

# CULTURE: More Than a Slogan

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## WHAT IS YOUR FIRM?

Seems like a simple question, right?

A wirehouse. An RIA. A hybrid firm affiliated with an independent broker dealer. A career/captive office. But, that only addresses the business structure. The real question is, what is your firm in terms of people, values, client service, ethics, support and growth, collaboration, etc.?

In short, what is your *culture*?

### CULTURE

**1b** : the set of shared attitudes, values, goals, and practices that characterizes an institution or organization | a corporate *culture* focused on the bottom line

*Merriam-Webster Dictionary*

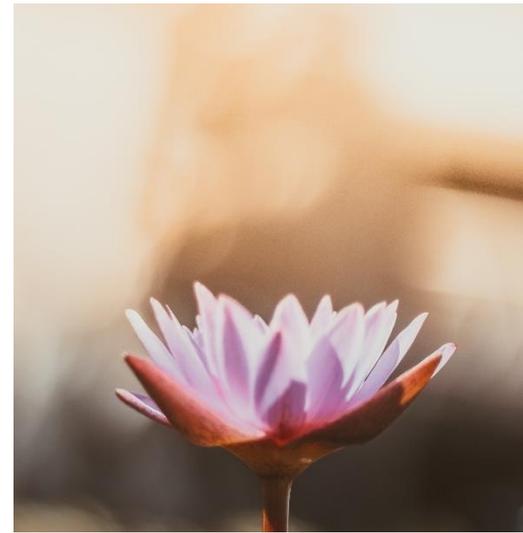
## Poorly Understood or Misapplied?

In 2003, Eric Van den Steen, then a faculty member at MIT and now a professor at Harvard Business School, published a groundbreaking paper titled, "On the Origin and Evolution of Corporate Culture: Preliminary and Incomplete." Professor Van den Steen attempted to capture and quantify something which nearly every working American had come to understand by way of experience in the workplace, namely...

"organizations tend to be more homogenous in terms of beliefs, values, and behavioral patterns than society at large"

While a seemingly obvious observation, until that point in time, no one had attempted to study and quantify this phenomenon with the academic rigor of Professor Van den Steen. Today, based on his efforts – and others who followed in his footsteps – the development, maintenance, evaluation, and reinvention of corporate culture has become an industry to itself.

Yet, with all the resources available to help executive leadership with this important aspect of a business's character, the proof is always in the reality of experience.



"A teaching moment is worth a thousand CEO speeches. CEOs can talk and blab each day about culture."

JACK WELCH



## FIRM OWNERS:

### *What Kind of Culture Do You Live?*

No, that heading is not a typo. “Having” a culture is one thing. It’s somewhat easy to put mission and vision statements on a plaque and hang them prominently on a wall somewhere in your office. “Living” your culture is an entirely different story.

Your advisors know the culture your organization lives and breathes regardless of what sayings or slogans you display or constantly recite. Generally speaking, advisors are intuitive people. That’s why they do what they do for a living. If you aren’t living the culture you preach, they know it...and it’s likely to become problematic for the long-term existence of your organization.

This is deeper than mere hypocrisy. This has to do with why you get out of bed every morning: as a firm executive, an advisor or planner, an operations staff member, or anything in between. Why you do what you do. If your people, policies, procedures and propensities are not in alignment with each other, your culture will likely be misaligned and confusing. This will eventually reflect in clients lost, opportunities missed, and advisors who become disillusioned and perhaps even bitter.

## FIRM LEADERSHIP:

### *What Kind of Culture Do You Project?*

Does the culture you live as a firm or organization match up with the public image you portray? In this post-*Mad-Men* era, merely portraying an image to the public is not sufficient. Hypocrisy and disingenuousness are called out regularly in social media and online consumer rating services. If consumers detect a hint of dishonesty in your PR and branding campaigns, they will likely make you pay for it one way or the other. Honesty and transparency are imperative in the day-to-day operation of any fiduciary business. They are *indispensable* in your advertising and marketing.

But what about the “press” you can’t control? If your firm is regularly skirting the rules, making questionable decisions, or worse – and ending up on the front page of industry publications for the wrong reasons – you are projecting a culture. If your firm is regularly losing advisors and the news is public, this projects a culture, as well. If your executives are regularly in front of a reporter or interviewer trying to put out fires you didn’t start, you are caught up in a culture you may not like, but about which you can do very little.

Or, perhaps your firm has gone in an intentionally isolated direction. Perhaps they have determined projecting an image of impenetrability or aloofness is best for their wellbeing. Perhaps they have withdrawn from longstanding alliances that have made rivalries within this industry somewhat more genteel for the past decade and a half. Recoiling and withdrawal projects a culture, as well.



## FINANCIAL ADVISORS:

### What Kind of Culture Do You Want?

Seems like an obvious question, right? Yet, how often do we want something without clearly defining and articulating what that is? While living your culture is important, expressing that culture in words should not be dismissed as unnecessary or passé. Quite the opposite. If you are not able to articulate the culture you live – or aspire to live – how will clients, prospective clients, current and future advisors, or anyone else be able to communicate that culture to others? Dare to define *and* live your culture!

Having said that, articulating your firm's culture is still not the same as living it out day-to-day. **That balance between what is achievable and what inspires is the inflection point where your culture will catch fire and take on a life of its own.** Aspire to inspire, yet preach what is livable and sustainable.

While attempting to push boundaries and move the needle, keep the long view in mind. Durability and consistency are key to developing a culture that is ultimately credible. Do your advisors and their clients deserve a culture that transcends the perpetual onslaught of sea changes in our industry? The answer is up to you.

**“LEARN to... be what you are, and learn to resign with a good grace all that you are not.”**

*Henri-Frédéric Amiel*

## CULTURE & VALUES: The Perpetual Mismatch?

One of the chief challenges facing advisors today is the cultural mismatch between the values they embrace in their practice and the values embraced or portrayed by the organization with which they are affiliated.

Sometimes, the larger the business entity and the more “corporate” the work environment, the more difficult it may be to align the culture and direction of the organization with those of your individual practice. You and your clients you may feel lost in the shuffle or simply out of place at times. If the company decides to move in a new direction, you are forced to move in lock step, leave, or stand out like a sore thumb.

Conversely, a firm or practice which is too small may suffer from an undefinable culture. The direction of the practice may be hard to control when you are simply focused on paying the bills. The actual definition and messaging of culture may be entirely lost due to capacity limitations.

It is important to keep in mind that values are a very personal concept. Your particular value system will largely define the culture of your small firm or your relationship to the culture of your larger organization. Still, some values within the industry are universal – like putting the client's needs ahead of your own. If your firm doesn't support and embrace these “universal” industry values, it's probably time for a change.

If your firm or practice structure isn't aligning with your personal values, it may also be time for a change by default.



## WHAT DO I DO IF MY CULTURE DOESN'T MATCH MY VALUES?

### 1) How bad is it...really?

- Are your values misaligned with your parent/overseeing organization because you haven't kept up with industry standards? In that case, maybe it's time for you to change.
- If you have kept current with best practices and continue to run up against your firm's culture or practices, perhaps a discussion with an OSJ or senior executive is in order.
- If you can't find satisfactory resolutions to your concerns, it may be prudent to look at other organizational or affiliation options.

### 2) Is it a matter of ethics or preference?

- This may seem like splitting hairs, but it's an important distinction.
- If it's genuinely a matter of ethics, leaving for another setting may be your best option.
- If it's a matter of preference, considering other organizational or affiliation options may also be warranted. Just because it isn't necessary, doesn't mean it isn't prudent. However, measure twice and cut once. Sometimes influencing change right where you are is the wisest option.

### 3) What if you really can't influence the culture?

- If your firm's culture and/or values are truly broken, or if your preferences are simply not being taken into consideration at all, you may have to consider other options for your practice.
- Keep in mind that change is not easy and the grass isn't always greener on the other side of the fence. If you are not a resourceful self-starter, don't go it alone just for the sake of change...or even good intentions.
- And, whatever you do, don't jump from the frying pan into the fire just because the heat is getting turned up where you're standing right now. The fire will burn you faster. Take your time and find a better landing spot.

## REMEMBER:

The balance between what is achievable and what inspires is the inflection point where culture catches fire and takes on a life of its own.

**What kind of culture are you living?**

References:

1. ["On the Origin and Evolution of Corporate Culture: Preliminary and Incomplete."](#) Van den Steen, Eric. Harvard Business School. April 7, 2003.

## About Ashton Thomas Private Wealth

Ashton Thomas Private Wealth is a diversified, boutique financial advisory firm headquartered in Scottsdale, Arizona. We're committed to excellence, integrity, and respect in every aspect of our business. We also strive to stay at the forefront of technological innovation and thought leadership within our industry. We encourage our advisors and staff to use independent thought and collaborate collegially.

### What we believe sets us apart:

- A family-oriented, warm, professional culture where you and your clients can thrive
- A seamless, cutting-edge technology solution to manage your practice and serve your clients
- Smart, interactive tools for communicating with clients and tracking their progress
- Single-platform access to SMA and institutional fund managers with a choice of custodian
- A DOL-compliant, fully-integrated 401(k) platform with comprehensive fiduciary capabilities
- Over 40 years of combined in-house portfolio strategy experience and guidance

**Hello, Future. Hello, Ashton Thomas.**  
**Come home to Ashton Thomas. We'll be glad to have you!**

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