EDWARD JONES

Edward D. Jones Sr.

Edward Jones regularly appears on *Fortune Magazine*'s "100 Best Companies to Work For" list. The financial services firm is also included on *Fortune*'s list of "World's Most Admired Companies." It is easy to understand why Edward Jones makes these lists. The company's ethos reflects its humble Midwestern roots, with a culture that promotes caring, volunteerism, partnership, and trust, translating into an exceptional workplace for its approximately 50,000 associates. The company is equally praised for providing an extraordinary level of value delivery and service to its 7 million clients in North America.

While the company has grown by leaps and bounds since its founding in 1922, it still reflects what its founder set out to do: to treat employees fairly and with respect—much like business partners.

Edward Jones Sr. learned the value of treating employees well while working as a St. Louis office manager for the New York bond house of Blair & Co. Jones had made a sales call to sell bonds to the treasurer of the Godchaux Sugar Company, a refinery in Reserve, Lousiana. The treasurer said to Jones, "We want to sell bonds, not buy them."

Jones duly passed on this lead to his firm, which underwrote a bond issue for Godchaux. Jones not only didn't receive a finder's fee; he was never thanked for the business that he had brought to Blair. Feeling that he was not being treated equitably by his superiors, Jones quit his job and set up a one-man shop, calling it Edward D. Jones & Co. Right from the start, Jones was determined to respect future employees and treat them fairly.

Originally located in the St. Louis financial district, Edward D. Jones & Co. operated as a classic full-service brokerage firm that sold all types of investments during its early years, eventually expanding its modest original home office to include a room stocked with a bank of telephones and a team of brokers working out of the home office. Jones wanted his firm to be a department store of finance, with a full inventory of products to provide every kind of investment a prospective investor could want. If the firm

Edward D. Jones Sr. and family in front of their home in downtown St. Louis (Ted Jones is front left)

didn't have what the client wanted, Jones thought, he might take his business elsewhere. Jones used the analogy of being the owner of a bar. "It doesn't matter that no one ever drinks rye whiskey," he would say. "If you don't have it, you are not a first-class bar."

Jones, whose mother died in childbirth, was born on July 29, 1893, in St. Louis. His father was a locomotive engineer who was gone for long periods of time. The boy was raised by relatives and shuffled back and forth from one family of relatives to another. His father moved often, and whenever possible, he took his son with him. They resided in several places including Chattanooga, Tennessee, Bellefontaine, Ohio, and Panama in Central America. Jones graduated from New York University in 1916, and at age 23 served in the Navy for two years. Following his discharge in 1918, Jones worked at N.W. Halsey & Co. selling bonds. His assigned territory was a single building, the Woolworth Building at 233 Broadway in New York City. At fifty-eight stories, standing 792 feet tall, it was the world's tallest building at the time. Jones, a novice salesman, went floor to floor making sales calls. He spent two years at Halsey before joining Blair & Co.

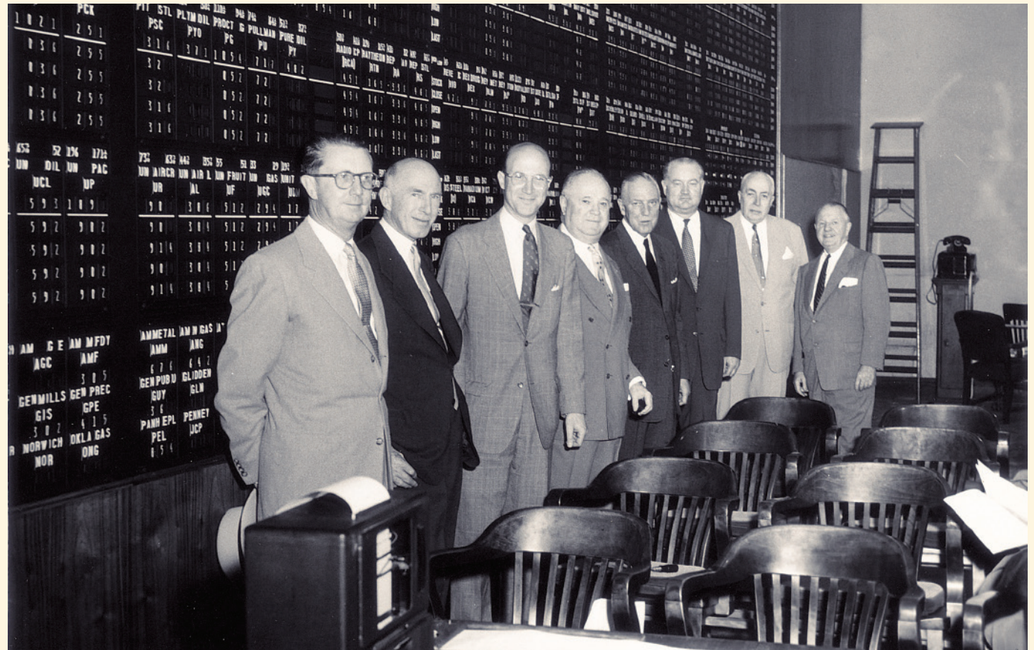
While he had lived in many places, when Jones was transferred by Blair to St. Louis, he felt like he was coming back home. This was in the Roaring Twenties, an era of prosperity that was glamorized by the ultra-extravagant lifestyles of the rich and famous. Stories about the decadent '20s fixated on the overindulgences of New York's high society, as dramatized in F. Scott Fitzgerald's *The Great Gatsby*. St. Louis was having a growth spurt of its own in the 1920s, and like other large U.S. metropolitan areas, the extravagant lifestyles of the city's upper-crust society were reported in the daily newspaper columns. Although Edward Jones' wife came from a prominent St. Louis family and he was a young, aggressive, and successful businessman, he and his wife lived conservatively. When he wasn't working hard in his office, the Joneses and their three children spent much of their time on their 750-acre farm in Callaway County, outside Williamsburg, Missouri, ninety miles west of St. Louis.

Jones was always on the lookout for opportunities to further grow the firm. In 1941, he purchased a seat on the New York Stock Exchange for $21,000. It was a shrewd move; in 1929, before the stock market crashed, the price for an NYSE seat was $625,000. Jones' purchase price was one of the lowest ever paid for an NYSE seat. In order to comply with the NYSE requirement that its member firms have more than one company principal, Jones restructured the firm to become a partnership. Two years later, in 1943, Jones merged his firm with Whitaker & Co., an established brokerage house founded in 1871 and also based in St. Louis.

Jones wore many hats. He sat on the board of twenty-two corporations, and for many years he ran his wife's family's St. Louis brewery during the morning before going

Above: The firm's headquarters until 1963, downtown St. Louis

Below: Edward D. Jones Sr. (far right) and associates, c. 1958



to the brokerage office at noon. As someone who came from humble beginnings, he was not pretentious and discouraged excessive formalities.

His son and successor, Ted Jones, who joined the firm in 1948, is credited with developing the unique business model in which the company focused on small communities and towns that were overlooked by the large, city-based financial firms. This was much different from his father's vision of opening offices in large cities such as Boston, Chicago, and New York with twenty or so brokers in each one. In addition, Ted Jones (and his successors) chose a narrower focus for the firm than his father, with an emphasis on building a clientele of serious, long-term individual investors.

Although raised in St. Louis, Ted came to love farming during the many weekends spent on the family's farm. As a result, he wanted to study agriculture in college, but World War II interrupted his plans. In 1943, after graduating high school and attending a summer semester at the University of Missouri, he enlisted with the U.S. Merchant Marines just shy of his 18th birthday. In June 1945, he volunteered to serve in the Army and had attained the rank of first sergeant at the time of his honorable discharge in 1946.

Upon returning home at age 21, Ted enrolled at the University of Missouri to study agriculture, but after one year, his father took him out of school. The senior Jones wanted his son to pursue a career in the securities industry, not farming. He sent Ted to New York in 1947 to take a job as a page on the floor of the NYSE. During his time in New York, Ted also worked at Josephthal & Co., Edward D. Jones & Co.'s New York correspondent, where he held several low-level positions.

Edward D. Jones Sr. at his farm in Williamsburg, Missouri, c. 1958

Ted resided in a boarding house during his time in New York. His stay in the Big Apple confirmed how much he disliked big cities and his suspicion of how many people in the business—stockbrokers, pages, and reporters who covered the markets—appeared to treat investment as a crapshoot. "The thing I got through my head that I'll never forget," he later said, "was that they didn't know any more about which stocks are going up than the man on the moon."

He stayed in New York for one year. Years later, Ted would say that his time at the stock exchange taught him the importance of conservative investing. Ted came back to St. Louis to work for his father's firm as its eighteenth broker, based in the small suburb of Clayton. It was an event that went largely unnoticed at the time. After all, many sons follow in their father's footsteps, especially in small-business enterprises. In the long run, however, Ted would become perhaps his father's most consequential hire.

After his first month at Edward Jones, Ted noticed that he had been credited for sales that he didn't make and commissions were posted to his account. Knowing that he hadn't yet opened any new accounts, he talked to his father about it.

"Well, son, I just thought you ought to have a little help," his father said.

"I will not take charity," Ted replied. "If I am going to work for this company, I'm not going to stay in St. Louis. I am going to move out to the country."

Determined to be independent, Ted moved to Montgomery City, Missouri, population 5,000. Why Montgomery City? Pat Young, his high school sweetheart, whom he married in 1950, attended the University of Missouri in Columbia, Missouri, where she was an agriculture major. Columbia was only an hour's ride from Montgomery. His second motive was his love for farming. His plan was to call on farmers and people who lived in rural communities. Ted knew he would enjoy talking to farmers as well as people who lived in small towns. As a former agriculture student who spent most of his summers on his family's farm, he felt very comfortable talking to farmers. He spoke their language, unlike other salesmen who came from St. Louis to sell them anything from books to sewing machines; they welcomed him as one of their own. It was a great fit. Ted had the best of two worlds; he could build his business and be where he wanted to be.

What Ted quickly discovered was that while affluent St. Louisans were prospering from the services provided by the horde of brokers selling investments in the city, there were also potential investors living in rural areas who were being disregarded. Ted recognized there was a large untapped market of prospective clients who were scattered across the countryside, too spread out for other brokers to bother pursuing. This meant that Americans who were not residing in big cities rarely invested in the stock market. It was not as though small-town folk were not good prospective clients; brokers simply did not solicit their business. With his knowledge of farming and likable personality, Ted was well received in these communities.

Edward D. Jones Sr. and his son, Edward D. "Ted" Jones Jr.

Ted recognized the need to focus the firm mainly on providing investment advice to the rural middle class—an underserved market. This clientele consisted of people who had never before worked with a financial advisor. Clients were relatively small investors with specific goals in mind—seeking to cover their children's education, securing financial independence when they retired, and so on. These were conservative investors who weren't out to make a killing in the stock market. They wanted a steady return over the years.

THE BRANCH OFFICE STRUCTURE THAT TED PIONEERED IS STILL A DEFINING ELEMENT OF EDWARD JONES' ORGANIZATION.

His plan was for the firm to grow, one client at a time, by selling securities to individual investors, most of whom in all likelihood had never owned a bond or a share of stock. Jones knew that the bedrock for the growth of his company would be the trusted relationships he built with his clients. Ted recruited and trained other brokers to do what worked for him. He taught them to take the time to get to know their clients, understand them, and find out how they thought. He stressed building a personal relationship with each and every client, and only then could a financial advisor understand a client's tolerance for risk and his or her financial goals. This philosophy of establishing strong relationships with clients became a core tenet of the firm's way of doing business and continues to be a cornerstone for every Edward Jones financial advisor to this day. It also supported the firm's overall sense of purpose—which was to improve the lives of its clients and the communities where they lived.

It took tenacity and conviction to succeed with this approach, and it often involved driving two to three hours daily to sell an intangible product to individuals who knew little about investing in securities. To make a sale, Jones would first educate his prospective clients on what it was that they were buying, and then he had to convince them that a stock certificate—a piece of paper—would increase in value, and that unlike other properties, it was a liquid asset that could be sold at any time. Of course, the first thing he had to do was sell himself.

As a traveling salesman, sometimes Ted would be on the road for three or four nights in a row. He was one of the original so-called "Tuesday through Thursday" brokers, or TNT, a group of young Edward D. Jones & Co. salesmen who traveled their territories during the week before returning to the home office in St. Louis on Friday. There, the TNT brokers would catch up on market news and follow up on the orders they had gathered and placed by telephone over the previous few days.

Once he elected to establish himself in Montgomery City, Ted set up shop on the second floor of the local hardware store and sold securities out of the trunk of his car. Each day, he drove 150 miles, making calls in small towns throughout northeast Missouri. Over the next ten years, Ted succeeded in building a large clientele that consisted mainly of farmers and small-business owners spread out across the countryside of Missouri and even into neighboring Illinois.

In 1957, Ted paid a visit to Frank Kister, a client and friend who was also the founder and president of the Savings & Loan Association in the small town of Mexico, Missouri. Ted explained to him that he had a small problem. The firm had been allocated a large block of common stock in a forthcoming underwriting in Mexico Refractories, a local company. Ted was unsure Edward Jones could handle the allocation and asked Kister if he knew of any local brokers who could help sell the offering. "That's really all I had in mind," Ted would recall in telling the story later. "Someone who would help me sell and get around to see everyone who wanted Mexico Refractories stock." Kister recommended Warren "Zeke" McIntyre, a pillar of the community. Ted and Zeke quickly agreed to terms.

McIntyre stayed on to build a thriving business. When he started, he initially worked out of an office slightly bigger than a clothes closet, located on the floor above Scott Five & Dime Store in Mexico. The rent was $25 a month. The office measured approximately ten feet by twelve feet and had enough room for a desk, two wooden chairs, a coat rack, a lamp, and an old black telephone that McIntyre used to place orders through an operator via long-distance calls to St. Louis.

One year later, Ted met with Kister, the banker who introduced him to McIntyre. "How much did Zeke make with your firm?" Kister asked.

"He had a very good year," Ted answered. When pressed to tell Kister how much, Ted said that Zeke cleared over $24,000 during the past year.

"That's a lot of money," Kister said. "But much more important, how much did you make?"

When Ted said $5,000, the banker replied. "You made $5,000 on that office? Ted, you're in the wrong business. You shouldn't be in the business of talking to me about stocks and bonds. You should be in the business of opening offices like Zeke's all over the country."

Ted didn't act immediately. He liked to mull things over before he made important decisions. He had a lot of time to think while he drove the countryside around Missouri and Illinois. Being a cautious man, he sent his auditor to Zeke's office to make sure the numbers were accurate. He wanted to see if the office was making a profit for the firm, even factoring in its fair share of the central overhead.

The auditor told Ted, "Even after expensing every possible item you can think of, you are still going to make a definite profit." Ted was convinced and ready to hire his next broker in Jefferson City, Missouri.

Based on the success of Zeke McIntyre's office, Ted realized there was a vast potential market for the Edward Jones model in the towns of rural America. He had a vision for a market that no one else had seen. He knew that the people of rural America needed to plan for their financial futures, just like anyone else. Farmers might not have had electricity or running water, but they had surplus cash, and so did the undertakers, the store owners, the doctors, and the dentists. Ted recognized that these people had financial needs the firm could satisfy. In Mexico, for example, all a resident had to do was pick up the phone and call ol' Zeke, or even better, just walk into his office. McIntyre was always happy to see them. Many of his business meetings occurred over the coffee counter at nearby Dobyn's Café, the Rotary Club, or on the golf course.

McIntyre's office served as a prototype for other branch offices that were later opened by the firm. This called for a change in the firm's business plan, one that would result in Edward D. Jones & Co. becoming one of the nation's foremost investment brokerage firms. Ted believed in opening branch offices with one broker per office, each of whom was trained in the same manner as the firm's TNT brokers. The company set up a training program unlike any other in the industry. It recruited and trained young college

Opposite page: A painting depicting the first Edward Jones branch office, located above the Scott Five & Dime in Mexico, Missouri

Left: Jack Phelan, one of the first TNT brokers, traveled by car through Illinois Tuesdays through Thursdays, early 1960s

graduates, individuals without previous backgrounds in the securities industry. These recruits were taught the fundamentals of the financial markets, and they were trained to learn and develop the people skills and strong sense of purpose that Ted felt were essential for every salesperson to succeed.

One of the early TNT brokers was Jack Phelan, Ted's cousin, who had his own territory in neighboring Illinois, where he went on to build a substantial clientele in towns like Salem, Olney, Lawrenceville, Mount Vernon, Fairfield, and Nashville. Typically, these towns had populations of 8,000, although some had as many as 25,000 people, and others had fewer. Typically, they would have two funeral homes, one or two grain elevators, two banks, a Sears, Roebuck, and a half-dozen or so filling stations. There would also be one or two hotels, usually situated near the railroad station. At the time, there were no motels, which meant Ted and Jack would stay on the second floor of a local small-town hotel where a room typically cost $2.50 a night. For an extra $1.25, breakfast and dinner were served downstairs. Each bedroom was equipped with an iron bed, a dresser, a washbowl and mirror, two chairs, and a desk. A communal bathroom was down the hall.

Edward Jones trainees were routinely sent to a town where they didn't know anyone. From the start, registered representatives, as they were known at the time, were encouraged to shake hands with 1,000 prospective clients as soon as possible after they moved to a new location, just as Ted Jones did during his early days at the company. To reach this objective, each trainee typically put in eight to ten months, working ten-hour days, knocking on doors, and encountering considerable amounts of rejection in between the successful visits.

Ted understood that if a financial advisor could endure this difficult period, he (unlike today, at the time they were all male) had the needed tenacity to enjoy a promising career with the company. To be sure, there were recruits who resisted making cold calls, some even expressing that they thought it was unprofessional. "I didn't go to college so I could get a job as a door-to-door salesman," some irately expressed. Ted made it clear that refusing to make cold calls was not an option. He let them know that every Edward Jones financial advisor begins his career with the firm that way—just as he did. "If it's beneath your dignity," he would say, "then go work somewhere else."

Indeed, making 1,000 cold calls was a grueling undertaking. Ted knew firsthand that it wasn't a task for the faint of heart. He also believed that any financial advisor who could endure month after month of cold calls and countless ten-hour days was certain to be someone with determination. Ted knew that the financial world was filled with times when the market went up and then came crashing down; he wanted to build an organization that had tough people who could survive tough times. This philosophy became deeply ingrained in the company culture.

Ted had also laid the foundation for the principle by which the firm would be run. As a partnership, the firm was built on the power of individual entrepreneurs in offices with one financial advisor in each location.

Ted Jones (right) counsels a financial advisor trainee, early 1980s

Using a sports analogy akin to the home court advantage in basketball, Ted said that in sales, it is more advantageous to meet with customers where they live or work. He told the financial advisors that by being there, they could pick up clues about a prospective client's needs that might otherwise not be disclosed in the branch office. For instance, a photograph of grandchildren might trigger a conversation about an investment to fund college educations. Perhaps the client hadn't thought about it yet or did and had been procrastinating. In another scenario, a financial advisor might discover that he and the client both had a passion for dogs or sailing or fine art. Or a financial advisor might see a framed photo or a trophy that lets him or her know the prospective client was involved in a particular charity drive, such as the American Cancer Society or Special Olympics. Ted stressed how these bits of information help build rapport with clients that lead to long-term relationships.

The firm opened other offices in small towns, and in 1960 established one in Pueblo, Colorado, even though it required the installation of a 1,500-mile telegraph wire to link to St. Louis headquarters. Ted's brother-in-law, Bill Lloyd, headed the Pueblo branch office. When Ted's father questioned him about the wisdom of opening a remote office in Colorado, the younger Jones said, "We're going to string offices all the way back to St. Louis." His father retorted, "We'll probably go broke before you get those offices between here and Colorado."

It took a herculean effort to open offices one by one following the telegraph wire. Ted would spend many days driving along the highway looking for towns that would support an Edward Jones branch office. These were places like Dodge City, Hays, Great Bend, Manhattan, and Goodland in Kansas. In other states, towns such as Ponca City in Oklahoma and Jefferson City in Missouri were a few of the countless communities that represented the firm's new frontier. It was a slow but steady process. There were fifty-three Edward Jones branch offices when the Pueblo office opened. By 1967, there were 100 financial advisors in slightly fewer branches.

There were many naysayers who thought the one-broker office approach was doomed to fail. The competing stock brokerage firms were located in large cities, most having (or striving to have) many brokers working in each of their offices. They believed the law of economies of scale dictated this. Having many revenue-producing brokers in an office that would share common expenses would, in theory, substantially reduce the overhead per broker.

The doubting Thomases argued that farmers and small-town folks were not good prospective clients, another reason a stockbroker office in a small town was destined to go belly-up. Ted knew his customers, and he knew Edward Jones could fulfill a need in an untapped marketplace.

Ted was certain that a one-person office in a small community would have less overhead because everything from the cost of rent to taking a client to lunch would be less. Another advantage of being a one-person office in small communities while other brokerage firms focused on large cities meant that Edward Jones had virtually no competitors with offices where it did business.

Jim Weddle, who served as Edward Jones' managing partner from 2005 through 2018, described the formula as quite simple. "Give the right kind of people the chance to build their own businesses, back them up with the kind of support system they won't get anywhere else, and reward them well for their efforts. That way, you ensure that all of their energy, intelligence, and enthusiasm is focused to the ultimate benefit of the client—and the firm. You are not an abstraction to the client—and the client is not an abstraction to you."

The company that Ted was building was much different from what his father had in mind. Back in 1922, Edward Jones Sr. planned on building a traditional brokerage firm with branch offices in big cities, each having several brokers, a staff of office workers, and a branch manager to supervise everyone. The father and son were different personalities, and this was immediately apparent by their appearances. Edward Jones Sr. was a highly stylish man. He always dressed in a fine suit and looked like a distinguished executive who should be seated at the head of the table. His son was more laid-back. A humble man, Ted felt at home talking to a farmer in a barn, with his tie loosened and his sports jacket tossed over his shoulder. Ted often carried a bandana and, at times, would pull it slowly out of his pocket and mop his brow with it. Sometimes, he gave the impression that he was a plain-speaking country boy, and whenever he checked into a hotel, he would put "farmer" as his occupation. As it is said, impressions can be deceiving. Ted Jones, like his father, was an astute businessman.

> TED JONES SAW A MARKET IN CONTEMPLATION.
>
> —Peter Drucker

Also like his father, Ted was dynamic, but in a different way. No doubt their dissimilarities made them a better team, because it brought different perspectives to the table that, in turn, spawned different solutions. Had they both thought identically, it would have been unlikely that Edward D. Jones & Co. would have grown to be the firm it is today.

While having different personalities, father and son shared certain common denominators. They were highly intelligent, hardworking men, and both were dedicated to serving their associates and their clients. They were men of high integrity and treated all people with respect. Above all else, both men were committed to help their people succeed.

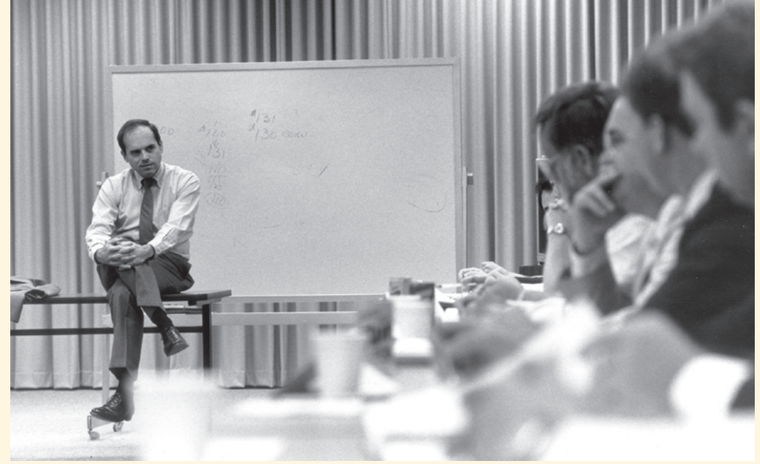
Ted maintained that the firm's owners should work for the company and even denied his two sisters a share because they did not work there. By being privately owned, the firm's management can make decisions based on what is best for its clients, rather than having to concern themselves with meeting Wall Street earnings targets or being held accountable to shareholders. To this day, the firm's parent company, The Jones Financial Companies, L.L.L.P., has remained a limited liability limited partnership, owned only by its associates and retired associates. It is not publicly traded.

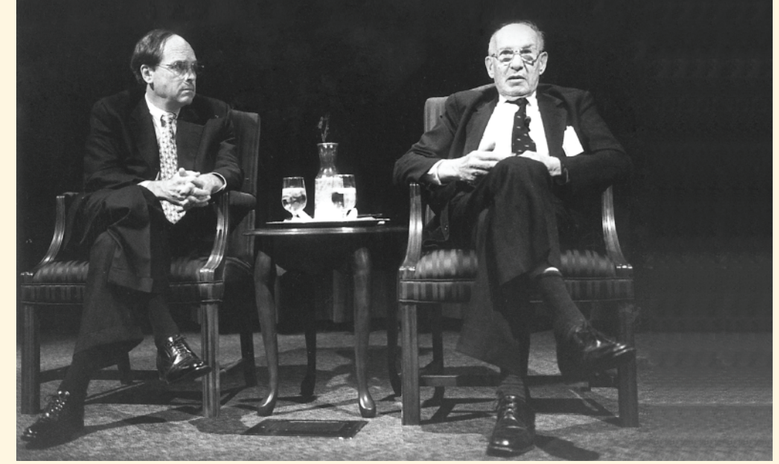
In 1968, after twenty years as a financial advisor, Ted, then 42 years of age, succeeded his father and became the firm's second managing partner. He remained focused on serving investors in small towns and communities that had been overlooked by the major firms. By meeting face-to-face with clients, building strong relationships, and offering conservative, quality investments to be held for the long term, Ted believed his company would find a niche in the marketplace that would differentiate it from the competition. The firm's focus on serving its customers has been crucial to its long-term success. J.D. Power, the data analytics company, has consistently given Edward Jones the highest score in investor satisfaction with full-service brokerage firms.

To this day, the branch-office structure that Ted pioneered is a defining element of Edward Jones' organization. The company is known for its entrepreneurial spirit, as each financial advisor runs his or her own branch. The vast majority of branch offices are run by one financial advisor and one branch office administrator (BOA) as a team effort. The BOA plays a vital role in the success of each office. He or she is the first person clients interact with when they come into the office or call on the phone. And being a salesperson, Ted Jones understood that you only get one chance to make a good first impression.

BOAs are deeply involved with clients and are responsible for building loyalty and nurturing relationships with them. They are frequently interacting with clients and focus on what is most important to the client, with particular attention to the key moments that matter. BOAs wear many hats—they execute client and branch processes and facilitate branch-business planning. They assist clients through the digital client experience and the appointment process. They also are known for how well they know the firm's clients, often adding caring touches and checking in with them in a way that makes each client feel special. In short, BOAs are key for making the clients feel understood, secure, informed,

Ted Jones at his farm in Williamsburg, Missouri, c. 1987





Left: Edward D. Jones branch office, c. 1970s

Above: John Bachmann addresses a group of financial advisors, 1980s

Opposite page: John Bachmann and Peter Drucker at a firm management meeting, 1995

and in control, all of which is vital to the client experience.

Edward Jones stresses the independence of operating one's office in its recruiting practices when hiring financial advisors. The firm's financial advisors and BOAs cite the opportunity to help people achieve better lives tied to purpose as the most fulfilling role that they play. Edward Jones looks for self-motivated entrepreneurs with a desire to run their own businesses; in addition to recruiting financial advisors who have established themselves elsewhere, the firm often recruits mid-career professionals from outside the financial services industry.

When once asked after his retirement why he never sold out and became as rich as Sam Walton, Ted Jones' reply spoke volumes. "I am the richest man in America," he said. "I have a wife who loves me in spite of my faults. I have four dogs. Two love only me. One loves everybody. One loves no one but is still very loyal. I enjoy my business. I love my farm and my home. I have a few close friends, and money has never been my god."

In the late 1950s, more than a decade before Ted Jones was named managing partner, John W. Bachmann, a young student majoring in economics at Wabash College in Crawfordsville, Indiana, was looking for a summer job. In the winter of 1959, Jack Phelan suggested to Bachmann's father that his son, whom Phelan had met a few years earlier when he was a high school student, should come and see him about a summer job with the firm. Bachmann reached out, and as luck would have it, an internship was available. He spent the summer in St. Louis working at the company's home office—the first of two summers interning at Edward Jones.

In 1960, while earning an MBA from Northwestern University, Bachmann joined the firm and worked in the home office in the investment banking department. Ted hinted to John that he should consider becoming a financial advisor and mentioned an opportunity that existed in Columbia, Missouri. An ambitious young man, John opened a branch office in 1963 in the college town of Columbia. In 1970, at age 32 and only seven years after starting his full-time career with Edward Jones, Bachmann was named a principal in the firm, in charge of fixed-income product marketing.

In the early 1970s, Edward Jones had 100 financial advisors, mostly in the Midwest surrounding St. Louis. It was a successful regional brokerage firm but unknown nationally. On April 17, 1972, Bachmann drafted a detailed memo titled "The Future of Edward D. Jones & Co." The memo, which he distributed to the firm's partners, began by stating what the firm had accomplished during its fifty-year history. Bachmann highlighted that while the company had good people, its small-office approach would be copied by other firms, and Edward Jones would lose its competitive advantage unless specific advancements were made. He stressed that the firm should not abandon what had been successful, but instead fine-tune its business in order to grow at scale. He suggested that rather than modeling their approach after that of other financial-services firms, they should study the success of companies like McDonald's or Holiday Inn—companies known for replicating a consistent customer experience at hundreds of locations. Bachmann also believed the company's future depended on quantifying its plans for the future in writing in order to make decision-making easier and more efficient.

In the memo, Bachmann then turned his attention to a series of actionable steps to initiate a significant—and, in his mind, necessary—growth phase for the firm. The first step he listed was by far the boldest: "Have 1,000 offices as a major goal, along with a timetable for reaching it."

> HAVE 1,000 OFFICES AS A MAJOR GOAL, ALONG WITH A TIMETABLE FOR REACHING IT.
>
> —John Bachmann in his memo

It was a radical notion. At the time, Edward Jones had just 100 branch offices. Bachmann was suggesting growing to ten times that number. Some felt that it was a completely unachievable goal, but Bachmann stood by it, believing that bold goals were necessary to keep the organization focused and motivated.

While that initial statement garnered the lion's share of attention, the rest of the memo was equally important. It included a list of steps that would help the firm establish a strong structure and formal plan around its business.

Prior to the historic memo, Edward Jones did not have a formal plan. Like most small enterprises, it developed its way of doing business organically, without a formal structure. The firm was successful, and Bachmann recognized that to be a major player in the investment brokerage business, Edward Jones needed defined direction. It took courage and conviction for a young rising executive—he had only been a principal for two years at that point—to send such a memo to the company's senior leadership. Fortunately, it was well received by Ted, who committed the firm to implementing the plan of action. In a sense, the memo had, for the first time, established the formula for the firm to focus solely on serious, long-term individual investors—the same kind of clients Edward Jones serves to this day. In the years since its writing, the 1972 memo has become part of the Edward Jones history, deeply embedded in its culture. Ted Jones' response to it clearly acknowledged the firm's receptiveness to suggestions and ideas from its people.

The memo initiated the firm's commitment to expand, but Bachmann always gave credit to his partners for its implementation. The expansion was a huge undertaking, and

The 10,000th branch opening, Southington, Connecticut, 2008

to make it happen, he would emphasize, involved a lot of hard work by many very capable men and women.

By 1978, Edward Jones had more than doubled its number of branch offices to 220, and that number had grown to more than 300 by 1980, when Ted stepped down from leading the firm on a day-to-day basis and Bachmann was named managing partner. With the firm's master plan fully in place, the firm had close to 1,000 offices spread across thirty-six states by the mid-1980s. The goal of having 1,000 offices was achieved in 1986 when an Edward Jones branch opened in Stoughton, Wisconsin.

During his tenure as managing partner, Bachmann did not deviate from the traditional Jones-style training; if anything, he was more fervent about it than his predecessor. Like Ted, Bachmann was a disciple of the management expert Peter Drucker, who is credited with turning management into an academic discipline. In the early 1980s, Bachmann engaged Drucker as a management consultant. Drucker challenged the firm to reexamine its policy of putting offices mainly in small towns. The firm stayed out of metropolitan areas to avoid competing against the big brokerage firms that weren't in the rural areas. There were a few exceptions, however. For example, Edward Jones had successful branch offices in small communities around St. Louis and Kansas City, as well as in the western suburbs of Chicago. Drucker pointed out that these successes were proof that having big-firm competition was not a detriment. "You will be successful wherever you find individual investors," the revered management expert advised.

Following Drucker's advice, Edward Jones began penetrating major metropolitan areas and found its formula worked there too. In time, Edward Jones had more branch offices in large metropolitan areas than in rural areas. While doing business in small towns was initially a strong factor in the firm's success, the passage of time made it apparent that there were individual investors everywhere who found value in what Edward Jones had to offer. People in large metropolitan areas had similar needs as people in rural communities, and Drucker stressed that the company should be everywhere that people needed its services.

Fueled by his work with Drucker, Bachmann developed plans for the company's future that would extend far beyond small-town markets. He envisioned many potential clients who had similar goals to the clients Edward Jones already worked with—individual investors who were focused on such things as having savings for their children's education and sufficient retirement income. They also were receptive to the firm's conservative investment advice and friendly, personalized service. The type of clients the firm sought did not categorically live in small towns—they also resided in cities and suburban communities. They had the same needs and goals as the firm's small-town clients. Implementing Drucker's advice, Edward Jones grew rapidly, increasing its number of financial advisors at a pace of 15 percent per year through the mid-1990s.

Peter Drucker would later say, "Ted Jones saw a market in contemplation." Having observed the firm for more than two decades, the management visionary called Ted a genius and gave him credit for seeing something that no one else could see. "This," as Drucker said on many occasions, "is about the hardest thing a businessman can do."

By the early 1990s, Edward Jones had 1,500 offices across the U.S. Applying the same successful formula as their predecessors, the company's financial advisors in large metropolitan areas worked out of small offices, each with a BOA, and delivered a personalized experience to every client. Edward Jones opened branch offices in strip shopping centers and in small office buildings in suburban America, blending in with the local community like a friendly neighbor. It had storefronts located next to dry cleaners, ice cream shops, and hair salons. These 1,000-square-foot offices were designed to have an informal and cozy atmosphere, making customers feel comfortable about stopping in after work, even dropping by wearing bib overalls and work boots. Although Edward Jones financial advisors continued to make cold calls in large metropolitan markets, it was more challenging in high-density areas. Knocking on doors in an apartment building, for example, produces fewer results than neighborhoods with single-family houses.

The Canadian home office in Mississauga, Ontario

In 1994, Gary Reamey, a former financial advisor who had successfully led an expansion into the firm's first major metropolitan market in Chicago, led the opening of the firm's first branch office in Canada and its Canadian headquarters in Mississauga, Ontario.

Four years later, under the leadership of executives Allan Anderson and Tim Kirley, Edward Jones opened its European headquarters in London's Canary Wharf. In the beginning, thinking that its friendly, small-town approach wouldn't work with the more reserved Britons, the firm used different tactics to solicit new clients. The experience of a relatively new financial advisor taught them otherwise. After getting off to a slow start in her initial location in Union, Missouri, 28-year-old Katie Bass was sent to England. Once there, Bass applied the same prospecting techniques she used back home—and it worked. British clients responded extremely well to the firm's investment philosophy and personalized service.

Bass' success taught Edward Jones a good lesson: People are people everywhere. Like Americans, the British also responded positively to a personal handshake and a warm greeting. By 2009, Edward Jones had 300 branch offices in England, and some of its top-performing financial advisors in the company were based there. Unfortunately, 2009 also ushered in the Great Recession. Leadership elected to sell its British operations to Towry Law, a London-based firm.

The company's foray into Canada had a far different outcome. Edward Jones succeeded in using the same formula that worked so well in the U.S. The firm opened branch offices to focus on the needs of individual investors in Canada, which are similar to those of investors in the U.S., although insurance-based products are popular and banks are the primary competition. Since 1994, Edward Jones has had four country leaders in Canada: Gary Reamey, David Lane, Tim Kirley (the same executive who had helped launch the firm in the U.K.), and David Gunn, who became president of Edward Jones' subsidiary in Canada in 2020. Gunn, who joined the firm in 2000, is the first Canadian-born person to head the firm's Canadian subsidiary. Under this strong leadership, Edward Jones has evolved to become a truly North American firm, sharing resources and expertise in both directions across the border.

Today, Edward Jones serves investors in Canada with approximately 900 financial advisors in communities that stretch from coast to coast. The company has wisely invested tremendous resources to better understand the needs of Canadians. For example, in 2020, it partnered with Leger Research to determine how Canadians have been impacted financially by the global pandemic.

John Bachmann (left), Ted Jones, and Doug Hill (right), c. 1981

Canada achieved success through a focus on two priorities: growing its numbers of financial advisors and developing new leaders. Regions pulled together to train, assist, and develop others, and, in doing so, brought the firm's culture to life and created success. Before his retirement from the firm in 2018, Tim Kirley noted, "These are the best of times in Canada."

While Edward Jones continues to grow to serve more investors, it is unlikely its competitors will follow its lead by opening offices with a single financial advisor. To copy Edward Jones, other firms would have to change their business model to accommodate large numbers of small offices. So, while other firms' financial advisors are capable of establishing personalized relationships with their clients, it is improbable that a large brokerage house will attempt to emulate Edward Jones' structure.

In January 2004, Bachmann stepped down at age 65, the firm's mandatory retirement age, and Doug Hill became managing partner. Hill grew up in Homer, New York, about thirty miles north of Syracuse, where his father owned and operated a grocery store. He was introduced to Edward Jones when he was a student at Kansas State University in the early 1960s and attended a lecture given by a guest speaker, Jim Hubbard, an Edward Jones financial advisor. Afterward, Hill became a regular visitor at Hubbard's office, frequently asking about information on markets and stocks. Following his graduation in 1967, Hill took a job with the firm at its home office in St. Louis.

One year later, Hill moved to Dodge City, Kansas, where he eventually became one of the firm's top ten financial advisors. In 1974, he became a principal of the firm as well as the regional leader of Kansas and Oklahoma. Four years later, Ted Jones invited him to move back to the home office in St. Louis to formalize the firm's training program. In 1981, he established and led the firm's sales and marketing division—a position he held for the next sixteen years. In 1998, Hill became chief operating officer, heading the firm's rapid expansion program; from 1998 to 2002, the number of financial advisors nearly doubled. In 2002, he assumed added responsibilities and led the firm's accounting, human resources, information systems, operations, and service divisions. By this time, it had become clear that when Bachmann would retire, Hill was the best person to replace him.

Doug Hill, managing partner, 2004–05

Long before being named managing partner, Hill had made his mark on Edward Jones. Working alongside Bachmann for decades, he helped grow the firm from its regional roots into a formidable national presence. It was Hill who brought Bachmann's vision to life, one financial advisor at a time, setting the firm's agenda and charting its course.

As managing partner, Hill formalized Edward Jones' planning process, developing a consistent framework that began with the marketing division and would eventually be implemented across each of the firm's divisions. This process ensured that each division's objectives, strategies, and programs aligned with the firm's overall plan, enabling it to continue its rapid growth.

Just a few days into Hill's tenure as managing partner, the firm entered one of the most painful chapters of its history. Securities regulators were looking into disclosures about a practice known as revenue sharing. This practice involved recurring payments based on how much volume a firm placed with mutual fund companies. Regulators were concerned it created a material conflict of interest that had not been fully disclosed to investors. In late 2004, near the end of Hill's first year as managing partner, Edward Jones settled with the SEC and other securities regulators for terms including a payment of $75 million. Hill stepped down as managing partner shortly thereafter. He remained at the firm and continued to serve as a partner.

Part of the challenge around Hill's stepping down as managing partner was that, unlike when John Bachmann and Hill himself were selected to run the firm, there was no single obvious replacement. A succession committee was formed, and as a first step, they took several months to identify the personal qualities and skill set they sought in a new leader. By April 2005, they began conducting intensive interviews and assessments with a small pool of internal candidates. By the end of their work, the committee had settled on a unanimous selection for the firm's fifth managing partner: Jim Weddle.

Weddle had a long history with Edward Jones. In 1976, while pursuing an MBA at Washington University in St. Louis, he was introduced to the firm when a representative visited the campus during a career day event. That summer, Weddle interned in the research department at the firm's headquarters in St. Louis.

Jim Weddle, managing partner, 2006–18

Through his work in research, Weddle communicated daily with financial advisors. "I really enjoyed the industry," he explains. "It was dynamic and fast-changing—it was different every day. I concluded that I wasn't going to be a very good research analyst. I was enamored with the sales end of the business, and I realized I was on the wrong side of the phone. I wanted to be a financial advisor. As soon as I graduated, I took the company's training program, sat for the Series 7 examination, and was ready to open a branch office."

Weddle grew up in Naperville, Illinois, a suburb of Chicago; his wife, Stacey, was a native of Indianapolis. During his training program, the young married couple took weekend trips driving through Illinois and Indiana looking for a place that did not have an Edward Jones office. They eventually chose Connersville, Indiana, a town of 20,000 that sits sixty miles due east of Indianapolis, because of its proximity to her family.

Connersville was the county seat, and its economy had a good mix of agriculture and business. Ford, Purolator, Dresser Industries, and Stant Manufacturing were the area's big employers. At age 23, Weddle opened the firm's 200th office in Connersville. On Day One, he started introducing himself to prospective clients, making door-to-door visits—to businesses as well as residences—and meeting people by getting involved in the local community. He did what all Edward Jones financial advisors were taught to do before him and what thousands have since been trained to do. He was a top producer, and he became a limited partner in the firm in 1981.

Weddle recalled a time in 1978 when Ted Jones paid a visit to his branch office. "I was still a very new registered representative," Weddle explained. "While Ted was in town, we visited accountants, bankers, the mayor, and the newspaper editor. I've never seen anyone before or since who could carry on a conversation with anyone like Ted Jones could."

"When Ted would arrive in a town," Weddle said, "the first thing he'd do would be to stop at a gas station or a local store. If the proprietor hadn't heard of Edward Jones, Ted started to get worried. If the answer was yes, Ted would ask whether the broker was reliable. 'He is absolutely reliable,' someone might say. That was what Ted wanted to hear. 'He works

Jim Weddle (far right) and firm leaders host a diversity panel discussion, 2016

for a fine old-line firm, and they train their brokers very thoroughly.'"

In 1984, Weddle was named a principal in the firm and moved to the company's St. Louis headquarters to work in sales training. By 1986, he was a member of the partnership's Management Committee. He held multiple positions in the following years and was eventually asked to lead the company's more than 9,000 branch offices, a job that included the identification and development of management talent within the company. Weddle was still in this role when, in November 2005, at age 53, he was named the firm's fifth managing partner.

Weddle took over during a challenging period for the firm, and one of his first tasks was to bolster credibility with regulators and restore the company's reputation with the public. He was successful at both, and under Weddle's watch, the firm enjoyed rapid growth in both the U.S. and Canada. However, it was also during his tenure that one of the most difficult economic periods in our nation's history took place. The U.S. subprime mortgage crisis that occurred between 2007 and 2008 triggered a 50 percent fall in the Dow, plunging the world economy into the Great Recession. This had an enormous impact on the financial services industry as well as the millions of Americans who lost their jobs and their homes.

The crisis led to the collapse of many leading financial institutions, including Lehman Brothers, which was one of the oldest and most influential investment banks. Merrill Lynch, one of the strongest brands and leaders in the industry, became a division of Bank of America. Wells Fargo rescued Wachovia and thus became the owner of one of the largest retail brokerages in the country. Smith Barney was taken over by Morgan Stanley, and Bear Stearns was sold to JPMorgan Chase. With the market lurching from one low to another, Edward Jones realized the key to fulfilling its responsibility to its clients was to stay in close contact with them. Financial advisors received an unprecedented level of support from the home office. Market briefings, which could be forwarded on to clients, were distributed to financial advisors from the research department, sometimes as often as four times a day. Each client received a reassuring personalized letter in October 2008 from Weddle that let them know they were important to the firm and to assure them the company was well capitalized.

During this difficult time, many Edward Jones associates and partners remember the calm and collected way Weddle ably steered the firm. He projected a sovereign self-confidence in the firm, its values, and investment philosophy. Nervous financial advisors were coached on how to address the fears and sometimes panic of their clients. Edward Jones came through without laying off a single associate, an extraordinary achievement at a time when competitors were shedding tens of thousands of jobs and, in many cases, going out of business. Furthermore, a key decision was made to maintain the firm's growth trajectory by continuing to hire financial advisors.

Weddle left his mark on Edward Jones in other ways as well. For example, early in his tenure, he introduced a version of advisory accounts for clients. Known as Advisory Solutions, these accounts are invested, based on the firm's advice and guidance, to align with the client's goals and automatically rebalanced as markets change. For this service, the client would pay a fee rather than being charged a commission per transaction. Weddle's instincts were right. Advisory accounts were popular and have become an important way that clients invest with the firm today.

Weddle made other changes, including to the structure of the firm's leadership, in order to address the fact that the firm's rapid growth meant he could not directly oversee all aspects of operations, as his predecessors had. He also took steps to evolve the role of the BOA, having recognized the contributions BOAs made to branch offices and the impact they had on client relationships. As part of this effort, Weddle expanded the availability of bonuses for BOAs.

Weddle oversaw tremendous growth as managing partner; by the time he reached the firm's mandatory retirement age of 65 and departed his role at the end of 2018, there were 17,615 Edward Jones financial advisors in the U.S. and Canada.

The search for Weddle's replacement was similar in many ways to the process through which he earned the role. A selection committee vetted and interviewed a number of nominees, and when they made their decision, it was a unanimous one—just like Weddle's had been. As a result, Penny Pennington, age 56, became Edward Jones' sixth managing partner on January 1, 2019.

Like each of her predecessors (with the exception of Edward Jones Sr.), Pennington began her career with Edward Jones as a financial advisor. Weddle believed her experience in the field served her well. "She has firsthand understanding of what our clients value," he said, "and of our mission to serve more individual investors."

Pennington agrees that her time as a financial advisor continues to provide valuable perspective. "We are a company that has maintained a founder's mentality for decades and decades," she explains. "It's really important to me as I make decisions, and frankly it's important to our clients, our financial advisors, and our colleagues for me to be able to say that I sat in that chair. I know what it's like to build trust with a family in a branch, to truly listen to them and to be important in my community."

Pennington grew up in Nashville and attended the University of Virginia, where she earned a bachelor's degree in commerce, with an emphasis on finance. She also earned an MBA from Northwestern's Kellogg School of Management. After spending the first fourteen years of her career in corporate banking (making her the first of the firm's managing partners since Edward Jones Sr. himself not to have begun her career at the firm), Pennington joined Edward Jones in 2000 and opened a branch office in Livonia, Michigan. Six years later, she became a principal in the firm and moved to St. Louis to work in the new financial advisor training department. Over the next thirteen years, she held a variety of leadership roles, each of which broadened her perspective and increased her understanding of various parts of the firm.

During her relatively brief tenure as managing partner to date, Pennington has led the firm into a period of transformation, recognizing that client expectations as well as conditions in the industry are changing. Clients are seeking more than just investment advice; they are looking for financial advisors who will focus on their overall well-being and who can help them achieve the things in life that are most important to them as investors, family members, and community builders. The economics of the industry have also come under pressure; for example, the transaction of purchasing securities—for many decades, a primary source of revenue for many firms—has for some firms become a commodity. As a result, Pennington recognized that the role of the financial advisor should also adjust, combining empathy and knowledge to serve clients in a highly personalized way. These transformative changes all are being incorporated while building on the extraordinary success of the firm in serving the needs of investors on a vast scale.

Penny Pennington, managing partner

On a parallel path, Pennington understands that technology plays a bigger role in clients' lives and has become an expectation of their relationships—not to replace the guidance of their financial advisors, but to complement and support the relationship with their financial advisors. To that end, the firm has embarked on a $500 million technology investment and digital acceleration strategy to provide clients and financial advisors with tools that complement the deep, personal relationships that have always been at the core of Edward Jones' approach. These tools will not only help clients monitor how their investments are doing and whether

Members of the Edward Jones Black/African American Business Resource Group being recognized by Penny Pennington for their leadership in the Social Responsibility space

Edward Jones headquarters,
St. Louis, Missouri

they are on track to reach their goals, but the tools also will help clients better understand where they are headed and what they can do if their needs and goals change.

Under Pennington's leadership, the firm has focused on authentically living its purpose to partner for positive impact to improve the lives of clients and colleagues, and together to better the communities it serves and society as a whole. It is a contemporary articulation of a purpose that has been a priority at Edward Jones since its earliest days.

"We're constantly asking ourselves about our own purpose," she says. "Why do you do what you do, and how does that connect to partnering for a positive impact? How does it make a difference in the lives of our clients, our colleagues, in our communities, and society? It's about much more than just helping people build wealth. It always has been. It is about helping people connect to their own purpose and achieve things in their lives they might not have known were possible."

Indeed, since its earliest days, this purpose was inherent in the work the firm did. Pennington recalls Jim McKenzie, now a retired financial advisor in Kearney, Nebraska. McKenzie opened his Edward Jones branch in 1968 and served as a financial advisor there for over fifty years. Pennington recently asked him about his motivations in building his business. "He said, 'Penny, my goal was to have more millionaires per capita in Kearney than anywhere else in the country,'" recalls Pennington. "He said it is not about helping people just pile up money. He believed that if people had those kinds of opportunities and possibilities in their lives, if he helped guide them there, and if he connected them to their purpose, then Kearney would have the strongest libraries, the strongest hospitals, the strongest school systems, and the strongest community organizations they could have. Jim told me that Kearney is his town and that is what he wanted for the families in his town."

Pennington has taken the firm's purpose a step further, viewing it through the lens of the impact Edward Jones and its associates have on society as a whole. Edward Jones currently has offices in two-thirds of the 3,143 counties in the U.S. and clients in all but one county in the country, as well as offices in all of Canada's ten provinces. "We are right there in cities, towns, and villages with our clients and their families, and we make a positive difference in their lives," she says. "We partner in our communities, sit on boards, and work with civic organizations. We are at the Rotary and at the Optimist Club and at the school board, and in some cases we are elected officials. We partner with our communities and families to make people's lives better. It is our intention to partner to positively impact the lives of tens of millions of people in tens of thousands of communities and for tens of thousands of colleagues. This purpose comes at the headwaters of every decision we make, the strategies we set for ourselves, the outcomes we desire, and the way we measure our success. That is how we think about it. We are here to strengthen our communities to the benefit of everyone living in them."

Like her predecessors at Edward Jones, Pennington is a business leader who has shifted away from economist Milton Friedman's notion of profits as a business' sole responsibility, and toward the concept of creating shared value and the need for companies to focus on more than just their bottom lines. Under this point of view, growth is measured not just in size or dollars, but in terms of the firm's ability to grow its impact and do more to benefit society. "We see ourselves as part of the fabric of every community where we serve and in every community where our headquarters locations are," she says. "We partner with other stakeholders who share our purposeful intention to make a difference in people's lives. We don't want to do it alone, and we can't do it alone. We know that by pulling together the fabric of our communities, of our families, of society, and partnering within our domains of expertise, we can come up with integrated solutions that make a difference for individual families, that provide equity in terms of access to information, financial literacy, and all the ways that families can recognize the possibilities in their own lives. We as businesses, as regulators, as community organizations can partner to improve their lives."

This sense of purpose met a strong test just a year into Pennington's tenure when, in early 2020, the COVID-19 pandemic began. For a company that had long thrived on close client relationships built on face-to-face meetings, the era of social distancing represented an enormous challenge. The firm's strong sense of purpose guided Pennington and her leadership team through the crisis and helped them make wide-ranging decisions quickly. These decisions ensured that branch teams could stay connected to clients, and their home office supporters could serve them effectively. While all branch offices were temporarily closed to the public, they remained operational so the firm could continue serving clients—which was particularly important, given that the early days of the pandemic were marked by large swings in the stock market that alarmed investors. The firm also took steps to control costs in an effort to ensure that no associates would need to be laid off due to the economic downturn.

Aside from steering the firm through the pandemic, Pennington has taken a keen interest in the firm's BOAs by highlighting the important role they play in the success of each Edward Jones branch office. In this regard, she is similar to Jim Weddle, who was also a big proponent of the branch office administrator. BOAs have come a long way since they were referred to as branch secretaries back in the 1960s. Back then, their primary responsibility was operating the Teletype machine on which orders were placed, messages were sent, and quotes were acquired. It wasn't until the 1980s that the role was transformed and the branch office administrator title was introduced at the firm. Associates in this role were offered limited partnership for the first time, and formalized training was also offered to BOAs for the first time in the company's history. In the 2000s, enhanced systems, tools, and training enabled BOAs to accomplish their work more efficiently. With these advancements, those in this role had an even greater capacity to engage in proactive client service and establish deeper client relationships.

"The relationships that our financial advisors and BOAs have with our clients is the bedrock of what we do," Pennington explains. "And the relationships that we have with one another makes us 'One Edward Jones' in service to those 7 million clients, growing to tens of millions of clients that we seek to serve."

Another priority for Pennington is the firm's digital acceleration strategy to support financial advisors in deepening the relationships they have with current and future clients. As part of this effort, the firm is adding virtual business enablement tools that help financial advisors serve clients and build their practices in entirely new ways.

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>
> —Penny Pennington

The technology improvements were well received during the pandemic. Clients were able to stay informed, and branch teams were able to continue delivering high levels of service to existing clients—and adding new ones—as a result of the digital tools each had at his or her disposal.

The early returns under Pennington's leadership have been extremely promising. Under her guidance during her first two years as managing partner, the firm experienced exceptional growth in its impact. As of June 2021, the firm was serving more than 7 million clients with $1.7 trillion of their assets under care and had 18,855 financial advisors. Edward Jones is the largest operating partnership in North America, with 586 general partners and approximately 24,000 limited partners as of June 25, 2021. "Nearly half of our colleagues are owners in our firm," notes Pennington. "That is a very special aspect of our company—it allows us to control our own destiny."

Although the company is now entering its second century, and its founder, Edward Jones, and his son Ted might be bewildered by the advances in technology at the firm, there are many things that would be familiar to them. The Joneses would recognize the firm's ambition of maintaining a sense of empathy, value delivery, and service to its clients, as these goals have remained intact at the firm since its earliest days.

"We do one thing really well," says Pennington. "We don't just do it one way, but we do one thing really well. And that is to guide investors, clients, and their families to achieve what is most important to them. This is the way we make a difference in the lives of others, and all of our investment, training, development, support, and leadership are pointed in that direction. That is our heritage."

As Edward Jones nears its 100-year anniversary, it is poised to continue this extraordinary level of commitment to its clients, its colleagues, and its communities well into its second century.