

# PRACTICE MANAGEMENT



## Developing Leaders with Reverse Mentoring

by David F. Smith, Ph.D., CFP®

**AT AN INDUSTRY** conference recently, I was reminded how powerful reverse mentoring is for leadership development. Reverse mentoring is a management tactic that pairs senior members and junior members of the firm. This sounds like mentoring, but in this pairing, the junior member is in charge.

Your planning firm may want to try this, as reverse mentoring is designed to:

**Provide the senior member with a source for insights** into how the younger generation of worker and consumer think about things.

**Enable the junior member to speak their mind** and perhaps contribute to the organization with the next new idea.

**Educate leaders** on how to work with the younger generation.

**Create a bond between the two participants** that may last a career span much like traditional mentoring.

**Provide junior members opportunities** to participate outside of their normal job functions in perhaps high-level ways early in their careers.

## The Basic Mechanics

Reverse mentoring is easy to implement. The concept is structured so that a senior and junior member (not necessarily from the same organizational group) meet regularly for a planned discussion. Each meeting has an agenda set by the junior member. If the pair is having a hard time coming up with discussion topics, they can adopt a business case to solve together. It is helpful to have a program coordinator who can monitor how the pair is working together and help when needed.

## Reverse mentoring is one-on-one, so if mistakes are made, the consequences are contained.

Successful discussion topics range widely. One popular topic with both age groups is how social media works and is used. This discussion leads to how the organization can use social media to improve results.

Another popular discussion topic is competition. What is the competition doing right, wrong, new, or interesting? What non-traditional competition does the planning firm face? For this type of discussion, the junior member brings their research to the table with their point-of-view, which may differ greatly than that of the senior member. This provides new insights; it follows the Jack Welch model of looking everywhere for the next big idea.

Leadership is also a fun topic: who do you consider great leaders and why? Usually the junior member asks, "How do I become a great leader in this planning firm?" The senior member should have some ideas.



Journal of  
Financial Planning

## Practice Management Blog

PRACTICE MANAGEMENT CONTENT.  
ANYTIME. ANYWHERE.



FPA and the *Journal of Financial Planning* are committed to helping financial planning professionals run their businesses more efficiently, effectively, and profitably. Part of this commitment is providing FPA members and others in the financial planning profession with the latest practice management content from some of the leading experts in the field. This blog is populated frequently with helpful posts on **marketing, client skills, technology, HR/staff, compliance, diversity, and operations.**

[OneFPABlog.org](http://OneFPABlog.org)

Regardless of the topic, the most important element of the discussion is not the information exchange; it is leadership development. Leading the discussion is a learning experience for the junior member on how to organize and present information as well as how

## Reverse mentoring has the ability to bypass hierarchical decision-making.

to facilitate dialogue. An advantage of reverse mentoring is that it is one-on-one, so if mistakes are made, the consequences are contained. The senior member knows that this is a development program and their job is to keep the environment safe.

### Benefits to the Senior Member

Besides a way to get input from a younger generation, the senior member will benefit in three big ways:

**Reverse mentoring provides a refreshing break** from the normal routine. Sometimes, just the act of stopping, getting some coffee and afternoon snacks, and shooting the breeze is something to look forward to.

**Participants report increased clarity about organizational topics.** This comes from having to present and defend positions to someone new and not “up the food chain” from them. This is a bit like tutoring in college where you are forced to think about things again and in other ways.

**Their own leadership skills are developed.** Reverse mentoring is a practical way for a leader to pause and reconsider their own strengths and weaknesses.

### Benefits to the Junior Member

The junior member should be well established in their job; perhaps they have been working at the firm for a year. This is important because the extra effort of the reverse mentoring program can cause time and stress problems. This time on the job suggestion also allows for the program coordinator to have enough evidence that the reverse mentoring program is right for the junior member.

For the right candidate, the benefits are huge:

**Reverse mentoring provides the meaningful work** this generation is searching for, considering that the junior participant is likely a millennial. If their current role is plan production coordinator, but they get to spend time with a senior planner discussing newsy, important, and

# The highest standard in risk profiling is also the most engaging one

Bring behavioral economics to your practice

**TRY IT FREE** 

14 day free trial | **40% off** for FPA members



timely topics, that is cool.

**This generation likes to participate.** The reverse mentoring program itself as an extra-role project appeals to the participation need among many millennials. The junior member will feel respected for their opinions. They will have thought about the discussion agenda and will have gathered the opinions of their cohort. This provides an even wider insight. Have you watched a group of 20-somethings decide where to have dinner? Apply this participative energy to a marketing effort design question!

## Reverse mentoring is a practical way for a leader to reconsider their own strengths and weaknesses.

The junior member learns about the organization and their possible future. Job-hopping younger people garner much hype, but the reality is that the job-hopping is mostly about career advancement, not job unhappiness. This generation is in a hurry, and reverse mentoring provides knowledge of career possibilities and practical timelines. This leads to a greater likelihood of staying—a nice outcome for the planning firm.

**Reverse mentoring is a wonderful win for introverts,** a personality type well represented in financial planning. The challenge introverts have in many organizational cultures is how extroverts naturally have an immediate comment on every topic. This isn't really a bad thing, but what this means to an introvert is that they are less likely to contribute because they are uncomfortable responding to spontaneous commentary. They want

to think things through.

Reverse mentoring has two important beneficial dimensions for introverts. First, the junior member introvert is in charge. This control element is important to their sharing arrangement. Second, the senior member creates a safe environment so the junior member comfortably contributes, considers, and therefore adds value to the topic. This also applies to introverted senior members.

Many other outcomes for the junior member of the reverse mentoring team fit with various HR development goals. A reverse mentoring program can provide opportunities for the younger generation to feel included, to find areas for improvement, feel respected, see how participating in this kind of mentoring is a reward, and have a role model to spend time with. These are important to organizational goals facilitated by the leadership skills of the senior members.

### Benefits to the Organization

The executive summary about benefits to the organization is that reverse mentoring is a perfect tactical implementation of a program designed to increase the quality of the leader-member exchange relationships. What this means in terms of outcomes is:

**A major benefit is the lower turnover of mid-level millennials.** These folks are aging up into mid-career positions, and if they are valued by the firm, then it is functional to focus on the retention of these great team members. A reverse mentoring program that is continual with new members as well as continued for participants for several years encourages organizational loyalty that keeps people in place. A reverse mentoring program is attractive to potential new hires, too.

**Reverse mentoring as an extra-role activity leads to more positive**

**extra-role behavior.** Reverse mentoring participants find more ways to participate in activities described as positive organizational citizenship behaviors. These are activities that add value such as (non-reverse) mentoring programs for new employees, volunteering for conference program leadership, and organizing employee group activities. These activities evidence an engaged and valuable employee.

**Reverse mentoring programs accelerate achieving goals** such as new product development, service issue resolution, designing marketing programs to attract millennial clients to the firm, and reworking reward structures more appealing to younger employees. Rather than a typical top-down request for information and a resulting bottom-up supply that is filtered at each level, reverse mentoring has, at its core, the ability to bypass the hierarchical decision-making barriers. Not that the junior member is the decider, but the frank discussion is something not likely to occur in a group session of employees with their managers.

### Summary

Reverse mentoring is not a widespread practice in planning firms. The purpose of this article is to challenge organizations to give this idea serious thought. It is easy to implement. It has the right outcomes for all. Its only downside is the time taken away from management meetings (but is that necessarily bad?). ■

*David F. Smith, Ph.D., CFP®, has been involved in financial planning since 1980. He is a member of the FPA of San Diego. He is also the non-paid director of research for Five Star Leadership®, a behavioral-based leadership development and coaching platform run by the non-profit Oahu Adventures Foundation Inc. Learn more about reverse mentoring at his website, lmxpro.com.*