

# **Mastering the RIA Transition from CIO to Successful Founder**

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**Alan Moore**

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**Alan Moore:** Hello, and welcome to this episode of XYPN Radio. I am your host, Alan Moore, and I'm excited to welcome XYPN member, Terry Spath, founder of Zuma Wealth, based in Malibu, California, on the show today. Terry spent the majority of her career climbing the corporate ladder as an investment expert. She served as the Deputy CIO, Chief Investment Officer for Mercer, and went on to be the Chief Investment Officer for another large RIA as well.

As the CIO, she had the ability to work with advisors and saw the value they were providing their clients. She decided to get her CFP®, which she said was a wonderful educational program, even though she already had the MBA and CFA® designation. Despite achieving what many of us would consider the pinnacle of success in her career, entrepreneurship was calling to her, and she decided in 2021, just over two years ago, to launch her own RIA.

She has grown quickly, grossing over \$300,000 of revenue this year. She shared an amazing launch program that she did, which involved a market research firm, ultimately led her to her target market, and has been wildly successful in helping her grow quickly. Terry's story is truly amazing. There are a lot of great takeaways all throughout this episode.

Without further ado, here is my interview with Terry.

Hey, Terry, welcome to the show. Thanks so much for being on.

**Terri Spath:** Thank you, Alan. It's so nice to be here. Thanks for inviting me. I've always been a big fan of this show and I'm very flattered and thrilled to be a participant at this point.

**Alan Moore:** Thank you. And it's always humbling that, that, I can't even think how many episodes we're on.

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370 something, that, you know, 370 people have taken an hour out of, hour, hour and a half out of their week to, to join us and share their story. So I appreciate you taking the time.

**Terri Spath:** Well, I'm glad I'm number 370 on the list. You know, I'll take it. The

**Alan Moore:** We've been doing it a long time.

**Terri Spath:** The first 369 were fantastic, so thank you.

**Alan Moore:** So, let's give listeners just sort of a little bit about you and your firm for where things are at today, where you're located, the type of client you work with.

When you got started and then we'll dig into the details from there.

**Terri Spath:** Sure. Wow. Well, that's a lot to unpack. So the name of our firm is Zuma Wealth, is ZUMA Wealth. And we came up with that name because it's an area near where, I'm located. That's very, you know, coveted. Lots of people like to go to Zuma.

There's a beach here. There's an area of Malibu, California, which is where we're located, very close to Santa Monica and Los Angeles. And that's how we came up with the name. It's unusual, I think, for people outside of the L. A. area, but I don't think that that's a drawback at this point. We just use that to explain that that's a location near to where we are.

**Alan Moore:** Sure. It has meaning more to the locals, but in the end it's just a name like any other business, so. I think we spend a lot more time trying to name our businesses than our clients really care about, so.

**Terri Spath:** Probably. I agree. I agree. That happened in this case, for sure.

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**Alan Moore:** So, Zuma Wealth, when did you launch the firm?

**Terri Spath:** Yeah, so we launched the firm, let's see, it was a little more than two years ago, so it was during COVID 19. I had been working from home at the firm that I was with previously, so I've been on the financial planning, investment management business for quite a long time. On the investment side, primarily I started in investment management at Franklin Templeton.

I was an analyst and a portfolio manager. Then I moved to the RIA space, the Registered Investment Advisor space, probably about a dozen years ago. For a firm that's quite large now, they were rolling up at the time, rolling up, meaning they were buying a lot of other firms. They're called Mercer Advisors, very large nationwide firm.

Yeah. And what was great about being there is that they were, they were big and growing and developing processes, which is something maybe we'll talk about. What I really learned there is the importance of having repeatable processes and habits. So I was with, I was with them for a while again on the investment side, but that's where I got my CFP® in addition to some other credentials that I have.

I moved on to be the Chief Investment Officer for a large REA based in Santa Monica. And then during COVID 19 started working from home and I had been, you know, considering for probably my whole life, to be honest, running my own show,. Having my own company for a bunch of different reasons, first and foremost, because I felt like when I was the one in charge, I could do things exactly how I felt was best.

For clients, which isn't always the case when you're with a part of a team, you might not always be right. But in my case now, like I can always feel like I'm doing what I think is number one and best for the client. I wanted the ownership that comes with it. And I also found, and maybe we'll get into this too.

I wasn't sure this would be a topic, but during COVID 19, when I started working from home, I found I could do it. I had always been worried I

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couldn't work from a home office and what I really learned during COVID 19 is I absolutely could. I could stay motivated. I could stay focused. I could do the technology.

I could still serve clients as best as possible. And so in, I guess it was in February of 2021, we opened our doors as Zuma Wealth based in, again, in Malibu, California.

**Alan Moore:** That's fantastic. Thanks for the overview and, and sort of talking through your history. There are not a lot of women that are Chief Investment Officers of large RIAs, so can you talk about that journey to, you know, taking on that type of leadership role, again, when there probably weren't many other CIOs that you knew who were also women?

**Terri Spath:** Right, yeah, no, that's... That's true. That's really been the case for my career. You know, and I can't really answer as to why, why this happened to me and why I went in this direction, but you know, in graduate school, I focus, I got a master's in business. When you get an MBA, it's, it's tends to be, I think, two thirds guys and one third women.

It's even, more guys in finance, which is what I concentrated on. I was on the investment side again, as an analyst, at Franklin. And then, you know, I, I've just always really liked numbers. I've always liked, you know, when I learned, when I learned about compound investing, which my father taught me when I was probably, I don't know how old, but he started saving for me to go to college and he was showing me like, "Hey, if I put this much away, it's going to grow. The costs are going to grow, but if your investments towards this, they're going to grow." And I was like, what? You mean I'm going to have more money in five years than I have today and I don't really have to do anything? That was, you know, very exciting for me. I don't know. And I, you know, sort of gone in that direction.

Ever since then, I have had brothers. So as I've always been, I guess, maybe comfortable in, in situations that maybe other women weren't always in. And I think, you know, I guess what I would say, and I've read this in other research too, is, you know, behind, they always say like behind every successful man is a successful woman.

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And I would say it's the same the other way. Like in my case, like behind me and my career path and the successes that I've found and the directions I've gone. And there's been men in my life, my father, my brothers, my partner in life that have really, you know, been a hundred percent behind me. And I think that that's, that's gone a long way to helping me out for the whole time. For sure.

**Alan Moore:** Absolutely. Oh, it's really an incredible career path and just the different firms you've worked for. I'm curious about, some of the time at Mercer, because that is a mega, mega RIA. They're huge and they do buy up a lot of firms. And so, you said you were on, in the investment ...you were on the investment team there?

**Terri Spath:** I was, yeah.

**Alan Moore:** And so, was this a centralized investment team for all the clients of Mercer?

**Terri Spath:** Yeah, so the way it was set up there, so when I was hired, I was actually their very first CFA®. So the CFA® is a credential, it's a Chartered Financial Analyst. And one thing I can, I can thank my mother for this one, is that I've always done is to make sure and get education and credentials.

And what she used to always say to me, and I recommend this to others, not just women, but, I think it really helps. Is, you know, getting credentials, getting expertise in certain areas and it shows that you're committed to a certain area of learning. It's also fun to learn and it's something that you can then point to and say, "Hey, I'm an expert in this area."

So I got the charter credential analyst designation. Actually, back when I was at Franklin Templeton, they really emphasized that it's the gold standard for investment management. So even though I already had an MBA, I had it in finance from a top school. I then went forward and got the CFA®, which is a tough, tough test.

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**Alan Moore:** It was a huge, it's not just a tough test, it's three tough tests. It would be the three hardest...

**Terri Spath:** It's only three. I was lucky it was only three. It's a three year, well, when I took it, it was a three year exam. Now it's three different tests. It's a, you know, it's a high hurdle rate to pass. And, but it shows, a commitment to, I'm interested in investment management and I'm going to become an expert in all these different areas and I'm going to pass the test and show it to you that I've done it.

When I was hired at Mercer, it was probably about a dozen years ago now, they were a large firm then. They're much larger now. I was the first CFA® that they hired and they wanted the, and in large part, they, you know, one of the reasons they hired me was I had a CFA®. And they liked that. And I also did a lot of blogging at the time.

They liked that I could talk about investment concepts in a way that made a lot of sense to people. I really have worked on that across my career, sort of taking complex or what people can deem as complex concepts and making them interesting, and educational at the same time. So I was hired into the investment team there.

As what was called the Deputy Chief Investment Officer. So we had a Chief Investment Officer, I was the Deputy Chief Investment Officer. And the way it works now, and I suspect it's the same, is we created lots of different models that then the different advisor teams could use for their various clients.

And we would do the heavy lifting in terms of the research and the study and the optimization and work with many different firms out there to put together different types of asset classes and see what the results might be. And put together some really solid solutions that then advisors across the country could look at, see the statistics, match that to a client's goals and needs and, risk profile and return desires and, and put those together. And then we would report on them. And we would, I would, a lot of my job was traveling around the country and working with advisors and talking to them about what we were doing on the investment team and how they could use

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that in the best way for, for their clients. And, you know, I'll just, I've been talking for a while, but what I will close with saying is that what I think Mercer is very good at and what I learned from there and I've taken with me is having a process that's repeatable and using that over and over again so that what you can really focus on is what's the need of the client.

What are they looking for? What are they saying? How can you understand them? And then you can put together these solutions in a repeatable way that works for their goals.

**Alan Moore:** No, I love that. I'm, I, I am not, the best at building and following processes, but I have an immense appreciation for them.

Because, partly because it's a pet peeve of mine to have to repeat myself multiple times. I'm, kids are slowly breaking me of that pet peeve. But I really don't like having to say the same thing over and over. Once I've said it once, I kind of don't want to have to say it again. And so because of that, I've actually found processes are a great way to not have to make the same decision multiple times.

I don't have to sit there and think, well, what's. ..What should I do next? Should I send this email or should I text or should I, like...

**Terri Spath:** What did I do last time? I can't remember.

**Alan Moore:** You just have to make every, you know, every step of a process, you have to make that decision every single time for what's next...

**Terri Spath:** You know, I'm glad that you're kind of focusing on that.

So when I went to Sierra, where I was the chief investment officer, it's a large and growing RIA. They have mutual funds that they sell across the country now, as well as working individually with clients. I brought what I then called the McDonald's project. And the reason why I call it the McDonald's project is because when you go to McDonald's, which I'm not promoting that in any way, but if you do like their french fries and you go



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and get them anywhere in any place, anywhere in the U.S. or overseas in any different country, you're going to have the same french fries. Now, how does McDonald's do that with thousands and thousands of stores around the world? They have a very specific process that they teach everybody, and that's how they do it. And that's why I call it the McDonald's process. What is the process?

And I don't, I'm not saying, like, let's have, you know, cookie cutter for everything. What I'm saying is that for a lot of areas of your business, and I took this to, now with Zuma, there are certain things that you do repetitively and if you can do them in an excellent way over and over again, you deliver an outstanding client experience.

And so there's a lot of things that, you know, I'll take an example. With Zuma, there's certain things that I do every single month, lots of different things. Compliance, let's take a compliance task for example. If you do that the same way and write out a process and have steps, I can do it the same way every single time it's required to be done.

And I can teach anybody else to do that. If I've got that written out in the process saves time. It saves effort. It saves frustration. And what it also does is as you grow as a business, it plugs any holes that you might have in the ship. So as you're growing, you don't want to have, "Oh, we did it this way last month. And this is six months later for this client." You don't want that sort of inconsistency. It's, it's an impediment to growth. It gets in the way of delivering a consistent gold standard experience for clients. And it's just, you know, but as you, as you pointed out, it keeps you from tearing your hair out every single time when you've got certain tasks that you know are going to be done over and over again, as you, as you deliver your services for your clients.

**Alan Moore:** Yeah, and I love that you said that about it doesn't have to be cookie cutter. Cause when I think about a large firm like Mercer, I think okay, if, if everyone's following the same process, if it really is the McDonald's process, then everyone's fries are going to taste the same. And for some firms, that's great.

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That's what they want. They just want sort of rinse and repeat. They want it to be the same. And I think some advisors would say, "Yeah, but my client's needs are going to be different than this other advisor's client's needs. Maybe we work with a different target market. Maybe I live in a different location."

So did you find that there was still room to sort of customize the planning and investment delivery and value to the client inside of that sort of overarching process?

**Terri Spath:** Right. Yeah. So you're bringing up a very important distinction. There's a sort of the, the McDonald's approach to certain processes, but what that allows you to do is to create the best client experience.

So for example, when we bring in a client, when we onboard a client, there are certain steps in, in the first 30 minute conversation that we make sure we hit on every single time. Certain questions that we make sure we ask. And so that is a process that we've got detailed, written out and that we follow and that we've found success with.

But what that allows us to do, and this is very important, and I want to make sure and be clear because I don't want, I don't want it to, for anybody that's associated with Mercer. I left on great terms. It's a great company. They serve their clients very, very well. But what we have found and they do this there also is that one size fits all simply does not fit.

It does not fit for our clients. We focus on women, women in their fifties, smart, sophisticated, professional women that are typically well educated,. One size fits all, McDonald's french fries do not fit. However, how do we get to deliver a great client experience that makes, makes women want to work with us. For example, we have these processes.

Like I said, for the very first meeting, there's a set of questions that we absolutely hit on every single time, no matter what. And what that allows us to do is get the answers that help us to create the best, customized plan for any particular client. By making sure that we have that process at the start.

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I'm not winging it every time. I wonder what I should ask this person. I wonder what direction I should go in. Everything's already detailed out, mapped out. It's in that process. It's in that set of questions that we can ask so that we can, then move forward with customized plan because we have that, that process that, that, that is standardized running in the background.

**Alan Moore:** Absolutely. No, it's such a great point. So one thing that you noted through your career history was that, you know, when you as CIO of, of the large RIA after Mercer is when you got your CFP®. Can you talk about that decision? Because you've, you have a degree in finance, you have your MBA, you, then you get the CFA® which might as well be a graduate degree program like, You had all the credentials that you needed to be, more than you needed to be successful.

So why take on the CFP® education?

**Terri Spath:** Right, yeah, why get a CFP®? That's a great question. So again, I think all the education you can get. In anything, is helpful and certainly in our industry. And I think, the CFP®, the Certified Financial Planning Designation, is the gold standard for financial planning.

It is so far reaching in the areas that it covers. the testing is so challenging. The coursework is a commitment. I mean, by earning a CFP® designation, which is one of the things that we tell any, any prospect that is asking, you know, what do I look for in an advisor? Number one thing we say, and XY emphasizes this so much, is that they have a certified financial planning designation.

Why? Because it shows that you've gained the expertise that differentiates you as an advisor from a lot of the people that are out there. So I had a CFA®. I was in the investment side. I started working. I, like I said, when I was at Mercer, a big part of my role was I was now spending a lot of time in front of individual clients and prospects at Mercer.

And I continued to do that. And always the advisors, that I was working with had the, had the CFP® designation. And I started looking into it and I was

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like, I want to learn some of these areas. I didn't know. I mean, I was deep on the investment side. I continue to believe that that's my biggest strength.

It's where my, my, training has been, my education. Most of my career has been focused on what asset classes do we want to put together? Where, you know, how do we optimize that? How do we deliver that to people? But there's so many different elements in people's financial lives. It's not just the investment side of things.

It's retirement planning, it's social security planning, it's health planning. It's, you know, education for their kids. There's all these other areas of people's financial lives. And frankly, I didn't know a lot about that. For everything I knew about investing, I started studying for the CFP® and I found out I was underinsured.

I was underinsured. Here I am working for one of the best RIAs in the country. I'm a deputy chief investment officer. I've got all these different degrees and I didn't have enough insurance. I didn't have umbrella insurance. I couldn't believe it. I mean, I learned so much personally by preparing for the certified financial planning, the CFP® designation.

And as I learned more about that, I thought this is so valuable to people. People do not understand how should I invest my 401k? When can I retire? You know, all these other questions that people are asking on a day to day basis that they need answers for. And what I found is I was fascinated by it. I was like, you know, this was like the next level of what to do.

It's not, you know, it's great to grow your investments, but what are you going to do with that? How are you, how are you going to use that to help the people in your lives that you love to, you know, move forward towards goals that you want to achieve. Whatever you want to do, you know, that's really, and what I've found with women and probably guys too, that's really what's most important.

It's like, what can I do with this wealth? And what I found is that the CFP®, you know, allowed me to drive the answers to that for people. So I decided to study for it. Sit for the test and get that. And the more I learned about it,

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that's what really, you know, moved me in the direction of starting our own firm that would deliver not just investment management but financial planning services as well.

**Alan Moore:** I appreciate you sharing that context because long time listeners may have heard me say they level one and never showed up to the exam. As I went through the education, it talked to me out of wanting to do the CFA®. We do get a lot of pushback from advisors, or we have historically anyways at, at XYPN that we require the CFP® to be on our find an advisor profile, on our, on our advisor search engine.

And typically it comes from the CFA® world, where they'll say, "Well, I have the CFA® so I should be listed." And, and our argument having not been a CFA® that you're kind of leaning into there is that, oh, the CFA® is a wonderful gold standard designation on the investment side, it doesn't prepare you to be a financial planner.

**Terri Spath:** It does not.

**Alan Moore:** And that's really what the CFP® is, is there for. Now, I would argue, I think anyone would agree, the CFP® is an easier education and test process than the CFA®. So it's not to say the CFP® is, is superior from a quality standpoint or anything like that. It's just, it's a different topic. You know, it's looking at financial planning for individuals and families, not just investments. And if they touch on investments, obviously, but no, nowhere near the level of the CFA®.

**Terri Spath:** Yeah, that's true. I mean, it's a, there are two different types of arenas. I mean, for me, the first big part of my career was investment focused and that's, that was my, where my fascination was. It was where my interests were.

It was where my strengths were. It was where my education led me. And so I, you know, completed the CFA®. And I do believe that that is a huge value add for the clients that I have. I do feel like I have a depth of knowledge. Just having, you know, the perspective and the experience that comes with living, you know, in the investment world day in and day out for

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a very long period of time and through great markets as well as awful markets. But that did not answer the question, when can you know, the person that's sitting in front of me, retire? How much do they need to get there?

You know, these were questions that I have personally, that people around me would often ask me. And I'd be like, I don't really know. I don't really know how to answer that question. How much insurance did you have? I had no idea. It didn't even, like I said, the real light bulb for me was when I learned I was very underinsured.

I don't sell insurance. I'm not trying to plug anything. I just learned that, and it was directly through the CFP® process that there were areas in my financial life that were severely lacking. And, you know, as you point out with XY, they require that. I think that is, it's a tough requirement, but I think it, it shows, you know, hey, this is a group of people that are not just sort of, opening up an advisory shop, they have really gone the distance to get the education and the understanding and the learning that they can deliver to prospects and to clients answers to questions in their financial life that are very important and need to be answered right. And so, you know, I'm absolutely thrilled that I earned it, that I passed the test, that I did all the work and that I gained that knowledge.

And, and I'm proud to be affiliated with an organization that requires other members to achieve that same thing.

**Alan Moore:** Yeah, I love, I love what you said about the umbrella insurance being under insured, cause I always tell test takers the answer is always yes, more umbrella insurance. When you, when you take the CFP®, exam, it's just forever the answer is yes.

Get more. But those are the things that you learn is, is not only how to grow wealth, how to protect it, how to, how to utilize it, and also like, you know, and, and some of the programs are, are more in depth on this side than others, but what to do when your clients aren't implementing your recommendations or not acting in a rational way that looks rational to you and as their advisor and how to help them make those tough decisions.

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Before we dig into your firm, I, I, it was driving me crazy because there was a quote when we were talking about processes and, and how to, how to allow for some flexibility. There's a quote that I could not come up with and I finally found it. So I apologize to listeners. I'm circling back after 15 minutes.

But there's a quote from Gino Wickman, who wrote the built EOS system that we use here to run our business. But he says, "Systemize the predictable so you can humanize the exceptional."

**Terri Spath:** Wow, I love that. What a great quote. That's what I was trying to say for 20 minutes. I just couldn't just like, and you can just summarize it in one sentence.

That's awesome. I love that Alan, that's a great quote.

**Alan Moore:** So yeah, systemize the predictable because there's no sense in, if it's predictable, we don't have to make those decisions over and over. Get it out there, but humanize the exceptional, let, let the exception be the part that you lean into when, you know, an exceptional doesn't, when I hear the word exceptional, I always think of greatness, but exceptional being the exception. Humanize the exceptions that, that come in, that are not predictable.

And that is, those are humans. I mean, those are clients.

**Terri Spath:** Exactly. Exactly. And I really hope that that message came through. That that's, you know, that, that doing those things, can, as you said, make, humanize the exceptional. did I get that right? Humanize the exceptional.

**Alan Moore:** Humanize the exceptional. Yep.

**Terri Spath:** Humanize the exceptional. Yeah. Because if you have those other things running in the background, that's what you can really focus on



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and that's what the difference is. And that's., you know, the customization and I'm really kind of providing something of real value to people.

**Alan Moore:** So I want to talk about sort of the motivations for starting a firm because on paper, you climbed the career ladder.

I mean, and you really hit outside of becoming the CEO of one of these RIAs. Like, I mean you hit the executive level, you know, focusing on the investment side, but you hit the executive team level. You were, you were in that leadership position. Your whole career kind of pointed you that direction of climbing that career ladder and then in the middle of COVID 19, you made the decision, "Hey, you know what? I'm going to leave all this behind and start from scratch by myself working from home." So can you just talk to me about the motivations to, to become an entrepreneur?

**Terri Spath:** Right. Yeah. When you put it that way, I was like, what was I thinking? No,

**Alan Moore:** That's entrepreneurship. When you really put it on paper, you're like, this is stupid, but we all do it.

**Terri Spath:** Yeah. I guess I, I think I touched on this, but I'd always sort of had in the back of my mind, this feeling like, hey, all this is leading me to, all this is giving me the education and the expertise and the runway so that I can create something on my own that's going to really add value and really take things to the next level.

You know, when you, when you're an employee, there's a lot of, there's a lot of great things about being an employee. There's predictable paychecks, there's regular, you know, benefits, there's costs that are covered by your employer that, that you wouldn't cover otherwise, and all those things are great, and all those things can be hard to let go of.

What, what really drove me is that. So regularly, I would be in a room and feel like I really, I really believe that I can make a decision that's even better than the decision that I have to make as part of kind of a bigger organization. Or I can reach, I mean, for me personally, our firm is very

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focused on, like I said, on women that are smart and sophisticated and educated, a lot of women like me, a lot of women that I'm surrounded by, and I'm sure that's probably similar to a lot of the people that you speak with, that they focus on.

You know, clients that are not like them. Nothing too exciting about that. But what I would find, and we talked about this a little bit, is that often those women weren't in the room. They weren't in the room on my side of the desk as the chief investment officer or as the financial advisor. And they weren't on the other side of the desk as the client, they often wouldn't, you know, I would have like, couples often come to meetings with their advisor. Sometimes the woman doesn't come, sometimes they're not really, feel like they're comfortable there or that they can ask questions, about things that maybe sound very confusing or frankly, very boring. And I would think, you know, what is missing here?

Like what, why is this happening? Why aren't there more women? I mean, this is a great profession for women. It really is. And I think we're starting to see some growth in that. There's great flexibility. You can earn a great education. You can really, it's, it's great. It's a great profession for everybody, but it's, it's, there's not as many women in it for whatever reason.

And there's also not as many women on the other side of the table. And that was something that I regularly was frustrated by., Why is that the case? When I felt like this is, this is creating such a gap, you know, and what I've learned, what I've really seen is there's a major investment gap that women suffer from for a variety of reasons.

One of which is that they earn less over their careers. And that's because they earn less on a day to day basis and often take time off to take care of kids, take care of their parents for whatever reason. So there's this investment gap that just sort of occurs. And then on top of that, not feeling confident and educated about investing in their finances makes that investment gap even worse.

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And this just regularly bothers me and it regularly did. And I felt like I can do this differently. I can, I can reach out and, and close this gap or work to close this gap. And I really felt motivated to do that. I would see women making bad decisions or just like a basic one, like in general. And it's not just my observations or our studies that we've done at Zuma.

Women tend to hold too much cash and it makes them feel safe that one I've asked, why do you have so much cash in the bank? Well, it makes me feel safe because I have X dollars in there. Okay, we can work on that. We can change that because over the long haul, that's not serving you in any way. So I really felt this, there was this lack in the industry, that I felt that I could really fill.

What I will also say is that it was not an easy decision. And, there was, there's like a leap of faith that goes with sort of leaving something consistent and known for something that's unknown. And sometimes you have to just have some faith or have enough pain or be given enough evidence that you can, you'll be okay if you go in that direction.

And all those things came together for me.

**Alan Moore:** Was there something that happened that pushed you sort of over that proverbial ledge and into entrepreneurship? Any, anything in particular,? Or was it more of just sort of this overall buildup?

**Terri Spath:** It was an overall buildup. There was probably some pain going on in the situation that I was in, if I'm very frank.

And, you know, thank you. Thank you for sometimes having some pain. But another big motivation, was that I didn't have ownership of the firms that I was working in. I had a paycheck, which was great. I had benefits, which was great. But I did not have ownership. And I reached a place where I was like, I want that.

I want to, I want to not just be in charge. I don't want to just do what I think is absolutely the best thing to do, but I want to build something that I am owning. And that was not something that I was in a situation, I didn't have

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that. And so that was, that was a major, I think thrust forward for finally, you know, contacting XY and getting the paperwork started and finding the tech stack and learning about the compliance and the, you know, the resources that were available to be able to do that on my own. So, you know, it was a combination of wanting that ownership and then doing the research and actually finding you guys. I mean, you, you do such a terrific job for people that are sitting in my chair. I, you know, I can't plug XY enough. I know that's not really the point of this podcast necessarily. But it was, it's been such a huge benefit to me to be affiliated and to, you know, I didn't have to go get all the different technologies on my own. I didn't have to figure out the custodian, you know, as one person with no assets yet. I could affiliate with XY and that was, that was like this huge leg forward that made it all possible. Once I dug into that, I figured that that part of it could get done .

**Alan Moore:** I love it. I mean your story is exactly why we exist. We wanted to help advisors who they were ready. They knew they wanted to launch their own firm. They knew they, they, they wanted to serve clients in a different way, their own way, or maybe a different set of clients than their firm had been serving.

And yet, you know, we run into these roadblocks of, "But how do you do compliance? And " Where do I get E&O insurance?" And it's like, you know, if we can solve those things, make that, that choice, those choices easier, then, you know, it, it lets the, the firm, you know, the, our advisors ultimately focus on what they want to be doing, which is working with clients.

**Terri Spath:** Well, and I cannot under, I can't overemphasize how important that has been for me. If I had to start my own firm, didn't have to, but if I decided to do that without the base that I have gotten from XY and... Okay, I'm just going to shamelessly plug you guys because you've been, you've been a game changer for me and for, and for building my firm.

You really have. You really have. So the tech stack I tried, I looked at researching a bunch of different technology. I'm like, " How am I going to do this? How am I going to put together?" I'd be like one person calling

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them. I plugged into the tech stack, XY, and it's exactly the things that I need. I use every single tool that's on there and it's part of my monthly fee.

The E&O insurance, I had no idea where to get that. I didn't know that I needed it necessarily. Now I get that from XY. The compliance, oh my gosh, it's been so helpful. There's these office hours. I, I dial in, I ask a question. I'm confident in the answer that I get. It's an outstanding resource that, you know, maybe I could go down a Google rat hole for a week and get a question answered that I'm not sure I have the right answer for.

I've taken the sales training courses. Through the academy, they have been excellent. They have led me to mastermind groups that have, that have turned into people I've never met in person, but I feel like they're my close friends because we've talked so much and then, um, sent resources for each other.

And I'll just say one more. They're the, the forums. I'll have a question on something. I had a client a couple months ago, he owns his house outright. He has no mortgage on it. He needs cash. I'm like, what? You don't have a mortgage and you have this great job? Let's just figure out how to get you, you know, how to monetize that.

I plugged in some questions onto the form and I got all these great answers. It's just a, It's a resource that has so exceeded any sort of expectations that I had. And on top of that, it's, it's allowed me to build my firm much more confidently and much more quickly than I would have under any other situation, any other circumstance. I know that wasn't supposed to be a topic, maybe of this podcast, but I, but I would feel remiss if I weren't expressing the gratitude that I, that I've had to everybody that, that's at XY.

**Alan Moore:** Well, thank you for sharing that. That, that is a, soundbite we will put in front of the team, cause it's a good reminder for them of why we do what we do, and, and you're absolutely right there.

Yeah, not, try to, to not leverage the podcast too much for self promotion, but it is nice to hear when, when what we're doing is appreciated, you

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know? We know it is cause people keep paying us, but it, it is nice to, to hear that appreciation, so thank you. When you were looking, you know, you, you decided to launch your own firm.

Again, you're in the middle of COVID. You've decided you can now work from home. You kind of figured that out, you said. Can you talk about, sort of the, the early days when it came to, I guess, sales and marketing initially and, and sort of discovering your target market, ideal client profile and, and bringing them, you know, sort of getting those early clients. Can you just talk about how that went for you?

**Terri Spath:** Sure. Yeah. I mean, we've talked a lot about process and I don't want to sound like I'm some sort of robot or that I'm still like, you know, whatever. However, I do think it's very important to have like just routine things that, you know, that we expect of ourselves.

You know, all of a sudden you go from someone maybe pounding on your door and saying, we need this by this time. Which is what happens when you're at a bigger firm. To, okay, I, you know, what am I going to do today and what do I really have to do? So for me, creating sort of like sets of expectations for myself that just turn into habits have been extremely helpful, particularly in the beginning, because it is harder in the beginning.

All of a sudden I don't, you know, I, in my last firm, I ran a morning meeting every day. With our small team. And that's what we did every morning. Well, I didn't have that meeting anymore. And, you know, part of me was like, thank goodness. I don't have that stupid meeting every single morning with those people that drive me crazy.

But I also needed to make sure that I had things in place so that, you know, things got done. And so that growth, you know, went from zero to not zero. So for example, on the marketing side, I think you were saying something, you know, how to identify the niche and XY, I think really, emphasize for me what I had thought I was going to do.

I thought I'm going to just open doors and I'll probably get a lot of, women that are like me because they're the ones that have been calling me and

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asking me questions for the past, you know, X number of years. But, you know, the more I, focused in on the resources that XY was providing, the more I realized like, hey, this, this sort of vague idea of like, I'm going to have a, you know, a niche. I guess, that smart, sophisticated women, that's more than a niche.

It's probably like half the country. But, that's really where my focus is going to be. That's where my research is going to be. That's who I'm going to be reaching out to. That's who we ran a study when we first started, to ask specific questions of women who were our target audience so that we made sure that, you know, what we thought were the answers and whether their concerns were, were actually valid and true. So, when we first...

**Alan Moore:** Tell me more about that. I haven't, I don't hear that very often of folks actually putting in some of the research, I guess, around validating the, the target market. So can you talk more about what, what all went into that?

**Terri Spath:** Well, yeah, I mean what we did is we commissioned a study with a great market research firm, a woman owned market research firm.

I do happen to know the owner of that firm, so that helps. But she was great at market research and what she ran for us was a survey and we had sets of questions that we asked and we, we blasted that out to hundreds of people across the country, asked demographic questions, as well as the general questions.

And then saw what the conclusions were of those and a couple of the main conclusions that, that we've learned, and okay, let me just tell you the group of women there was- They, most of them had. I don't have the exact numbers in front of me, but most had a college degree or better.

That was one of the bigger ones. Most had a half a million dollars to invest. That wasn't necessarily a requirement of the survey, but, but when we were targeting who we were asking the questions of, that was how they answered us. So these were women with advanced, you know, post high

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school education, college education, that they completed postgraduate degrees, nice amount of money.

And we asked them a lot of questions. And what we learned was., first and foremost, and this was pretty shocking to me. Cause right? Cause you've got these educated women with kind of a lot of money and only 14 percent of this group said that they were confident when it came to their, their financial lives, 14 percent. I was shocked by that number. I thought it was not a lot of confidence, but I didn't think it was that low. And another takeaway that we learned, we really busted this myth that women are just not interested. And you know, they're not confident in it. And they're also just not interested in, you know, learning about money and investing and making the right financial decisions.

We found that that was absolutely not true. And another takeaway from this was like, "Hey, these women are interested in learning. They want to be educated on these topics!" They're not feeling like they're getting that, but if they do, what we learned is that at least in this research study, and we've seen this in a lot of other studies, is that generally women-

Before they'll make a decision about and feel confident about something with their money, they just need to learn a little bit more. They need to, they need a higher level of understanding or a sense of understanding. They might have already the same level of understanding as somebody else, but they don't feel like they do.

And so they don't make a good financial decision. So we ran this survey, and we found that to be... It Did a couple of things. It helped us understand like, hey, here's a big reason why a lot of women don't feel confident in their financial lives. They're not getting the understanding and education that they really feel they need.

That was one thing. Another thing it did is it established us like, hey, this is our area of focus. This is what we're looking to understand. We've done this big study. We've, you know, committed to this. We've come out with these conclusions, we, you know, put out a press release on it. So it really



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kind of, we felt like kind of, you know, put a flag in the sand, like this is where we're, this is what our area of focus is.

So that was one of the big things that we did in the first six months of starting the firm to, you know, really plant this concept that we were a firm that was- Women owned and serving women as well.

**Alan Moore:** If you don't mind me asking, how much did you pay to have that market research study done?

**Terri Spath:** Okay. Well...

**Alan Moore:** Or if I was going, maybe what you paid and what I would pay would be different since you knew the owner as well. I'm just curious. Is that like \$5,000? Is that \$50,000?

**Terri Spath:** It's a little bit complicated. What we were told by the market research firm is that the value of the survey that we were running was a \$20,000 survey.

This happened to be somebody that I knew and that we were, that she gave us a better price on that as a result. What was also interesting is she ended up turning into a client. She sent other clients our way. Now we didn't do a trade, I want to be very clear on that. We did not do a trade, but that's how it turned out to be.

So we did not pay that, that same amount, but that was a pretty significant survey. And the reason, not just cause she was a friend and doing me a nice favor, but it, but she was interested for her firm in showing, "Hey, we are, we're working with this emerging advisor, and we're doing this study and we've, and we've come up with these, with these answers.

So this was something that they felt was valuable for them to promote on their end as well. For their very established market research firm, that was happened to be women owned to say, "Hey, we're focusing on women,



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we're supporting women. We're coming up with answers to help women across the country."

So there was that trade off too. Yeah and I'll admit that's a big price tag to pay, to pay that.

**Alan Moore:** You know, it depends on the, you know, what do they say? Price is what you pay, value is what you get? So what's the value of that, and, and it was more than just, you know, hey, we're going to do this, this survey so that we have the information so we can make some decisions around our business model and that sort of thing.

You also used it, again you said you press released it and sort of used that as this, like, launch pad. And, and that's, it's a brilliant way to leverage that information. It's like, yeah, we're going to put our mark out there and, and, as you said, plant our flag of who we are and, and what we're about and who we serve.

And this, you know, promoting the research certainly, you know, puts you in the forefront of people's minds and it clearly worked, with, with some of those early clients.

**Terri Spath:** Well, and it's helped with my messaging. You know, every time I'm in front of a group of women, regardless of, you know, whether it's because I'm pitching Zuma Wealth or because I'm part of a woman's group, I will say these are the things we learned.

We learned that most women are not confident when it comes to their financial lives. That, that kind of like lowers the stress level in whatever group I'm talking to. Cause a lot of times we feel like "I, I've done these things. I should know more than this. I should feel more confident about this. I should have done something differently 10 years ago."

There's all of these sort of like self doubt questions that a lot of women in their 50s and 60s feel like, "Oh my gosh, I cannot believe that I've gotten to this place and I don't know even what questions to ask and I don't know

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what I'm doing." And guess what? Most people, most women we're finding are in this, in the same situation.

And here's some information that, you know, we can help to bridge that gap that you feel like that you're facing. So it's been very helpful. It was something I sort of, I think vaguely knew in the back of my mind that this was going on, but that I can put that kind of as the starting story, the starting message. I have found really helps to build the trust that's necessary, as you know, for, for establishing a client relationship.

They have to have that trust. They have to feel like you've got integrity, and when you can bring that sort of information to the table, it really helps to, I think, allow the communication to get to a deeper level than it would have otherwise.

**Alan Moore:** Absolutely. No, I love that. I don't think I've heard of anybody else, having done a market research study like that, a survey that, that led to a study so, I am...

**Terri Spath:** Let me give you, you know, since this was, this would have been an expensive study for someone to do on your own. What you can also do is canvass the research that's already out there. There's plenty of studies for whatever area of focus that you're on. There's plenty of studies that are out there.

If you do a study of the studies, right? That's another way to come up with these sort of conclusions and, and establish yourself as an expert in an area. And, you know, gain your own information and, and show your, your audience where you're focused on. And I think that that's another great way to accomplish the same thing.

**Alan Moore:** Absolutely. So, you know, where you're at now with a firm from my notes. It looks like this calendar year you'll, you'll do somewhere around \$300,000 of gross revenue. So you have grown exceptionally fast in your first two years. Now being just two years in, you've really been able to grow the business. I'm curious looking forward, sort of what, what are your thoughts on where you want this thing to go?

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Cause you've hit a point where, maybe you've replaced, pre- starting your own firm salary, maybe not, but you're getting there. And so it's like. Is that the goal? Is it to stop? Is it to grow? Is it to be an enterprise? Like do you have thoughts on the future and what you want this to be?

**Terri Spath:** Yes. Yeah, and I think that, I think that it's important to start with a plan in general in life. I wouldn't be in the planning profession, I guess, without that. And so that was something that, from day one we've knocked out from the start. We really want the revenue from this thing to go to how do we get there? I think it's really important.. At least it was, is for me, is to always sort of make decisions in the framework of like, how does this contribute to the growth of the business? Cause you can spend a lot of money on different marketing things. You can spend a lot of time with certain areas or with certain clients even that aren't necessarily moving towards the goal of, of, you know, serving us in our, in our view, serving a lot of women, and helping them close that investment gap, close that confidence gap.

And so, to answer your question, we're nowhere near where we want to go. I feel like we're a little behind schedule where I'd like us to go. You know, one of the biggest surprises I think, is I didn't just, is it just that some things take longer than, than I want them to take and, and, that's something I have to kind of keep myself from being discouraged about, you know? But I also think having priorities, having goals, so we will, you know, we're, our, our next goal is to get to a hundred million in assets.

We're not there yet. We're not close to it yet. We need a triple in size before we get to that, but I don't think that that's an unreasonable goal at all. And I think, you know, we've got the, you know, the processes in place. We've got that established. And once you get sort of the marketing in place and you stick to those on a consistent basis, this is, you know, get to a tipping point and you can grow to wherever you want to, but I think, you know-

For anyone that's listening to this or thinking about starting their own firm or in the midst of starting their own firm, you know, having that focus really in that vision of, okay, where do I want to go with this? Reminding yourself on a daily basis will really help you stay focused, really help you prioritize,

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make the best business decisions, make the best time decisions. And, and, yeah, I feel like we've just gotten started.

**Alan Moore:** Is your hope then or plan to hire additional advisors, additional team to start growing the business?

**Terri Spath:** Well, we're not quite at that place. I think we're hiring, additional advisors. I do have a partner. He's terrific at business development. He's the most connected man in the area of fitness.

So what he did, that's what I call him anyways. So he knows a ton of people in the fitness industry and that's an arena actually that, you know, we haven't talked about this very important to a lot of the women clients that we work with. Is there health. You know, that is a high priority topic.

He has got a PhD in all, nutrition and physiology in that arena and brings a lot to the table in terms of, health and answering questions for people, in that area. So we complement each other really well on the well side and on the health side and the intersection of those, which we find is really important.

We are close to a university, very close to Pepperdine University. It's located right here in Malibu. They have an outstanding business school and what we have found is we can work with some terrific students there that have helped us with marketing, with social media. And also just with people that are potentially interested in this business and will help us on the administrative side.

So putting kind of the information into a plan, for example. So we haven't hired anyone yet, but that is a way that we've leveraged, to help with the growth is, is tapping some of the students outside and then working with my partner.

**Alan Moore:** I love it. No, that, that is fantastic. So I, it's amazing. This hour has flown by. So, as we're coming to the end of the show, I'll ask you the final question. And that is, you know, if there's one piece of advice that you wish you could go back and give your younger self, you know, one thing

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that you know now you wish you had known then, what would that piece of advice be?

**Terri Spath:** Wow. Oh my gosh, so many, so many things when I look back, cause I'm really old probably compared to a lot of people that you interview. So I've got a lot of things, but I would say that, I think that really staying sort of authentic, and not trying to like, I'm going to try and do this. I'm going to try and do that, but it doesn't really feel right.

I think the more authentic you can stay to yourself, that sounds a little, I don't know, woo-woo. But I definitely, you know, I think that that helps a lot. I was genuinely interested in investing. I'm genuinely interested in helping women. See this gap that I feel like I can close. And I think that goes a long way to helping communicate our message, but it also goes a long way to building the confidence.

I mean, what we, what we do as advisors day in and day out requires a level of confidence. And I think that, understanding that if you stick to, to your authentic self. And get the education that, that you need to do this job. You should have all the confidence in the world to move forward and, and, and help people and help clients.

So that'd probably be what I would tell myself. I might've gotten here a little bit sooner than I, than I would have otherwise, but I'm really thrilled to be here.

**Alan Moore:** Fantastic. Well, Terry, thank you so much for taking the time to come on the show and share your really incredible journey to entrepreneurship.

So I appreciate you taking the time and wish you the best as you continue to grow the firm and it continues to grow to, you know, ultimately support your great life.

**Terri Spath:** Thanks, Alan. It's been my absolute pleasure. Thank you very much for having me.

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