

# Excess Returns

Monthly insights for investment marketing and sales professionals



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Time is money. Time also provides peace of mind, room for inspiration and the ability to be proactive rather than reactive. So how do investment company professionals get more of it? This issue of *Excess Returns* seeks to answer that question.

With best wishes,

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*Alpha Partners is an investment marketing firm specializing in research and presentation strategy. Our goal is to create alpha (excess returns) by helping investment firms win, keep and diversify assets under management.*

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## Brother, Can You Spare Some Time?

*“I’m too busy to hold grudges.”*

— Cary Agos in [\*The Good Wife\*](#)

I am a time management fanatic. I worry about being late and if I am late I suffer personal torment. I want my tombstone to read, “She was on time.” I have read virtually every popular time management book ever written and continue to look for new ones. My husband has observed that if I spent less time reading time management books I might have more time (he is such a wit).

Through reading these books and through years of personal experience, I have sought and am still seeking to ingrain in my daily life certain practices for being more productive. These include being concise and judicious in responding to email, never picking up the phone unless I know who is calling, relentless prioritization, working with a timer (inspired by Francesco Cirillo’s [Pomodoro Technique](#)), breaking a project into its component parts before getting started and using a one-page checklist. (It has to be one page. For more on the joys of checklists, see the [February 2013 issue](#) of *Excess Returns*.)

## How to Avoid Time Thieves

But all the time management wisdom in the world could not have protected Alpha Partners from the fix we found ourselves in during late 2001. We were kidnapped and held hostage by three clients that can only be described as time thieves. These companies could not make a decision, it seemed, about anything at all. (And we are not talking big strategic decisions here, but decisions such as what color their company logo should be.) All three projects started before the tech bubble burst in March of 2000 and were still lumbering on in late 2001. Time that we could have spent doing real work or developing new business was spent instead endlessly revising schedules, participating in project update calls and writing memos summarizing the latest list of next steps — memos that, we sadly learned, these clients would almost certainly ignore.

Working with these three clients very nearly killed Alpha Partners. But we survived and, thanks to heightened radar alerting me to time thieves, we have mainly avoided similar experiences. The clients we have now make decisions and get things done. There may be delays for various good reasons, but never does a project suffer death by procrastination.

What does our experience teach investment company professionals about how to avoid time thieves? Whether you are a sales professional with a grueling travel schedule, a marketer with a daunting list of responsibilities, or a portfolio manager who wants to stay focused on investing, you may find the following advice to be helpful:

**Be selective.** You know the famous 80/20 rule. There are clients who provide 20% of your revenues and take up 80% of your time. With some experience, you can spot these early in the search process. They don't respect your time. They are late for meetings and not well prepared. Their attitude is all take with no give. By contrast, some of the most successful people, I have noticed, treat others with immense respect, in particular by respecting their time. These are the people you want to do business with. Particularly when you are managing an investment strategy with limited capacity, learn to stay away from clients on the wrong side of the 80/20 rule. Your firm's success, maybe even your survival, depends on getting and keeping not just any clients but the right clients.

**Keep educating your clients.** No investment manager wants to be overwhelmed with client inquiries when the markets appear near a bottom or a top. By sedulously educating your clients in good times and bad, you will create space for your investment team to manage their portfolios in peace, focusing without interruption on new ideas when the market is rich with opportunities. High-caliber written communications can make all the difference between clients who constantly call and fret and clients who give your investment professionals the mental capacity they need to do their jobs.

**Remain free of emotion.** If you become angry — or, worse, allow your ego to rear its ugly, pointless head — you will waste precious time. The more effectively you manage your time, the more likely you are to be effective in managing money and educating clients, all of which translates into being too blissfully busy to indulge in anger or ego.

**Epilogue:** One of the companies that almost killed Alpha Partners in 2000-2001 is now out of business, one lost its star investment team when the team left to join another company and one still exists but with new ownership and new management. A few years ago, the latter contacted our firm with a request for a proposal. I considered declining based on our past negative experience. But there were new people at the helm and it was a large, complex, interesting project. So we went ahead and took a chance. The proposal took a lot of our time, but we got it done and sent it in, feeling excited and hopeful. And then ... nothing. No one ever got back to us and our references have told me that no one ever contacted them. Maybe this company still could not make a decision. But do I hold a grudge against this firm? Nope, I most certainly do not. I'm too busy to hold grudges.

## Being on Time

*“If you’re early, you’re on time. If you’re on time, you’re late and if you’re late, you’re fired.”*

— My husband’s first boss

There are two messages you send when you are late to a meeting with a prospective client: (1) my time is more important than yours and (2) I am too disorganized to show up when expected. Do potential clients take this into consideration in their hiring decisions? You bet they do. During research interviews, investors sometimes tell Alpha Partners that they decided not to work with an investment company because the firm’s representatives were late for an important meeting or because they did not adhere to the allotted time. Here are several strategies, psychological and practical, for being on time:

**Build in fat.** Always allow for extra time between meetings. It is your job to run the meeting on time, but if a client during meeting #1 wants to spend a bit more time than originally allocated, you obviously don’t want to curtail a productive dialogue. If you have the right amount of fat, you can spend more time during meeting #1 and still be on time for meeting #2.

**Run reconnaissance.** Whenever possible, check out the location prior to the meeting. Sometimes in big cities the physical location or entryway is not intuitive based on the address provided. You also may need to allocate extra time to clear security. It is important that small details such as these do not derail the outcome of an important meeting or presentation.

**Be wary of people who are casual about time.** I have attended meetings in the past with colleagues who had, shall we say, a more devil-may-care attitude toward time than I do. “Oh, don’t worry,” they would say, “I know how to get there.” Or, “We don’t need to leave an hour early. A half hour is plenty.” If you want to be on time consistently, do not let yourself be derailed by such people.

**Get there early.** Being early means you will be on time; it also will give you an opportunity to collect your thoughts, catch your breath and generally be ready to run a tight meeting sharply focused on the client.

## The Pomodoro Technique

The Pomodoro Technique<sup>®</sup> is by far the most effective time management technique I have ever found. I have been using it since 2007. Here is how it works: Use a kitchen timer to work in uninterrupted intervals of 25 minutes each with a 5-minute break. Each such 30-minute interval is called a “pomodoro,” which means tomato in Italian and reflects the tomato-shaped kitchen timer that Francesco Cirillo started using when he created the technique. (You can experiment with longer intervals, but practitioners, myself included, have found that 30 minutes is best. Less than 30 minutes defeats the purpose, which is focused, uninterrupted work.)

If a distracting thought occurs during a pomodoro, you briefly note this on a tracking sheet for completion later (e.g., “schedule meeting with Greg to discuss new website”). After four pomodoros (two hours), take a 15- to 30-minute break. Each time segment is indivisible; there are no half or quarter pomodoros. If you start a pomodoro, you have to finish it when the timer rings. If a scheduled activity (e.g., “write Marketing Strategy Report”) takes more than seven pomodoros (three-and-a-half hours), break it down into different components for completion by stages (e.g., “finalize competitive analysis” and “write executive summary”). If a task takes less than one pomodoro, combine tasks and keep working until the timer rings, signaling the end of one complete pomodoro.

In this way, you divide your time into manageable increments.

Endless stretches of time are categorized and defined, minimizing the procrastination that comes with feeling overwhelmed. The 5-minute breaks are critical to maintaining a healthy metabolism, giving you a chance to move around and mitigating fatigue throughout the day. When used systematically over time, the Pomodoro Technique also makes it easier to estimate how long certain tasks will take.

Use of the Pomodoro Technique logo and trademark has been authorized by [FC Garage](#) by Francesco Cirillo.

For more on how time management affects the growth of your company’s business, see [The Soul of Wit Revisited](#).



The Pomodoro Technique *divides your time into discrete intervals, facilitating focused work without distractions.*