

## THE CEO EDGE

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### A Blueprint for Building Blue-Chip Success

Interview with MacKay CEO Forums Member, Paul Allison, Chairman and Chief Executive Officer, [Raymond James Ltd.](#)

Raymond James recently celebrated its 110th consecutive quarter of profitability. Revenues have grown by more than \$2 Billion in the past five years alone and 31-year compound annual shareholder returns are over 16.7%.

#### How have you built long-term, profitable growth?

I would attribute our success to four main strategies:

1. Long-term value orientation - We have been in business for 53 years and we operate as custodians of our values for all the employees who will be with us over the next 53 years.
2. Commitment to our core - We stick to our core competencies and build growth around our core business. In Canada, we've grown by leveraging our global capabilities and adding adjacent businesses around our core. Under my watch, we've added corporate banking and asset management to complement our core wealth management and capital markets businesses.
3. Devotion to client service - If you are a professional services firm, you had better be good at service, which includes external and internal customer service. Service for us starts with how we treat each other, especially our Financial Advisors. They are my key customers and I spend 50% of my time with them and their managers.
4. Authentic leadership - All of our leaders have been on both the receiving-end and delivery-side of service. We believe deeply in the importance of service; it's baked into our DNA.

#### How do you adjust your strategy in tough times vs. good times?

We don't. I joined Raymond James in the summer of 2008, just a few months before the global financial crisis erupted. You would think



Nancy MacKay, PhD  
Founder & CEO

#### CEO Breakfasts

**Sept 23, 2015**  
**Cambridge 7-9am**  
**Accelerating Change**

Panelists:

**Clement Chan** -

Executive Director,  
Columbia International  
College

**Terry Davis** - CEO,  
Home Hardware Stores  
Ltd.

**Steve Fletcher**

-President, McKeil  
Marine Limited

**Kurtis McBride** - CEO,  
Miovision Technologies

*Co-hosted with Deloitte  
& CIBC*

**Sept 24, 2015**  
**Vancouver 7-9am**  
**Accelerating Change**

Panelists:

**Jim Case** - CEO,

this would have been the worst timing, but it wasn't.

We continued to implement our strategy and stayed the course. We did not rely on any external financing, we did not implement layoffs and, we could weather the storm in a profitable fashion. We made money in every quarter during the crisis and we're one of the few firms that did not require government assistance in the US. Avoiding losses in tough times is a key factor in driving sustained growth.

Running our business in good times is actually harder, because discipline becomes extremely important. Sometimes, the decisions we make as a CEO not to do certain things are as important as the decisions we do make. Our decision to avoid the sub-prime business in the US and the Asset Back Commercial Paper business in Canada are good examples of our approach.

#### **How should CEOs evaluate options for funding their growth?**

My strong belief is that you fund growth with profits. Avoid leverage if possible and reinvest your retained earnings in the business. This takes time, but is consistent with our conservative culture of taking a long-term, strategic approach to building our business.

#### **Are there any current growth "bright spots" you can point to?**

Demographics. 1,000 people a day are turning 65 in Canada. That's positive for us as these people require advice and we are in the business of providing advice and strategies that will improve their lives, and ensure they do not outlive their money.

#### **What advice would you offer other CEOs looking to position their companies for sustained growth?**

Don't imitate or replicate a competitor. One of the biggest downfalls any CEO can make is to say "I want to be like...". I experienced this first hand early in my career and it left a lasting impression - I thought "If my CEO wants us to become like our competitor, why don't I go work for that company?"

Your mission as CEO is to make your company successful by being true to your company, celebrating and building on your uniqueness.

#### **What is your favourite book pick on this topic?**

[Aligning the Stars](#), by Jay Lorsch, has served me well. In my opinion, it is one of the best business books for professional services firm leaders.

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## Leadership Tip: Improving Execution

One of the biggest impediments to execution is the tendency for leaders to focus on **Lag Indicators**, such as profit, satisfaction and engagement. Although familiar and easy to measure, lag indicators are post-performance measures.

John Phillips recommends leaders shift their focus to **Lead Measures**, which teams can readily impact. Examples of Lead Measures include:

Travelers Financial

**Bhawesh Mathur** -

CEO, Creation

Technologies

**David Minnett** -

President, Amica Mature

Lifestyles

**John Simmons** - CEO,

Carmanah

*Co-hosted with Fasken  
Martineau*

**Sept 29, 2015**

**Toronto 7-9am**

**How to Achieve  
Exponential and  
Transformational  
Growth**

Panelists:

**Paul Allison** -

Chairman & CEO,

Raymond James Ltd.

**Eric Berke** - Co-Founder

& Managing Partner,

TorQuest Partners

**Bob Fitzgerald** - CEO,

SCM Insurance Services

**Dave Friesema** - CEO,

Sleep Country Canada

*Co-hosted with  
Raymond James Ltd. &  
TorQuest Partners*

**Nov 26, 2015**

**Vancouver 7-9am**

**Building a High  
Performance Culture**

Save the Date - Details

Coming Soon

*Co-hosted with  
Copeman Healthcare*

[Email Nancy for details](#)

**Upcoming Deadline  
September 18**

1st time applications  
for Canada's Best  
Managed Company  
Program are due  
September 18

[Apply online](#)

**CEO Awards &  
Summits  
Save the Dates**

- # of outbound calls (Sales)
- # of employee recognition nominations (Engagement)
- # of out of stocks (Retail Sales)
- Audit Compliance (CSR, Safety)

[John Phillips](#) is a MacKay CEO Forums Vancouver Forum Chair, leadership expert and specialist on organizational execution. [Read full article.](#)

## What Great CEO Advisors Do

We recently published our first tip sheet specifically for CEO Advisors, which shares best practices based on our ICASE values: Inspiration, Confidentiality, Accountability, Service, Excellence.

**What Great CEO Advisors Do** can be downloaded [here](#). Please feel free to pass this on to CEO Coaches & Advisors in your circle.

## CEO Health Tip: 7 Ways to Protect your Brain

1. Physical exercise releases hormones that stimulate the brain and helps with the longevity of brain cells
2. Proper nutrition provides the nutrients needed to improve memory, increase problem-solving abilities and communicate effectively
3. Cognitive exercises, with exercise and nutrition, can help delay or stave off dementing conditions
4. Stress management helps prevent prolonged periods of anxiety that over time can damage or kill brain cells
5. Proper sleep patterns helps short-term memory and improve encoding required for long-term knowledge acquisition
6. Wearing proper protective gear during contact sports helps protect against concussion
7. [Professional brain health programs](#) monitor for early signs of cognitive decline and develop prevention and treatment programs to protect the brain.

CEO Health tips provided by [Copeman Healthcare](#) - experts in personalized, proactive, team-based care for senior executives.

**Tuesday Nov 3, 2015  
Vancouver, evening  
BC CEO Awards Gala**  
Join us to celebrate the 2015 BC CEO Award Winners.

[Tickets & Information](#)

*Co-hosted with  
Business in Vancouver*

**Monday Feb 1, 2016  
Toronto  
12noon-late evening  
Waterstone Most  
Admired Corporate  
Cultures CEO Summit  
and Most Admired CEO  
Awards Gala**

An exclusive opportunity for MacKay CEO Forums members! Registration details coming soon.

*Co-hosted with  
Waterstone*

**Tuesday Apr 12, 2016  
Toronto  
7am-late evening  
Best Managed  
Companies Symposium  
and Gala**

An exclusive opportunity for MacKay CEO Forums members to attend the 1-day CEO Summit or Executive Summit, and the Gala event. Registration details coming soon.

*Co-hosted with Deloitte*

Contact [Jane Matthews](#) for more details.