



# What Gen Y Advisors Want

How can advisors continue to attract younger generations to our business? **April-Lynn Levitt** and **Kim Poulin** delve into why senior advisors may have to accommodate more or watch the industry shrink even further

**T**he average practising advisor is around age 55, so this industry should be seen as a slam-dunk opportunity for Generation Y (those ages 18 to 34) to enter. After all this is a group of people who like the idea of entrepreneurship. They also value helping people and making a difference.

So why is it so difficult to attract and retain more Gen Y advisors to our business?

It starts with the wrongly held belief from older advisors about all generations ultimately wanting the same things out of life. Sun Life recently published an article called “Bridging the Gap in Multi-generational Teams,” which provided a much-needed reality check for our industry. It described

Gen Y as a group of individuals “defined by its need to live a work/life balance without sacrificing personal time the way previous generations did. They are technologically well-connected and as a result prefer to communicate via some form of keypad.”

This exemplifies how members of Gen Y are not motivated or driven by the same things as previous generations. This change in motivators has nothing to do with the stereotypical assumptions that Gen Y are entitled and set unrealistic goals. The fact is Gen Y has entered into a different workforce than their parents. This workforce has been one of mainly entry-level and contract positions versus full-time work. There’s also a great deal of career unpredictability.

We did our own research with many of our clients and colleagues who fall in the Gen Y category, and who currently work as associate advisors. Beyond the obvious, here is what our Gen Y survey respondents are looking for in their career and within the industry.

### **Opportunity for growth**

These individuals want to capitalize on their own strengths and abilities to grow their business. They don’t want to experience glass ceilings. Advancement in the profession is important to them.

### **Stability**

Given the economy’s health as they entered the workforce, they have seen a lot of unknowns and unpredictability with job opportunities. They entered the industry to get more control in their career.

### **Mentorship**

They want to continuously learn and grow into their role. They understand the power in having a mentor and learning from past experiences. They know this is an important first step to become a successful advisor.

### **Formalized training**

They went to university, and that requires a certain learning style, so they prefer structured learning. They believe this will help them best service their clients.

### **Open and honest communication**

They want transparency within the business and with their compensation, and they are looking for continuous feedback.

The Gen Y advisors also talked to us about roadblocks they face when working with senior advisors.

### **Resistance to change**

Younger advisors don’t believe senior advisors are capitalizing on their strengths. Doing it the way it’s always been done leads them to feel disengaged with the process. They are looking to try new things to grow the business in different ways.

### **Lack of delegating**

Associate advisors are often unclear about the exact tasks they are responsible for. They are also frustrated with being delegated minimal, non-client-facing tasks because it makes them feel as though they are not in a learning environment.

### **Managing expectations**

They are unclear about the senior advisor’s vision, goals, and objectives. They are not sure what the advisor wants from them and what their own objectives are.

### **Lack of process and structure**

Associate advisors say systems and processes are often lacking in their workplace. There’s also a lack of formal resources in the business to rely on for help (e.g., no operations manual, standard associate advisor agreements, or human resources policies).

Given this feedback, we think advisors need to focus on four strategies to attract and develop Gen Y advisors.

#### **1. Take a team approach**

Gen Y was taught to seek the help and guidance of others. They are looking for regular feedback, training, mentorship, and continuous learning. Although the independence of being an advisor is attractive, advisors should focus on creating a team-oriented culture with more support and career development opportunities. If you have a larger team, it is also worth considering if your brand is reflective of your team. For example, if your company name and corporate identity incorporate only your name it makes it difficult to feel like part of the business. A name that encompasses your entire team will last the entire life of your business for generations to come.

#### **2. Embrace technology**

Gen Y advisors want to know they have the most up-to-date capabilities when it comes to technology so they can focus on what their main goal is — being in front of clients. Technology is a regular part of life for these individuals, and without a strong multi-faceted online presence with access to the latest technology Gen Y associate advisors can feel limited. Millennials’ smartphones are barely ever beyond their reach.

#### **3. Develop systems and processes**

Implementing written, structured processes with input from the associate advisor is key. For instance, you should have a step-by-step process in place for such routine activities as client-review meetings, file preparation, and new client welcomes, just to name a few.

#### **4. Be a mentor**

Set regular meetings with the associate advisor to discuss challenges, goals, objectives, and new ideas. Support their growth and keep an open mind to their ideas. They have a different perspective and it doesn’t hurt to try new things so they feel empowered. Don’t forget to have them participate in your client meetings, and let them manage certain tasks. This is part of mentorship and continuous training. The hands-on approach is imperative. Finally, provide regular feedback (weekly or monthly).

By following these steps and working collaboratively, the senior advisor will ensure a practice that will continue to meet the needs of clients now and in the future. **■**

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