

**Ep #344: Knowledge Gap: The Power of Advice-Only  
Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>



**Full Episode Transcript**

**With Your Host**

**Maddy Roche**

[XYPN Radio](#) with Maddy Roche

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:00:33] Welcome to your community of fee-for-service financial advisors who are successfully building profitable firms that serve the next generation of clients. You'll learn from innovative advisors whose unique stories will inspire you to dream big and take action on your goals. Are you ready to live your great life and help clients live theirs? Then you're in the right place.

**Alan Moore:** [00:00:33] Hello and welcome to this episode of #YYPNRadio. I am your host, Alan Moore, and I'm excited to welcome YYPN member Cody Garrett, founder of Measure Twice Financial, based in Houston, Texas on the show today. Cody started his career as a professional music director and keyboardist before discovering a career in financial planning. Cody worked at an RIA for about two and a half years until the floodgates opened, and he started having dozens of clients reaching out, looking for just a comprehensive financial plan without investment management services on the back end. His firm did offer that service, but when he realized he had generated more revenue in two months than he made personally in the entire year, he decided to build a solo practice. While he's known for being an advice only advocate with advice-only being defined as only offering financial planning services without any implementation offering, on the investment management side. He really emphasized that you need to start with who is your ideal client. Then figure out the right service model, then figure out the right fee structure. His firm was built to serve his ideal client, which are DIY investors looking to early retire in the next five years. Cody also has a consumer facing offering to help spread awareness about what real financial planning is, along with training for advisors that allows him to share his planning process with them. Without further ado, here's my interview with Cody.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:02:29] Looking for an event made just for advisors like you? It's #XYPNLIVE and it's the conference experience you've been waiting for to help you re:imagine your processes and re:connect with your purpose as a planner. With over 30 content sessions this year, there's expert knowledge for everyone and every firm along with countless opportunities to connect with like-minded advisors and industry experts. #XYPNLIVE 2022 is happening this Oct 8–11 in Denver, CO. Learn more and grab your pass for the can't-miss event at [live.xyplanningnetwork.com](http://live.xyplanningnetwork.com).

**Alan Moore:** [00:02:29] Hey, Cody, welcome to the show, man. Thanks so much for being on.

**Cody Garrett:** [00:02:31] Absolutely. Thanks so much for inviting me, Alan.

**Alan Moore:** [00:02:34] So I guess I think we met for the first time at #XYPNLIVE last year. That's the first time I remember sitting down and having a conversation with you over I think it was breakfast.

**Cody Garrett:** [00:02:44] Over one of the mini quiches, very hoity toity.

**Alan Moore:** [00:02:47] Oh, yeah, the small quiches. Those were good. But just about sort of your career, what you're building with Measure Twice Financial. This new term called advice-only that's starting to pick up steam in the industry and just sort of all the entrepreneurial things that you have your hands in. So I'm appreciative that you've been willing to come on the show and this is going to be probably pretty wide ranging for listeners, but

[XYPN Radio](#) with Maddy Roche

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

there's a lot going on in your world, so I want to be sure we-we can introduce it. So as always, just a little bit of background on sort of always, I'm just fascinated by how people find financial planning. So can you give me a quick background on sort of what-what your career was out of college and sort of what led you into financial planning?

**Cody Garrett:** [00:03:27] Yeah, so like even going pre college, I grew up in a NASA family kind of engineering left brain, very analytical, data driven people. My mom helped. My mom currently trains astronauts at NASA. My grandfather worked for NASA for over 40 years, developing the landing system and the sensors for landing on the moon, you know, stuff that they actually did, rocket science. So on the flip side, I got to I went to-I went to two different colleges for music. I got a bachelor's degree in music theory and then studied at Berklee College of Music for Contemporary Piano Performance. So it did a lot of contemporary jazz and jazz and Motown gospel, pretty much any, any type of music people would pay me for. I would learn how to play and arrange for. What's funny is that everybody in my family thought that was rocket science, right? Like they were actually doing the rocket science. And I was just so I would say I really got started doing music because I felt like it was the only thing I was good at because I started it around five or six. By the time I got to my senior year in high school, it was either be a voiceover actor, which I'd had no idea how to even get into that or become a professional musician and kind of figure it out. Like, like the four years bachelor's degree was like the four years to figure it out. So I did get my bachelor's degree in music theory. I went to Berklee College of Music, then flew back to Houston and worked-I worked as a professional music director, arranger, keyboardist for about ten years before making the jump into personal finance.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:04:52] Ten years, that's a long time. That wasn't like one year end. You're like, I'm not going to be.

**Cody Garrett:** [00:04:57] It's wasn't like a side hustle.

**Alan Moore:** [00:04:58] Yeah, this was a career. So, yeah, I mean, spending ten years on the music side. What-what, I guess, how did you discover that financial planning was something you'd be interested in?

**Cody Garrett:** [00:05:08] Yeah. So it's kind of like the accidental adulting that happens with being a professional musician. You have variable variable income and fixed expenses. So I kind of learned how to be self reliant, independent on accident. I had a small apartment, I had like one of those 500 square foot apartments, just one big one big rectangular rectangle above somebody's garage. I always had like a good amount of savings, I'd say. Like, I always remember having like 10 to \$20000 in the bank, which for somebody who knows nothing about personal finance and didn't learn anything about it in school, like, look back, I'm like, Oh, that was pretty good. I'll say, What's even funny about it though, is so four-even four years ago, I didn't know what an IRA was, is I? We'll talk about certainly the transition between not knowing anything about that to now owning a financial planning firm. But yeah, I really got into the personal finance stuff when I got married in 2015. So after being a musician for kind of I guess trying to think of the timeline of that. But yeah, I got married in 2015 and then within the next three years we both had student loan debt. So I really wanted to kind of take extreme ownership financially for our household. I felt like I had to take that responsibility. We kind of we have a very traditional approach to finances, like kind of we believe from the Christian perspective, like one flesh. Like it's not like her debt, my debt, my income,

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

her. It's like it's all ours. So together I was working at a church at that point. So I-we had the Dave Ramsey Financial Peace University DVD set at my church since they had that Financial Peace University program there. So I took it home, watched it, learn about the baby steps, and got what he calls Gazelle Intents. We paid off about \$60,000 of student loan debt in two years, making about \$80,000. So even there \$80,000, I was actually-I actually made pretty good money as a musician that was just sole income making about \$80K, but learning more about personal finance. Once we got out of debt, I was like, okay, well, Dave Ramsey said it's time to start investing and even taking his own words. I was like, I'm not going to invest in anything I don't understand. And I'm the type of person that if I want to learn a lot about a subject I read, I check out all the books from the library, listen to all the podcasts two times speed. I've done this with so many different topics in my life, including like things like poker and chess and jujitsu. I get obsessed and I go down the rabbit hole. So I went down the rabbit hole to learn about investing. That turned into a year of just really deep learning. I don't know how many probably went binge listened to about ten different personal finance podcasts along the way. And what really led me into thinking about it as a profession is I reached out to my mom one day. She said, What have you been up to? I said, I'm obsessed with this personal finance stuff. Like I'm really excited to start investing and things. She said, You should talk to our family friend Joe. I think he knows a lot about this. He works in that profession. So I reached out to Joe and guess what? Joe is has been a CFP® for 20 years. He owns an independent RIA and AUM based firm and he says, Hey, if you want to really drink out of the fire hose and learn a lot really fast, enroll in a CFP® education program. So as a professional musician, I enrolled in the CFP® curriculum within 2 to 3 classes. I knew that's what I wanted to do. I really wanted to help families align their money with what they claim is important to them, aligning their money with their values and desired outcomes. So within 2 to 3 classes of the CFP® program, Joe actually offered me to come on because he knew-he knew I needed the experience requirement the 2 to 3 years and he's like, hey, you can just be a sponge. Like just learn

**XYPN Radio with Maddy Roche**

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

everything about the business, be in every client meeting, don't just be a fly on the wall, but actually be integrated in the entire planning process. So I worked there for about two and a half years before launching my firm. So I kind of-I kind of I worked at the restaurant long enough to learn all the recipes. And then and then I left to kind of launch my own restaurant.

**Alan Moore:** [00:08:58] Decided to open your own. Now, I love it because I-I connect with the story around Dave Ramsey because actually that was how I discovered. I didn't know financial planning was a profession, but when I was 15, my mom made me go through his book and got me envelopes and she would write me a check every month for what seemed like an unbelievable amount of money. I think it was like two or \$300, but it was all the money she normally spent on me and I had to budget it with dollars into the little envelopes and that sort of thing. And so I have my own. I mean, Dave Ramsey has blocked me on Twitter, so I have my own issues. Thank you. I'm in the select club of every financial planner out there, but I have my issues obviously with some of the teachings. But it is amazing how many of us actually have a connection back to that program for just sort of getting introduced to this topic of money. And that ultimately led many of us down the path to just get interested in it and get into the profession. So how did your mom react, I guess in just your family? I'm assuming that, I don't know, maybe they didn't pressure you, but I would think the social pressures that you're going to become a rocket scientist, then you became a musician, and then suddenly you're back to what appears to be the rocket side. You and I know there's as much left brain and right brain. It's not one or the other. But like, I guess how was sort of the was there pressure on you to be something or was it pretty easy for you to make those switches?



## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

**Cody Garrett:** [00:10:20] Yeah, it was funny. I think the parallels are amazing between music and and your personal finance. I call my-I consider myself a left brain creative because like looking back, I realized, hey, I've always worked in creative fields, like right side, but always very like data, like data driven oriented work, because even-even getting a music, even getting a degree in music theory is like getting a degree in the science of music. What's fascinating is that my family never pressured me into like to try to get me into one of the more kind of respectable careers of engineer and doctor and things like that. And I think it's because they knew that I was driven, just like I mentioned before, when they saw me interested in something, I would go like all the way I go deep end. And they were like, And another thing too, I really do believe this, as if you're enjoying what you're doing, then you're much more likely to become good at it. Right. So a lot of people do go into these other like respectable traditional careers, but they don't enjoy it at all. And not just not-not just in terms of like the the joy of the job and like considering it, quote unquote, successful and a qualitative sense. But the doctors who really love being doctors, like they seem to like have actually a more successful track than the ones who are just doing it because their mom told them to. So actually, fascinatingly, I didn't transition from being a musician to a financial planner for financial reasons. So a lot of people assume that I was kind of like one of the starving musicians, like living gig to gig. But in reality, I cut my-I cut my pay in half to become a financial planner. It was actually a decision for music, from music to money. The decision was more around, how can I eat dinner with my wife every day? I wanted to make a personal decision of how can I? It wasn't about I don't really use the phrase like work life balance, but I wanted to have some stability and we were both working 8 to 5 and I was kind of working that 5 to 8 and then all the weekend gigs and stuff. And I was like, Hey, I want I want financial stability, but can I have it at the same time of being able to enjoy my life at home with my wife? So that was actually the main reason I transitioned. And just one more thing, when I mentioned it to my mom or my family, they were like, go for it. Because



## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

they knew that I had a pretty good track record of becoming passionate about something and doing well in it.

**Alan Moore:** [00:12:36] No, I love that because it just speaks to the intentionality around my definition of financial planning is helping people live their great lives like that's what we get to do. And yet we so often, or maybe so rarely we do-we do that for ourselves as financial planners. And so being really intentional about what? Yeah, do we want to be home for dinner every night? Do we care? Do we want to be home on the weekends? Do we want to make a certain amount of money? Do we want to be able to drop the kids off at school? Like whatever the thing is for you, you won't be able to travel and spend time with your with your religious or charitable organization, whatever the thing is like being really intentional about that because I think so often we-we don't do that for ourselves. And candidly, we build the wrong business, which we'll talk about with your with your businesses now being sure that we're really intentional about the business that we build because there's no right way to build it except for whatever way ultimately is going to support our own version of a great life.

**Cody Garrett:** [00:13:30] Right. Yeah. The two things missing for I guess most not just business owners, but people in their career in general-in general is that they don't ask the question, why enough. That you talk about finding your why. I know there's a lot of books about that. You're finding your why. And the second thing is kind of a Stephen Covey, like begin with the end in mind. I think a lot of people have chase this initial metric of success and then even once they get there, actually a big thing for me is I actually educate clients about this that we a lot of-a lot of us focus on financial wellness because that's like the the industry we're in. I always talk about physical, mental, spiritual, relational wellness are also very important, not only important, but they're but they're dominoes or like

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

they're all part of the same all connected puzzle. Right? They're all connected. So I really do find when people focus so much on the financial area, they actually end up succeeding in that financial area. But by the time they do, they turn around and they're physical, mental, spiritual, relational, like all the relationships are kind of gone at that point. So I-I've thankfully as a young whippersnapper, like a young, you know, late twenties, I realized that like I-I wanted again, it's not really about like this perfect balance, but I wanted to be cognizant and like you said, intentional about all of those areas and not in business and personal life. I really wanted to focus on those things and whatever I chose to do.

**Alan Moore:** [00:14:50] Yeah, I think it's so interesting how yeah, just again, it's just about intentionality. It's about just being sure that we're building the life that that ultimately we want to build.

**Cody Garrett:** [00:15:00] On purpose, right.

**Alan Moore:** [00:15:01] Yeah. And I've seen I mean, there's really interesting stories now of financial planning firms that have opened gyms like literally like workout gyms or wellness centers. And my first job out of college, the reason I moved to South Dakota work with Rick Kahler is because we worked with a therapist on staff, you know, and like he was contract, but like he was there I think 20 hours a week or something like because we didn't believe you could do the money side if you didn't do the relationship mental communication side. And again, you don't see a lot of like super wealthy people that have like horrific physical challenges going on that that, you know, anyway, those things are so interconnected and when one thing goes, the rest of them tend to go. So-so you said you worked at the at the firm for two and a half years before ultimately decided

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

to launch your own. What what drove that decision to go solo? Because I'm assuming you're making good money. You're learning a lot. Like what? Why go solo at that point?

**Cody Garrett:** [00:15:55] Yeah, it was funny. I think that most, many small business owners, not just financial advisors, they do that kind of that whole thing. Like you build it and they they will come.

**Alan Moore:** [00:16:04] Oh, sure.

**Cody Garrett:** [00:16:04] They launch a business and then they try to find people to sell their service or product to. The opposite happened to me. They all came to me and said, build this. So, this actually happened in January of 2021. So just a month before I decided to launch my firm. A prospective client called. He was really frustrated on the phone, he said. I have interviewed over ten fee-only CFP® and none of them will provide comprehensive financial planning without an expectation of manage my money.

**Alan Moore:** [00:16:32] And he's like, because in the end that's what we do, right? We-we do comprehensive financial planning. We do your plan, we do your investment management. We do it all.

**Cody Garrett:** [00:16:40] Right. Yeah-yeah. He was like, well, he ultimately saw what is still kind of normal in the industry, which is, first of all, they wouldn't the advisors he was reaching out to wouldn't do any financial planning until he moved his money over. Secondly, they it was-it was that

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

the financial planning was like a loss leader, a gateway to ultimately charge rent on his money. And that's the kind of the phrasing he used. And I thought that was kind of a one off. You know, I was I received that I received that inquiry from one of the personal finance groups I was on-on Facebook. And I thought that was a one off. I was like, oh, that's interesting. Like, yes, thankfully, we do offer a comprehensive financial planning, a standalone project based planning that's great with no expectation to manage your money. But in reality, I kind of thought about like, well, actually we do kind of have the expectation of manage your money because that is our primary service at this firm and I work with him. But fascinatingly like that month four-about four clients a week reached out wanting that interesting.

**Alan Moore:** [00:17:40] Yeah so they find was it really the Facebook group and that just sort of did you have a post or a blog or something take off that really drove that?

**Cody Garrett:** [00:17:47] And that was actually about six months after having the measure Twice Money blog, which is as I was learning the CFP® material, I believe that when you teach, you learn twice and also the best way to learn is to teach. So I created the Measure Twice Money blog as a way to just share with other people what I was learning. I had a sense of urgency, not just to learn, like tighten my own learning, but I know people need to know these things, especially the fundamentals of personal finance. So I started creating content, but more importantly, I was on these personal Facebook groups like-like the FIRE movement, like those. What's funny is before I even became a financial planner, I was already in those Facebook groups again like that. That philosophy is ultimately around aligning your money with what's important to you. So they get-they understand like that holistic financial planning perspective, but yet the DIY

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

investor community are very anti advisor at the same time. So any time I was sharing education or having really engaging with people within the groups, I never mentioned I was an advisor. I just knew that as soon as I mentioned I was an advisor, probably either get kicked out of the group or people were like, You have no idea what you're talking about trying to sell an annuity, right? So I just kept my mouth shut on the advisor side and just I just help people. I just help educate people. And after doing six months of that, that turned into the 4 to 5 prospective clients per week because DIY investors, especially within the fire community, they were thinking, okay, who is it like why is this guy helping us so much? How does he know so much about personal finance and what's in it for him? And they all kind of Googled me and found me outside just the Google sphere, the Google sphere and the meta, you know, back in the day of who is this guy? And they found out I worked at a firm and they reached out and said, you know, I think that you might be able to help us. And I had already built that trust. And certainly the-the knowledge that they-that they needed, they knew I needed they had the knowledge, but they could trust that I was going to work in their best interest, because I never once mentioned my services as an advisor.

**Alan Moore:** [00:19:40] You know, you just dated us because we're going to be like, Oh, remember when we had Facebook before it was meta, right? I think I got Facebook my freshman year of college. You know, I got there.

**Cody Garrett:** [00:19:50] And you actually needed a college email address?

**Alan Moore:** [00:19:52] Exactly. Yeah. They were like, do you have to Facebook? I'm like, I don't know what this is. So you're still at your firm at

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

this point? At the at the firm where you're you're an employee. You have a comprehensive planning package that doesn't include investment management. You also can manage money. All of a sudden these prospects start coming in. So I guess, again, what-what made the decision to go solo instead of continue with that firm.

**Cody Garrett:** [00:20:15] Yeah. So within two-within two months, within two months I brought in \$42,000 of-of project based financial planning fees, which was almost as much as I got paid for the whole year. And in terms of salary, certainly there are benefits, great benefits above that. But I kind of thought to myself, okay, I'm driving 2 hours a day, I'm working 40 hours a week in a traditional office. We also we worked in the office the entire since it was a small team. We actually worked in the office during the entire COVID situation. Not that I was like against that decision or anything, but again, I was driving 2 hours a day to work, working 40 hours a week, and I said, okay, based on I kind of typed it out. I said, Hey, I could work as, you know, not my decision wasn't just financial, but I was thinking myself, okay, I could work 10 hours a week, not drive at all. And when I calculated it like make over \$100,000 of gross income, probably keep my margins. High margin, low-low business expenses. And I just decided and again, I did have the fallback of if this doesn't work out, I'm pretty sure I could find another role as a CFP® in Houston, Texas.

**Alan Moore:** [00:21:24] Yeah, that was my story as well, where it's like when you're when-you're plan B, your fallback plan is do the thing you're currently doing, go get a job as a CFP® and a financial advisory firm. It almost feels low risk to then start a firm because, you know, you have a fallback. Like our fallback was not, well, I'm going to be homeless and I'm not going to pay rent. You just go get a job. You know.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Cody Garrett:** [00:21:47] I can-I can go-I can go build Edward Jones down the street or whatever.

**Alan Moore:** [00:21:50] Yeah, exactly. That's like plan B, let's put that right. So you decide to launch your own firm, you go through the process, get launched, I guess. What did you sort of you made the decision to we talked around a little bit, this sort of advice-only concept where it's not only that you have an option to do financial planning without investment management, it's that you don't offer investment management at all. So how did you decide sort of what brought you to the conclusion that that was the type of firm you ultimately wanted to build?

**Cody Garrett:** [00:22:21] Yeah. So every decision I'm making, my business comes down to whom do you serve and how do you serve? So I thought, who do I serve at this point? My-my firm, it's DIY investors on the path to early retirement within five years. And what I mean by DIY investors as we know there's a lot of different forms of implementation. DIY here means really implementing everything, including the investment management. But I thought about who are these people? First of all, I-I'm really that type of person. I DIY, I own investments. I actually recently put out on Twitter like, hey, financial advisors, how many of you DIY your own investments? And 70% said they did. So I would say that first of all, most even advisors or DIY investors, anyone who's not. Anyone who has not hired a financial advisor is technically a DIY investor. So it's definitely a blue ocean kind of-kind of stuff. But I thought, well, these DIY investors, when they go through the comprehensive financial planning process, when we come to investments, when I recommend-when I recommend investments to them, they don't want the recommendation to be and I can do it for you. They wanted to specifically avoid that conflict of interest, not just that I would try to move their money, but that when it comes down to actually giving them



## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

recommendations about their investments, they didn't want the recommendation to be, Oh, I can handle that for you. Just here, sign here. They really want a deep, comprehensive analysis and recommendations where literally none of the implementation could possibly be done by me. Therefore, they would understand that it's all going to be in my best interest because they're like, there's literally nothing in it for this person, whether they they recommend life insurance, health insurance, disability insurance, get my estate planning documents drafted, manage my investments this way. The only thing I sell is personalized education, and that's it, which perfectly aligns with this kind of the fire community of consumers who are they're very bright. A lot of them even read, like I would say, half of-my half of the clients I serve actually read the Kitces articles like they like to go on. They like to go beyond the basics.

**Alan Moore:** [00:24:28] So yeah, that's way beyond the basics.

**Cody Garrett:** [00:24:32] Yeah, yeah. Even for us. But the three things I say are they have the time, the temperament and the talent to manage their own investments and quickly their time. It actually it takes time to figure out how to invest. It doesn't take very much time to invest. And I know technology's making that extremely simple like you can. I look at my investments for less than an hour a year and that's-that's knowing all the different things I could do before tax loss harvesting and things like that. But so it doesn't take me very much time. It doesn't it takes talent again to figure out how to invest and how to align your money with your personal objectives. But it doesn't take very much time to invest the sorry, the talent and the time. It doesn't take very much talent to actually click the buttons on Fidelity and Schwab, Vanguard. It's the temperament. This is the part that really dictates if somebody should work with an advice-only financial planner or someone who manages investments. So I work with on the

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

delegation DIY spectrum. I definitely sway to helping more the DIY investors. So it's really I'm just serving-I'm serving different people differently and specifically families who haven't been met where they are traditionally in the industry.

**Alan Moore:** [00:25:47] Yeah, I think it's important to call out that. I've never heard you say all advisors should be advice-only. No one should manage investments. You're-you're a crook and conflicted if you do that. Like I've never heard you say that. What I've heard you say is for my client base, which are educated, DIYers, which I think the educated part is really I mean, you said educated that you're reading Kitces this articles and you can get through those as a consumer. Like I can barely get through them as a-as a trained advisor. There is a level of just-just that client needs a different service and has different expectations than even, I would say maybe the broader range of DIYers, which is different than sort of our traditional clients. And so really at least what I'm hearing you say is that you really started with the-the ideal client in mind. Who are you trying to serve? How do they want to be served? What's the service model they're looking for and then built backwards versus starting with, Hey, this is the only way to do business and then I'm going to go find the client that this works for, right?

**Cody Garrett:** [00:26:45] Yeah. And that's the biggest part is that you have to ask whom do I serve? How do I serve? And as much detail as possible. I believe that the fee model and how much you charge is actually the last decision that you make before you launch your firm. And I know that traditionally it's been you pick-you pick a fee model and then you pick a service model. It's like, no, no, no, that's backwards. So it's funny. A lot of people kind of think of me as a fee model guy who kind of bangs the table. I actually that's I'm at least passionate about, like, what we're paid or how

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

we're paid. It's it's more about being intentional about who and how you serve and in meeting the client, like exactly where they are. So in terms of the fee model-the fee model answered itself exactly once I had those two questions answered as much detail as possible. The only-the only answer at the end of that, if I had the whole form, a one page form of all the things that were going to go into my practice, it just all that-that equation, a formula equal you're going to do project based financial planning, three months, three meetings for \$6,400.

**Alan Moore:** [00:27:47] Right.

**Cody Garrett:** [00:27:47] And that's just how it ended up to it.

**Alan Moore:** [00:27:50] So let's talk about that. So you-so you said you're charging \$6400 now for financial planning. You have built just the incredible pipeline of client. I mean, how many prospects are coming to you on a-on a weekly, monthly basis now?

**Cody Garrett:** [00:28:04] About about 20 per week.

**Alan Moore:** [00:28:07] 20 per week. And of course, you're doing all of the.

**Cody Garrett:** [00:28:11] Yeah, I'm taking on \$6 million in annual revenue and most advisors I don't even know how I had time for this. Yeah. I didn't even have time for this, this interview out. Yeah. So I'm actually a big thing I'm passionate about is generosity within the industry. So instead of since

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

I'm at definitely a full capacity. Deliberately full but my-my website Measure Twice Financial specifically it gives all prospective clients a referral list of other advice-only financial advisors. So I'm referring out all 20 of those clients per week to other advisors without any referral referral fees.

**Alan Moore:** [00:28:46] Yeah. I mean I'll say if you're starting a firm or if you feel like you're struggling to grow and want referrals, go advice-only email me.

**Cody Garrett:** [00:28:53] Talk to Cody.

**Alan Moore:** [00:28:54] Get on his website just because in the end that's you've done a phenomenal job of building the pipeline and in building sort of this pipe that brings in 20 clients a week now, is that 1000 clients a year or 1000 prospects a year a decent least close, right. Like you could be bringing on 5 to 700 clients a year. So why not bring on 5 to 700 lives a year? Like what? I guess. Talk to me about the decision that you've made to to not go that route and to ultimately be build a very successful solo practice.

**Cody Garrett:** [00:29:27] Yeah, I decided to instead of focusing on revenue, I decided to focus on impact. And I believe that with what I'm doing and kind of the my perception and how I-how I view how the industry is changing, I think I'm going to have a much greater impact, one to many than I'm going to have one on one. So rather than kind of burning myself out, making 100 financial plans a year and making great money, but like kind of saying again, end in mind, like, why am I actually doing this? I decided that I'd rather I really want to become it sounds a little cocky here,

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

but I really want to become a thought leader in terms of generosity and transparency within the industry. I want to be known for giving not just making lots of money or having lots tons of clients. So I'm actually trying to get away from the quantitative all the quantitative metrics of advisor success and focus on giving more away than what I've been given. Because I do believe that giving to others, it helps. It certainly aligns with my core values of generosity, transparency and intentionality. But I imagine how much impact it'll have, first of all, referring all those clients who probably if I-if I just said I was busy. Right, and then didn't help them find somebody, they might just never find somebody.

**Alan Moore:** [00:30:35] They're DIYers, that's their natural inclination is they're just.

**Cody Garrett:** [00:30:38] Like, I'm just going to go back to Google for my financial advice. So or the forums or Reddit. But so I'm providing I'm-I'm just excited about the impact of providing financial planning. It's not again, it's not about the business metrics. It's about, hey, families are getting like comprehensive financial planning, personalized education for the first time, especially the anti advisor community is actually kind of coming around to understanding that we do more than just manage investments. We actually we care more about them, we care about more about their family than we care about their money. It's just it's been really hard to change that public perception about financial planning. So I'm helping them find financial planners. You imagine, you think about like even the-the-the family financial tree. Like what is the long term impact of all those families being provided personalized comprehensive financial planning in their best interest? I-so at this point, I'm most passionate about changing the perception of what we do as financial planners, much more than I'm

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

passionate about being advice-only or having a certain process in place or making a certain amount of money.

**Alan Moore:** [00:31:41] So but you've still intent. I mean, you want to have this big impact. You could build a big firm that's serving all these clients. Did you just decide management wasn't for you? You didn't want to scale a business like or was it more so time that you want to spend in other places like what drove the decision to stay and really focus on building that solo practice?

**Cody Garrett:** [00:32:01] Actually, it all comes down to my the name of my brand, which is Measure Twice. I have a very hard time kind of offloading, delegating, very intricate and intentional process. So I feel like even if I were to delegate and have like, let's say I hired chief of staff and hired ten financial planners to take on all this, all this demand for financial planning, even though people tell you, hey, you have a chief of staff to manage your-planners, like you go off and build your other stuff, like in terms of being like analytical, like Measure Twice. I would always want to like I probably spend all my time in quality control in terms of like the Measure Twice process because I have-I have a comprehensive financial planning process that covers about 25 topic areas without using planning software and to offload that process off to new planners who don't. It's not that they can't think like me, but having I just imagine there's a lot of-there's a lot of training involved and also quality control that again, that wasn't my highest and best use in the long term.

**Alan Moore:** [00:33:03] Okay. So really it came down to it's not even necessarily management. It really came down to like you have a process in a way, you kind of want to protect the integrity of the process and

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

recognizing how much time it would take to and just energy to to oversee it. I mean, it reminds me of Kitces, we'll have to have him on at some point to talk about how he has he you know, it wasn't too many years ago he wrote every single word that goes on his blog. He doesn't write all of it anymore. He's-he's been able to start handing that process over. But it has been years of hiring and training and mentorship and defining-defining things you didn't know you needed to define to so that he felt good that the brand was being properly represented. And that's really what we're talking about here. It's not-it's not about being micromanaging about the process as much as it is about protecting the brand. And that's a hard thing to train when it's that intricate in that tied to you.

**Cody Garrett:** [00:33:56] But I would just one more thing to add there. Another one is I didn't want to just be in the business of providing financial planning to people who could pay \$6400. I do believe, even though I'm not a financial planner, who is the I'm definitely not the most affordable financial planner, but I'm really passionate about the families who need other, I want to educate the public about those other options, those other service offerings that like, for example, Eric Simonson, he offered he's building an enterprise advice-only firm. He wants to serve 20,000 families and he only charges \$139 a month for couples like so and \$89 for individuals.

**Alan Moore:** [00:34:36] \$1500 a year. That's yeah.

**Cody Garrett:** [00:34:39] Yeah. It's incredible. Especially like kind of versus the versus the other the other way either either the AUM models that won't serve you until you kind of have until you make them profitable or like. So I'm most passionate actually separate from like building, helping people



## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

build their practice. I'm just so passionate about the power of financial planning and I don't believe the public at large understands what we do, how we do it, or why we do it. So I'm going to focus a lot more of my time moving forward on changing the public perception of actual financial planning is actually separate from implementation as well, which I'm sure we could talk a little bit about.

**Alan Moore:** [00:35:17] Sure. So yeah, I don't want to lose sight. And again, I don't-I don't want to harp too much on the advice-only stuff. And do you remember what episode you were on Kitces' podcast.

**Cody Garrett:** [00:35:28] Yeah, I.

**Alan Moore:** [00:35:28] If you Google Kitces Cody Garrett you'll find it. But you're on.

**Cody Garrett:** [00:35:33] Episode 255.

**Alan Moore:** [00:35:34] 255. So you were on Michael's podcast really talking a lot about advice-only what that means and all that. So I don't want to overdo that here. Just to be redundant, folks can go over there and listen to it 2x speed with you and Michael. That sounds fascinating. People tell me they try to listen to me at 2x and can get to like one and one half. And that's about as maybe as well as my Southern roots.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Cody Garrett:** [00:35:56] We definitely think faster than we talk. So that's why we can always speed it up.

**Alan Moore:** [00:35:59] That is true. But one of the things I want to talk about is some of the other things that you're working on. So you've-you've built this practice and how many clients are you going to work with this year? Like what's sort of your cap?

**Cody Garrett:** [00:36:11] So I'm going to work with 22 clients, which is two a month, but taking a full month off in December. That's called, I call it my red x month where I take a full month off. So I work with two clients a month, 10 hours a week, \$140,800 in gross revenue and about a 95% profit margin on that before paying myself so about yeah, so about 10 hours a week in my financial planning, my solo RIA.

**Alan Moore:** [00:36:34] Yeah, just to call that out, that would be the equivalent of 2% of the prospects that are coming in because you said 20 a week you're working with 22 clients.

**Cody Garrett:** [00:36:42] So good problem to have.

**Alan Moore:** [00:36:44] Yeah, yeah, I'll take it. I guess just from a process standpoint, how do you filter 1000 people are coming in, you're going to work with 22 of them. You're clearly not talking to all one of them. How do you filter down to the 22 you're going to work with from just a process system standpoint?

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Cody Garrett:** [00:37:00] Yeah, the 22 really just were like the first in line when I first launched. So I launched within a week of launching or I had about 17 clients reach out to prospective clients. So it will actually get to the point where I'm only working with the clients that I've worked with before. I won't probably by the end of this year I won't take on any new clients. It'll just be clients that want an annual project based engagement moving forward.

**Alan Moore:** [00:37:23] Okay. So those are-so most of those clients are ones that you expect they'll-they'll need a new not new plan, but an updated engagement once a year. So it'll turn into sort of a recurring fee.

**Cody Garrett:** [00:37:35] Exactly. And I'm actually feeling it now. So I just passed my first anniversary and now a lot of the clients I started with are reaching out and saying, Hey, we'd love to know, hey, it's June or it's July. We need to do our update. So they're reaching out now, which is I have about 45 clients in my waiting list. But I am-I'm-I'm slowly also referring those prospective clients away because again, I don't want people waiting two years for financial planning when I know they actually needed it yesterday.

**Alan Moore:** [00:38:02] Sure. No, that makes sense. So-so primarily at this point, you're not filtering through those leads. You're just sending all of them somewhere else.

**Cody Garrett:** [00:38:08] Saying yes, here-here, here are 17 other advice-only planners with a variety of service process fees and niches who can serve you definitely better than I can serve you at this point.

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:38:19] Okay, now that makes sense. So you've intentionally kept it to 10 hours a week. Why is that? Where do you want to spend the rest of your time? Because we talked several mentioned several times, just intentionality with time. So clearly you have a purpose behind that. So what were the other 30 plus hours a week going in your life? At this point?

**Cody Garrett:** [00:38:39] I'm just laying in a hammock in the backyard.

**Alan Moore:** [00:38:42] Beautiful, on the beach.

**Cody Garrett:** [00:38:42] Five hour workweek. Yeah, exactly. No, so a lot of advisors are building a financial planning firm. That's their baby, right? For me, I'm trying to build a brand like a personal finance brand, which is Measure Twice. So even in terms of trademarking like Measure Twice is in the process. Same with my phrase, keep finance personal, which you'll probably see on the back of my shirt when I get to #XYPNLIVE this year. But I'm building a brand which is a multi-multi structure brand. So I have three businesses. The first we've been talking about a lot, which is Measure Twice Financial, that's one on one comprehensive financial planning, kind of highest and best use, highest price point, but deliberately limiting that capacity. The second is Measure Twice Money, which is a personal finance educational blog for DIY investors. So I'm teaching DIY investors how I develop a comprehensive financial plan, how I do it. I again, that's the Measure Twice Money is ultimately going to turn into a non profit where I want to just educate the public about the power of financial planning, whether or not they hire an advisor or not.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:39:44] Is there a revenue stream associated with Measure Twice Money?

**Cody Garrett:** [00:39:48] Not at this point. And it might actually become just revenue for the sake of keeping it going.

**Alan Moore:** [00:39:54] That's going to be my question. Yeah. What once you want it to be, maybe more than just yourself trying to keep it up is there. But you're not currently you're not charging for workshops or webinars or access to templates or anything like that.

**Cody Garrett:** [00:40:05] Yeah. So I'm giving everything away for free at this point. So the third one, you kind of say, well, how does Measure Twice Money? How is-how is all this educational content created and funded? So kind of the roundabout way of funding, my ultimate passion, which is changing public perception of financial planning, is Measure Twice Planners, so Measure Twice Planners. When I-when I mentioned to other advisors that I was going to educate DIY investors on how I develop a comprehensive financial plan, they said, Hey, like I want to learn how to do that toO.

**Alan Moore:** [00:40:34] Educate me, please.

**Cody Garrett:** [00:40:35] Because the CFP® program is great in terms of teaching you rules and concepts, but you don't come out of the CFP® program actually knowing how to develop a comprehensive financial plan.

[XYPN Radio](#) with Maddy Roche

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

It's like reviewing all those financial documents, communicating recommendations to clients. So I developed Measure Twice Planners as an educational platform to teach other advisors how I customize, how I developed and customize comprehensive financial plan, communicate those recommendations. And with that, it's also sharing. Like I don't use financial planning software reports, I create all my own on my financial plan and word Excel and PDFs. So sharing all the templates, all the Excel calculators is a big thing I'm passionate about there is, I won't talk about pricing here, but a big percentage of any revenue that comes through Measure Twice Planners like actually I'm going to sell that most likely as a- as an annual subscription to have access to the video course, webinars, things like that, tools. But a big portion of that is going to fund CFP® education scholarships or ChFC® scholarships. I know we have a big kind of it's hard right now in the profession that you can't get your CFP® without a bachelor's degree. Yeah. So ChFC® and CFP® education scholarships will be a big again. I want to bring generosity and transparency into every every part of the brand. So Measure Twice Planners will be educating other advisors, especially kind of within the first five years of practice on how to develop a plan and then to fund scholarships as well. And also funding future Measure Twice Money scholarships when I ultimately teach DIY investors on how to create their own plan.

**Alan Moore:** [00:42:06] So had the scholarship started or that's sort of the long term vision for how that how that's going to get set up?

**Cody Garrett:** [00:42:11] I think the scholarships are most likely going to start at the end of the year. I've already connected with CFP® program directors to create a needs based scholarship program.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:42:21] Okay, very cool. Well, and I would say on behalf of the profession, thank you for doing that because that is it's a huge need. I know we get I think we do 30 CFP® scholarship, exam scholarships a year through XYPN it paying the exam fee and we get a lot more than 30 applicants and just yeah, there's just a huge need in those big barriers now that the educational program is its own-its own behemoth to try to work through. So but yeah, I mean, we need more-we need more planners, we need more advisors who are interested in working with a different demographic. But the truth is, like as a professional, we don't have enough advisors to work with just the clients we've historically served. We have an advisor shortage and here you are opening up the floodgates to what? If you work with 20, you need at least 50 advisors to work with just the prospects you're bringing in already. Like there's just not that many advisors. So we need more people coming into the profession and that-that can ultimately work with these clients and have similar life experiences, shared experiences, that sort of thing. So that's a huge win.

**Cody Garrett:** [00:43:29] I know that. That's one reason a lot of other advisors have asked like, Hey, can I be on your referral list? And I've specifically kept my referral list only like advice-only just because the demand far exceeds the supply. And I also say I would love if-if-if you're listening to this, I would love for like even a year from now for my for the list of advice only financial planners to double. If you're listening to this before October 2022, we are actually going to have an advice-only panel at #XYPNLIVE this year. So if you want to learn about the profitability, sustainability and scalability of advice-only, we'll be there to discuss that this year.

**Alan Moore:** [00:44:07] Absolutely. And again, I built my practice on the back of referrals from an advisor who had \$1,000,000 minimum and was a



## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

NAPFA advisor and just wanted she would send me the 400,000 clients. I managed money, but you know, and I'm like ecstatic. And she's like, I could never possibly work with this client profitably.

**Cody Garrett:** [00:44:26] Like, yeah, their B client, is your A client.

**Alan Moore:** [00:44:29] Oh, my God. Their E client was my client. I was like super stoked. But I think that's the it's one of the coolest things that I can't say I anticipated or expected, but it's been so great to see amongst XYPN members is that so many clients get referred between them, whether that's niche based and if I have one niche and your niche comes to me, we're sending them back and forth. Like there's so much of that happening, but really you don't have if you want to go build the next Measure Twice Financial brand and that's your thing, great. If you aren't the marketing person or don't really want to go build that brand and really just wanna hit the ground running. Not that you need to be advice-only, not that you should be advice only just for this reason. However, if that's the type of client you want to serve, like building out that, building out advice-only business and connecting with folks like yourself and others like you really can get some pretty significant lead flow from other advisors who are full, quite frankly. And I hear this from I think about like I talked to Shane and AJ with Brooklyn Fi at the conference last year and they're like, Hey, do you know any people that specialize in stock options? Like, we just I think they told me 14 clients a month, maybe more than that, that they were bringing on because they're building a big firm, but like they still couldn't take care of all the kinds of coming to them. So if you love stock options, connect with, Shane and AJ, you know, like, you know, like there's these different avenues as you're building a firm. So I just encourage folks to really explore that.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Cody Garrett:** [00:45:53] Yeah, there's a-there's a great book called The Go Giver by Bob Berg. And there's this quote, I always kind of rephrase it, but it's giving-giving is not a strategy. It's a way of life. And I really do believe I've never seen the level of generosity that I've seen, especially within financial planners like this community. And we talk about mastermind groups like it seems like we're all cheering for each other, giving literally giving everything away without expecting anything in return. And I think if-if you're a generous person or if you want to receive generosity, like you're going to experience that not necessarily in every part of the industry, but in the financial planning community. It's-it's unbelievable. And I think that the public also needs to see this. Right. That's another thing I'm passionate about is let's show the public how generous we are within the industry so they can go, wow, those are the types of people I want to work with.

**Alan Moore:** [00:46:44] I love that because on our we sort of have our ideal client profile as-as XYPN. The types of advisors we're looking for and giver not taker is one of the lines on there because we do find so many. Well really, all of our advisors will give the shirt off their back. They will give the most important thing an hour of their time to be able to help another advisor. And that's just the side of the profession I was drawn to. I saw that in the fee-only community when I got into this industry, definitely saw it on the other side as I did some internships through college. But yeah, you're right that it really is sort of this like it's a helping profession and helping people help others, whether they're helping their clients or helping other advisors, which is just.

**Cody Garrett:** [00:47:25] We all-we all win.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:47:26] Yeah, exactly. And there are way more clients than there are advisors. So, you know, give me a red ocean. Some of us may get a little bit more competitive, but right now we are-we are a very long way away from ever truly having that level of competition.

**Cody Garrett:** [00:47:40] Well, I have a quote about that. It's that you're only competing if you're copying. So if you're doing something differently than somebody else, you're therefore not competing. And some people will tell me, hey, like advice-only is competing with the AUM advisors. I'm like, we're doing-we're serving different people differently. There's therefore no competition since we're not doing the same thing.

**Alan Moore:** [00:48:01] I love that. That's a good quote. One thing that we were talking about in the pre show is we were just sort of chatting, was that with Measure Twice Financial. You've made the conscious decision it's going to just be you. But you did mention that you were also looking at building out teams for some of these other the other brands with money and planner. So what I guess, which one of those are you planning to grow and sort of add team to and I guess what's the purpose behind that.

**Cody Garrett:** [00:48:28] Yeah. So. Yeah. Measure Twice Financial staying solo Measure Twice Planners most likely becoming like boutique like having and not just like administrative like delegation, but also having other having other financial planners on the team who are experts in different areas who again I think Measure Twice Planners isn't just teaching people what I do and how I do it, but teaching specifically sharing with each other how we think. I think I met with an incredible advisor and so it's Dr. Jay Zigmont. He has a PhD in adult learning and I had a great call with him. Again, he was very generous with his time. He was explaining to me that

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

adults learn differently and we can be a lot more impactful with our teaching if we teach people how we think rather than just what we do and what we-how we do it. So I think in terms of growing that in a boutique, I would love to have different planners with different perspectives, like really creating educational content for other advisors there. This could also become like a Measure Twice Academy where my-my-my financial planning process that I have at Measure Twice Financial actually people could become kind of certified in my process and then use that as a value add. When they go out to look for their first planning job, they can say, hey, you know, they go reach out to a firm and say, hey, I'm Measure Twice certified. Like, I kind of like that idea of people being kind of prepared with having a plan process in place before they go look out, go look for their first financial planning job. Because I think most financial planners like their first job. They kind of sit down on the chair, expected to be trained and they're just like, okay, go.

**Alan Moore:** [00:50:00] Plan an insurance plan.

**Cody Garrett:** [00:50:02] Go make a plan. So I think that would be like more boutique specifically having other financial advisors on board to become kind of educational like centers of influence within the community. And then Measure Twice Money, I actually see that, that-that could possibly become enterprise in terms of just spreading. And again, that's where I see the largest impact as a nonprofit to-to spread financial literacy, financial education and teach consumers about what we do, how we do it and why we do it. I think that's going to not necessarily enterprise and having tons of employees, but enterprise in terms of kind of like there might not be like a net on the impact that that can make. So once Measure Twice Planner is really, kind of, solidifies itself and has a stake in the ground and can free up even more of my time. I'm going to be most passionate about serving consumers.

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:50:51] I'm curious with your planning process. I mean, you're at a higher price point than certainly not the highest. But I mean, you're not-you're also-you're not charging, what was that, \$130 a month that the one advisor charging. Is your planning process adaptable to from a time person, primarily time and energy perspective to be able to come down market a bit or is it pretty and I-and I ask this question because I think about like I'm a huge fan of Kinder and sort of the life planning that he does. But also like that process is not the sizable like it's a big process. You're going to charge a lot. I don't know anyone doing Kinder planning for \$1000 a year. It just doesn't happen. So is your process, can you bring it down to size or is it really intended for those clients who-who have those greater needs and or at a higher price point?

**Cody Garrett:** [00:51:38] Yeah. So I come back to kind of thinking about the traditional industry and how the traditional industry thinks about financial planning. They kind of say like, if I'm not getting paid more for it, what's like, why am I doing it? And that comes down to, how-I've actually kind of heard this paraphrase from other advisors in which they say, you know, how can I do like, how can I do the least amount of work for the most amount of money. And financial planning to me, out of all the things that should be scalable in your practice, I do not think that comprehensive financial planning should actually be scalable and it sounds kind of funny. I think that you can certainly create efficiencies in that process in creating your financial plan. But I really have a hard time with thinking about don't-don't create efficiency like but lack effectiveness. I think if you create enough efficiency in your financial planning, that becomes less effective and provides less value to the families that you serve like that. That's not the place to cut time and cut cost. So for me, I spend 20 hours developing a comprehensive financial plan, including the time with the client that comes down to about \$320 an hour. So it's pretty reasonable hourly rate

[XYPN Radio](#) with Maddy Roche

## Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett

<http://www.xyplanningnetwork.com/344>

and that's actually with the efficiency of having my own templates and my own tools. But I really do believe, especially with Measure Twice Planners, that it's not just going to be telling people use my process, it's going to be encouraging planners. I believe that every planner should customize an efficient process that specifically serves the clients that they serve. And I think if you can create-if you can create a customized process. That's- That's really molded around your specific clients. You're going to provide tons of value and you can-you can definitely scale-you can definitely scale or create efficiencies there. But I would-I would kind of warn advisors like don't try to like that's not the place to like cut all your time out. Because I do believe that a CFP® is our highest and best use is to do financial planning, which just right here I've written down when I learned the CFP® process, egoderm was established defined client relationship, gather the client's quantitative and qualitative information, analyze that information, develop and communicate personalized recommendations, implement the recommendations and monitor the plan. But yet I've heard a lot of other financial advisors trying to delegate, like the gathering of information, the- the analytical stuff in developing the plan they're delegating, which I the parts that I believe are actually the most impactful in communicating with a client. So I think the data gathering process is the most valuable part of the financial planning process, which sounds silly, but before before you can provide recommendations or implement in a client's best interest, you have to truly understand their interest. So I'm very passionate about not cutting corners in the right places in the process.

**Alan Moore:** [00:54:23] Absolutely. That makes perfect sense. My second question about your planning process is, and I think I know the answer, but is it designed to be a one time type planning engagement or is it really designed to be that ongoing relationship? Because those are-those are two different prospects. Those are two different types of clients. If you're meeting with them every evening. Even a recurring annual engagement is still a different client than the one who just wants to show up, talk once, and

[XYPN Radio](#) with Maddy Roche

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

then maybe show back up five years later. Is it really designed around sort of showing that ongoing value and ongoing basis or is it really about sort of the-the one time plan or somewhere in between?

**Cody Garrett:** [00:54:59] Yeah, the biggest misconception about the one time plan is that it doesn't just have to happen once. So what I say there is.

**Alan Moore:** [00:55:06] We should rename it.

**Cody Garrett:** [00:55:09] I call it-I call it project based planning at

**Alan Moore:** [00:55:11] Yeah.

**Cody Garrett:** [00:55:12] This point in terms of the

**Alan Moore:** [00:55:13] How you handle it.

**Cody Garrett:** [00:55:14] Yeah, the three models in advice-only are hourly, project based, and ongoing. So yeah, I avoid the one time financial plan because that's a big misconception that because when you do a comprehensive financial plan, like when people ask me about the sustainability of advice-only or at least the project based engagements that I do, I only work with a client for three months and they're no longer my client. They're like, How is that sustainable? And the most sustainable part about what I do is building the relationship so relationships are much more



## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

sustainable than a fee model. So kind of back to your question, though, is when a client comes back a year later, I still go through the comprehensive financial planning process, but yes, it is. I even charge less. I charge 75% of the cost any-any-any next time. Right. Because I mean, there is there is less. It's just, you know, it's less and different. But yeah, but I still provide the comprehensive plan deliverable even when they come back a year or so because I've also developed I've defined the expectation for what the deliverable is and they've appreciated that apparently enough the first time to come back. So I keep it I keep it pretty consistent. But even though I do a typically a 40 page financial plan for the first time, it ultimately ends up with what I call a measurable action plan, the map, which is kind of the one what people call the one page financial plan. So you still come away with a one page plan, but with all the supplemental educational material as well.

**Alan Moore:** [00:56:42] So you mentioned with advice-only there's hourly, project based, which is what we've been calling one time and then and ongoing. Do you consider your model project based or ongoing if they come back multiple years in a row?

**Cody Garrett:** [00:56:54] I still call it project based because so ongoing in my head, it's probably a bad, bad analogy, but it's kind of like the gym membership. I specifically didn't want to have an ongoing monthly subscription because I didn't want clients paying for the gym in the months they weren't going. And I also didn't want actually a big part of this, just to be completely transparent, is I also didn't want. I also wanted to command over my time throughout the year. So since I don't have any ongoing clients, I can take off the full month of December. And it's not just that I tell clients I'm gone for December. I literally have no clients in my CRM.

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

**Alan Moore:** [00:57:30] Yeah.

**Cody Garrett:** [00:57:31] That sounds scary and things, but if you think about kind of the command of my time is very powerful and important to me, but also by not managing investments, I don't have a phone in my business, so I have so much control over my time. I have just zoom calls and emails are the only forms of communication and after three months, a client has their entire measurable action plan of things to implement over the coming year, and then they can check back as often as they like. But it also gives me the freedom to say yes or no every time they come back to work with me.

**Alan Moore:** [00:58:05] No, that makes sense. I mean, that's again, that's being very intentional with your time and talents and how you're trying to ultimately build the business. So, listen, Cody this hour has flown by. So I'll- I'll jump to the final question, which is if there's one piece of advice that you could go back and give your younger self, what would that one piece of advice be to.

**Cody Garrett:** [00:58:28] Make every decision moving forward. Like, let's say that you have two options to choose from this CRM or this CRM or this fee model or this fee model. Always ask yourself which decision is going to provide more value to the families I serve. It's similar to flip flipping a coin. You don't flip the coin to see if it lands on heads or tails. You flip the coin so that in mid-air you know which one you want it to land on. So if you make every decision in your business based on how which one provides more value to the families you serve, you were-you will therefore be aligning your business with what you claim is important to you, which is most likely

## **Ep #344: Knowledge Gap: The Power of Advice-Only Planning: A Conversation with Cody Garrett**

<http://www.xyplanningnetwork.com/344>

helping people, being generous, being transparent, the things that really hold us up as financial advisors and in this-in this day and age.

**Alan Moore:** [00:59:14] I love it. Well, Cody, thank you so much for taking the time to come on the show and share your journey as a planner in building this really amazing advice-only business and brand and hopefully some advisors will benefit from referrals down the line, as well as training and education through the planners side of what you're doing. So thank you again.

**Cody Garrett:** [00:59:33] Thank you so much, Alan.

**Alan Moore:** [00:59:37] Looking for an event made just for advisors like you? It's #XYPNLIVE and it's the conference experience you've been waiting for to help you re:imagine your processes and re:connect with your purpose as a planner. With over 30 content sessions this year, there's expert knowledge for everyone and every firm along with countless opportunities to connect with like-minded advisors and industry experts. #XYPNLIVE 2022 is happening this Oct 8–11 in Denver, CO. Learn more and grab your pass for the can't-miss event at [live.xyplanningnetwork.com](http://live.xyplanningnetwork.com).

**Alan Moore:** [01:00:32] Also, be sure to go to [XYPlanningNetwork.com/VIP](http://XYPlanningNetwork.com/VIP) to join our private Facebook group for fee-for-service advisors. It's the community you've been looking for that's there to support you no matter where you are in your journey—best of all, it's free. Again, that's [XYPlanningNetwork.com/VIP](http://XYPlanningNetwork.com/VIP).

**Ep #344: Knowledge Gap: The Power of Advice-Only  
Planning: A Conversation with Cody Garrett**  
<http://www.xyplanningnetwork.com/344>

**Narrator:** [01:00:32] Thanks for listening to #XYPNRadio. If you enjoyed the show, please be sure to leave a review that will help grow the movement of fee-for-service advisors, serving next gen clients and building the firms of their dreams. That's all for today's episode, until next time.