



Bob Pozen's Secrets for Managing Clients, Time and Productivity

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by Jeff Briskin

Too many employees define their professional worth by the number of hours they work rather than by the impact of their efforts. In a culture where people believe they have to do everything perfectly to succeed, they often spend too much time on details, rather than focusing on broader issues, according to Bob Pozen.



Bob Pozen

Pozen, a senior lecturer at Harvard Business School, former chairman of MFS Investment Management and former president of Fidelity Investments, understands the struggles many financial advisors face in managing their time and client relationships.

In his new book, *Extreme Productivity* (HarperCollins), Pozen draws from his extensive business experience to provide strategies for increasing productivity and performance in ways that lead to greater professional and personal fulfillment.

In my recent interview with him, Pozen discussed the applicability of many of the book's strategies to financial advisors. He recommended that employees adjust their workload to devote most of their time and energy to activities that deliver the most significant results.

Extreme Productivity's fourteen chapters cover topics such as prioritizing short- and long-term goals, managing daily routines, improving public speaking and writing skills, managing teams and maintaining an appropriate work-life balance. Throughout the book, Pozen illustrates his points with practical tips and anecdotes from his long career in the private and public sector.

Creating more efficient service models

While the book is written primarily for corporate employees, financial advisors can benefit from Pozen's strategies for delegating responsibilities and minimizing time spent on less important activities.

In general, Pozen believes that financial advisors have an easier time than corporate executives do in defining goals and objectives, because their job effectiveness can be measured in terms of investment performance, client satisfaction and additional inflows.

Yet, he also believes that many advisors are not always as productive as they could be, because they often try to give 100% to every client, regardless of each client's relative importance.

"For most advisors, 20% to 30% of their clients produce 80% to 90% of their revenue, and the rest comes from a long trail of smaller clients," Pozen said. "If you have a tiered service structure, that's fine. But if you're constantly taking calls from smaller clients on non-critical issues and this is interfering with your other professional and personal priorities, then you may need to adjust your service model."

Advisors can adjust their models by delegating responsibilities and establishing ground rules for client interactions.

Pozen recommends that advisors offload routine tasks to their assistants, whom they should hire on their own rather than relying on recommendations from the human resources department. A qualified, highly trained and motivated assistant should handle routine inquiries and serve as the primary day-to-day relationship manager for lower-priority clients. This would give advisors more time and energy to focus on providing the highest level of attention and service to key clients.

But even with these top clients, advisors should adjust their service models or fee structures if they are not receiving adequate compensation for their time. Pozen admits that this might not be easy. After the market meltdown of 2008, many advisors went out of their way to deliver extra services to retain at-risk clients. Now that the market has rebounded, advisors may wish to talk to these clients about readjusting these relationships.

"You can give the client a choice," Pozen said. "You can say, 'If you want to continue to have lots of individual stocks and bonds in your portfolio and have me conduct the research, then I will have to raise my fee. On the other hand, if you're willing to consider using more funds and fewer individual securities and are willing to let my assistant handle most of your everyday requests, then we can keep the fee as it is.' The client may not like it, but at least you're giving them some options, so they'll dislike it less."