and support initiatives.



Building an inclusive culture

“Our women’s initiative has involved leadership and business development training for women, stronger mentor and sponsorship programs for women, and getting our female partners to see this as their responsibility, too.”³⁹

RIA firm leader of seven-plus years

“Create an environment within your firm where the next generation feels like they are part of the momentum, part of the vision, part of building out new initiatives, and where they can actually have a say.”⁴⁰

Sabrina Lowell
Mosaic Financial Partners, Inc.

One of the roadblocks to serving the evolving, diverse investor is the lack of varied perspectives at RIA firms. For example, women are under-represented in financial services in general and in leadership positions in particular. Female investors are looking for more out of the advisors—and firms—with whom they work. Among women with financial advisors, 67% feel that their advisor does not understand them or is not interested in them.³⁷ The next generation of investors is cautious and anxious. They are distrustful of the market, financial institutions, and advisors, and they are looking for a more modern service model. They know what they want—and don’t want—in an advisor. So, establishing a staffing model that is as diverse as this new wave of investors is critical to your firm’s stability and future.³⁸

For long-term change, RIA firms should assess their current situation, determine what business problems they are trying to fix, and consider implementing a diversity recruitment process that starts from the top down.

Diversity recruitment strategies

| How to drive change | Definition |
|--|---|
| 1. Declare diversity a business imperative. | Measure leaders’ performance on recruiting, onboarding, and retaining diverse talent. Discuss an action plan to further these goals. |
| 2. Build awareness of the business case. | It must make sense to your firm’s leadership, who must understand and commit to it. |
| 3. Demonstrate hands-on leadership, starting at the top. | Leaders must invest personal capital and actively role-model the desired mind-sets and behaviors to build a more open and accepting culture. |
| 4. Encourage pervasive sponsorship. | Sponsors generate opportunities for high-potential employees. Great sponsors believe in the talented women they help, open doors to growth opportunities, counsel them through valleys and peaks, and advocate for their advancement. |
| 5. Practice robust talent management. | Adapt existing recruitment, promotion, and succession-planning processes to call out and measure performance with regard to gender diversity. |
| 6. Ensure strong accountability supported by data. | Set aspirations, goals, and targets for turnover and hiring rates, diversity of key talent pools, promotion rates, and employee satisfaction or engagement. |

Adapted from “Unlocking the Full Potential of Women at Work,” Joanna Barsh and Lareina Yee, McKinsey & Co., 2012.



Recruitment success stories

Success story #1:

Offer experienced candidates flexible, part-time schedules

The situation: Lack of talented candidates

An advisor was having trouble finding talented candidates, especially women, to fill senior roles in his firm. He knew from his personal network that women with young children were often looking for roles with greater scheduling flexibility.

The approach: Offer flexible schedules

The advisor began actively seeking women who wanted to work part-time. Through his professional network, he sought referrals to candidates who were already working in the financial services field—or were considering reentry to the field—and would bring considerable skills, meaning a shorter ramp-up phase. He required credentials (e.g., CFP® or CFA® designation, depending on the role), but he didn't require new hires to bring a portfolio of client assets with them. He offered flexible, part-time schedules to candidates who were considering leaving the workforce to manage their family responsibilities.

The result: Engaged employees

This firm is not only meeting the needs of its clients and employees but also building a regional reputation for its forward-thinking hiring practices. Women at the firm now fill the roles of advisor, director of research, and chief operating officer.

Success story #2:

Develop junior staff through internship programs

The situation: Planning for growth

An advisor wanted to maintain his firm's long-term viability by developing a pipeline of talent to grow with the firm.

The approach: Provide a test-and-learn period

Firm leadership developed an internship program to focus on bringing in entry-level hires. They recruited interns from local colleges during their junior or senior year and introduced them to the industry through hands-on assignments. The firm's leaders observed the interns' work styles and cultural fit during the three-month program to determine whether they wanted to make any full-time hires. Because a number of staff have since been hired directly from the internship program, interns are given a strong sense of opportunity if they perform well. This trial period has helped save on candidate search costs as well. It is also an effective way to build awareness of the RIA industry among students who might not have heard of it prior to the internship program.

The result: Employees who can grow with the firm

This RIA now has access to a pipeline of talent that is attracted by a clearly defined entry point and career path.

Conclusion

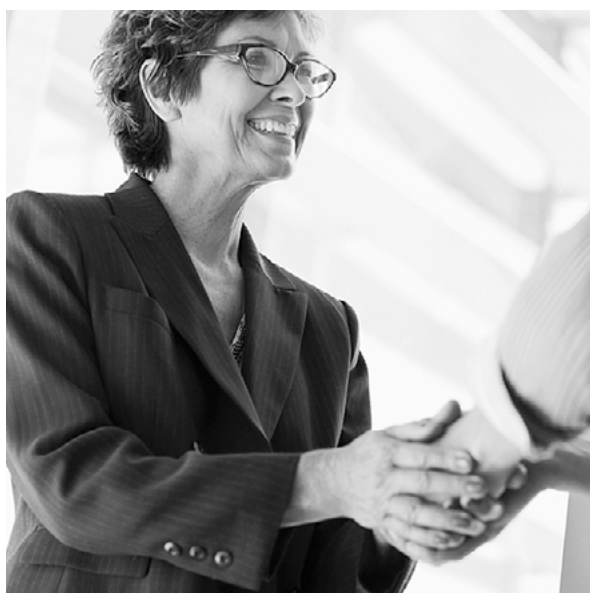
Keep in mind that your recruitment process is as much about onboarding and retaining the best talent as it is about attracting them to your workforce. By ensuring a smooth and engaging onboarding process and establishing various incentives that promote employee loyalty and retention, you will position your firm for long-term success.

Key takeaways

1. Keep in touch with new hires throughout the onboarding process.
2. Offer training and coaching opportunities where feasible.
3. Commit to diversity recruitment at a firmwide level, starting with leadership.

Act now

1. Review the [Onboarding Process Checklist](#) in the appendix of this playbook.
2. Build the business case for diversity recruiting using the data and support points offered throughout this playbook.





Summary

This RIA Talent Advantage Recruitment Playbook was designed to help advisors like you evaluate your recruiting needs and take the first steps toward beginning your search for the ideal candidates.

Throughout you have learned the importance of **planning and foresight** in crafting effective recruitment and retention strategies. Forward-thinking firms prioritize people as their most important organizational investment so that they can continue to grow, increase firm value, and establish strong succession plans.

You understand that by keeping talent acquisition top of mind and beginning the recruitment process well before a hiring opportunity exists, your firm can focus on long-term strategic growth rather than just immediate staffing needs.

In addition to the importance of hiring for both **skill set and cultural fit**, you understand the business case for thinking **beyond traditional candidate profiles** to include a range of talent—with gender, age, and ethnic diversity—as well as those with experience outside the financial services industry.

Recruiting is an ongoing process of looking for the best people with the skills and talent required to implement your firm's business strategy. Investing time in developing your talent management plan and executing it in a thoughtful manner may ensure the growth and longevity of your firm.





Appendix

Candidate Evaluation Form

Candidate Tracking Form

Job Description Template

Onboarding Process Checklist

Sample Interview Questions

Sample Job Description—Lead Advisor

Sample Offer Letter



Candidate Evaluation Form

For each candidate you interview, you should keep notes about the interview experience to help in the final evaluation. The form allows you to develop a quantitative and qualitative assessment of the candidate relative to general skill areas.

After the interview, take a few minutes to reflect on the conversation, score the candidate, and make some notes based on your experience.

Instructions: Copy the form to your firm's letterhead. Complete the candidate name, interviewer, and date fields and then circle the most appropriate rating for each skill area.

[Insert Firm Name]

Candidate Name:

Interviewer:

Date:

Each question you ask during the interview should relate to one of the skill areas below. Consider the responses for each question and determine an overall rating.

| Skill Area | Poor Meets few expectations | Fair Meets some expectations | Moderate Meets most expectations | Strong Exceeds most or all expectations | Not Applicable Unable to determine ability |
|---|--------------------------------|---------------------------------|-------------------------------------|--|---|
| General | | | | | |
| Overall evaluation of the candidate as it relates to the job for which he or she is being considered | 1 | 2 | 3 | 4 | N/A |
| Interpersonal | | | | | |
| Candidate's approach to communicating with coworkers, clients, etc. | 1 | 2 | 3 | 4 | N/A |
| Decision Making/Judgment | | | | | |
| Candidate's critical thinking and organizational/planning skills | 1 | 2 | 3 | 4 | N/A |
| Motivation/Values | | | | | |
| Candidate's attitudes, values, high standards, and self-motivation | 1 | 2 | 3 | 4 | N/A |
| Teamwork | | | | | |
| Candidate's approach to working as part of a team | 1 | 2 | 3 | 4 | N/A |
| Experience/Job Knowledge | | | | | |
| Candidate's specific job knowledge (e.g., planning theory, platform familiarity) | 1 | 2 | 3 | 4 | N/A |
| Emotional Intelligence | | | | | |
| Candidate's ability to control his or her emotions and understand, interpret, and respond to the emotions of others | 1 | 2 | 3 | 4 | N/A |
| [Insert Additional Skill Area] | | | | | |
| | 1 | 2 | 3 | 4 | N/A |
| [Insert Additional Skill Area] | | | | | |
| | 1 | 2 | 3 | 4 | N/A |
| Additional Notes | | | | | |

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Candidate Tracking Form

[Insert Firm Logo]

[Insert Your Firm Name]

When conducting your own talent search (including opening and posting a job requisition and networking to find candidates), you can anticipate hearing from many interested candidates. Use this sample form to manage the process, track where you are with each individual—including key dates and deliverables—and ensure that each candidate has a positive experience with your firm (whether you hire them or not).

| Applicant | Name of applicant | A. John Smith (EXAMPLE) | B. Sue Sample (EXAMPLE) | 1. | 2. | 3. |
|----------------------------------|--|----------------------------|----------------------------|----|----|----|
| Date Application Received | When was the application received? | 8/5 | 8/4 | | | |
| Application Complete | Was the application complete (cover letter, resume, salary requirements)? | Yes | Yes | | | |
| Notification Date | Date note was sent to inform candidate that application was received | 8/8 | 8/8 | | | |
| Pass Resume Screen | Does the candidate fulfill the basic qualifications? | Yes | Yes | | | |
| Phone Interview Date | Date of phone interview | 8/11 | 8/11 | | | |
| Pass Phone Interview | Did the candidate successfully answer screening questions? | Yes | Yes | | | |
| Interview Date | Date of in-person interview | 8/23 | 8/24 | | | |
| References Received | Has a list of references been received? | No | Yes | | | |
| Complete Personality Test | Has the candidate completed the requested personality tests? | Yes | Yes | | | |
| Background Check Complete | Has the background check been completed and did the candidate pass? | – | Yes | | | |
| Rejection Letter Sent | Date rejection letter was sent (if candidate did not pass interview, personality test, etc.) | 8/31 | – | | | |
| Offer Letter Sent | Date offer letter was sent | – | 8/7 | | | |

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Job Description Template

Job descriptions are the basis for all activities and decisions regarding talent management within a firm. They are written statements that describe the duties, responsibilities, required qualifications, and reporting relationships of a particular position. Effectively written job descriptions help you and your firm recruit, evaluate, reward, and retain great employees. Poorly written job descriptions have the potential to create mismatched hires, confusing communications, and unclear/unmet expectations.

The job description should be based on objective information about the job; an understanding of the knowledge, the skills, and the abilities required to accomplish specific tasks; and the goals and objectives of the organization.

The job description should be paired with a document designed to evaluate the performance of an employee in that position. These documents outline job requirements and specific performance metrics that the employee will be evaluated against at the end of the review period.

On the reverse is a template for creating a job description for your firm. Insert the information into your own letterhead and customize the template for your firm. To view specific sample descriptions based on the template, please see Sample Job Descriptions in the Tools & Templates section of the Hiring > Job Descriptions page.

[Insert firm logo here]

Position Description

Title: [Position title]

Reports to: [Position title of immediate supervisor]

Benefits: [Yes/No]

Status: [Full-time/Part-time; Exempt/Non-exempt]

Date: [Date of job posting]

Job Summary

Provide summary information about the most important duties and responsibilities of the position, along with reporting relationships (e.g., titles of direct reports and managers) and its geographic location.

Duties and Responsibilities

Explain the position and what it will accomplish in greater detail. Focus on specific accountabilities, including supervisory responsibilities. Use bullets to identify detailed activities in similar areas of accountability.

Qualifications

Identify the minimum educational and work experience requirements. When defining job experience requirements, make sure they are truly necessary. Keep in mind that job knowledge can often be trained, while desired attitudes and other personal characteristics are usually more difficult to train. Also identify the skills that are essential for the candidate to be successful in this role. Consider including qualifications such as:

- Work experience (e.g., 7 years in an advisory role)
- Education (e.g., degrees, type of school)
- Licenses (e.g., Series 7)
- Professional designations/certifications (e.g., CFP®)
- Technological proficiency (e.g., PortfolioCenter®, Microsoft® Office)
- Job-based competencies (e.g., written and verbal communication skills)
- Personal characteristics (e.g., a client-first attitude)
- Emotional intelligence (an individual's ability to perceive, control, and evaluate their and others' emotions and use these cues to guide thinking and behavior; e.g., adaptability, team mentality, ability to influence key stakeholders, strong communication skills, ability to negotiate and problem-solve)

Salary and Benefits

Keep references to salary and benefits generic. Say enough to let the candidate know that the pay/benefits are competitive based on industry standards. For example:

- Salary will be based on experience [if salary is a key point of differentiation].
- Bonus [if applicable].
- Benefits include dental, vision, health care, 401(k) [if applicable].

[Firm name] is an Equal Opportunity Employer.

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Onboarding Process

Effective onboarding is good for a new employee and for the firm, and it begins as soon as your offer of employment has been accepted by the candidate.

As you welcome new employees to your firm, you have a critical opportunity to gain their trust and instill confidence that they've chosen a great place to work.

When managed well, onboarding fosters employee engagement and contribution in line with expectations. When not well managed, it can create confusion, frustration, and turnover.

The following checklist can help create a smooth onboarding experience.

Between Acceptance of Offer and the First Day of Employment

- ☐ Send a personal note of welcome from the firm principals to the new hire's home address.
- ☐ Prepare the workspace/office.
- ☐ Set up a computer, phones, and mobile devices.
- ☐ Order business cards.
- ☐ Send a package of information about the industry and the firm to the individual's home address.
- ☐ Identify a peer or more senior-level person to help the new hire on the first day and as a go-to resource during the first year.

The Crucial First Day

- ☐ Circulate the new employee announcement internally.
- ☐ Give a tour of the firm including an orientation and introductions. Explain where things are and who is responsible for what. Ensure that firm principals participate in a visible way.
- ☐ Provide a workspace/office, computer, email account, phone, mobile device, business cards, and basic office supplies.
- ☐ Present a small but meaningful welcome gift (e.g., flowers, a gift card to a local coffee shop).
- ☐ Introduce the new hire to a peer or more senior-level person who will serve as their mentor/buddy.
- ☐ Have the new hire complete payroll and benefits information, including all enrollment documents, forms, and direct deposit paperwork.
- ☐ Describe all policies and procedures, and provide an employee handbook.
- ☐ Explain and provide all security information and needs (e.g., ID badge, building access codes).
- ☐ Offer a firm overview that illustrates the vision, values, strategy, and goals of the firm.
- ☐ Explain the specifics of the position, the responsibilities involved, any expectations you may have, and how the position supports the firm's goals.
- ☐ Identify any goals and objectives for the first 90 days and the first year.

The First 90 Days

- ☐ As appropriate, distribute the new employee announcement externally to industry publications, associations, and clients.
- ☐ Identify and schedule training opportunities (e.g., systems, products).
- ☐ Ensure that the mentor has regular check-in meetings with the new employee.
- ☐ Conduct a formal check-in to discuss the new hire's 90-day goals and objectives. Talk about what is and isn't working, and provide them with an opportunity to ask questions and solve problems.

The One-Year Milestone

- ☐ Conduct a formal review of the employee's accomplishments compared to their goals and objectives. Discuss the individual's development and career path.
- ☐ Identify areas for further development and advancement (e.g., credentials, additional licenses, formal studies, continuing education).

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Sample Interview Questions

An effective interview starts with a clear and complete description of the job for which you are hiring. Use that description to create questions that are designed to assess a candidate's knowledge, skills, abilities, and other characteristics relative to the job's requirements. Typically, the best interview questions focus on gathering information about a candidate's past performance, which is usually a good predictor of future performance.

You may want to use some of the interview questions below when hiring for positions at your firm. When asking any of these questions, listen to the candidate's answers and think about how similar/dissimilar the answer is to situations the candidate will face if hired for the job at your firm. The more similar the candidate's answers are to situations that your firm's employees actually face on the job, the better fit the candidate is likely to be in the job and with your firm.

General

Overview of the Candidate

The following questions are aimed at gathering broad and general information about the candidate relative to the job for which he or she is being considered.

1. Tell me a little bit about yourself, including a brief overview of your work experience.
2. Tell me about a job you've had that you really enjoyed. Describe it in detail so that I know what specifically you enjoyed.
3. Tell me about a boss you've had whom you really enjoyed working with. What in particular made you enjoy working with this person?
4. Tell me about an organization where you enjoyed working. Describe the organization to me in detail so that I know what exactly you liked about the work environment/organization.
5. Throughout your work experience, what strengths of yours have others (supervisors, coworkers, customers, etc.) consistently commented on?
6. Throughout your work experience, what weaknesses/development areas of yours have others (supervisors, coworkers, customers, etc.) consistently commented on?
7. What are the most important two or three lessons that you've learned from your work experience? Tell me a little bit about how you came to learn these lessons.
8. What inspires you and why?

Interpersonal Skills

Communication Skills

The following questions are aimed at gathering information about a candidate's approach to communicating with others, which lays the foundation for effective communication skills.

1. Tell me about feedback (both positive and not so positive) that you've received on your communication skills at work.
2. Tell me about a time when you got others to do something new/different. What was the situation? What did you do? Did you encounter any resistance? If so, how did you handle it?
3. Describe how you communicate (and with whom you communicate) on a regular basis at work.
4. Describe the kinds of things you communicate in writing versus what you might communicate orally/in person.
5. Tell me about presentations you've made. To whom did you make these presentations? What feedback (positive and negative) have you received about the effectiveness of your presentations? What tools or techniques do you use to keep meetings or presentations on track?

Note: To assess writing skills, look at the résumé and any emails/correspondence coming from the candidate. You might also want to share a memo from a former coworker or client and ask them to write a short response.

Note: To assess selling skills, ask the candidate to sell you a common object (e.g., pen, paper clip, file folder). This activity does not require the candidate to have any specific product knowledge. This activity can give you an idea about the candidate's general approach to sales. Do they ask questions about your or the client's needs? Do they focus on your needs versus using a generic sales pitch? Do they focus on product benefits or product features? How do they handle rejection?

Client Service/Client Focus

The following questions are aimed at gathering information about a candidate's approach to serving clients.

1. Tell me about a time when you worked with a client to identify their specific needs relative to a specific project.
2. Tell me about a time when you recommended/implemented something that would benefit the client but meant more work/less money/some other negative implication for you.
3. Give me examples of two things you do to stay close to your clients so that you can anticipate/know their interests/needs.
4. Tell me about a disagreement that you've had with a client. Describe the situation. Why was there a disagreement and how did you handle it? What, if anything, did you learn from this situation?

Leadership

The following questions are aimed at gathering information about a candidate's leadership style and approach.

1. Would you describe yourself as a leader? Why or why not?
2. Tell me about a situation or two that you think best represents your leadership style or approach. What was the situation? What was your role in the situation? What did you do? What was the outcome?
3. Tell me about a time when you had to support/implement a policy or practice that you personally did not agree with. What was the policy/practice? What did you do? What was the outcome?
4. What are two or three of your strongest leadership skills? Give me an example of how you've used each of these skills at work.
5. If you were starting a company tomorrow, what would be its top three values?

Social Poise/Social Etiquette

The following questions are aimed at gathering information about a candidate's social poise and etiquette—that is, his or her awareness of what is right/wrong in different social situations.

1. Tell me about a time when you felt like you interacted most effectively with another person at work. What was the situation and who was the person? What did you say/do that made this interaction seem effective?
2. How did you build lasting friendships while working at another job?
3. Tell me about a time when you felt like you interacted less effectively with another person at work. What was the situation and who was the person? What did you say/do that made this interaction seem less effective?
4. Tell me about a time when you said/did something that you shouldn't have at work. What did you say/do and why?
5. Tell me about one of the biggest mistakes you've seen others (coworkers, supervisors, etc.) make when dealing with clients. What did they say/do and why was it a mistake?

Teamwork

The following questions are aimed at gathering information about a candidate's approach to working as part of a team.

1. Tell me about a time when you were part of a team that interacted well together. What was the situation? What was your role on the team? Why do you feel the team interacted so well together?
2. Tell me about a time when you were part of a team that did not interact well together. What was the situation? What was your role on the team? Why do you feel the team did not interact well together?

Decision Making and Judgment

Critical Thinking

The following questions are aimed at gathering information about a candidate's critical-thinking skills as they relate to the job for which he or she is being considered.

1. Tell me about one of the best work-related decisions you've ever made. What was the decision and why was it so good?
2. Tell me about one of the poorest work-related decisions you've ever made. What was the decision and why was it ill-advised?
3. Tell me about a time when you kept yourself (or someone else at work) from making a mistake. What was the situation? What did you do and why?
4. Tell me about a time when you had to make a big decision at work. What was it? Walk me through your thinking process and what you did to reach that decision.
5. Tell me about a time when you anticipated a problem before anyone else did. What was the problem and how did you anticipate it? What did you do? What was the outcome?

Planning/Organizing

The following questions are aimed at gathering information about a candidate's planning and organizational skills as they relate to the job for which he or she is being considered.

1. Tell me about a time when you had to pay attention to details. What was the situation? What did you do?
2. Walk me through the process that you used to prepare for a big presentation or meeting.
3. Describe how you plan/organize your day/week. What methods/tools do you use to stay on track?

Motivation and Values

Attitude

The following questions are aimed at gathering information about a candidate's attitudes and values as they relate to the job for which he or she is being considered.

1. Dependability: Tell me about a time you agreed to do something for someone when you weren't sure you'd have the time. What was the situation? Why did you tell him or her that you'd help? What was the result?
 2. Flexibility/openness to change: Tell me about a major change that you had to deal with at work. What was the change and how did you deal with it?
 3. Honesty/integrity/trustworthiness: Tell me about two or three things that have happened to you at work that indicate that others trust you.
 4. Honesty/integrity/trustworthiness: Tell me about a time when you told the truth/delivered a message when you didn't have to but felt you needed to.
 5. Strong work ethic: Tell me about a time when you worked on a big project where you had challenging deadlines and/or limited resources to do the work. What was the project? What was your role in the project? What happened?
-

Excellence/Motivation

The following questions are aimed at gathering information about a candidate's motivation/desire to achieve high standards as it relates to the job for which he or she is being considered.

1. Tell me about a time when you went above and beyond what was expected on the job. What was the situation? How/why did you go the extra mile?
 2. Tell me about two or three things that you've done in the past to indicate that you set high standards for yourself.
 3. No matter how good we are and how well we want to do our job, there are times when we aren't overly motivated to do our best. Tell me about a time when you were not motivated to do your best on a job. What was the situation? Why were you unmotivated? How did you handle the situation?
 4. Think of a skill, a lesson, or a puzzle that is very familiar to you. Please tell me all about it, as if I've never heard of it before.
-

Self-Motivation

The following questions are aimed at gathering information about a candidate's ability to work with minimal supervision.

1. Tell me about two different jobs and/or projects where you worked with minimal supervision. Describe the jobs and/or projects in detail and how/why you had to work with minimal supervision.
2. Tell me about a time when you started something at work that you weren't told to do. What did you start and why? How did people (e.g., your supervisor, peers, subordinates, clients) react to you and to what you did?
3. Tell me about a goal that you set for yourself. What was the goal and why did you set it? How did you go about achieving the goal? What obstacles did you face? Did you achieve the goal? Why/why not? What did you learn about yourself through the process?

Technical Knowledge/Technical Skills

Job Knowledge

The following questions are aimed at gathering information about a candidate's specific job knowledge as it relates to the job for which he or she is being considered.

1. Describe the work experiences you've had that you think are most relevant to this job.
2. Describe the learning experiences (e.g., training, seminars, mentoring, serving on special projects) that you've had inside or outside of work that you think are most relevant to this job.
3. Describe to me the educational experiences you've had that you think are most relevant to this job.
4. What skill or expertise do you feel like you're still missing?

Note: To assess specific knowledge related to computer skills/operations, ask the candidate to demonstrate specific procedures that you want to verify their proficiency on.

Note: To assess specific knowledge related to financial matters, give the candidate a specific financial case study to solve. Ask the candidate to explain/summarize important issues/priorities and to make recommendations.

Source: Brannick Human Resource Connections.

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The logo for Charles Schwab, featuring the word "charles" in a script font and "SCHWAB" in a bold, sans-serif font, both in white on a blue background.

Sample Job Description— Lead Advisor

Below is a sample of a job description for a lead advisor.

Instructions: Copy the content below to a new document. Modify the descriptions so they are aligned with your firm's unique needs.

[Insert firm logo here]

Position Description

Title: Lead Advisor

Reports to: [Title of immediate supervisor]

Benefits: [Yes/No]

Status: [e.g., Full-time; Exempt]

Date: [Month Day, Year of job listing]

Job Summary

Lead advisors are the primary managers of the client relationship and are the most experienced advisors in the firm. The position has the responsibility of managing existing client relationships and formulating and implementing advice, and may rely on technical specialists to develop recommendations within a given area of expertise. Lead advisors are also expected to develop new client relationships and often work with, train, and supervise other staff in client service delivery. (Note that position titles vary among firms; this position is also known as wealth manager, investment advisor, financial advisor, financial planner, and portfolio manager.) [Insert custom language as appropriate.]

Duties and Responsibilities

Lead advisors can expect to focus their work in the following areas:

- Client relationship development and management, including ongoing and regular client contact and communications
- Client service, including planning updates, portfolio changes and reviews, and new opportunity identification
- Client asset management, including coordination of complete financial planning and wealth management (analysis, estate planning, tax strategies for assets under management, and portfolio management)
- Staff supervision, management, development and reviews, including oversight and coaching of client-facing staff as needed
- [Insert other and/or different duties and responsibilities here]

Qualifications

The lead advisor position typically requires the following qualifications:

- Minimum of 3–5 years' experience in investment management and/or financial advisory services with a demonstrated ability to develop and manage plans and manage client relationships
- Bachelor's degree from an accredited college or university; CFP® designation (preferred); MBA (ideal)
- [Insert applicable securities and insurance licensure (e.g., Series 7, 63, 65)]
- Proficiency in Microsoft® Word, Excel, PowerPoint, and Outlook, as well as financial planning and securities balancing software
- Financial planning/wealth management acumen, judgment, and experience
- Excellent communication and listening skills
- Client-first attitude
- A team player, with strong coaching and leadership skills
- Desire/ability to work successfully in a small company environment
- [Insert other and/or different job requirements here]

Salary and Benefits

Pay/benefits are competitive based on industry standards.

- Salary will be based on experience
- [Insert salary range here if needed]
- Bonus [if applicable]
- Benefits include dental, vision, health care, and 401(k) [if applicable]
- Partial and/or full financial support for professional accreditation/continuing education requirements and other education/training opportunities [if applicable]
- [Insert other and/or different salary/benefits here]

[Firm name] is an Equal Opportunity Employer.

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Sample Offer Letter

An offer letter is used to inform a job applicant of your interest in hiring him or her. The tone, content, and level of detail in an offer letter may vary from firm to firm. But overall, the offer letter should contain some basic elements, as illustrated in the following example that shows the key components of an offer letter.

ABC Advisors
logo

[Date]

Sam Smart
123 Main Street
Any Town, CA 92101

Dear Mr. Smart,

Congratulations on your decision to join ABC Advisors.

1 On behalf of ABC Advisors, it is our pleasure to confirm our offer and welcome you to the team. This offer is contingent upon your acceptance of the terms of employment and your fulfillment of our Conditions of Employment. Enclosed in this package please find information regarding the offer of employment, required new-hire paperwork, and important information to help with your orientation.

2 Your position will be an Investment Advisor with ABC Advisors, and you will be accountable for managing relationships with our clients and collaborating with other members of the firm in the formulation and implementation of financial advice. Your anticipated start date is October 29, 2015. Your office will be located at 222 Main Street, Any Town, CA, and you will be reporting to

3 John Smith, President of ABC Advisors.

4 Our offer provides a current annual base salary of \$[XX]. Additionally, you are eligible to participate in the [name of incentive plan], with a target bonus of \$[XX] and a guarantee of \$[XX], dependent upon individual and company performance and/or other criteria as defined in the [name of incentive plan]. Paychecks are distributed on the 15th and the last day of each month. You can expect your first paycheck on November 15, 2015 (assuming a start date of October 29, 2015).

5 We are pleased to offer our employees a valuable benefits package, which includes medical, dental, vision, disability, and life insurance benefits. You are eligible for these benefits as of January 29, 2016.

You are eligible to enroll in the ABC Advisors 401(k) Plan on January 29, 2016. [Include details of the retirement plan.]

6 As of your start date, you will be eligible to receive 80 hours of paid vacation time and 40 hours of paid personal time per year. You will also be eligible for paid time off for company-observed holidays, which include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day.

7 Please note that ABC Advisors is an at-will employer, and either you or ABC Advisors is free to end your employment at any time for any reason, with or without advance warning, notice, investigation, or cause. Further, except for the at-will relationship, the terms and conditions of your employment may be altered at any time for any reason, with or without advance warning, notice, investigation, or cause, at the discretion of the company. This statement of the at-will employment relationship is the entire agreement between you and ABC Advisors as to the duration or continuation of your employment relationship. This statement of at-will employment, including the terms and conditions of your employment as reflected in this letter, supersedes any prior or contemporaneous agreements, representations, understandings, or arrangements, whether written or oral, that may be inconsistent with the at-will nature of the relationship or the terms and conditions of your employment. The at-will relationship cannot be modified or changed without an express written agreement signed by you and the Executive Vice President of Human Resources. Please note that all payments described in this letter are subject to reduction to reflect applicable taxes, withholdings, and authorized deductions.

You have joined a firm that is dedicated to serving our clients, hiring the best people, and helping you make the most of your talents. We're looking forward to working with you.

Sincerely,

[Name]

[Title]

ABC Advisors

7. Add any required **legal language** that your legal advisors recommend you include in your offer letters. The sample language provided is for general informational purposes only and is not intended to provide specific employment, regulatory, or legal advice. Schwab Advisor Services™ makes no representation about the appropriateness of the sample language for any given situation. It is important that you consult your legal advisors on the appropriate language, if any, for your firm.
8. Request that the candidate **indicate acceptance** of the offer by signing the letter and returning it by a specified date.
9. Provide a list of your **conditions of employment**. The sample language provided is for general informational purposes only and is not intended to provide specific employment, regulatory, or legal advice. Schwab Advisor Services makes no representation about the appropriateness of the sample language for any given situation. It is important that you consult your legal advisors on the appropriate language, if any, for your firm.

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