

# Excess Returns

Monthly insights for investment marketing and sales professionals



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Investment companies frequently hire professional trainers or coaches to improve their new business presentations and raise their closing ratios. This issue of our newsletter explores how to get the most out of working with a presentation coach.

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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## The Highest Bar

*“Professional athletes often talk about being in the zone when they’re really on top of their game. Well, I’m here to tell you that financial professionals sometimes reach that same exalted place as we go about our business.”*

- Eddie Brown, founder and President of Brown Capital Management, after a winning final presentation, as described in his new book, [Beating the Odds: Eddie Brown’s Investing and Life Strategies](#)

My horse Vintage Trial (aka “Little Vinnie”) and I are standing in the middle of the arena awaiting instructions from our trainer, Trudy Guarente. Trudy is setting a course and, as usual, I am thinking, *those jumps look awfully high and those turns look awfully tight*. She sets the top bar of the final jump at 3’3” and the turns from one jump to the next, in my view, border on hairpin. In real-life competition, the top bar on our jumps will be 2’7” and the turns will be comfortably wide. It occurs to me to complain, but I know better. Trudy’s philosophy, and it’s a good one, is to jump higher and turn sharper during practice so that, come competition day, the real deal will seem relatively easy.



*Little Vinnie on course with his former owner, Alexandra Tirrell. If Vinnie were a human, you would want him on your team because he cheerfully clears every hurdle, like this one, with significant room to spare.*

Our company has the same philosophy when conducting presentation strategy and coaching sessions: Set the highest bar during practice so that real-life competition, by comparison, feels like a picnic in the park. *Eddie Brown is right: For the most successful investment professionals, presenting is like a sport. And, as with any sport, the quality of your practice and the attitudes you bring to it typically define success or failure.*

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### Success Factors When Preparing to Present

Alpha Partners has conducted more than 100 presentation strategy and coaching sessions for investment companies since we initiated this capability in 2000. In working with different investment firms, we have learned a lot about the factors that ultimately contribute to results. If your firm is thinking about working with a coach, you may find the following guidelines helpful:

**Simulate situations that are tough ...** Be prepared to answer the toughest questions. Rehearse with a coach while recording your delivery. Allow your colleagues to sit in and play a role in simulating the audience. For many, being recorded in front of their colleagues is an experience far tougher than anything real life will send their way.

**... but remain realistic.** Tough is good. Unrealistically harsh is not. At 3'3" my trainer is asking me to train two levels higher than where I will compete — not four levels higher. Similarly, during practice sessions presenters should

not be peppered with off-the-wall questions that never would arise in real life. And presenters' weaknesses should never be singled out for discussion without addressing often related strengths. The professorial presenter who needs to be more concise, for example, may be particularly good at fielding complex questions.

**Practice giving a full formal final presentation.** This is another effective way to raise the bar during practice. A full formal final is the crucible; if you can excel there, you very likely will ace less demanding situations. Think large, impersonal audience and a big clock ticking loudly as you present from a podium consistent with a strict time allotment. Think about the competitor who left the room before you and the one who will arrive after you leave.

**Reevaluate your interpretation of what it means to be a coach.** The term "coach" has lately been commoditized to the point where it no longer gets the respect it deserves. At times I get the feeling that being a "coach" brands me as someone lacking intellectual heft. A portfolio manager last week said to me, "So you're a coach. Does that mean you're going to tell me how to use my hands?" "Possibly," I said, "but I am also going to zero in on the true competitive advantages of this strategy and make sure that you address them decisively."

**Maintain the discipline.** Imagine if star athletes conducted one training session every once in a while. They wouldn't win very often. And yet this is precisely the way most investment managers prepare to present — in a sporadic, ad hoc manner. They conduct a firm-wide coaching session as a step in the right direction. Then what happens? Not much if they don't keep training, honing their approach to preparation, watching their DVDs, reviewing their written evaluations, rehearsing together for important meetings and systematically addressing what is or is not working.

**Involve senior professionals.** At many of the most successful firms we have worked with, senior investment professionals participate in the coaching sessions not only as observers but also as presenters. Sometimes they do a superb job of telling the story, serving as an inspiration to new recruits at the firm. And sometimes even the most talented, experienced presenters can benefit from a few refinements. When senior people are actively involved, it sends the following critical message: *Presenting well is important and we are willing to dedicate time and resources to getting this right.*

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So I rarely complain when my trainer sets the bar higher than it will be in competition. I've had the good fortune to work with many investment firms who have adopted this same strategy.

## Mind Gym

Many of the best books about presenting well also happen to be sports psychology books. One of the better reads I've enjoyed lately is [Mind Gym](#), by sports psychologist Gary Mack. Whether you are preparing for an important investment presentation or a tennis match at your local club, this book can help you address psychological issues that may be holding you back and inspire you with stories about smart life choices by good athletes on the path to becoming great.

## Singles, Doubles ... and You're Out!

Presenting may be like a sport, and I personally like sports analogies, but they can be very unpopular with certain important decision-makers. I once shared a car to the airport with the CIO of a large public pension plan. I asked her how she felt about investment manager presentations — what clicked and what made her cringe. “I don’t play golf,” she said, “and I don’t watch baseball. I just don’t have the time. And I know that a lot of women in our business feel the same way. So what makes me cringe are all the sports metaphors, particularly the cliché ‘We hit singles and doubles, not home runs.’ If I had a dollar for every time I’ve heard this, I would have retired by now to spend more time with my grandchildren.”



*Does your team hit singles and doubles, not home runs? Join the club. Some women decision-makers find such sports clichés to be deeply obnoxious.*