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The head of Edward Jones shares the company's plan for reopening offices during the pandemic and what it takes to land a job at the financial-services firm managing \$1.2 trillion in assets.

Shana Lebowitz and Mr. Tatyana Bellamy Walker

- Penny Pennington is the managing partner and a 20-year veteran of the financial-services firm Edward Jones.
- In an interview with *Business Insider*, Pennington shared the company's plans for reopening branches during the coronavirus pandemic and how the sudden shift to remote work spurred innovation within the organization.
- Pennington said she looks for job candidates who are self-starters and work well with others.

Penny Pennington joined the financial-services firm Edward Jones in 2000.

Before that, she worked in corporate and investment banking, which she didn't find entirely fulfilling. Pennington was browsing job listings in the middle of the night when she found an opening for an Edward Jones financial advisor in Livonia, Michigan. It seemed like the kind of place where she could both be herself and make a positive impact on the world.

Pennington took on increasing amounts of responsibility, eventually overseeing branch and regional development and the client-strategies group. Today Pennington is the managing partner (i.e., the highest-ranking employee) at Edward Jones and oversees about 49,000 employees in the US and Canada. Edward Jones was named the best large financial services and insurance company to work for in 2020 by the analytics firm Great Place to Work and *Fortune* magazine, with employees praising the company culture and its emphasis on partnership. The privately owned firm manages \$1.2 trillion in assets.[†]

In the past few months, Pennington, who works in the St. Louis area, has been steering Edward Jones through the coronavirus pandemic. In an interview with *Business Insider*, Pennington said employee feedback has helped guide her leadership team's strategic decisions. The crisis has also spurred innovation within the organization. At the start of the pandemic, just 15,000 employees were



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Penny Pennington is the managing partner of Edward Jones.

equipped to work remotely; now 50,000 are.

Pennington said she's always looked to help Edward Jones clients achieve their financial dreams, and that goal has become even more salient during the pandemic. "We want folks who can make things happen that make a meaningful

[†] Edward Jones took the #7 spot on the list. The ranking considered input from more than 650,000 employees in the financial services and insurance sector. Great Place to Work® evaluated more than 60 elements of team members' experience on the job. These included the extent to which employees trust leaders, the respect with which people are treated, the fairness of workplace decisions, and how much camaraderie there is among the team. Rankings are based on employees' feedback and reward companies who best include all employees, regardless of their role in the organization.

difference in other people's lives," she said.

The following interview has been edited for length and clarity.

Shana Lebowitz: What's the latest on Edward Jones' plans for reopening branches to the public, and how does it affect your job?

Penny Pennington: As we think about how we reopen our branches to the public, there have been several things that have guided us. First, a set of guiding principles that says we're going to make decisions based on the health and well-being of our clients, our colleagues, and the communities where we work.

We're also going to be very data-driven. We're taking guidance from local health officials, from the CDC in our three home office locations, Mississauga, Ontario; St. Louis; and Tempe. We're in constant dialogue with a hospital and health and human-resources officials here in our home office locations.

The third thing that is very important is the feedback from our own colleagues. We can't wait to see one another. We can't wait to be face-to-face with our clients. But we want to be guided by data and by the feedback from our own associates.

We are starting the process of reopening our branches to our clients. We've got 17 branches that are going to be beginning that process in the next week or so. *[Editor's note: This interview took place on May 27. Edward Jones said this number would continue to change based on state restrictions lifting.]* We have reopening kits that are going to each of our branches that include guidance, expectations, signage, PPE, cleaning materials, protocols. We want to make sure that folks feel that their insight and their ideas are fully baked into how we're going about this. And then, of course, each branch will have the ability to determine if they feel they're ready based on their clients and based on their particular situation.

How the coronavirus pandemic spurred innovative thinking throughout Edward Jones

Lebowitz: Are there things that you and your team and the organization overall have learned from having to think on your feet during this pandemic? Is there anything that you think you'll apply to your business operations going forward?

Pennington: On March 17, our executive committee penned the first version of a set of guiding principles. What we recognized is that there was no way that we were going to be able to answer the needs of the organization and our clients in a top-down way. What we were going to get to do was to elicit and unleash the talent of the organization to solve myriad problems that we could not necessarily foresee and solve them quickly.

We put together about a page and a half of guiding principles, and we put it in the hands of any leader who was engaged in solving a particular problem that had to do with COVID response. What we found is that it engaged the imagination, the creativity of our talented folks. It let them know what rails to run on, what was out of bounds, but beyond that, it gave leaders all throughout the organization the confidence that we had confidence in them to solve hard problems according to this set of guidelines.

Our "north star" is to stay connected and meaningful to our clients, to our colleagues, and remain helpful in all the communities that we serve. That guided all of our decisions and frankly guided a tremendous amount of innovation because we weren't trying to dictate the "how" of going about solving those problems.

What it unleashed was innovation, ideas that people had had on their desk or in the back of their minds for years. But we didn't have the chance to get to yet. It was still considered a nice-to-have when overnight it became a requirement, a need-to-have.

Lebowitz: Is there an example of someone who took that confidence and permission and came up with something great that you're really proud of?

Pennington: We had 15,000 remote connections available to us. We knew that with what was about to happen that was going to not be nearly enough. And so within 10 days' time, Frank LaQuinta, who is responsible for all of our technology, went into motion, and we got to 50,000 remote connections, including Frank and his team driving to Kentucky to pick up equipment that had to be plugged in back here in St. Louis. That's all magic to me. I don't know exactly what had to be plugged in. What I know is that Frank did know, and he knew the urgency of it.

Within 10 days, we ramped up those remote connections, and then three weeks later, we were in a position to enable a significant number of our field professionals, our colleagues, our branch-office administrators who have never worked flexibly or remotely by nature of their role. We had the ability for any of them and all of them if they chose to work in flexible ways, and they still have that ability. The innovation, the determination of individuals very close to our clients as well as very close to the institutional to come up with those kinds of solutions has really been tremendous.

Edward Jones hires people who are both self-starters and team players

Lebowitz: It sounds like the most successful employees at Edward Jones are the people who can take initiative and make things happen on your own. Is that something you've always hired for?

Pennington: Very much so. We want folks who can make things happen that make a meaningful difference in other people's lives. We hire our financial advisers based on their track record of success and making things happen in their professional lives, but also their competencies and their skillset around discerning what their clients need and putting together a set of strategies to help that client and their family achieve what's most important to them.

We hire people who are not focused on themselves, who are focused on being helpful to others to help enlarge the possibilities for millions of families. That self-starter attitude, that entrepreneurial attitude, yes, but also an attitude of building that with the support and the help of other people. They're not out there doing that on their own.

Lebowitz: Is Edward Jones still hiring new employees?

Pennington: We are hiring new financial advisers right now who have served as financial advisers at other places, existing financial advisers who may have determined that Edward Jones might be a better fit for their clients and

for their professional aspirations. We have put a temporary hold on hiring new financial advisers who are changing careers, and that's been a very important part of our organic growth for decades. That really is the reason that we're able to serve at the scale and impact that we are, is that we've hired many, many people who are changing careers and want this kind of career of purpose and service in their community.

Right now we have a temporary freeze on that, and we have a freeze on hiring for our home office locations. We did that in 2008, 2009. The reason that we make that decision is so that we ensure that we take care of our Edward Jones family who's in place right now and don't have to make more difficult decisions later on. We never laid off a single person in the 2008-09 downturn. And we intend to be proud of that again this time.

Pennington was drawn to Edward Jones 20 years ago because she wanted to make a difference in clients' lives

Lebowitz: You came to Edward Jones from a finance background, but it was a bit of a career pivot for you when you joined 20 years ago.

Pennington: I have been with Edward Jones for 20 years. I found Edward Jones on the internet. I didn't know exactly what I was looking for. I just knew I was looking for something that would provide me the opportunity to be more authentically who I was, to bring my gifts. I wanted my professional life to be more significant. I had the opportunity to really become much more personally invested in my career and in building those trusted relationships with hundreds of families in Livonia, Michigan, which is where my branch office was.

Lebowitz: When you decided to take the job at Edward Jones, how did you go about making that career decision?

Pennington: I would say that is more about Edward Jones than it was about me at the moment. When I was on Monster.com in the middle of the night and I found Edward Jones, the business model and the investment philosophy of Edward Jones is what immediately drew me. It resonated with me at that moment. The business model made it very clear that the purpose of being at Edward Jones as a financial adviser was to build trusted relationships with dozens and hundreds of families in your community to help them achieve what was most important to them, to help put together a plan for them and their families in their lives.

The other very relevant part of the business model is that it was me and my colleague, what we call a branch office administrator, in the branch with a lot of support around us. It mattered that it was me who showed up every day. I was the one who was going to be building these relationships, albeit with tremendous support from Edward Jones. That was very important to me.

The second thing was the investment philosophy. Our investment philosophy is tried and true. It is rooted in three things: diversification of investment assets, high-quality investments, and a long-term orientation. This was in 1999, 2000 during the tech bubble, when everybody thought they were smarter than that investment philoso-

phy. When I saw that investment philosophy, I knew it was the right place to be.

Pennington tells aspiring finance professionals that wealth management is a very personal endeavor

Lebowitz: How would you advise a young and ambitious professional who wants to pursue a career in finance now?

Pennington: The first piece of advice that I would give is if you're interested in the industry, recognize what this industry does. It improves people's lives, their personal economies, and helps enlarge the financial possibilities for millions of North Americans. When it's at its very best, it can align with a meaningful difference that individual professionals want to make in their lives.

I'll be a little more specific about the advice that I would give around our particular industry, what's broadly called wealth management, which is helping families achieve what they most desire – recognize that it's a very personal endeavor, that it asks us to be real human beings, that it asks us to bring our expertise in the profession, and that can be taught and learned.

The aging of financial advisers currently in our industry is such that we're running out of financial advisers. In an environment where it feels like there's a scarcity of everything and not enough jobs for many. This is a profession that has very, very optimistic prospects for how much people need us.

No matter what their means are, people always wonder: "Do I have enough to have the life that I dream of having?" When you help an individual and a family visualize it and articulate it and then put together a plan to help achieve it, it's the most rewarding thing in the world. And we get to walk beside people throughout their lives as they do that.

Lebowitz: As an Edward Jones employee, first and foremost, you are helping people figure out how to achieve their goals and live the life they want. That's certainly something you got to do when you first joined the company. As the head of the company, do you feel like you're still able to make that difference for people even though you're not as hands-on as a financial advisor?

Pennington: My experience of still feeling connected to our clients and our colleagues has really been dialed up the last 10 weeks. I just sent a picture earlier of one of our financial advisers who took 120 little goodie bags and dropped them off safely at the doors of some of her clients with a little chocolate, a little note, and a face mask and said, "We miss you, but we're here for you, and we're thinking about your safety and well-being." They're helping me continue to be connected to clients and our colleagues.

As a leader, I can help create that kind of possibility for hundreds of thousands and millions of people. [New employees] are sending me notes saying, I know I've barely met my teammates, but the culture of this organization is such that they're reaching out to me saying, "I feel more at home here than I did at my previous employer because of how we treat each other and because of our purpose and because of what we're all doing together." So while in some respects I could feel somewhat removed, I feel even more passionate, committed, knee-deep in it as I've ever felt.