

GUEST ARTICLE: Interview Survival Guidebook For The Modern Wealth Manager

Allan Starkie, May 1, 2017

The wealth management job environment is more competitive than ever before, and the criteria has changed.



A contributor to this news service is Allan R Starkie PhD, a partner at [Knightsbridge Advisors](#). This article is around the theme of an "interview survival handbook for the modern wealth manager, looking at some of the challenges, smart moves and mistake made when selecting investment managers. To see a previous example of his writings, see [here](#) and [here](#). The editors of this news service are delighted to share these insights; they don't necessarily share all views of guest writers and invite readers to respond. Email tom.burroughes@wealthbriefing.com

It seems indisputable that the wealth management industry has gone through some profound, fundamental changes in the last two decades. Perhaps the change that has been the most pivotal, was the almost universal shift from proprietary asset management products to third party managers. This change, significant in itself, also acted as a catalyst for a series of secondary changes that modified the way firms define and market themselves.

If asset management has become somewhat ubiquitous, then the differentiator among the competition is clearly no longer defined primarily by performance. As firms have grappled with how to distinguish themselves, a new set of criteria have been developed and been taken to market. The focus has shifted to articulating the fullness of each firm's "quiver of arrows" in offering the most comprehensive suite of holistic wealth management services available, delivered by a brain-trust of exemplary purveyors of coordinated intellectual capital. With the de-emphasis of proprietary product performance the sales message has changed, and

those that deliver that message have moved from an army of hunters, to a more decentralized sales methodology, in which every client-facing professional has taken on a more significant business development role.

Different criteria

The reason I provide this background, is as a preamble to my premise that this sea-change has precipitated a different set of selection criteria for hiring wealth management professionals, and therefore, a different type of preparation when seeking a new position.

My firm has placed over 1,000 senior wealth management professionals in the last two decades. In the past we would typically interview about three hundred candidates to develop a slate of five qualified candidates, from which the successful candidate would be chosen; typically in under ninety days. These statistics have drastically changed, as the selection criteria have become much more comprehensive, and the selection process much more extended. It is not unusual to identify and contact over one thousand candidates to make a single placement for a senior professional. The purpose of this article is to explain why this change has occurred, and to make suggestions regarding how one should prepare for an interview in this new world order.

Let us start with the most obvious example: the clearest role change precipitated by the advent of open architecture has been to portfolio managers. In the early nineties when preparing a PM for a job interview, one might review his/her investment philosophy, determine if they took a top-down, or bottoms-up approach to stock selection. Were they GARP or Value biased, and what performance numbers could they share.

Today, these questions are almost irrelevant, and the role has changed from that of a Savile Row bespoke tailor, to one of a Bloomingdale's personal shopper. Asset allocation proficiency, and the ability to articulate the criteria for manager selection, and relative performance have taken the forefront. What we find, is that in most cases, a large portion of each PM job interview is centered around sales: not simply growth of the portfolio, but self-generated, outside-sourced new business.

The PM workforce has become one of the major generators of new business, and the ability and eagerness of a candidate to perform in this role is of immense importance during the interview process; while a desire to flex one's CFA muscles, and show a passion for individual stock selection will often eliminate a candidate, on the grounds that he/she will be disappointed at the inability to exercise that skill.

When you look at the combined skill-sets associated with a successful asset manager in today's world of open architecture, combined with the scarcity of natural sales DNA, you can see some of the reasons for the large increase in the candidate pool required to satisfy a modern PM search.

Then one must examine some of the side-effects of this combined requirement for sales and service. Interview criteria that would never have applied to a traditional PM of the past, often sequestered far from the eyes of inquisitive and judgmental clients, now pertain to the outwardly-facing PM, and the unforgiving eye of sales management will look upon these candidates with

criteria once reserved for the flamboyant hunters of the past. And in an environment focused on comprehensive, coordinated service delivery, EQ, empathy and team-oriented behavior have become highly emphasized.

Let us extrapolate on this example and offer some guidance on how to navigate through the interview process in this changed landscape.

Some things never change

Punctuality, charm and good manners, are not subject to paradigm changes, and should be exercised. Lateness to an interview, even by a couple of minutes will either eliminate you directly, or taint the atmosphere of the interview enormously. With modern communication methods there is no excuse not to notify the firm if you might be running late. Good manners include: thanking the person for meeting with you verbally, and then sending a written thank you note. As the mail laboriously moves your missive to its ultimate destination, you should bridge the time-gap by sending an email thank you note. Use that communication to clear up any possible misunderstandings you might have left behind, or to add, modify or embellish upon any answers you might have given, that in retrospect feel incomplete. End the interview and the thank you note by stating your interest in the role, and asking what the next steps might be. Candidates are often eliminated for forgetting that simple step.

Prepare for the interview

By this I mean really prepare for the interview. It is not enough anymore, to simply read the job description. We were content with that in the past because social media did not exist in the nineties. Naturally, you should begin by studying the website of the company, their ADV, and the biographies of anyone you are going to meet. Look them up on LinkedIn, and if they have open profiles look at their Facebook page. Google them, and read any articles they might have authored, or interviews they have given. Try to find people you both have in common, and if possible ask those people for their insights. In the event that you have a close contact within the firm, have that person recommend you to the person interviewing you, the day before the interview (earlier and he/she will probably forget).

Dress properly and leave the Starbucks cup behind

When I am preparing male candidates to meet with a particular old school trust company, I will often ask them if they intend on wearing cufflinks. If so, I will ask them to scan the cufflinks or take a picture of them and email them to me. We have watched that particular client eliminate candidates who wore large or ornate cufflinks. This seems extreme, but it is symptomatic of their elegant and understated style. And since EVERYONE in today's world is at least a partial sales person, it is imperative that they dress for the interview in a manner consistent with the culture of the firm and its client-base.

One should always bring a pen and pad to take notes, and make a point of doing so, and they should be carried in an elegant bag that does not say Duane Reade on it. Other than that, do not bring anything else into the room. It is not a coffee clutch or social hour, so leave your coffee cup outside. My personal recommendation is to decline any offers of beverages they might make you- it is simply a distraction, and offers the real possibility of spilling the contents on their mahogany conference table.

There will be a split second as you enter that room, in which the interviewer will have a visceral reaction to your presence and gestalt. That first impression will lead the interviewer to determine, in a flash, if you have “gravitas”. This is the new buzz word of the new order and no one actually knows what it means. All we can surmise is that if you do not have it, you will not be meeting anyone else in the firm next week. The clothes, posture and the self-confidence (real or feigned) that you wear as you enter that room, are among the most important things you will present that day. Enter the room with good posture, a smile, and a warm handshake. If you have perspiration issues, surreptitiously wipe your hand on a handkerchief (not the elegant pocket square you have in your breast pocket, but the utilitarian white one in your trouser pocket), prior to entering the room. A clammy cold handshake will do little to advance your cause. And the one thing you do not wish to leave behind, as you finally exit that room, is the clinging and resilient smell of strong cologne or perfume.

Behavior in the interview

The interviewer is probably not a licensed therapist, and not the best person to use as the sounding board for whatever discontent or misery you might be experiencing at your current firm. Negativity and disparagement of your current employer might be the single, non-skill-set-oriented reason for failure in an interview. In an elegant manner one can generally list reasons for the potential move that have more to do with the platform and cultural advantages of the new firm, than directly criticizing deficiencies in one’s current institution.

Many candidates can clearly state why they want to change jobs, but cannot adequately explain why they are attracted to the new firm. This is critical. A large fear among hiring managers is the risk of hiring a potential job hopper who is constantly dissatisfied with his/her employer. It is important to develop a clear and logical set of reasons that have led you to regard this new firm as the place in which you plan on spending the rest of your career. If you are looking at it as a safe haven until some personal storm has receded, my suggestion is to go back to your own office and stop interviewing.

Body language is extremely important, especially to experienced interviewers. Sit up with good posture and try not to rock back and forth, tilt your head to one side, fold your arms over your chest, or stamp your feet. Maintain strong eye-contact. If you are being interviewed by two people simultaneously (an unfortunate occurrence, but not an uncommon one), alternate eye contact between the two people equally, even if one of them does most of the talking. Smile as often as possible without looking phony, and be animated in your gestures, but not robotic.

Without being overly forward it is important to try to “connect” with the interviewer. The preparation I recommended should aid you in finding an initial talking point to break the ice. If you do connect, maintain your guard and do not become overly friendly or relaxed. One client is so charming and proficient at getting candidates to open up to her, that on one occasion a fellow felt that what the interview really needed was a good old-fashioned dirty joke. He was mistaken.

James Joyce was an expert at stream of consciousness- you do not need to compete with him. Naturally the interviewer will have an agenda and list of questions, but you need to have your own. Be prepared to explain your background and skills, in a manner that addresses each requirement of the job description. Regard each category as requiring a bucket of information

that you are highly prepared to share. If the interviewer gets side-tracked and misses any of these buckets, politely provide that information yourself. Very often an interview will seem cordial and even fun, but time will run out and the seminal issue of your qualification for each component of the job will not have been adequately addressed.

You want to appear likeable. Our clients have a number of euphemisms for this, such as “we ask ourselves if after work today we would like to have a beer with this person”, or “would we want this person in our canoe”. Do not appear so rigid, overly serious, or sanctimoniously “professional” that you neglect showing the interviewer that you have a personality and a sense of humor. But it must be authentic. One of our clients renowned for their world class sales environment shared with us: “when a real sales person tells an anecdote, they draw you into the story and you are eager to hear how it ends. It is done joyfully not because they feel obligated to tell a story”.

Finally, it is important to moderate your conversation. Speak in extended sound-bites not in diatribes. The conversation must remain interactive, and you must have a detailed list of pertinent questions to ask the interviewer. Listening skills are very important, while insuring that you never interrupt the interviewer, or use the time in which his/her mouth is moving to prepare your next sentence or ponder what you will tweet your followers when you leave the room.

Sales

“I don’t mind doing sales”; “Sales is, after all, not rocket science”; “I am not sure that I would be good at it”, “it’s not my thing”. These are quotes extracted from actual interviews of client-facing professionals, in roles with a clear secondary sales requirement. During the Cold War the translation of these phrases would be: “I am a communist party member dedicated to the overthrow of the American way of life”.

Look, sales is not for everyone; but it is an ever-growing requirement for most client-facing jobs in wealth management, to include: middle management (player/coach roles), portfolio management, trust administration, relationship management/private banking, and sometimes even CEO roles. If “it is not your thing” then perhaps you need to rethink what roles do work for you- or whether you can try to make it your thing, by overcoming whatever fear keeps you from doing it. Often the Meyers-Briggs test identifies some of the best sales professionals with whom we work as introverts- but they manage to act differently in a sales situation.

They are able to role-play out of their natural comfort zone. If you truly wish to completely avoid sales, in today’s environment, you might consider limiting future roles to that of either compliance officer, or ATM Machine.

For those for whom the word sales is not anathema, I suggest preparing a very detailed summary of your sales success. This should be divided into self-sourced and referred categories. The self-sourced portion should be cross-referenced with the list of Centers of Influence that you used to source the clients. You should also be able to speak about the average client-size, and any demographic or niche categories in which you are most successful. The more detailed the description you are able to present in the very early portion of the process, the more you will gain the attention of the interviewers. I will not speak in detail now about portable assets, as that

is a whole other story, but suffice it to say that the same level of detail in describing a book of business is an important thing to bring with you.

In conclusion, I want to simply restate that the wealth management job environment is more competitive than ever before, and the criteria has changed. One can conduct business as normal and become one of the casualties in the growing body count of rejected candidates; or one can retool or “disrupt” (a nasty but contemporary word) oneself to fit the new order. Sales acumen, team-oriented behavior, increasing demand for credentials (CFP especially), and the expectancy of a personal network of COI’s are all part of the new requirements. Combine that with the advice we have provided, and you will eliminate many of the pitfalls that cost qualified candidates some promising opportunities.