Life According To... Steve Salvia

Steve Salvia is the winner of the 2010 AFA Adviser of the Year Award. He is Managing Director of Southern Financial Group, which includes a financial planning business and business coaching arm. Emily Saint-Smith spoke to Steve about his Award, his business and his views on current industry issues...

What does winning the AFA Adviser of the Year Award mean to you?

The AFA Adviser of the Year Award is absolutely the pinnacle of our achievements so far. We knew we had a fairly good business, but to have it assessed by a panel of industry professionals, who know what it takes to run a top-notch business, and then to be considered as the best at what you do is very humbling.

And even though the award is "adviser" of the year, it really is about our team effort. The success of our business is attributable to each and every one of our staff. So we made sure that we all celebrated the win as a group.

How did you get started in financial advice?

I'd been working in the mining industry for around six years before an opportunity to take a redundancy came up. After about a month off, I sat down and thought about what it was I wanted to do next. It wasn't so much about deciding what job I wanted to do, it was more about working out what I wanted from my own life.

I came up with four key non-negotiables:

- It had to be completely different from what I'd done before
- I wanted to come and go as I pleased
- I wanted to be my own boss
- I was keen to do something where I could make a difference to people's lives

There's a saying that we use a lot in our business: "What you think shall become." Once you have what you want crystallised in your mind, it's amazing what opportunities present themselves. When I started to think about the kind of career I wanted to do, suddenly there were opportunities everywhere. And while it was just one option, financial advice seemed to be the one that met all four things on my list.

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What advice do you have for advisers who are trying to build the value of their businesses?

I hear so many advisers say that they spend time working on their business. I actually don't think this is the case. It takes a lot to really stop and look at your business and make changes. In our case, it wasn't until we engaged a business coach that we realised how much time we weren't spending on the business.

Businesses grow and then tend to plateau. People will say to me, "our business is going well", but I say to them, "compared to what?" Unless you set a benchmark, how do you know if you're meeting or exceeding it? Even if you don't want your business to grow, a coach can find little tweaks or refinements. It's what turns a good business into a really great business.

If you want proof, take our business as an example. In the two years since we ran the 10X business coaching model through our own business, we were finalists in 2009, and then won, the AFA Adviser of the Year Award 2010. A remarkable outcome!

What should people look for in a coach?

I think the main thing is having a coach that helps you develop the plan of action, or that can give you the tools to help you implement the plan.

Once you get a big long list, it gets hard. You find yourself saying: "I have so many things I have to do, I just don't know where to start," and in the end you just don't start at all.

The big difference is that we implement. In fact, another saying we refer to often is "the power of an idea is in its implementation

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How do you do this in your own business?

Every two months we hold a 'Supercharge Day'. We come up with a list of improvements or goals we want to achieve, and then we delegate a task to each staff member. We try to make sure it's a task that they wouldn't normally do in their own job role. For example, an accountant might be asked to look after an admin task, or a paraplanner to oversee a management task.

That person has ownership of the task, which means they are responsible for seeing it through. So it's not just me building the business, it's the responsibility of the whole team.

How else do you foster teamwork within your business?

Teamwork is about remembering that even if you are the owner, you are also a member of the team. In our business, I am effectively three people.

First, I am the CEO and entrepreneur. I have to think about building relationships and where the business is going and how we're going to achieve growth.

Secondly, I am a boss and manager. I have to lead by example, and provide guidance and support.

Finally, I am a financial adviser. When I step into a meeting with a client, I am entirely focused on their needs, their journey, and I need to separate the other two roles from this so I can give my clients the service they deserve.

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How do you keep staff motivated?

We conduct half-yearly performance reviews with our staff, but we do this quite differently to other businesses. Firstly, the review is scheduled 12 months in advance. If it is in the diary, it will happen.

When it comes time for the review, my business manager and I sit down and review the employee's performance against a list of goals and targets. The staff member also does their own review, rating and critiquing themselves. And what we've found is that when we get together to discuss our ratings, the employee is usually far harder on themselves than the management team are.

What advice do you have for new financial advisers?

Find someone you admire, who is doing your job and doing it the way you want to, and shadow them.

If there are five planners in the office then find the one who is most like you, who you look up to or you relate to, and follow their every move.

Essentially it's about finding out what the most successful people do and then doing exactly the same thing; emulate them! Don't reinvent the wheel. Be everywhere they are, be in every meeting, watch and learn how they overcome objections, and just duplicate everything they do.

How do you feel about the proposed FoFA reforms?

I understand the need for regulation and legislation, but it does feel like some of the changes proposed are there to manage the issues of the 2% of the financial planning industry that do the wrong thing. 98% of us are doing a fantastic job; working for the 'greater good'.

I'm also on a personal crusade against the term "fee for service". We shouldn't be having a "fee for service" debate; we should be having a "fee for advice" debate. Service is expected, it should be a given. It's only subtle but we need our clients to be paying us for advice, not for service. They're only small things but these slight improvements can give our industry a massive outcome.