The Harper Koren Group: Creating Diverse Teams at Smith Barney

Discussion

The case, *The Harper Koren Group: Creating Diverse Teams at Smith Barney*, addresses the issues of team building and best practices in the workplace for people with disabilities. Particularly useful for classes in organizational behavior, general management or for human resources personnel, the case presents a corporate culture that is inclusive of people with disabilities. Key discussion points include supportive company policies, technological accommodations, career trajectories, team building, historical notions of workplace inclusion, and examining disabilities in the light of teamwork. Subsidiary points include finding good partners and sustaining the partnership and moving a business unit from a mode of entrepreneurship into a model of management. The case can also be used to inspire students who have disabilities, since the strong protagonist, Gena Harper, is a positive role model.

Many employers reject the old medical terminology of disability that researchers Stapleton and Burkhauser have termed “a deficiency within the individual.” These employers realize that all employees have some sort of functional limitation, yet changing corporate ideas and attitudes to be inclusive is often difficult. A study by the U.S. Department of Labor’s Office of Disability Employment Policy (ODEP) of twenty-six focus groups of senior executives and human resources professionals, found that many of the participants had little or no experience working with people with disabilities, yet still had strong concerns about hiring people with disabilities (Rath, Ross and Child
2005). In another study by Bruyere (2000), the researcher confirmed that managerial attitudes and understandings are crucial to creating a supportive and accommodating environment for people with disabilities.

While it is impossible in text to get the real flavor of Harper’s personality, one can get a sense from the quotes in the case and from her early career as a downhill skier that she is passionate, forceful and speaks with conviction. Parlaying these character traits and skills into phone sales as a beginning broker, Harper continued to search out and partner with the right associate, to gain an elite credential, and build a compatible team, ultimately moving to a company whose support has sustained success for both her group and its parent company. Harper’s story is evidence of the more modern view of disability as “caused by an interaction between the individual’s functional limitation and the social environment.” When that interaction is kept in balance, the individual succeeds and creates success in the social environment as well.

Abstract

In January of 2008, Gena Harper and Carla Koren are considering management and organizational issues in The Harper Koren Group, the dynamic financial services advising team they moved to Smith Barney over ten years ago. The women, along with their junior partner José Zavaleta, bring in revenue of $4 million plus for the Berkeley office, but their goal is to reach $5 million in the near future. In 2007, to free up their time for marketing, advising clients and general management, they created the new position of operations manager and hired Gige Floyd, a veteran Smith Barney employee. (‘Gige’ is pronounced with two soft ‘g’s as in George). As the senior members of the team, Harper and Koren are continuing to learn how to best manage their time and the time of their administrative staff in order to grow the business. Harper and Koren first met nearly twenty years ago when they were introduced by mutual friends. The young women were relatively inexperienced and had different skill sets. Harper, visually impaired since birth, was good at marketing and aggressive in closing sales; Koren had excellent research skills and prepared comprehensive presentations that would impress potential clients. Creating a partnership was the key to

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their success and also the wave of the future; today, many financial advisors work in teams.

The case details the growth of their team and implicitly reveals many of the corporate changes concerning diversity and the acceptance of women, people with disabilities and people of color in the corporate workplace. After a number of career moves, The Harper Koren Group found a supportive environment at Smith Barney. The firm’s policies are encouraging: There are regular corporate efforts directed at team building; technology accommodations support Harper’s visual impairment; and excellent policies maintain the team through Harper’s numerous surgeries and both women’s pregnancies. When looked at through the lens of a team effort, accommodating disabilities is simply another, very human, side of managing the business enterprise. As one of the Smith Barney team consultants Bill Stepanek says, “We just help the team adjust to and around the folks on the team who may have challenges, because everyone has some sort of a difficulty … disabilities fall off in the face of a team effort.”

Pedagogy

The case illustrates the successful career of Gena Harper, a person with a visual impairment, and follows her expanding professional life to explore workplace attitudes and values. With Carla Koren, Harper has built a thriving financial advising business within the Smith Barney firm. To get to the next level, however, the senior partners must learn to leverage their skills as salespeople and advisors and let their administrative staff take care of the back end of the business. This is the management challenge, but the main goal of the case is to have the reader/student implicitly understand the inherent values of inclusiveness that are represented by Smith Barney’s policies and corporate culture and how those have led to the team’s success.

The case covers these topics:

1. Finding a partner with complementary skills
2. Career trajectories
3. A concept of diversity and inclusion
4. Moving from entrepreneurship to management
5. Technological accommodations
6. Open corporate culture that allows for team building, flex time and supportive employee policies
Teaching Plan

The class discussion should revolve around these five teaching points. The order will depend on the student population the instructor is teaching and the particular points the instructor wishes to emphasize.

Teaching points:

1. Strengthening success through partnership
2. Historical change in inclusion policies and the notion of diversity
3. Availability of assistive technology and supportive policies
4. The concept of a “disability” in the light of teamwork
5. Developing a business unit within a business: Moving from entrepreneurship to management

1. Strengthening success through partnership

One way of starting the class is to ask the students if they would engage The Harper Koren Group to manage their money. Answers will vary depending on the sophistication of the students and their knowledge of financial planning and advising but it is an informal and interactive way to begin a discussion of the value of the partnership.

Harper was already successful at Van Kasper & Company but moved to Paine Webber in order to expand her business possibilities. In her conversations with Koren, she had learned the benefits of selling clients a range of investment products. Harper is placed in the office next to Koren and given a special computer because of her vision impairment. This leaves a hole in the wall where a shared computer between the two brokers would have been installed. It is through this opening that the women become closer and learn more about each other, how they do business and their strategies for engaging clients.

Koren is more detail- and research-oriented, while Harper is aggressively focused and likes to close sales. Both are successful in their own right but together they feel they will be able to play to their strengths, do what they enjoy, and be more successful.

Students should be asked: What are the benefits of the partnership? They should be able to tease out a number of related ideas.

Scheduling - In the latter part of the case, Koren explains that having a partner allows a broker to be flexible in his/her relationship with the client and early in their careers, Harper and Koren supported each other through following up on each others’ clients and/or competing for more sales. As their practice of financial advising matured, their
business model changed somewhat as they gained significant help from José Zavaleta and their administrative staff. The partners need to be accessible to their clients and having a partner or team means good customer service is more readily available.

**Motivation** - The women compare their partnership to a marriage, a supportive relationship. There is a motivational aspect to their partnership, and a knowledge that the other partner will be there—if one is sick, away from the office, needs a different outlook—the partner acts as both an anchor and a strategic driver.

**Knowledge** - The brokerage business is competitive and success is measured by incoming revenue. Both partners completed the Wharton Business School finance program, giving them each comprehensive understanding of financial advising, but have still chosen different areas of expertise. Currently they conceive of their work as wealth management, and have expanded their own knowledge of all parts of estate planning in order to serve their clientele appropriately. They have also pulled in other expertise, such as the 401(k) knowledge of their junior partner, Zavaleta. Each advisor has an area of knowledge but having a partner, or being on a team, means other knowledge is readily available to clients.

2. **Historical change in inclusion policies and the notion of diversity**

   Throughout the text there are numerous occasions where the partners refer to particular management practices or situations which prompted them to make a move in their careers. Many of these moves were based on difficulties with management around gender and or disabilities. Clearly such issues were historical, personal and situational; the firms mentioned may have changed their inclusion practices over time. As John Delahaye, the branch manager at the Berkeley office of Smith Barney notes, “Nowadays hiring a vision-impaired woman would count for more … we were pioneers and now diversity is a term everyone uses.”

   To generate discussion around this point, one could ask students to point out the various times at which Harper and Koren speak to the issue of work difficulties based on gender and disability.

   - Harper says that her many surgeries created a hardship at UC Berkeley, since she could not get the necessary surgeries and complete her classes. What kind of policies exist today for students with disabilities?
   - Harper notes how hard it was to tell her new employers at Dean Witter that she was vision-impaired, even though the job was voluntary and consisted primarily of telephone sales.
   - Koren states that there was an inconsistent application of rules to new female
stockbrokers at Payne Webber when she initially joined the firm.

- Koren also notes that their manager at Payne Webber was not adept at managing women or people with disabilities.

These are, in fact, historical situations and for the last ten years, The Harper Koren Group has prospered at Smith Barney. The other firms mentioned have, most likely, changed their policies as diversity has become more important both from a legal standpoint and, in a business like financial advising, from the perspective of customer service. There are more women making financial decisions today, both for themselves and for their families. It will also be of interest to point out that the surnames of half of the Harper Koren Group are Hispanic, a trend that makes sense in a state where approximately 36% of the population is Latino.

3. Availability of assistive technology and supportive policies

The Harper Koren Group is a business within a business and the manager at the Berkeley office of Smith Barney was able to make a financial decision about the value of the team based on projections of future revenue and the costs to support the team. The instructor should initiate a discussion of the various policies that support The Harper Koren Group.

*Flexible scheduling* - Many advisors manage their own time and have a flexible schedule, since client contact is the most important part of their job. It is the flexible scheduling, in concert with the other accommodations that Smith Barney has provided Harper, that create the supportive environment.

*Work from home* - Smith Barney has installed and maintained for Harper a fully equipped home office. She has access to all the research and resources she would have in the main office.

*Assistive technology* - Smith Barney provides Harper with two reading machines, one in each office, and special software for her computers, both Zoomtext to make text more flexible in terms of size and color and JAWS®, a screen reader program.

*Transportation budget* - Smith Barney pays for Harper’s transportation to the office, even though she has moved her residence 40 minutes outside the city. As well, client meetings that necessitate travel are also covered.

*Total compensation policy* - This is a standard policy at the company, and is used for illnesses and maternity leave. It has benefited The Harper Koren Group as Harper has
made use of the policy for recovery from surgery to manage her glaucoma. Both partners made use of the policy for maternity leave.

*Corporate support of teams* - This management strategy is taken up in the next section but should be noted here as a specific policy that has supported the growth of The Harper Koren Group.

4. The concept of a “disability” in the light of teamwork

A crucial part of the case is the emphasis that Smith Barney has placed on teams over the last ten years and the corporate training program they have developed to help teams succeed. It is through understanding the team effort that the student comes to see how disabilities are just another very human aspect of management. Harper is vital to the team effort, her strength in sales and persuasive ability is crucial to getting new clients and maintaining good contact with continuing clients. As Koren says, “I’ve always told Gena that because she can’t see that well she is more focused and when you are more focused you don’t stop. Some people would stop when they got visual clues, or other clues that would stop them from saying something or doing something, but Gena will just bowl right through and that can be quite useful in our business.” It is also clear that Harper and the rest of the team form invaluable and trusted relationships with partners. “Our clients invite us to weddings, anniversary celebrations, and their kids’ birthday parties,” says Zavaleta, and Harper seems to tell people exactly how to spend their money. “One of our clients might call us and ask ‘How much should I give my son for his wedding?’” Harper explains. Harper, Koren and Zavaleta’s skills with managing people and their money are key to their business and as they continue to grow the business, they should retain work that utilizes these skills and train or hire other people to do the work that does not involve such intensive client contact.

The instructor should raise the issue of how Smith Barney emphasizes teamwork and the different mechanisms they have in place to develop harmonious efforts. Important to note is the fact that Smith Barney has developed their own framework which gives all employees a common language and way of speaking about working together. There are different levels of engagement: A team first learns the basics, then goes in depth into one of the domains of the basics. The third level, The Institute, is a somewhat informational and inspirational meeting that is intended to help financial advisors “grow as people.” The fourth level, consulting, provides a feedback mechanism for teams on a micro-scale. At this level, the consultant acts as a mediator, because sometimes an outside consultant can provide insights into the dynamics of team behavior. The consultant may suggest changes that need to be made or additional employees that need to be hired. With many years of experience in the financial advising business, consultants bring an in-depth perspective.
5. Developing a business unit within a business: Moving from entrepreneurship to management

The management issues Harper and Koren face are those often associated with moving an enterprise from an entrepreneurial venture to a managed organization. Entrepreneurs often leave organizations when a more formal management structure is put in place. In this case, however, The Harper Koren team is too small and Harper and Koren play too many roles for that to happen. The partners are the sales team, the creative minds of the team, and the top management, so it is even more important that they use their time wisely and let their staff handle administrative tasks and other tasks that can be delegated.

Harper and Koren grew the business through client contact and sales and, as financial advisors, continue to have an immense amount of client contact. And one can discern from what Harper says in the case that this is a vital aspect of the business. While there is not a great amount of detail about how Harper and Koren spend their time, students should be able to estimate what percentage of their time they should spend on different tasks, and determine which tasks they can hand off and which tasks they should assign and train the staff to do. One maxim that students should learn is that reorganization takes time, and smoothing out systemic change often requires repeated meetings and repeated efforts. A discussion about the following tasks, as well as others that they might think of, would help students to decide which member of the team should handle what task: marketing, proposal presentation, opening new accounts, changing account information, talking with clients, creating systems of communication, and researching new products.