



HIRING BY DESIGN

How senior financial professionals and sales managers
can grow their team's revenue with diverse talent

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Driven to do more.  **ATHENE**

Agenda



Why recruiting financial professionals is today's highest priority



Recruiting and hiring for growth



Retaining talent



Why recruiting financial
professionals is today's
highest priority



Shrinking financial professional base

Average age of a
financial professional

57

years old

- **35%** of financial professionals are planning to retire within the next 10 years
- **26%** are unsure of their succession plan

65%

of experienced
financial
professionals are
staying in the game



Experienced financial professionals are staying in the game

 **30%**

of financial
professionals are
over age 70

 **<80** yrs

More financial
professionals are over
age 80 than under 30

Source: Kehrler Bielan research & consulting

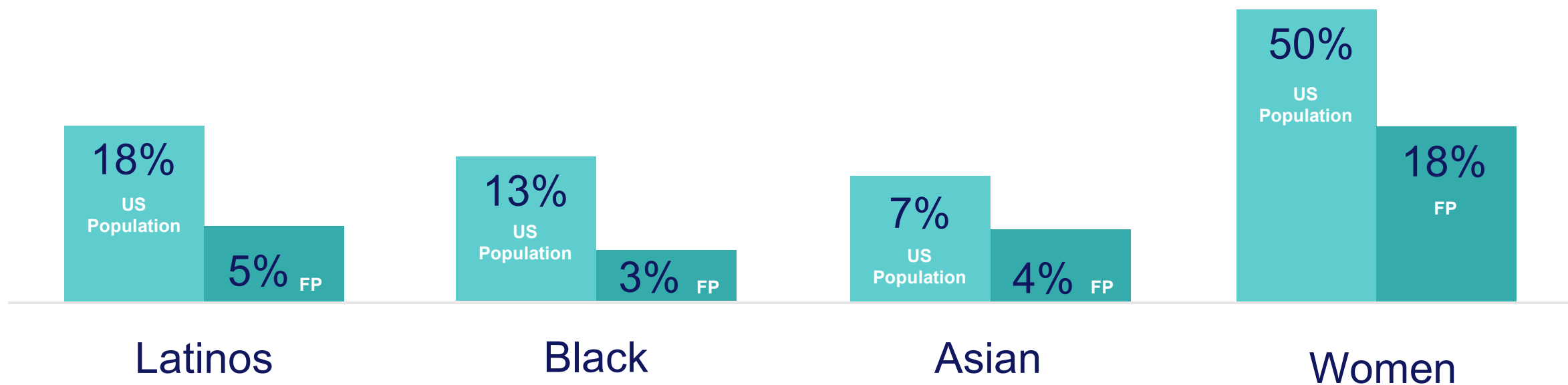


Rookie financial professionals

- **38 years old** is the average rookie financial professional age
- **55%** of these rookies have not worked in the financial services industry prior to becoming a financial professional
- **Age gap** has led to a knowledge gap



Cultural Gap - US Population vs. Financial Professionals

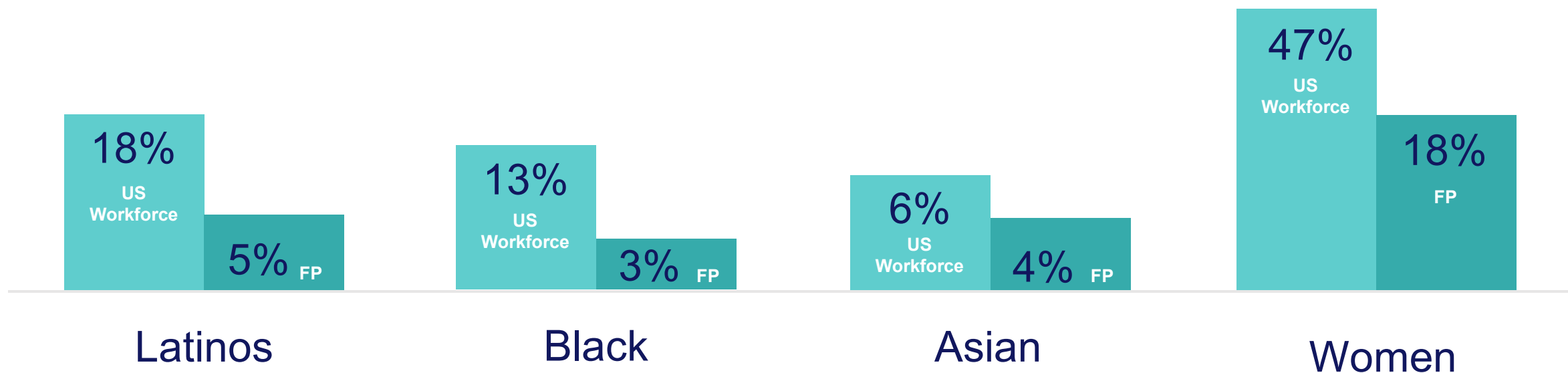


By **2045**, Collectively Blacks and Latinos will be the **majority** of the US population

“FP” = Financial Professional



Cultural Gap - US Workforce vs. Financial Professionals



Cultural gap remains similar when comparing US civilian workforce versus financial professionals

“FP” = Financial Professional

Source: (1) US Bureau of Labor Statistics: BLS Reports, Report 1095: Labor Force Characteristics by Race And Ethnicity, 2020, Table 1 & 2 <https://www.bls.gov/opub/reports/race-and-ethnicity/2020/home.htm>

(2) Cerulli Report 2020, Marketing Insights & Analytics, September 2023



Consumer and Financial Professional Gap

Consumer Gap

Between what US consumers look like and the financial professional serving them.

Financial Professional Gap

- **Knowledge**
- **Age**
- **Gender**
- **Race**
- **Cultural backgrounds**



Companies with the highest level of diversity in terms of racial/ethnic composition and gender display significantly greater profitability than their counterparts.”

– Forbes



Diversity, including race, ethnicity, gender and sexual preference, is so crucial to the sustainability of the financial planning profession ... diversity leads to stronger sales revenue, customer growth, greater market share, and higher profit levels.”

- Fondulas Strategic Research with input from the Raben Group and the Center’s Diversity Advisory Group



Companies in the top quartile for ethnic and cultural diversity on executive teams “outperform those in the fourth quartile by 36% in profitability.”

– McKinsey 2020 study



Recruiting and hiring for growth



Successful teams and companies
hire by design and look at what type of
person would make the greatest impact
on growth today and in the future.



RECRUITING AND HIRING FOR GROWTH



It all starts with the leader.



Unconscious biases

- Learned assumption, beliefs and attitudes
- Can be favorable or unfavorable
- Often reinforces stereotypes
- Can be about gender, age, name beauty, authority, etc.



**Biases limit
our potential**



Harvard: Project Implicit





Identifying and tackling your unconscious biases can have **huge benefits**

It can help you ...

- ✓ Attract diverse talent
- ✓ Exhibit fair decision-making
- ✓ Encourage creativity and innovation
- ✓ Have higher levels of productivity
- ✓ Increase company revenue



What Millennials want in a career

- Value meaningful motivation
- Places importance on relationships with superiors
- Intuitive knowledge of technology
- Adaptive to change
- Place importance on tasks vs time
- Passion for learning
- Receptive to feedback and recognition
- Values teamwork and social interactions



Millennial investors want

- Technology
- Education
- Communication
- Investment Philosophy





Benefits of youth on your team

- Can help capture the demographic wealth transfer that's going to occur over the next 30 years
- Enable a wider range of younger clients to benefit from an experienced team
- Create a succession plan

\$68T

will be passed from baby boomers to their children — the biggest wealth transfer ever.



Opinions from Black investors

- Will spend for banking and wealth management
- Trust employers
- Interest in digital channels/social media
- Eager to grow and protect their wealth
- Will spend for banking and wealth
- Seek long-term wealth, more likely to prioritize life insurance
- Want fairness and transparency

OPPORTUNITY:

Great

\$225B

between 2022-2030



RECRUITING AND HIRING FOR GROWTH

6 Best Practices

For sourcing and recruiting
diverse talent





Set and communicate hiring goals

- Engage all in **mission**
- Make **goals specific** and **measurable**
- Promote **bonus programs**/provide **recognition**

1



2

Create inclusive job descriptions – words matter

- Remove gendered language
 - **Analyze** and **determined** appealing to **men**
 - **Collaborate** and **supportive** attract **women**
 - **Minimum requirements** and **preferred requirements**
- Elevate the profession
 - **Profession** vs. **industry**
 - **Professional services career** vs. **sales job**



RECRUITING AND HIRING FOR GROWTH

Gender Decoder

<https://gender-decoder.katmatfield.com/>





Express commitment to diversity, equality and inclusion with candidates

- Highlight **company values** and **commitment to DEI**
- State **family-friendly benefits**
- Promote **employee resources** and **volunteer activities**
- Promote **senior management activity** in space

3



Athene DEI vision, purpose, goals

Vision

Athene is committed to do more by working to ensure diversity, equity and inclusion are woven into our organizational DNA.

Purpose

- We strive to foster a workplace that cultivates our differences and where employees feel celebrated, engaged and connected.
- We seek to build a diverse workforce that delivers on our business objectives and embody our values.
- We engage actively with the marketplace to make a difference in the communities in which we live and work.

Goals

1

Deepening Education

2

Increasing Diversity of our workforce

3

Building a Culture of Inclusion and Belonging



Design a standardized interview process

- **Educate interviewers** on the vision and benefits to diverse teams – counter, “just like me” biases
- **Diverse interviewing team**
- **Select questions purposefully**
 - If **soft skills** are important – rate them
 - Focus on **capabilities** vs. **direct experience**
 - **Prompt follow up**

4



5

Connect with local organizations, colleges and universities to build a farm system

- Local groups **focused on diversity**
- Colleges and Universities
 - Job fairs
 - Professional clubs
 - Internships/Part-time work
 - Shadowing



6

Be transparent about the position and what is required



Retaining talent





One year retention rate by recruiter type





Retention Rates in First 4 Years

YEAR
ONE

50%

YEAR
THREE

18%

YEAR
TWO

27%

YEAR
FOUR

13%

Greatest fallout in first 2 years.

27% of FP

are still with their first firms

2 years later

(73% of FP are not)



Top 5 factors affecting FP retention

1. **Early activity (fast start)**
2. **Strong selection process prior to hire (pre-contract activities)**
3. **Joint field work**
4. **Quality of sales skills training**
5. **Mentoring/Sponsoring**



Obstacles to success for Diverse Financial Professionals

Obstacles	Women Financial Professionals	Financial Professionals of Color
Limited visibility of leadership	78%	82%
Insufficient mentoring from successful financial professionals	77%	79%
Implicit bias (e.g., microaggressions, not being taken seriously)	76%	73%
Feeling disconnected from colleagues	69%	71%
Lack of advancement or development opportunities	69%	69%
Unsupportive management	67%	63%
Insufficient study groups or other networking opportunities	63%	65%
Limited access to prospecting networks	61%	72%

Sources: Cerulli Associates, in partnership with the Investments & Wealth Institute, the Financial Planning Association® (FPA®), and the Investment Advisor Association



Challenges to recruiting and retaining diverse candidates, **familiarity**

Finances

Learned behaviors and relationships observed **regarding finances** from family

Cultural differences

Different values, habits and communication from dominant culture

Professionalism/ social background

Attire, vocabulary, friendship circles and development of **soft skills**



Why financial professionals don't make it

Employee

Feels they are **not being given enough opportunities** to grow professionally with their organization

Home Office

Need for more **leadership, coaching, mentoring and teaming**

Sales manager

Personal characteristics



Key Activities for on-boarding

- Obtaining licenses/designations
- Product and sales training
- Training on office policies and procedures
- Learning technology platforms
- Performing joint work with sales managers





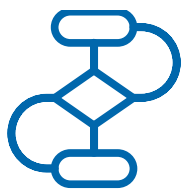
Best Practices for On-boarding

- **Engage** team members for support
- **Identify** – What does success look like?
- **Be realistic** about what can be accomplished
- **Recognize** and celebrate achievements
- **Stay close**, be accessible





How we learn



70%

on the job and
experiential
learning



20%

Learning from
others (social)



10%

formal learning



Mentorship and Sponsorship Programs

- Mentors provide advice and counsel to new hires
- Sponsors advocate for others to get a different role, promotion or the chance to work on a high-profile project



Keys to success

- Selection
- Recognition
- Overall company support



Retaining talent

- On-boarding checklist
- Forbes Financial Professional Checklist



Key takeaways

- ➔ Identify growth opportunity
- ➔ Engage your team in your vision for growth
- ➔ Think strategically about new hire responsibilities
- ➔ Get creative about recruiting talent
- ➔ Be transparent about job expectations
- ➔ Stay close through onboarding
- ➔ Provide needed training and support
- ➔ Implement ongoing mentorship and sponsorship programs



What the Great Resignation means for your clients and your practice

How you can help pre-retirees and early retirees navigate today's workplace changes — and ensure you have the right team to do it.

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Driven to do more.



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Recruit and retain top talent

An unprecedented 47.8 million Americans quit their jobs in 2021 as part of the Great Resignation, contributing to nationwide labor shortages. The trend continues to affect employers, with competition for highly skilled employees fiercer than ever. This checklist can help you identify ways to recruit new talent while enticing existing employees to stay with your business for the long haul.

Make mentoring a mainstay

Train employees to understand all aspects of your business. Offer opportunities to help them succeed at their career goals and your business goals.

- ☐ Put a growth opportunity plan in place to help employees identify and achieve their career goals
- ☐ Make time for personal coaching sessions, especially for younger, less experienced employees, and consider developing mentoring programs
- ☐ Engage in team-building activities where employees can develop relationships across the business
- ☐ Hold quarterly or semiannual check-ins to track progress, answer questions and revise growth opportunity plans
- ☐ Inspire engagement with recognition and reward campaigns

9 out of 10 employees who have a mentor say they are satisfied with their jobs. (Source: CNBC)

Consider flexible work options

Remote or hybrid work options have been shown to increase employee satisfaction, loyalty and engagement. Requiring less time in the office may also make it possible to cast a wider geographic net for new and diverse employees.

- ☐ Survey your employees about their preferences when it comes to working from home or having a hybrid work schedule
- ☐ Offer greater flexibility in work hours
- ☐ Discuss remote work security with your technology consultant

Remote and hybrid employees were 22% happier than workers who went to an office every day. (Source: CNBC)

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Driven to do more.

A new era of employment

The Great Resignation is still going strong, with big implications for you.

Almost two years after the start of the Great Resignation, workers continue to leave their jobs at a rapid pace. See more clients that need help navigating transitions in their employment, including retiring from business, seeking better opportunities and taking gap years. The trend also heightens the need to manage your practice in ways that help recruit and retain talent.

Quitting catches on
The "Quits rate" — the percentage of workers who leave their job voluntarily — skyrocketed in 2021 and remains far above historical norms.

What's driving workers to quit?

A variety of reasons for the Great Resignation, according to a survey by the Pew Research Center.

Pay was too low	63%
No opportunities for advancement	63%
Felt disrespected at work	57%
Child care issues	48%
Lack of flexible work hours	45%
Benefits weren't good	43%
Wanted to relocate	35%

Include sum of responses for "other reasons" and "minor reason."