

The Matchmaker

Noted recruiter Mark Elzweig has been connecting advisors with the right firms and the best terms for years.

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By JANE WOLLMAN RUSOFF

Tennessee Williams wrote the famed line for tragic character Blanche DuBois in his play, “A Streetcar Named Desire.” But veteran executive recruiter Mark Elzweig says the dialogue happens to apply — happily — to him too.

Blanche: “I have always depended on the kindness of strangers.”

Elzweig: “Well, so have I! I’m a referrals guy!”

Indeed, his boutique search firm, in New York’s midtown Manhattan, has been serving high-end advisors and financial services companies for more than 20 years.

When he launched Mark Elzweig Company back in 1985, a \$500,000 producer was a big producer; and brokers moved jobs “in a fashion that now seems flippant: ‘I don’t like my manager — I’m out of here!’ That’s long gone,” the laid-back Elzweig says.

As a resource for advisors mulling a change and for firms seeking top FAs, Elzweig, 56, is highly respected for his painstaking matchmaking results. Networking nationally with advisors and brokerages, he boasts numerous, long-established relationships — and is always at the ready to form fruitful new ones. His other line of business is conducting searches on retainer for asset management companies.

“Mark is very disciplined and methodical in trying to find the best match for the advisor and the firm. It really says something that he’s been in this business, with all its changes, for so long and is still at the top of his game,” says David Tufts, senior managing director with Oppenheimer & Co., in New York City. With 110



Photo by Daniel Byrne

advisors on Park Avenue reporting to him, Tufts has been hiring Elzweig-introduced FAs for the past 20-plus years.

Native New Yorker Elzweig started out as a social worker in Brooklyn . Far cry from exec recruiting? Not really.

“In some ways, I’m still a social worker,” he says. “I’m helping people make good career decisions. As an advisor, you have a variety of options. Each one has pluses and minuses.

“To be good at recruiting,” he continues, “as in social work, you need to be a good listener and get to know the advisors and companies thoroughly.”

Recent sweeping industry layoffs triggered by turmoil in credit markets have in fact significantly increased demand for high-end advisors, according to Elzweig, who keeps in touch with FAs via his *Elzweig Report* newsletter, which pegs retail brokerage trends.

“There’s been a big upsurge in activity. A lot of people aren’t happy with the experience they’re having at wirehouses . Also,” he adds, “when you’re looking at a difficult market ahead, the prospect of being able to lock in a deal based on your trailing 12 commissions is particularly attractive.”

Today’s ideal advisor candidate? Firms are mainly looking for high-level FAs with lots of assets under management and who typically have a ratio of commissions to assets of 1.5 or less, says Elzweig. For example, if managing \$100 million in assets, then gross commissions should be above \$1 million.

“If you don’t have sufficient assets versus the commissions and fees you’re generating, you may be a compliance risk; or your over-traded clients may not be making money,” he notes.

At least 30 percent to 40 percent of a prime candidate’s book should be fee-based.

Elzweig notched early exposure to the recruiting business. His dad founded a New York City employment agency in 1947 that placed factory workers. In the ‘60s, Elzweig spent teenage summers asking companies for job orders for welders, shipping clerks and sewing machine operators.

However, the Brooklyn-born, Bayside, Queens-bred Elzweig thought he’d become a psychotherapist when he entered Hunter College School of Social Work after picking up a BA in psychology from Drew University in 1973.

“But I learned very quickly,” he recalls, “that even though I loved reading books about personality theory, I really didn’t want to be anybody’s therapist.”

Instead, he earned a master’s degree in social work. As director of a Brooklyn senior citizens’ center, he served up a full program of activities and lunch to 150 folks daily.

After three years, he concluded: “The good I was doing wasn’t really worth the financial sacrifice.” That’s when he gravitated to the family’s line of work.

But Elzweig wasn’t about to join his father’s agency; rather, he embarked on what would become an extended job search (“No head hunters wanted to hire a social worker!”). Ultimately, one executive search firm gambled. Later at another shop, he began, by chance, placing stockbrokers.

“Once I knew how to do it, it was a relatively easy business to start,” he says. So in 1985, from a little desk in the back of Dad’s office, he opened his own company specializing in broker placements.

Twelve years ago, he teamed with Julian Weinberg to conduct retainer searches for asset management firms seeking executives in product development, marketing and other areas.

The tenacious Elzweig, married to journalist Nancy Miller — also his company’s client services director — says the social work background comes in pretty handy with advisors who want a change after sticking many years with one firm.

Recently, for instance, he helped an FA who’d been at a wirehouse a couple of decades.

“I had to coach him so that he asked all the right questions to make a good decision. And I reviewed the [interviewing] procedure with him to make sure he was as comfortable as possible. He’d never done this before so,” says the psych grad. “He was a little anxious.”

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