

The Virtual Manager

ENTREPRENEURS SPEND MOST OF THEIR time putting out fires," says management consultant Lynn Marie Hoopingarner of Profitable Solutions Institute Inc. in West Hollywood, California. "They're not necessarily looking at the long-term health of their company."

Most independent financial planners have their backs to the wall. They're frantically busy almost all of the time, and although planning is their profession, they have little time to chart courses for themselves and their employees. There are client e-mails to answer, phone calls to return; it's hard enough to keep track of yourself—who has time to manage employees? Here's help: Web sites that can help you manage your staff.

Personnel management—recruiting staff, delineating job responsibilities, writing performance appraisals, establishing company policies—is neglected or ignored in many small, growing businesses. It's not an item you see on your bottom line, and you're not big enough to hire a personnel director. But managing human resources is critical to a small business. "Investment advisors are in a service business. Without good people, advisors cannot provide good service, and without good service, they lose good customers," says Hoopingarner.

How can the Web help? Well, it has put at your fingertips tools that small businesses previously could only dream of. There are Web sites for conducting personnel reviews, e-mail courses you can take to teach how to interview job candidates, aptitude tests to help you find the right person for a job, and Web sites for employers to run background checks on new hires.

One key personnel management task that the Web can help you with is con-

Most financial planners don't have the time or talent to manage their personnel. Now, you guessed it, you can get plenty of help on the Web



ducting performance reviews. A lot of advisory firms don't conduct formal reviews because the firm is small and, quite frankly, reviews are socially uncomfortable to do. But instituting a review process is not that difficult and can help your business run better.

Hoopingarner, a Certified Management Consultant who charges a minimum of \$10,000 to consult with firms on a strategic plan, says the number one reason people take jobs, leave jobs, or are unhappy with jobs is not money: It's job satisfaction, or lack thereof. Job satisfaction has a number of components, she says, and one of the biggies is feedback—regular feedback and ongoing opportunity to get it.

"Entrepreneurs are usually so busy trying to book the next deal or find a new client they neglect their most important resource: their people," says Hoopingarner. "One of the best ways to nurture that

resource is to give employees regular, meaningful feedback."

For a small advisory firm, instituting performance reviews is especially important because you are competing in the job pool against large corporations. Your employees can go to or are coming from corporate behemoths where feedback is given regularly, so you need to do performance reviews, too. How often? At least annually, says Hoopingarner, but if you're up against a personality issue in your office or in a hyper-growth situation, more frequent reviews, perhaps even quarterly or monthly, may be needed. It can protect an employer to have a problem with an employee documented.

The best performance review tools I found on the Web—indeed the best personnel administration tools, period—were at www.HRTools.com. The performance review tool provided me with many ideas I never would have thought of about how best to review an employee. Other sites, such as www.allbusiness.com, offer forms for conducting a performance review, but HRTools.com gives you interactive tools that prompt you, make suggestions, and actually help you write the review.

HRTools.com appears to be the leader in Web-based human resources tools. It will be copied, but for now it's the most comprehensive, one-stop shopping place on the Web for fulfilling the HR needs of a small business.

HRTools.com is owned by KnowledgePoint, which makes software for managing personnel issues. People Manager is for tracking employee emergency numbers, attendance, and other employee data. KnowledgePoint also makes Descriptions Now for writing job descriptions, Policies Now for establishing an employee policy handbook, and

Performance Now for reviewing performance. They're each street-priced at about \$75.

What KnowledgePoint has done on the Web is create streamlined versions of these software products for businesses to use a la carte. If you want to conduct a performance review, you can set up an account on the Web and review employees for \$9.95 each, or do as many reviews as you want for three months for \$49.50.

The performance review tool works a lot like the software. It's not a perfect tool,

but it is quite powerful. You're given a choice of types of employees to review. A salesperson gets a different set of review criteria than a manager. Next, you're given choices of rating levels. For instance, maybe you want to decide to call the top rating, "outstanding performance," or maybe you'd feel more comfortable using other terms. You have pre-selected terms to choose from or you can write your own.

The most impressive part of the performance review tool is that it actually writes

text for your review. When you are rating an employee based on his problem-solving skills or customer service ability, for instance, and you select the rating that says the employee "meets the requirements" or is "outstanding," your selection generates a small line of text that is incorporated into the written review you give the employee. If you say the employee is "outstanding" instead of just "meeting the requirements," the line of text changes.

I spent close to an hour writing one performance review of an employee and rated the employee on about 10 different job criteria. The Web tool made me think about things I never would have if not for its guidance. You can also write goals for the employee and make plans for improvement. And the best part of this is that it's all point and click.

Writing performance reviews is an ongoing process, however, and you may find that buying the software will cost you less. Also, you and your employee may not be comfortable with having personal job performance information sitting on a Web server owned or leased by a stranger.

HRTTools.com offers several other tools that can help you. You'll find help with writing a personnel handbook for \$89, and you can buy the policies software made by KnowledgePoint for less. Go to www.bestbargains.com and do a search for "Policies Now" to see vendors and the lowest prices.

Alternatively, a similar employee handbook writing service is available for \$22.95 at www.allbusiness.com. That site also offers other helpful personnel management information for free. For instance, when you register at this site, you get access to free information about how to offer a job to a new hire, or how to fire a bad employee. You also can print out other forms, including things like e-mail policies.

One of the most provocative Web tools for managing personnel issues are aptitude and achievement tests. HRTTools.com has an arrangement with Achievement Tec Inc., a Grand Prairie, Texas, designer and distributor of such tests. Milt Cotter, president of Achievement Tec, says his company is the first in the nation to offer testing and assessment tools via the Web. Small companies can get access to these services through HRTTools.com.

Concentrated Investing in the Internet Economy

If You're Thinking Internet... Think Amerindo.

\$47,480 as of 12/31/99

★★★★★
OVERALL MORNINGSTAR RATING™

Available in Class A, C and D Shares.
1-888-TECH FUND (832-4386) www.amerindo.com

| *Amerindo Technology Fund: Class D Shares | |
|--|----------------|
| Since Inception (10/28/96) | One Year |
| 63.32% | 248.86% |
| Average Annual Total Return as of 12/31/99 | |

Morningstar proprietary ratings reflect historical risk-adjusted performance as of 11/30/99. Ratings are for Class D shares only, and are subject to change every month. Other classes may vary. Morningstar ratings are calculated from the Fund's 3-year average annual return in excess of the 90-day Treasury Bill returns with appropriate fee adjustments, and a risk factor that reflects fund performance below 90-day Treasury Bill returns. The top 10% of funds in a broad asset class receive 5 stars. Amerindo Technology Fund received 5 stars for a 3-year period ended 10/31/99.

\$10,000 invested on 10/28/96

AMERINDO TECHNOLOGY FUND

*Investment in this portfolio is also available through Class A shares (front-end load) and Class C shares (contingent deferred sales charge) with a \$2,500 minimum investment. Shareholders in Class A, C and D shares may be subject to a 2% redemption fee for shares held less than one year. The Fund is non-diversified and had a heavy concentration in Yahoo! Inc. and eBay, Inc. during the one year period ended 9/30/99. Further, technology stocks during this time period experienced stronger gains than the market as a whole. The Fund may experience an above average level of price fluctuations. There are specific risks inherent in investing in the technology and sciences areas, smaller capitalized companies, and foreign securities. Please read the prospectus carefully to obtain a complete understanding of these specific risks before you invest.

Past performance is no guarantee of future results. Performance figures are historical and reflect reinvested distributions and changes in the net asset value for Class D shares. Investment return and principal value will vary so that you may have a gain or loss when you sell shares. Call 1-888-832-4386 for a Prospectus containing complete information including risks, charges and expenses. Please read it carefully before you invest or send money.

Distributed by SEI Investments Distribution Co., Oaks, PA 19456. 2/00 421 M.

CIRCLE NO. 171 ON READER RESPONSE CARD

Cotter says advisors will probably get the most value out of his "Achiever" test, which takes about an hour to complete and costs \$95. It tells you about a person's sales ability and leadership by giving you behaviorally oriented questions. Cotter says his firm paid \$1.2 million for the copyright on the Achiever test, which was developed by a pioneer in assessment testing. I took it and it was pretty exhausting. (It didn't assess me as being a genius, so it may be somewhat inaccurate.) But other insights were uncanny. It's difficult to say whether you will want to place a great deal of weight in this exam when evaluating a candidate, but it certainly can't hurt.

These tests also can help you evaluate current employees. *Achievement-Tec.com* has a partnership with *www.SkillSoft.com*, which offers online training. So if your assessment test reveals a particular weakness, say, for public speaking, then you can take an online training course in public speaking. *HRTTools.com*, by the way, offers some free online training. You can sign up for a free e-mail course on interviewing prospective employees, managing employees, and other topics. I have to admit I was surprised to see they actually offer some valuable ideas for free.

Advisory firms have another big personnel issue to deal with: finding honest employees. Since your employees deal with other people's money, ensuring that prospective employees are honest and are who they say they are is important. You may even want to run a criminal check on a prospective employee. The biggest company in the business can be found at *www.Choicepointinc.com* and a small but promising competitor is at *www.people-wise.com*.

David Cook, vice president of ChoicePoint Inc., says advisory firms can gain access to its different verification services at *www.order.choicepointinc.com*. While you can sign up for the services over the Web, the Federal Fair Credit Reporting Act rules make it necessary for you to fax a signature to ChoicePoint first. The basic checks are inexpensive. For instance, for \$9.75 you can confirm that a job candidate isn't giving you the Social Security number of a dead person, and it will check the candidate's address and telephone

number to be sure it is valid. But you need the prospective employee's authorization to run these checks.


Running criminal checks is a bit more costly. There is not a national database for criminal records that these companies can use; county courthouses have these records. *Www.people-wise.com* charges \$16 per county for a criminal record search, and a civil case check costs \$20. Cook at ChoicePoint says a handful of states allow you to do a statewide search, but his firm also offers

metropolitan-area searches encompassing multiple counties. Educational institutions can also be checked by these firms.

Personnel management on the Web is still very much in its infancy. But for an advisory firm that doesn't have a human resources staff, this baby can make a difference.

■

Andrew Gluck is president of AdvisorSites Inc. (www.advisorsites.com), which creates Web sites and content for financial advisors.



Blue?

Does managing and reporting on your many client portfolios have you feeling blue? Let Centerpiece lighten your load. Centerpiece is easy to install and use. Customize reports, eliminate manual data entry with a variety of interfaces, get solutions and service quickly from our responsive support staff, and upgrade directly from our web site. It's easy!

Centerpiece®

Centerpiece is a product of Performance Technologies Inc., a proven provider of portfolio management systems for over a decade. Don't let portfolio management and client reporting make you blue. Call Centerpiece for more information today.

800.528.9595
www.centerpiece.com

©Copyright 1999 Performance Technologies, Inc. All rights reserved. Centerpiece is a registered trademark of Performance Technologies, Inc.

0099-5020

CIRCLE NO. 40 ON READER RESPONSE CARD