

Which channels does IG use in its recruiting process?

- Employee referrals
→ incentive to refer: employees receive \$1000 if their referral gets hired
- Job fairs
- Networking events
- Online website

What is the employee training process?

Because being a financial advisor is a professional career and involves dealing directly with clients' money, the employee training process is extremely structured.

1. 90 day daily training period: recruits learn theory, concepts, and tools relating to financial markets, IG specific programs, dealing with clients, selling, etc.
2. Licensing: before taking on any clients, consultants must pass the IFSE mutual funds exam in order to sell mutual funds in Canada. To sell any insurance, all consultants must pass the Harmonized Life Licensing Qualification Program (LLQP) - the insurance licensing exam in Canada. Thirdly, consultants must receive their IIROC licensing - The Investment Industry Regulatory Organization of Canada. All these are done within the first couple months within hiring.
3. New consultants must complete 30 client appointments with a minimum of 13 prospects within their first 90 days. The first 10 must be done with a Division Director in attendance.
4. Ongoing - weekly training sessions for all consultants (first year mandatory, after optional): going over concepts, strategies, review.

Which KSAOs do applicants and new hires need to possess in order to succeed as an employee of IG?

Knowledge: financial knowledge about funds, the market, legislation, tax, estate planning, insurance planning, how to operate IG software, etc; technical.

Skills: computer skills, strong concept presentation skills, administrative skills.

Abilities: strong communication abilities, listening, networking, attention to detail, selling and marketing.

Other: strong motivation to succeed, unafraid to talk to people about their money, can put in many hours into work, can afford business costs during periods when earnings are low (i.e. first few months)

What are the main challenges of building a team?

- Sink or swim: hard to tell how new recruits will do once “out on the field”
- Difficulty in attracting experienced and qualified applicants
- Resources sunk into training and supporting recruits only for them to leave the organization without bringing in assets for the company

How do you test the effectiveness of your team, or what are your criterias of defining team effectiveness?

- Book value/assets under management
- Insurance sales
- Mortgages/lines of credit sold
- New clients signed up
- Client referrals

How does IG retain outstanding employees?

- Not limited to salary; consultants’ pay directly correlates to performance levels, therefore there are consultants in the company that earn over 500k/year
- Flexible schedule
- Room for growth; high performing consultants have the opportunity to become Division Director or Regional Director

What are the most common reasons for employees to leave the company?

- Low performance - there are standards set for minimum achievement to remain a consultant. In addition, consultants have many fixed expenses every month (paying for IG laptop, IG software subscription), so if they cannot produce, they cannot afford to continue working for the company.
- No salary; commission only - some may prefer the stability of a salary, or at least part salary part commission in their job.

What is the interview process, and how long are they?

2nd Interview - Interview with a Senior Financial Consultant, 36y at IG

- given the nature of IG (a financial firm), the employee turnover rates would naturally be much higher than a traditional company
- IG's turnover rates are actually lower than their competitors' such as Edward Jones, MD Financial, etc.
- IG consultants have fixed monthly expenses
- many of IG's new recruits are young or have been unemployed, so they may not be in firm financial footing when hired.
- Problem: consultants with low performance harm themselves and IG's image as a professional firm
- Though IG doesn't have a base pay/salary, they have recently changed the commission structure in favour of new consultants; those within their first four years of working there without harming those with more seniority

New measures to suggest: new hires must already be solid financially, bring in two million dollars' worth of new assets each year for the first four years at IG, and receive their CPF (Certified Financial Planner) professional designation within these four years.