

# The COO Roundtable with Matt Sonnen

## Episode 61 – Featuring Janelle Anderson & David Lehman

[00:00:04] **Luke Sonnen:** Hi, I'm Luke Sonnen. Welcome to *The COO Roundtable*, powered by Coldstream Wealth Management. Here's your host, Matt Sonnen.

[00:00:15] **Matt Sonnen:** Welcome, everyone, to episode 61. We have two more fantastic guests today that have a lot of valuable insights to share with our listeners, so let's just jump right into it. Joining us from Grand Wealth Management is Janelle Anderson. Janelle is the Operations Manager and Chief Compliance Officer for the firm, which is located in Grand Rapids, Michigan. We've had several guests over the past few months that have come from a DFA study group that I was lucky enough to speak to last year, and Janelle was one of the participants that day, and she's dealing with many of the same issues that all of our listeners are, so I knew that she would be a fantastic guest.

Janelle, welcome to *The COO Roundtable*.

[00:00:56] **Janelle Anderson:** Thanks, Matt. Thanks for having me. I'm excited to get started with our conversation today.

[00:01:03] **Matt:** Joining Janelle is David Lehman from Wealthbridge Advisors in Lake Oswego, Oregon. It's just outside of Portland. Wealthbridge is affiliated with Ameriprise Financial, so a little different than our standard guests, but again, you're going to hear very shortly that David is solving many of the same problems that standalone RIAs are struggling with. David is the Chief Operating Officer and a Financial Advisor, which I always find interesting, so we're going to talk about that in just a bit. I met David through the COO Society. He's been a valued member of our group and has always had a lot of knowledge to share with our other members, so I was excited to have him on to share his expertise with all of you.

Welcome to the podcast, David.

[00:01:45] **David Lehman:** Thanks, Matt. Great to be here.

[00:01:47] **Matt:** Janelle, I'm going to let you kick things off. Why don't you tell us a little bit about Grand Wealth Management?

**[00:01:52] Janelle:** Yes, I'd love to. Grand Wealth is located in Grand Rapids, Michigan, hence the name, so west side of Michigan. We have about \$600 million in AUM with 13 employees. That consists of about six advisory personnel, six operations, and we're really proud of our current resident who joined us about a year ago. The person in that role this past year spent some time in operations as part of the first year of the program, and this year they're transitioning into greater advisory responsibility. We've had that resident float between operations and advisory, and we're very excited about the success we're seeing with that individual.

The firm was founded in 2004 by our Managing Principal, Jeff Williams. Jeff had a very successful, almost 20-year career at Ernst & Young, so being an accountant is in his blood. There he served as the Director of Personal Financial Counseling Services for Ernst & Young's West Michigan practice, and he was also the Director of Investment Advisory Services for the Lake Michigan area, which included Chicago. Ultimately, Jeff decided to establish a firm locally here to execute some of the same work he was involved with currently, and then the goal was just to continue helping people make intentional and sustainable decisions about their money, which is what got us here today.

Our ideal clients for Grand Wealth consist of business owners, dedicated professionals, retirees, and families with generational wealth has really been a niche of ours. Our minimum for wealth management clients is at that \$2 million mark of investable assets, with most of our wealth management clients ranging from \$3 million to \$10 million in AUM. I'd say at this point, all of our growth has been organic, and I don't see that changing in the near future. We weren't established to be the biggest or fastest-growing firm through acquisitions and so forth. We just really set out with believing in helping clients accomplish more for themselves, their families, their communities, and when we're successful at that, we get the next referral, and we're able to help the next person with those same initiatives. It's a little bit about our history.

**[00:04:20] Matt:** David, tell us about Wealthbridge Advisors and how you fit into the Ameriprise ecosystem.

**[00:04:26] David:** Yes, absolutely. Ameriprise has a couple of different channels that they work advisors through. They've got their employee channel, and then they've got their franchise model. Wealthbridge is one of the franchises of Ameriprise Financial. We're a private wealth advisory practice. The firm started in 2000 by Josh Gregory and Dale Donaldson. They're the founding partners, still with the practice today. They teamed up right as this franchise model was coming into existence. They were a team before that was really a big thing at Ameriprise. They started working together, figured, well, half of nothing is still nothing, but two heads are better than one, and have grown with that team mentality all throughout the way.

It's been over 90% organic growth. There have been a few smaller purchases along the way until 2017. 2017, they paired up with Joe Williams, who's the third partner of the practice. Joe brought with him a real proficiency in investment management. Josh and Dale, at their core, experts on the planning side. We're okay at the investments. Joe joined and now serves as our CIO. Today, there's 18 of us who serve about 1,200 households. We manage about \$760 million in AUM. We work mostly with individuals, small businesses, and really just create and maintain generational wealth.

**[00:06:03] Matt:** David, I believe you've been with Ameriprise your entire career. Tell us how you've navigated being a Financial Advisor. I also, I think you were a Sales Manager for a while, to now where you are today, taking on that COO role.

**[00:06:17] David:** I started with Ameriprise pretty much right out of college in 2012. I joined as an advisor initially and worked with a lot of different clients that were managed at a firm level. After about five years of being an advisor, I was asked to move into more of a leadership role. I went on to their advisor business development group as a Regional Sales Manager. In that role, I was charged with helping other advisors grow and manage their practices, try and get better client acquisition, as well as just provide a better overall client experience. After doing that for a couple of years, one of the things that I noticed is that it was a little bit too far removed from the impact that you're making as an advisor. Frankly, that's why I got into the business in the first place. I didn't get to see that direct impact.

I decided to throw my hat in the ring. At that point, I was in Minnesota, and it was a good time in my life where I was single, no kids. If I was going to make the move, that was the time. Love the Pacific Northwest. I threw my hat in the ring at a few different practices out here. I was fortunate just because of my position and who I worked with to have some pretty big higher ups that were passing my resume out to practices. Initially, when I first said, yes, go ahead and spread my resume out there, I had about 37 emails from practices that were looking to pull me on. It was a very long and drawn-out process. It took about a year of sorting through and figuring out where I wanted to start that chapter of my career. That's where I met with Wealthbridge Advisors and got to know the team and just really fell in love. I made the leap in 2019. I came on initially as an advisor. It was only about seven or eight months after that they decided, well, you've got a certain skill set that we like for this Chief Operating Officer role. Moved into that role actually right in the middle of 2020. From there, have just been continuing to work on that side of the business.

**[00:08:53] Matt:** Janelle, you've been with Grand Wealth for over a decade. You've witnessed a ton of growth at the firm and have held different positions. Tell us about your career path to where you are now.

**[00:09:03] Janelle:** Yes, happy to. I have to correct myself sometimes and thinking, gosh, I'm coming up on 13 years. Where the time has gone, I don't know. Time well

spent for sure. I graduated from Grand Valley State University locally here in West Michigan with a bachelor's in finance. Coming out of college at that time, really the options with a finance degree were to head into banking or to embark on the journey at a broker-dealer type environment. I knew banking wasn't for me. After many interviews and even a couple offers, it just it wasn't settling. Started down the path at a broker-dealer here in West Michigan. It was pretty quick for me to realize that a commission-based opportunity, while selling product, was not a good fit for me and my personality.

I took an opportunity at that time then to pivot and take on a Marketing Coordinator role with the same firm, which was brand new to the organization, which was a nationwide organization. That took me in to a deep dive of learning compliance, which I didn't realize at the time, compliance and marketing were tied so closely, but very eye-opening, very educational. Still after a few years, I knew it wasn't the right fit for me long-term. I had always desired to be a teacher at heart and decided to go back and earn my mathematics bachelor's. In order to accomplish that, I had to go part-time. I started looking at what opportunities might be available part-time, and that's what led me to Grand Wealth.

I told the recruiter, I said, I have to be honest with them and just let them know what my career ambitions are. I did that, they still hired me, and I took on a portfolio and accounting and reporting role at Grand Wealth at that time, part-time, which also included the responsibility of fee processing. Joining Grand Wealth was incredibly eye-opening. I was no longer on the phone trying to get clients to meet with me who didn't know me. I really was able to engage and interact and build relationships with folks who I just resonated with. I saw our advisors doing really incredible work in-depth planning for clients who really had financial situations that benefited from this work. It opened my eyes to what an RIA environment was. I realized that was the right fit for me, and my skillset and my personality.

Needless to say, I never left Grand Wealth after that. I decided to stay, and from there, I've grown in my role, which, as I said, started out in portfolio accounting and reporting and fee processing. That grew into compliance. Then in 2019, I bought in as a partial owner. Today, I currently sit in that CCO seat. I also have the responsibility of Operations Manager. For us, that includes the HR, obviously compliance, technology, client service, and a bit of fees, and finance. Finance is still very tightly related. All the back-office stuff, I really am able to be involved with on a daily basis.

**[00:12:33] Matt:** Our listeners hear me say all the time that your job description is basically do everything around here that isn't getting done. On that note, actually, I always love speaking with guests who have multiple roles. Janelle, you mentioned in addition to the Operations Manager role, you're the named Chief Compliance Officer. The question is, how do you tackle your to-do list every morning, having so many responsibilities at the firm?

**[00:12:58] Janelle:** Yes, this is such a good question. When you ask it here, I want to think back to to-dos and how I start my day. If I think about a big picture, it's not about the to-do list. It's really about the people. It's learning how to delegate, train, and communicate. Those are the key areas, I would say, that allow me to tackle the biggest priorities of the day and everything that's on the to-do list. I will share that one piece of advice I got when I started out in an Operations Manager role was that you don't have to know everything about everything. It was such a simple statement, but when you step into operations and you're surrounded by so many incredibly brilliant, diligent professionals, it's very easy to say or think that you need to have a designation or a certification in every area. What do I need for HR? What do I need for compliance?

Thank goodness when it came to the delegating piece of this in order to accomplish every day, I worked really closely with our leadership team, which I'm a part of now, and our managing principal. What I learned quickly was it was a matter of identifying what people, what positions, and or what vendors are key to your current point of growth. For me, that gave me permission to step back and say, okay, I don't need to be an expert in all of these areas. I need to know enough to go dig in, find solutions and push initiatives forward. It's absolutely imperative to rely on the expertise around you and the vendors that are out there and very ready to help you. That was one really key piece of advice that allows me to tackle my day-to-day.

The other one I had mentioned was learning to delegate, which does not normally come naturally for type-A folks who are in charge and tasked with running a firm, and managing, leading, all the above. Taking time to do that was really key as of late. We hired recently an office administrator/executive assistant, who really, she's incredible, I will say, but she was able to step in and really wrap her arms around all of the day-to-day priorities that I just couldn't personally prioritize on my to-do list. Learning to delegate is really key, and I think it's beneficial to err on the side of let someone run with things and pull back where needed. Fortunately, with the diligent work we did to really list out what does this job description need to entail, it was very helpful. We were able to pull back on some of the vendor responsibilities that we had currently been paying for, whether it was through retainers or service fees, and we were ready to bring a little bit more in-house. That's an ebb and flow, depending on your point of growth. Learning to delegate and delegating to the right people in the right positions has really been key.

I think the last piece of, for me, tackling the to-do list is really around spending time to educate your team. For me, this is twofold. When you take time to educate your team, you're building their confidence and competence so they can execute without the constant hand-holding, without the constant oversight, and they feel more successful. Not to say in a management role that you don't have to come back and make sure processes are being executed properly, but taking time to properly educate and instill that confidence and competence gives me more time and fewer to-dos on my to-do list, ultimately. Really, it allows me as a manager, someone who's part of our leadership

team, to then focus on the next project, to get into that deep thinking and have time to do that, which has really, really been a game changer.

Those are a few of the areas that I think are key areas of focus outside of just how we organize our to-do list from beginning of the day to end of the day.

**[00:17:06] Matt:** I love what you said about not having to be an expert in all areas. You do need to know enough to question the vendors and make sure they're doing what they're promising. You want to keep an eye on them, but you don't need to be the subject matter expert on the areas that you have chosen to outsource to vendors. I think that's fantastic advice. I love it.

**[00:17:26] Janelle:** Yes, absolutely. I will say, too, that one thing I've really learned to feed off of that is that you have to know enough to gather the right information, to process the data and move initiatives forward. When you can do that, you identify the right people to rely on in the right area of expertise.

**[00:17:45] Matt:** Great. David, as we mentioned, in addition to your COO title, you're also a Financial Advisor. I think you have about 60-client relationships that you're in charge with. Obviously you're very busy. How do you approach productivity and ensure that you're getting the most important tasks done each day?

**[00:18:02] David:** Yes, thanks, Matt. You talk all the time about how our role is about wearing a number of different hats. Why not throw a financial advisor hat in the mix there? No, honestly, you were talking about how being part of Ameriprise means that it's a little bit of a different challenges than what some of your other guests and listeners are experiencing. One of the things that's off of my table though is tech stack. I don't really have any choice on tech stack. A lot of that is done at the Ameriprise level. If not needing to look at how all of your systems are communicating with each other, and how reporting is going to get done, how billing is going to get done, it does free me up a little bit to be working directly with clients as well.

I think that that's also a really important part of the job, simply because when you're making the decisions that are going to impact what the client experience is, I think being an advisor helps you actually visualize and see what some of the implications of the decisions are. I'll agree with you now. I think a lot of it comes down to trust in your team and delegating.

In addition to that, so I was at a conference a couple of years ago, and there was a keynote speaker. She was a doctor, I think from Berkeley. I apologize, I don't remember what her name was, but she studied burnout. I remember one of the things that she said is, this isn't third grade where you have to finish your assignment before going to recess. You will never have an empty task list again for the rest of your life. Of course that sticks with me and resonates well because, yes, no, I've never gotten through my task list in a day.



One of the suggestions that she made that I really took to heart, she said make a list of the top three most important things to get done for the day, and give yourself grace on the stuff that doesn't make it to that list. Also, if you finish two out of three, it's still a sense of accomplishment. I think that that's part of it, is really prioritizing what are the biggest rocks to be moving today.

I'm a huge proponent of calendar blocking. That's an easy thing to say and a hard thing to follow through on for a lot of people. One of the things that I always talk to my team about is, if you wouldn't reschedule a client meeting for whatever pops up that might derail you from doing that task during that time, don't reschedule your time, because your time needs to be at least as important as a client's. It helps to really prioritize what you're doing with each part of your day. I think that's a helpful way to make sure that you're moving those biggest rocks anyway.

**[00:21:05] Matt:** Yes, what you're saying reminds me of a quote from James Clear, who wrote *Atomic Habits*. He said, which I loved, I have this written on a little post-it on my desk. You don't have to create a masterpiece every single day, but you do have to get paint on the canvas. Like you said, you're getting two of three of your top priorities done, should most of us type-A personalities, oh, God, I failed, I didn't get all three done today. You got paint on the canvas, and it's important to keep yourself motivated and understand you're moving in the right direction. I like that.

**[00:21:40] David:** Yes, absolutely. Another thing, too, is during the time that isn't blocked, I think prioritizing time for the team or for the client is always going to take precedent over whatever else you're working on. If team member needs some help with something or wants some additional coaching, even just has a grievance to make, taking that time to really be present in the moment for them has to take priority over that next step of segmentation that you're working on or whatever.

**[00:22:13] Matt:** Yes. Let me ask you, so Dan Sievert of Echelon Partners, I'm sure most of our listeners know who Dan is, he has a phrase that applies to firms that are your size. He says that firms in that \$500 million to roughly \$700 million of AUM range, they're in what he calls the valley of doom. The last place I heard about this concept was actually on Michael Kitsis' podcast. He had Carolyn Armitage on, I love Carolyn, and she used to work at Echelon, and when she was speaking to Michael, she described the valley of doom like this. She said, at that size, RIAs have to invest so much time and effort and people and technology to get from the half billion dollar mark to the billion dollar mark. It takes a great deal of resources, their margins drop like a stone in a lake, and it's just no fun anymore. That's how she described it.

David, I'll go to you first. You're just on the upper end of this range, you're sort of emerging out of this valley of doom, but have you seen this pressure with your firm, and how have you addressed it?

**[00:23:16] David:** If there's a time that it's no fun anymore, I haven't seen that yet. Yes, there's been a tightening of margins. It does feel like investments sometimes don't scale as well as they once may have. One thing for our team specifically, we made a move in 2022 in the first quarter. We made a practice purchase, of course based on December 31st, 2021 valuation, but did that right in the beginning of 2022, right before the downturn. It took on a great deal more from a workload, onboarded four new people, opened satellite offices. With the downturn, it also added quite a bit to fixed costs. Yes, I'd say there were times that it hurt, for sure. At the end of the day, I think it's really just margins that are tightening. You're still pressing your way through.

Matt, have you read the book, *Unreasonable Hospitality*?

**[00:24:26] Matt:** I know of it. I have not read it yet, but that's come up quite a few times. I do know it.

**[00:24:31] David:** I love the book. Highly recommend it. One of the things that Will shares in his book there is the 95-5 rule. He says, manage 95% of your business down to the penny and spend the last 5% foolishly. I think it's really important to be hyper-focused on where to invest that 5%. Part of it is really putting your money where your mouth is. Where you spend that 5% has to be consistent with what your goals are for the year. I'll say that that's hard with tighter margins. It's hard to actually do that. We mess up a lot. Ask the question, oh, should we really be spending that kind of money on marketing right now? If client acquisition is the top goal, then yes, you need to be spending money on client acquisition and marketing. Absolutely. I think having that conversation on, yes, these are the top priorities, and aligning it with your wallet is really an important part of that.

As for breaking through, which I guess I don't feel like we've broken through that yet, but at the same time, I'm banking on that the recipe is just trudge on. At some point, it gets easier. If there is some type of magic bullet out there, I don't know what it is.

**[00:26:01] Janelle:** Janelle, we're going to talk about all the reasons employees are happy at Grand Wealth Management. In relation to this question, have you all felt the effects of this 'valley of doom'?

**[00:26:13] Janelle:** Absolutely. I will say the term valley of doom makes me cringe just a tad as a member of our leadership team and someone who's really passionate about rallying the troops. I will say absolutely. I've heard of it phrased too in a headcount capacity. I'm getting to that. I don't know, when you're in the 10 to 12, 10 to 13 range for headcounts, it usually aligns with the \$500 million to \$600 million in AUM for many firms that we benchmark with. Absolutely.

I would say that going to my point earlier, we're a firm that really leans into building infrastructure. We are on track to be solid for the billion-dollar firm we're looking to become in the future. We're comfortable accepting lower margins in order to achieve



that. We have always had a trend of hiring ahead. That's something we're very comfortable with going forward. That will continue to be the case. I think it's a mindset of saying this is a period of a lot of change. In a role of Operations Manager, COO, if you can really openly listen to your people and be able to explain the why, a lot of times that stress, pressure, lack of enjoyment can be dealt with.

Sitting by people side by side to find solutions, that's also eased stress when we're feeling overloaded. At this point in growth, so many people are wearing so many different hats. It's not just the managers or the leaders. People are constantly asking to take on new responsibilities, offload responsibilities, train each other. There has to be a reward, a benefit at the end of it.

When you can get through the tough periods, recognizing that these tough moments are temporary, and you can come out of it and see the wins, even if they're little, even if it's a matter of saying, gosh, last quarter felt really stressful in the first two weeks, but this quarter doesn't feel so bad and here's what we accomplished. You have to be able to look back and recognize the wins and the benefit from going through those moments. Do we feel it 100%? I think we've found great avenues to discuss, address, and communicate when it comes to moments where we're feeling the pinch. It just comes down to, at the end of the day, good communication as well.

**[00:28:55] Matt:** You brought up headcount. David, as you've grown the team where you are today, how have you approached the hiring process? It's tough to know not only when to hire, but where to hire. Should that next employee be in business development, or should they be in client service, or should they be in the back office to help support the growth that's coming into the firm? David, how have you made those decisions?

**[00:29:20] David:** Great question. when I came on in 2019, I was the ninth person on the team. Then from 2019 to where we are today at 18, our team has doubled in size. I'll be perfectly honest with you, Matt. I think it's largely been reactive in the past. We fill in the holes when there's a department that's over capacity. I'm not saying that that's the right way to be going about it. We do, every year, look at our three-year business plan and say, okay, well, who do we need to add to the team to accomplish this? That helps to prioritize really where the hiring happens and how it's in line with the vision.

The one thing that we have been really uniquely benefited with is our internship program that we operate with. We have a strong connection with one of the schools near Portland who has a financial planning major. This major is great. We're very well in tune with the program. We know where that learning stops and where we need to pick up from it. I can't say enough good things about the people that we've hired from this particular school. We've gotten really fortunate. Every year that we brought on an intern from there, we've ended up making a full-time hire the year later.

That's been really helpful, especially because they just have the right type of commitment to values, the right type of work ethic. I feel like when we look at hiring and who we're going to hire on, we're always taking the best athlete approach. What you're hiring into as a position is hopefully not going to be the end of their career path. Hiring on somebody with a diverse set of skill sets and just a motivation to achieve, I feel like is the right way to go because they can move around, they can jump from department to department and still be progressing their career. That's the approach that we've taken. Like I said, largely it's been reactive to where we initially hire into, but we are looking long-term and know what roles we'll need to add in order to accomplish the vision that we've set out to.

**[00:31:50] David:** Yes, I think that's great advice. Janelle, what about you? How have you tackled the hiring needs at Grand Wealth?

**[00:31:57] Janelle:** Yes, we looked quite closely at the greatest needs of the firm along with current revenue, benchmarking, key KPIs. There really isn't just one metric, I would say, that's in place. It's a constant conversation, primarily among our leadership team, but we're always trying to pull in feedback from our team members. I would say most recently we had a great opportunity. I say great opportunity. We unfortunately lost a part-time person who had to make a personal decision to allow more time with her three young children at home. She left the firm. As an example, this was an opportunity for us to not just go find a replacement, but we took that as an opportunity to say, okay, here's the role, here are the responsibilities. Let's look at the projected growth that we're tracking for, and let's look at the other areas of need in different departments.

Outside of the portfolio accounting, reporting, and fee processing that she was doing, what else was a good fit? Who else was feeling the pinch? We were able to really identify a very long list of responsibilities that had a lot of close ties and integrations with software, with departments. We ended up with a portfolio administrator role that just made a ton of sense. From there, we decided we were actually going to conduct a search for this full-time portfolio administrator role, not the portfolio accounting and reporting role that had been part-time. We set out on that path, and we really feel that this is going to be a role that is going to provide some structure and creative thinking and efficiency from the portfolio reporting and accounting perspective, but then also the needed stability and consistency within the trading and investment management area.

We're really excited about that. At the same time, while we took time to take on and absorb the work that our part-time person had been doing, we also made it an initiative and a focus to reevaluate our processes and really say, okay, this process has been in place for the past five years, or maybe longer. Does it still make sense? Is there a better way to do this? Are there new reports coming out of our custodians that are valuable and could provide efficiency to the process? It was really interesting for us to, from a leadership perspective, take a look at all the benchmarking tools that we use, take a

look at growth and revenue, and then say, here's what the role was. What does it need to be as we grow? Who are we searching for?

Right now we're in a great place with some awesome people that we've had the chance to talk to and interview, which is really solidifying the work that was done. Maybe it was a little painful absorbing some of a role where we didn't feel like maybe there was the capacity, but going forward, we truly do see that we'll be in a great place with the role that we're looking to fill. For us, hiring really is full circle, taking on all those areas of focus.

**[00:35:29] Matt:** Let me ask this. Once you have the employees in the door, let's now talk about how to keep them engaged. I think our industry with its client-first mentality, we sometimes, maybe not intentionally, but we sometimes neglect our employees. David mentioned earlier the need to be there for your employees when they need you. Janelle, I know you've incorporated some interesting strategies to ensure your employees are motivated and feel appreciated. Talk to us a little bit about that.

**[00:35:55] Janelle:** Yes, I would say the big key thing for me personally to keep in mind is this is not a first day, a first week, a first month to do what you can accomplish. It takes time. You need to have a motivated team existing who feels appreciated in order to pass it on to the next hire. With that being said, for us, we really place emphasis on everyone needing to see the value in not just their role, but each other's role, and understanding how each role and its responsibilities impacts the client in the firm. I think when you're on the back end of things or you're in operations, it's very easy to feel that you might be pushing paper or you might just be entering data, but to allow someone to participate in a meeting, to put the bow on a project, really increases that feeling of value and appreciation and motivation to go maybe take that process further the next time it comes through their desk. Creating value in every role that can be seen at the firm level and in deliverables or in the work we do with clients is really key.

I mentioned just a minute ago, we focus on culture and our current team and how they feel in terms of motivation and appreciation. That's been a huge focus of ours the past couple of years. You really do need to get to know your team and to help them feel connected. For folks like us in our group who might be very comfortable heads down in spreadsheets, in planning software, it can be tough to take a step back and really say, okay, let's do a team activity. Let's spend some time together. We currently have a monthly team huddle, which I would like to think our team really looks forward to coming to. When we started this, it was more so, oh, more updates, do we really need to come to the meeting. We've been able to make those updates so meaningful that people very rarely miss this meeting. They come asking to put their own items on the agenda. They ask questions, which is wonderful. They're all contributing.

Our managing principal can provide a key firm update and anyone can jump into the questions, and they do that, which is great. It also creates time for us, and we're very

intentional about this. It creates time for us to just spend time together as a team. We're not talking about a project for the firm, for a client, we're really just getting to know each other. The impact of that has been so great. As of late, I was recently told how much one of our new hires values those team interactions, and how it impacts him on just a daily basis working. When he has a question for a CSA who might be working remote that day, he had mentioned the feedback I got from this person. He had mentioned that before he was hesitant, wasn't so sure if he wanted to pick up the phone, call the CSA, he goes, "Now I just feel closer to them. I can pick up the phone anytime and call them." Those little moments of increased productivity are exponential over time. You don't sit there and wonder or stew on something or delay pushing a project over the finish line. You're a lot quicker just to get the details that you need, get the questions answered and move forward.

Again, that moving forward and feeling accomplished motivates a team. Everyone wants to feel like the work that they're doing has meaning. Those team meetings and just team bonding have really been key for us. It's, I would say, created a stronger sense of team and better communication channels. The monthly huddle is something that will most definitely continue as we move forward here.

I would also say motivation looks different to different people. We have embraced allowing our benefits to provide flexibility so they resonate with various team members. You have folks who are young and fresh out of college, and maybe single. A parental leave isn't going to resonate with them as much as maybe PTO does to take vacations. Looking at the scope of the people that you value day-to-day who come into the office and tackle projects with you, thinking to yourself, what do they value at home when they leave here? What resonates with them from a benefit perspective? It's really amazing to see people go off on a parental leave, come back refreshed, and saying how loyal they feel to your firm because they had that precious time at home.

People are still individuals. You have firm goals, you have firm initiatives, but at the end of the day, we all do have a life outside of the work that we do at the office. Making sure that we see people for who they are and we embrace providing them flexibility where it best fits has really been a key factor for our team.

**[00:41:12] Matt:** To your earlier point, I've definitely witnessed this in my career, so I couldn't agree with you more. The closeness of the team equates to speed of the organization.

**[00:41:21] Janelle:** Absolutely.

**[00:41:22] Matt:** Yes, I love that. Yes. David, I know you've spent a lot of time focused on culture. Tell us how you've approached that.

**[00:41:31] David:** Yes, well, I agree with a lot of what Janelle was saying, how close people are, how comfortable they are with each other, and how much they respect the

work that each team member is doing. Know that it's for the greater good really just helps to solidify that. I was really fortunate because when I came onto the team, that was one of the motivating factors of me choosing Wealthbridge, was how great the culture was here. This year, I really have three main focuses. I talk to my team all the time about, be clear about what your priorities are.

My three biggest priorities for 2024 are career development, client experience, and organizational culture. Culture is absolutely in the spotlight. Like I said, I'm really fortunate that we do have such an amazing culture here. As you grow, and especially geographically, as you grow, it puts that at risk a bit. A lot of things have happened over the past few years that make that even more of a priority. With COVID, a great example, team, everybody worked from home. We got away from some of the things that really created that culture in the first place, whether it's the happy hours or we used to have these quarterly fun days. Anytime that we hit goals, we would take the day to go go-karting or go mini-golfing. That was a big part of what bonded everybody.

COVID hit and we took a step back from that. Then we made a practice purchase and we started to grow geographically. All of a sudden, we weren't getting that opportunity to come together outside of work as a group every day. Luckily, we've been able to keep up with a high-quality culture that we have. I feel like everybody is very close-knit here. Like I said, I think it comes from a place of mutual respect more than anything else.

One of my team members, Yasmin, is absolutely brilliant. One of the things she talks about is how everybody needs to feel valued, seen, and heard. The more time and intention you can put behind that, I think the more people are just going to rally together. For us, I think one of the benefits that we have is being able to see long-term career development. Because we have grown so fast, doubled in assets as well as people in the last three and a half years, yes, I think people see that high-rated growth and really start envisioning what their career path can lead to. I think that that helps too, because you're thinking long-term. You're thinking 20 years from now, what am I going to be doing for Wealthbridge. That's been really a guiding light and something that helps. At the end of the day, I think one of the reasons that we are so close-knit is just a shared value system. Everybody thinks about the business, thinks about the work that they're doing in the same light, and it makes for a great recipe for success there.

**[00:44:53] Matt:** Listeners, we're recording this the beginning of the year. If your boss comes to you in the next couple of weeks and says, "Hey, what are you going to be focusing on this year?" I think you're safe to steal David's top three focus, career development, client experience, and culture. If you rattle those off, I think you're in good shape. I like those, David. That's great.

**[00:45:15] David:** Yes, I didn't say they were original.

**[00:45:18] Matt:** No, that's perfect. One last question for both of you. Janelle, with the operations staff, I know you've been working on some career pathing for those folks. Let's talk about that, because our industry has a pretty set career path for those that want to pursue the advisor track, but we haven't really defined the career path for operations quite yet. Tell us how you've approached this.

**[00:45:44] Janelle:** I would say we're all still trying to figure this out, right?

**[00:45:47] Matt:** Yes.

**[00:45:47] Janelle:** In terms of operations. For Grand Wealth, I would say the operations career path is something that, I don't want to say it's been non-existent, but it's just a challenge to offer a visual in terms of climbing the ladder when you're talking about a small firm, a small organization and what a career path can look like. Earlier on, really a career path for us more so looked like increased project responsibility and tackling higher level initiatives with greater responsibility. As we've grown, one area where we've been able to really start segmenting what can a career path look like for operations, is around our CSA role.

Currently, we have two stellar CSAs. They've both been at their role for a very long time. I constantly get compliments from our team internally and from clients on how fantastic they are. I know a lot of firms struggle with that, just maintaining stability with CSAs. In my mind, I'm thinking, how do I keep them challenged? How do I keep them motivated? How do I keep them seeing the value that they're adding to the organization? Where that led me was actually when I met you, Matt, this past year at a DFA study group, it really resonated with me to say, okay, we have this CSA and she's just knocking it out of the park with client onboarding to implementation. If I'm going to elevate that role with a title of Senior Client Service Administrator, what is she responsible for that really takes her to that next level? For me, it just made a lot of sense to say, there are so many details and moving parts in our onboarding process, especially with some of the complexity that our clients come to us with. I want someone on our team who can make that as smooth and seamless as possible for a client, regardless if they come to us with two accounts that we're just putting our firm identifier or G number on, or they're coming to us with 20 and half of our annuities and there's just a ton of moving parts.

Saying, okay, this is a key activity and one of the most important periods of time in us interacting with a brand-new client, I want to know that they're in fantastic hands. That really elevates the level of responsibility, the value add, and it motivates, I think that person, when they know they're trusted with such a key aspect of what we do.

I also, along the way, have looked at both of our experienced CSAs and said, gosh, I have one who just really wraps her arms around all things custodian related. She doesn't miss an update. She communicates with the team really well about this. Let's



create an area of focus over here where she can really dig deep and thrive in all things custodian related. Then I had another CSA, very experienced CSA, and he was very technical when it came to the investment management piece and the trading piece. That was his niche. That's what he had interest in. This comes back to looking at your people and letting them speak to you based on the work that they're doing and their interests.

With our other really experienced CSA, I just couldn't keep up on all the daily ins and outs of portfolio reporting, the data flows that we were managing, and how that impacted trading. He had a knack for it. I was able to build out his job description and create responsibility in that arena. Would I expect a brand-new CSA to come in and jump into those job descriptions? Absolutely not. They're going to start at a place of learning, training on the basics. When you look at how your CSAs have grown, in this example, and you're able to build out core areas of heightened responsibility, to me, that allows you to start establishing and creating a career path, because in operations, it can look so different.

We have a resident right now, and we would love for our resident to continue on the advisory career path, but we know there's a point there where they might say, gosh, I'm really tipping towards operations. At that point in time, hopefully we'll be able to build out what that opportunity looks like for them. I just thought it was easier to give an example of a specific role, and how we're really approaching an operations career path. Right now I have a stellar office administrator, and she really is seeking to figure out how she can make her greatest impact on the organization. Again, it comes back to working closely with people, identifying the firm's area of need, and how the people can contribute to that. It's not always going to be internal. Sometimes a hire needs to take place, but you need to have people in management roles who can provide this feedback to leadership, to the people who are making decisions about the next hire, to properly form the next position, and build out that career path.

**[00:51:14] Matt:** Yes, I love that advice. You hear RIA owners a lot say, "Well, we're not really looking to grow. We've got a great set of clients, and we're happy, and we're just going to service them." All kinds of reasons that you should be focused on growth. One of them, to your point, is having that growth allows for flexibility for these career paths for your employees. You're going to have a hard time keeping employees if the firm isn't growing, because they're not going to have these opportunities that you're discussing. I love that.

**[00:51:41] Janelle:** Absolutely. There's an opportunity to delegate too. If you stay in tune with where your team's strengths are, not only are you increasing their motivation and their value add when you can delegate, but you're freeing up your capacity at the same time to focus on maybe bigger picture type items. There is a win-win there.

**[00:52:03] Matt:** David, I know this is something you've been thinking about as well. You may not have it all figured out, but I'd love to hear your thought process around this.

**[00:52:11] David:** Yes, for sure. You're right. I think our industry has a really good idea of how to onboard and really tailor that next advisor role. It is something that's lacking in a lot of the other job descriptions that are so vital on the team. One thing that we are in the process of implementing right now is three different levels within each department. That's helpful from a starting point. You always know how to level up and get that next pay band. If there's a path there, it is really helpful, especially for somebody new to the industry who's looking to further their career, maybe not sure about how they're going to, like Janelle said, provide that bigger impact. I do think impact has a lot to do with it. I'll be honest, I've never really been a title person at all. Frankly, call me whatever you want. I guarantee I've heard worse. In my mind, career progression is really about doing more of the stuff that you're passionate about and less of the stuff that you don't like as much.

I think as you can evolve your role to be doing more and more of that stuff that you're passionate about, and I have been clear with team members before, your next role might not be one that the team has right now. As we grow and as we move and add more people on, frankly, new needs are going to arise. There's going to be a way that you can provide that, like Janelle said, bigger impact to the firm, better client experience, overall, just add more value in your role, especially when you're really passionate about 80% of what you're doing every day.

**[00:54:05] Matt:** Janelle and David, just as I had suspected, you have both been fabulous guests. Thank you for being willing to come on and share your thoughts on these tricky topics that we tackled today. Thank you for being honest on certain things to simply say, well, we haven't really solved it yet, but we're working on it. We're making progress. I know those types of answers are the ones that our listeners appreciate the most. Thank you both for being here and being so open today.

**[00:54:29] David:** Oh, thanks, Matt.

**[00:54:31] Janelle:** Thanks for having us.

**[00:54:33] Matt:** That is a wrap on episode 61, everyone. We will talk to you all soon.

[music]

**[00:54:53] [END OF AUDIO]**