



# Exploring the Benefits of Professional Management for RIAs:

## A Deeper Look into Chief Executive Officers

This is the tenth installment of our continuing white paper series designed to help advisors build their dream firm and continue our mission of **Promoting Financial Independence.**

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The origin story of many RIAs is somewhat similar: four advisors band together and say, “We no longer need this large organization behind us and all of the bureaucratic hassles that come along with it – let’s go into business for ourselves!” Shortly after their celebratory champagne toast, the advisors divvy up responsibilities – one advisor agrees to take on the Chief Executive Officer role, one advisor agrees to take on the Chief Investment Officer role, another chooses to be responsible for the Chief Operating Officer role, and one is assigned the Chief Compliance Officer role. After several months of preparation, they launch their new firm with its more streamlined approach to investment management and client service.

For the next several months, the advisors then focus most of their time and energy on transitioning their old client relationships to the new firm. Once that transition of existing clients to the new RIA is complete, the owners of the business excitedly turn their attention to marketing and prospecting efforts in hopes of attracting new clients to their burgeoning business. This is what they have been waiting for – they finally have a chance to tell their story and describe their firm’s value proposition in the exact way they have always dreamed – unencumbered by a one-size-fits-all compliance department from the large firm they just left. Except, they are reminded that each advisor has also signed up for C-Suite responsibilities in addition to their business development responsibilities. While trying to grow the AUM of the firm, each advisor is also responsible for a large number of business administration tasks as well.

Instead of spending 100% of their time focused on clients and new prospects (which is why they started the RIA in the first place), they are also spending more time than they realized on tasks such as: building an investment platform, figuring out how to get alternative investments to appear correctly on performance reports, how to invite clients to their new client portal, how to countersign all of their client

agreements and load fee rates into their billing software... the list goes on and on. The advisors arrive at the office each morning ready to tackle the day and focus on bringing in new clients, only to find a line of employees at their desk with administrative questions for them, which seems to derail their plans every single day.

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When Mark Sear and David Hou, of Luminous Capital fame and now Evoke Advisors, joined [\*\*Mindy Diamond’s podcast\*\*](#) in late 2020 to discuss their departure from

Merrill Lynch in 2008 to launch their own RIA, Mindy quizzed them on their thought process of not only passing up a recruiting check to join another wirehouse at that time, but their decision to bring in professional management to run the firm while they focused solely on their client relationships. Luminous Capital did not only employ a full-time COO, but Mark and David also brought in a full-time CEO, “who had been on the board of both public and private businesses, had a good sense as to what made companies successful and enabled them to grow rapidly and have great employee relations, and have employees feel they are part of a great organization.”

Mark then expanded on their thought process, “I’m sure David and I would have figured it out and the firm would have grown, but it was better to have professionals come in and that was all they did –

they managed the firm while we focused on our client relationships.” Thinking of the cost of hiring not one, but two professional positions that were non-client facing, Mindy then repeated, “This was really forward thinking for 2008 – you guys were real mavericks to think like this!” to which Mark replied, “Let me just say, if you are thinking about what’s in the client’s best interest, hiring professional management is not outlandish at all.” Around the same time Mindy released this podcast interview with Mark and David, Sean Keenan of BNY Mellon Pershing was quoted in a **Financial Advisor IQ article** saying, “Founders cannot take care of business development, pay all the bills, and be client facing. Having distinct roles that play on individual strengths allows firms to create operational efficiency to scale a business.”

PFI Advisors always quotes liberally from Mark Tibergien and Kim Dellarocca’s seminal book, *The Enduring Advisory Firm*, in which they state, “Advisors must view scale not as a natural byproduct of growth, but as something that occurs only when the leadership is thoughtful about the business they wish to create, systematic in the processes they

implement to manage growth, and aware of the metrics that indicate when their train is going off the rails.” We have previously published white papers detailing the importance of the **Chief Operating Officer** role, as well as the **Chief Compliance Officer** role at RIAs. In this paper, we will dig deeper into the Chief Executive Officer role. We have interviewed five CEOs dedicated to their firm’s rapid growth, and yet they personally manage virtually no client relationships themselves. In their book, Mark Tibergien and Kim Dellarocca point out, “It is no coincidence that the fastest-growing firms also added professional management, which also freed up the advisors to focus on new business opportunities and existing clients while still executing on their business plan.”

“Let me just say, if you are thinking about what’s in the client’s best interest, hiring professional management is not outlandish at all.”

Mark Sear, Evoke Advisors

We would like to thank Adam Birenbaum of Buckingham Strategic Wealth, Jeff Concepcion of Stratos Wealth Partners, Heather Fortner of SignatureFD, Jamie Rooney of Corient Capital Partners, and George Stapleton of RegentAtlantic for sharing their stories, knowledge, and viewpoints so that the entire industry can benefit from their wisdom and experience.<sup>1</sup>

**To view PFI Advisors’ previous white papers, click here**

<sup>1</sup> Disclaimer: PFI Advisors has consulted with several of the firms profiled in this report

For the advisor who is trying to juggle client relationships, prospects, and the business administration of the firm, by design, they will have a very difficult time addressing anything beyond the immediate needs of the organization.

With so many priorities facing this CEO on an hourly basis, they will be challenged to step back and think beyond, "What needs to get done today." In a powerful Medium post titled, **"Three Things I Wish I'd Known Before Becoming a CEO,"** Brad Smith, then-CEO of Intuit, stated, "As much as I loved being close to the front-line action, I learned as a CEO that my new role required me to make long-term decisions that impacted business results over long periods of time and required me to view the entire landscape from a 30,000-foot view." Bringing in a CEO who can live at that 30,000-foot level while the advisors focus solely on their clients and prospects allows RIAs to grow and prosper

much faster than firms relying on an over-prioritized advisor-CEO.

If an RIA does not want to bring in someone from the outside, as Mark Sear and David Hou did, they may want to consider transitioning client relationships away from the CEO and allowing them to focus solely on the core responsibilities of chief executive. In a fantastic LinkedIn post titled, **"Journey of Founder to CEO,"** Vani Kola provides a "checklist that founders need to consider as they transition into a role model CEO for their employees and shareholders." This checklist serves as a terrific list of benefits a CEO brings to an organization:



## 1. Vision and Organization

It is critical that every employee understands the overall mission and goal of the firm, and that it is communicated on a regular basis. As we discussed in **Episode 28** of The COO

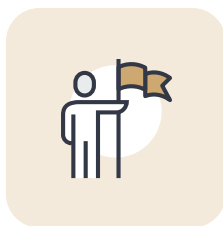
Roundtable with Tony Parkin and Nikolee Turner of Schwab's Advisor Services Business Consulting & Education division, CEOs cannot expect employees to simply absorb the firm's vision through osmosis - studies have shown that to effectively communicate a message, it must be delivered no less than ten times, in different formats, to ensure the employees understand and everyone at the firm can be rowing in the same direction. As Vani stated in her article, "This is the heart of being a CEO - institutionalization of the vision."



## 2. Delegate and Empower - Let Go and Scale Higher

Each of the CEOs profiled in this paper speak to the importance of getting out of the weeds and allowing their people to do their jobs, and to do them effectively.

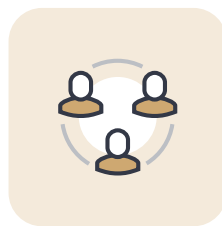
The famous Steve Jobs quote comes to mind, "It doesn't make sense to hire smart people and tell them what to do; we hire smart people so they can tell us what to do." As Vani states in her article, "Like the conductor of an orchestra, you need to set clear goals, know when to shift people, be comfortable with a systematic planning and review process and always ensure that the organization is heading as a unit towards a goal."



### 3. Focus on Creating the Right Culture and Values

Vani states in her article, “Companies are built on culture and values – and these run top down in an organization.” As stated previously, listing corporate values

on the wall and assuming employees will magically absorb them is not a winning strategy. Having a CEO in place who is constantly monitoring the ‘vibe’ of employees, as George Stapleton described it in our profile interview, is critically important. The advisor-CEO who is running from client meeting to client meeting can lead by example but will have a hard time monitoring the culture of the firm closely. Vani advises, “As the company scales, it is important to ensure that the organization goes ahead cohesively. This cohesion is brought about by the culture of the organization.” Who better to monitor the culture of the firm than the CEO?



### 5. Building a Network of Advisors and Mentors

“It’s lonely at the top.” All the CEOs interviewed for this paper rely on a network of mentors outside their organization (and some outside the industry all

together) that they can lean on for guidance. As Adam Birenbaum stated during his interview, “No matter how old you are, or where you are in your career, you need mentors.” Vani stated in her article, “A founder, who transitions into a CEO, should build a great network of CEO mentors whom he/she should constantly interact and learn. They can also bring in some (mentors) on board of advisors, consultants and even board members to accelerate the growth of the company.”



### 4. Create Processes and Build Systems to Implement Them

As we have stated many times, the goal of every RIA is to provide white-glove service to more and more clients as the business continues to grow. Without

proper systems and processes in place, advisors will cap out quickly as to how many clients they can service in a way that lives up to the firm’s value proposition and client service standards. Having professional management in place, who can not only design these workflows and systems, but ensure their implementation across the organization, is critical. As Vani states in her article, “(Process) creates order and discipline and enables organizations to progress in unison, in the direction of vision.”



### 6. Build the Brand

The RIA industry has many CEO brand ambassadors: Rudy Adolf, Shirl Penney, Marty Bicknell, Joe Duran, Peter Mallouk, Ric Edelman, etc. They embrace the responsibility of becoming the

“face” of the organization and promoting the firm wherever possible. Vani states in her article, “Once the vision is established and systems and processes are in place, the organization...moves positively in the direction of building a brand. (The CEO) should interface with key external stakeholders, important members of the industry and community and represent the organization well to ensure that it is aptly positioned at all times.”

If the CEO is to truly stay out of the day-to-day administration of the firm and empower their employees and business partners to do their best work, the CEO must rely on certain metrics to keep them abreast of the direction of the firm.

Each of the CEO profiles included in this paper provide some of the Key Performance Indicators (KPIs) those executives follow to gauge the success of their firms. These metrics provide a quick glimpse at the health of the organization and allow the CEO to know if things are heading in the right direction, all without spending an inordinate amount of time in meetings to decipher the success of the firm. As Adam Birenbaum noted in his interview, these aren't just financial metrics from the firm's financial statements – he made a point to tell us that a good CEO relies on both “quantitative and qualitative KPIs.”

When he joined **Episode 24** of The COO Roundtable, CEO Phil Hildebrandt of Segall Bryant & Hamill told us that “the stability of our staff is probably the single largest indicator that I'm curious about.” He also said that he tracks compensation closely to “make sure people feel like they're valued.” He pointed out that one of “the biggest metrics I pay

attention to is AUM per employee.” When Segall Bryant & Hamill started, the AUM per employee was \$120 million (\$1.2 billion with 10 employees). As of the recording of our interview in December 2020, that metric had grown to \$184 million (\$22.5 billion with 122 employees). The growth of that number, according to Phil, “shows efficiency growth, productivity growth, and creates operating leverage in our business, which is something that is vital to our ability to grow profitably, and not just grow up.”

Our friend Damian Lo Basso of Compass CFO Solutions wrote a great article for AdvisorHub in which he laid out the **“top five KPIs your RIA should look at consistently.”** Per Damian, “metrics used by wealth management firms to gauge performance may focus on financials (gross profit margin and growth), aspirations (technology, mergers and acquisitions), customer experience(s), and employee engagement/compliance.”



## 1. Assets Under Management (AUM)

This is by far the most common metric CEOs track because it is probably the easiest number to gauge. However, to truly test the health of the RIA, the

growth of AUM over time should not be examined in isolation. Market performance should be backed out of this number to truly track “net new assets” brought into the firm via marketing and business development efforts. Organic growth should always be valued more highly than an increase in AUM due to acquisition activity. Concentration of clients should also be monitored – is the AUM of the firm dependent upon too few clients?



## 2. Profit Margin

Revenue growth is always important for any business, but bottom-line profitability (cash flow) is the oxygen that feeds the organization. For that reason, Damian declared that profit

margin “is the #1 KPI that indicates the health of a business.” He points out that “direct expenses refer to the costs of directly servicing clients (the costs related to financial advisors working with clients directly), while overhead expenses account for the costs related to administration, operations, software, and technology.” With expenses broken out into direct and overhead expenses, the RIA can calculate both gross profit and net profit. Damian explains, “The gross profit margin is the profit that remains after deducting direct expenses, while the net profit margin is the profit accrued after accounting for overhead expenses.”



### 3. Profitability from Individual Clients

We have written previously about the importance of **client segmentation**. For an RIA to properly allocate their finite resources of people and technology across their client base, the CEO must be armed with profitability numbers at the individual client level. As Damian explains in his article, “You can begin by assessing the average revenue you earn per client, and then later analyze the distribution of revenue from each client. For instance, a firm may generate an average revenue per client of \$5,000. The distribution might show that a majority of clients are centered around the average, while another firm with the same average can have many wealthy clients balancing out smaller, unprofitable clients.” For an RIA to grow as quickly and efficiently as possible, CEOs must be willing to shed unprofitable clients as the firm continues to grow (or speak with these clients about possibly raising fees and/or cutting the amount of services offered to the client).



### 4. Client Acquisition and Retention

For a CEO to properly assess the health of their organization, they must have the ability to decipher between “revenue generated from new clients and revenue generated from existing clients.” An RIA doesn’t necessarily have to lose a client to see revenue drop - as existing clients age and transition from the accumulation phase to the withdrawal phase, RIAs will need to bring in additional clients and revenues just to stay even. By tracking revenues of both categories of clients (new and existing), Damian points out that CEOs can “assess their client relationships and begin to develop new strategies to achieve even greater revenues.”



### 5. Time Spent on Each Client

The importance of client segmentation was detailed above. No client segmentation analysis can take place without knowing not only the revenue per client, but the time spent on each client. Damian discusses in his article, “metrics used to monitor the time spent on each client by an advisor can also give (the CEO) an indication of profitability. By linking the time spent to a ‘cost’ per advisor, (the CEO) can arrive at an estimate of the revenue generated per hour for various clients, and consequently, the profitability of each client.”

As stated previously, professional management is brought into RIAs to allow advisors to spend their time dedicated to what they do best – servicing clients and prospective clients.



When a CEO arrives and begins setting the firm's vision, assessing the employees and staff, allocating resources in the most efficient and profitable fashion, etc., their time can become quite scarce as well. In interviewing CEOs for this paper, they all admitted that time management and searching for that elusive 25th hour of each day was their biggest challenge.

In their fabulous article, **“How CEOs Manage Time,”** Michael E. Porter and Nitin Nohria state, “The way CEOs allocate their time and their presence – where they choose to personally participate – is crucial, not only to their own effectiveness but also to the performance of their companies.” In detailing the challenge for CEOs of not only knowing where to spend their time, but with whom to spend their time, Michael and Nitin write, “A CEO who doesn't spend enough time with colleagues will seem insular and out of touch, whereas one who spends too much time in direct decision-making will risk being seen as a micromanager and erode employees' initiative.” In his interview for this paper, Jeff Concepcion joked that, “A good CEO says ‘no’ to things. I'm not always good at that! A normal day for me is nonstop...”

The way CEOs allocate their time and their presence is crucial, not only to their own effectiveness but also to the performance of their companies.

In their article, Michael and Nitin advise, “Keeping time allocation aligned with CEOs' top priorities is so crucial that we suggest every quarter CEOs make a point of looking back at whether their schedule for the previous period adequately matched up with their personal agenda.” For this reason, Jeff Concepcion spoke to us about the importance of “buffer days” where he deliberately gets away from the office for a brief period of time simply to stop and reflect on his priorities before heading back to the office and getting swept up in the barrage of meetings. Michael and Nitin state, “A CEO has to simultaneously manage multiple

dimensions of influence, which all contain dualities, or seeming contradictions, that effective CEOs must integrate. Understanding this broader view of the role is essential to success and also provides an important perspective for managing time well.”

Each CEO interviewed for this paper spoke to the importance of their executive team, and how much they rely on them for execution and quite frankly, maintaining the CEO's sanity. Michael and Nitin state in their article, “The leadership team, working together, can be the glue that helps the CEO integrate the company and get the work done.” They continue, “The more CEOs can delegate to their leadership team, the better (the CEO) generally feels about their use of time.” The interaction with their executive team is fairly constant – Jeff Concepcion spoke of weekend phone calls, George Stapleton relies on daily 30-minute meetings with his leadership team, Heather Fortner sits down with her executive team for 90 minutes each week, Jamie Rooney holds formal weekly meetings combined with constant interaction with his direct reports and Adam Birenbaum checks in with his team regularly to simply ask, “What are your priorities? What can I help you with?”

As discussed above, and as detailed in Michael and Nitin's article, “The CEOs single most powerful lever is ensuring that every unit – and the company as a whole – has a clear, well-defined strategy. Without clarity on strategy (and without proper delegation to their team), the CEO will be drawn into too many tactical decisions.” They drive the point home by stating, “CEOs can almost never spend enough time on strategy – they must constantly be working to shape it, refine it, communicate it, reinforce it, and help people recognize when they may be drifting from it.”





## Adam Birenbaum

Chairman and CEO

### AT-A-GLANCE

**Founded** 1997

**Headquarters** St. Louis, MO

**Locations** 43\*

**Employees** 495\*

**AUM** Approximately \$57 Billion of Assets Under Advisement\*

Adam describes Buckingham's purpose as "helping fulfill financial dreams." Buckingham seeks to accomplish its purpose by "empowering advisors to design, build, and protect financial lives." To that end, he has four primary areas of daily focus to achieve that goal – culture, vision, strategy, and growth opportunities. When Buckingham's growth led them to search for professional management, Adam was among the first hires whose primary purpose was not to engage with clients, but to instead focus on the firm's inner workings. As CEO, Adam has dedicated himself to building a team of competent and talented leaders, fostering an environment where those leaders can thrive, and ultimately progress the firm forward. He notes, "Most organizations attempt to be jacks of all trades and end up being masters of none, and they neglect to invest in the most strategic areas of their business in a focused and prioritized way. We believe that a calculated and disciplined (re)investment process is needed to help any business become a truly sustainable and enduring enterprise – building the right team and necessary infrastructure doesn't happen overnight."

When it comes to tracking those investments, Adam states "there are quantitative and qualitative KPIs (key performance indicators). There are also economic and personnel KPIs." With this broad perspective, Adam primarily concentrates on maintaining and advancing revenue per employee, retaining employees that are truly aligned with the firm's mission and are committed to progress, and always focusing on the client experience. "If a client is leaving because of market performance, that's okay - but if they're leaving

because of the client experience or the service offering, then you have a problem." Adam's philosophy, imprinted on him by the firm's founding generation, is that **"if you focus on creating an offering that enhances the client experience in specific and tangible ways and adds value to the lives of others, then you never have to worry about profits – they will take care of themselves."**

Adam actively solicits information from all levels of the organization for what he calls the "gift of feedback." It is common practice for the firm to send out surveys to all associates, in addition to clients, to gather constructive feedback. He is very thoughtful as to how he processes this valuable information. He did not allow client experience surveys to be distributed outside the firm until they hired a Chief Client Officer, who completely owns the process and continuously implements changes based on the information received from clients. "We didn't want to simply 'check the box' on client surveys just because other firms were doing it. Only if we were going to take that feedback and act on it and truly improve, would it be a valuable process."

Adam also pushes the firm to be "obsessed with professional development." He states that, "As CEO, I am constantly reading, attending conferences and reaching out to other leaders in the field," and he encourages all team members to do the same. He credits much of his success to the guidance he has received from others, and he believes, "No matter how old you are, or where you are in your career, you need mentors and you need to be a student of your particular business – and of business, more broadly." He is a member and currently Chair of the St. Louis chapter of the Young Presidents' Organizations (YPO) which lets him broaden his horizons on overall best practices other CEOs in different industries are implementing.

Adam is also in constant communication with his team, receiving a one-page digest on a regular basis from firm leaders. He strives to "be informed, but not involved." He concludes, "My job (as CEO) is to create the structure and the environment to empower firm leaders to inspire people to do their best work."

\*As of December 31, 2020. Information reflects the collective assets that Buckingham Strategic Wealth and the community of advisors that make up what Buckingham Strategic Partners manage or administer for clients.



## Jeff Concepcion

Founder and CEO

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### AT-A-GLANCE

**Founded** 2009

**Headquarters** Cleveland, OH

**Locations** Over 100 office locations

**Employees** 60 employees

**AUM** Manage \$16.5 billion in client assets\*

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When asked to describe his role as CEO of Stratos Wealth Partners, Jeff succinctly states, “Vision, strategy, execution, and anything and everything that pertains to business development.” As CEO, Jeff plays a major role in the firm’s growth plans, traveling the country in hopes of unearthing potential acqui-hires and practices that are seeking to take their firm to a new level by potentially joining Stratos. When asked how he juggles working on the business vs. working in the business, Jeff astutely commented, “You have to earn the right to think about the future – there needs to be a foundation in place to allow you, the CEO, to get out of the weeds.” To that end, he and his management team have spent the past three years focused on “Structure, policy, procedure and infrastructure,” which has allowed the firm to position itself for its next level of growth.

As Stratos continues to grow, Jeff uses a few key performance indicators (KPIs) to track the firm’s success. “One KPI I continually focus on is retained earnings. We are constantly reinvesting in our firm, so we look at EBITDA, in addition to gross revenue.” Jeff believes that one of the benefits of not “living quarter to quarter (as a public company)” is the flexibility to take a short-term loss which can turn into a long-term gain, given the proper amount of time for that invest-

ment to bear fruit. Jeff believes that Stratos’ strong M&A pipeline is due to him “planting seeds” with potential partners, **“you never know when those people might call back later or if they have friends they may ultimately refer to us. Those lines of communication and relationship building have definitely helped us with our inorganic growth, even during a strange year like 2020.”**

One challenge for every CEO is balancing the need to be informed, yet remain out of the day-to-day administrative tasks associated with running the business. Jeff consciously works to empower his team and foster a collaborative relationship with them. He has worked to create an environment where team members can call him privately and express their point of view on any topic. When it comes to formal meetings, he lets his team take charge and he “walks in, offers a few ideas for making the business run better, suggests how to best implement our ideas, and then I head to the next meeting.” Without empowering his team members, he worries that he will become the bottleneck in the flow of business, as he juggles numerous priorities. Over time, Jeff has found the importance of taking what he calls a “buffer day,” where he takes a half day to pause, digest what is going on in and around the business, and then come back that much stronger and invigorated.

Many RIA CEOs are true advisors at heart and enjoy client interaction above all else. Jeff, who manages less than 1% of the client relationships at Stratos, offered great insight on those having trouble steering away from the traditional mindset of an advisor-owner of an RIA, “The definition of ‘client’ can change -- the ‘client’ can be the next advisor, the next team that wants to join our organization. I may not be managing investments for individuals any longer, but I’ve never been more dedicated to the growth of this firm and the vision we work hard to execute every single day.”

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\*Stratos Wealth Partners, an SEC Registered Investment Advisor, manages over \$9.00 billion in advisory assets, and advises through LPL Financial, over \$7.56 billion in brokerage and third-party managed assets for a total of \$16.56 billion as of March 31, 2021.

## SIGNATUREFD

### Heather Robertson Fortner

Partner and CEO

#### AT-A-GLANCE

**Founded** 1997

**Headquarters** Atlanta, GA

**Locations** 2

**Employees** 89

**AUM** Manage over \$5B in client assets

Personifying one of SignatureFD's six core values, Grit, Heather Robertson Fortner began her career with SignatureFD as a Client Care team member and now, 18 years later, is CEO. It is her skill and tenacity in business, uniquely coupled with her innate ability to lead with compassion and empathy, that defines her as a leader. "My job is to help make our people the best they can be, so they can rise to be future leaders," said Heather. "I believe success in this role is defined by my ability to develop the next generation of leaders."

Having filled so many roles at the firm on her way to the CEO's office, Heather states, "I am fortunate to have a unique vantage point from which I can remind people why their role matters and the value they individually bring to the firm. Consistently communicating that vision, and their role in bringing that vision to fruition, creates passion, engagement, and purpose."

To execute on that vision, Heather relies heavily on those around her. "The beautiful reality of my world is that I am surrounded by a nucleus of high potential professionals that are, quite simply, rock stars. My job is to ensure we, as a team and as a firm, are clear, focused, collaborating well, and have the appropriate resources to ensure we are running optimally on all cylinders."

Heather meets with the firm's executive team weekly to discuss their immediate, quarterly, and annual goals. The firm has ambitious AUM and revenue

targets, so she tracks those numbers closely. However, most importantly are targets related to EBITDA, profitability, and client and team member engagement and satisfaction. **"I think of the components of the business as levers, and each lever, when pulled, causes an action or sequence of actions to cascade through the firm. It is my job to know which levers are available, understand the intended and unintended effects of pulling those levers, and then to create an action plan for facilitating change management through the firm."**

A firm believer in the value of coaching, Heather made it a personal goal shortly after becoming CEO to ensure that the entire executive leadership team had professional coaching available to them. She, herself, works with two coaches, stating, "There is enormous value in retaining a relationship external to the organization that provides a safe, confidential, and objective place to process life and the challenges that come with being CEO. I need to be challenged, molded, and pushed. It is the place growth happens."

Heather has never held client relationship responsibilities at SignatureFD. She states, "At SignatureFD, we serve our clients at the highest level. Therefore, we believe our Wealth Advisors' sole focus must be on the client in order to provide this white-glove level of service. I have enormous respect and high regard for those who walk in relationships with clients, as they are helping individuals pursue their Net Worthwhiles daily. My job is to do the same for our business."

When asked how the CEO role differs from other C-level positions she has held, she states, "There is an enormous responsibility, and yet an incredible freedom, in being CEO. I now have an opportunity to pour into people at all levels of the organization in a way I could not before." Heather concludes, "There is fulfillment like nothing else I have ever experienced when you watch someone you have helped train, mentor, and coach, develop and progress to attaining their own Net Worthwhile™. It is a true understanding that leadership is never about me or my success; true leadership is about changing the world by serving others. That is my Net Worthwhile™."



## James “Jamie” Rooney

CEO

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### AT-A-GLANCE

**Founded** 2015

**Headquarters** Newport Beach, CA

**Locations** 1

**Employees** 22

**AUM** Manage \$3,559,185,555\*

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Jamie considers the role of CEO to be dynamic and believes that as the firm has grown, his position has constantly evolved. In Jamie’s early years as his firm’s chief executive, he was engrossed in managing the essential functions of the firm but has since made strategic hires to manage these areas – investments, finance, operations, human resources, compliance, etc., thus enabling him to direct his efforts elsewhere. Currently, Jamie’s primary focus is on strategy, financing, and growth – all areas he has expertise in from his days in investment banking. Jamie works closely with board members to develop tangible goals for the firm, the steps to achieve those goals, and the people needed to ensure success. Through this work, Jamie is careful to consider the clients, employees, and the owners of the company. He is also constantly updating current investors of the RIA’s progress.

Jamie has a very structured outlook as to which metrics he analyzes to track the firm’s growth, “I make it a habit to keep track of net new billable assets, AUM per client, average age of client, retention rates, and in the future, companies in our space will need to also evaluate better matching service levels to fees charged to clients. He loves that he is building “an enduring enterprise” and he’s not

“building to make a sale” – a mindset he struggled with when he was logging 80+hour work weeks as an investment banker. He is thoughtful about where to make investments in the company that will maximize growth over time. In 2020 Corient aligned itself with a small group of strategic and financial partners by selling a minority interest in the company to ensure they have the ability to continually invest in the business. Jamie sees this as an opportunity to diversify the investment base and keep in tune with the market.

Corient has primarily focused on organic growth to date but has added a few select advisors if and when they found the right fit. **“Culture is very important to Corient,”** Jamie says. **“We have interviewed, 50+ advisors over the last few years and we hired only two. If it takes 6-9 months to find the right person, that’s something we will adapt to, because we know how important our team is.”**

A candid observation of Jamie’s is that in this industry, “growth can cover up a lot of problems.” For that reason, he wants to stay very informed and conducts weekly meetings with his direct reports. While he does not consider himself a micromanager, he is not afraid to dive into a financial model, or a client service issue when needed. “Ultimately, we have very capable people here who are goals oriented and process driven,” he says.

As CEO, Jamie considers his primary function to be setting the overall goals of the firm, reviewing those goals with the board, and then drilling down to the functional groups within the organization. He strives to build an environment where his team can be successful and wants them to be eager to come to work every day. “We are constantly refining our process and pushing ourselves...if you ever achieve perfection, it’s because you aren’t growing – as an organization, or as individuals.”

\*As of March 31, 2021.



## George Stapleton

CEO and Partner

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### AT-A-GLANCE

**Founded** 1982

**Headquarters** Morristown, NJ

**Locations** 2

**Employees** 67

**AUM** • Manage \$5.3billion in client assets\*

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George states that in his role as CEO, “growth is critical.” With a growth focus on the Eastern seaboard, the Firm made its first acquisition in 2019, after searching for a team whose culture paired well with theirs. A former investment banker who, prior to joining RegentAtlantic had run a \$1BN RIA and managed its successful merger with Wealth Enhancement Group in 2016, George is experienced in identifying fit. “As long as the cultures are aligned there is a path forward. We will look to make other acquisitions, but organic growth is just as important.” With the turbulence of 2020, the firm found itself having to pivot from in-person, client-centric events toward a new marketing and engagement strategy, due to the pandemic. He credits the strength of the organization for its ability to successfully navigate these challenges during an unprecedented year. “It’s the old saying about the shark – if you stop moving, you die – you need to keep creating growth and keep creating opportunities for people at the firm to prevent team members from feeling like they have plateaued, especially during tough economic environments.”

With a recent upgrade of the firm’s CRM, George and his team have implemented a new pipeline report which he leverages to track the firm’s development. The team is building other metrics inside the CRM to gauge the strength of the organization. While numbers are critical to any CEO, George believes that one non-financial indicator to monitor

closely is simply team engagement. **“I look at the overall ‘vibe’ in firm-wide meetings. Do the team members look happy? Are they connected with the firm’s vision and mission? Because at the end of the day, this is a people business, and your most valuable assets are walking in and out of the office every day.”**

To stay on top of opportunities and challenges facing the firm, George has daily 30-minute meetings with his executive team, weekly management meetings, and he engages with RegentAtlantic’s board every month. “I keep thinking the barrage of meetings will slow down, but it never does,” he says with a smile. Believing strongly in servant leadership, where he strives to put the needs of others ahead of his own, George makes it a point to check in individually with everyone at the firm on a quarterly basis. While he can’t put a statistical value on these informal one-on-one meetings, he views them as “a very good use of my time.” He adds, “we have a rigorous career path process, but the one-on-ones help raise issues/ challenges early before they become problems.”

Always looking to push himself in his role as CEO, George leverages an outside coach and is a member of the Alpha Group, which he finds extremely beneficial in that it allows him to learn from others in a similar position to his own. He also enjoys the resources provided by strategic partners like BlackRock, Fidelity and Schwab for idea generation and insights. “Being able to tap resources like that and other RIAs in my network is invaluable. One of my favorite things about the RIA community is the openness – the willingness to share and problem solve.”

George strives to make the team “better, faster, stronger,” by removing obstacles wherever possible. To allow the firm to move as quickly as possible, he must continually balance his need of being in the flow of information which allows him to make better decisions, with staying out of the daily minutiae and ultimately slowing people down. “As long as the team is following the vision set forth by the management team, you need to empower people to do their jobs.”

\*As of December 31, 2020.



PFI Advisors was founded in 2015 with the following mission in mind:

To further evolve the RIA industry from a collection of practices to businesses, and to be a continued voice in validating the industry as a legitimate landing spot for billion-dollar teams and their clients.

PFI Advisors is an operational consulting firm that supports the unique back office, technology, and operational needs of RIAs in growth mode. PFI Advisors conducts Technology Assessments, manages Technology Conversions, and provides M&A Preparation and Integration Services to RIAs seeking growth support. The firm announced the launch of **COO Resource** in January 2018, an ongoing retainer-based service in which RIAs and their Chief Operating Officers can leverage the knowledge and expertise of PFI.

Through its popular podcast **The COO Roundtable** and the soon-to-be released digital consulting platform **The COO Society**, PFI Advisors strives to educate the RIA industry on how to build more impactful and profitable enterprises.

For breakaway advisors, PFI Advisors manages full RIA set up and transition to Independence, including office buildout, RIA infrastructure development, client transition, and billing services – all for a simple consulting fee. There is no complicated long-term AUM fee structure or equity stake required to build the firm's future and provide advisors financial independence.