

How to Sell Your Value and Other Lessons Learned from Running a Solo Practice for 25 Years with Cathy Curtis

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Full Episode Transcript

With Your Host

Maddy Roche

XYPN Radio With Maddy Roche

Maddy Roche: Hello, and welcome to XYPN Radio. I am Maddy Roche your host. I'm honored to have XYPN member Cathy Curtis, founder of Curtis Financial Planning on the show with me today. Cathy joined me on XYPN Radio nearly three years ago in Episode 313, where she dove into why she was so committed to running a solo practice that focused on single women. Today, nearly 25 years into running her own firm. She highlights the changes that she's made to her firm since she was last on the radio show. From the technology upgrades she's made, like including Holistiplan and Kwanti into her tech stack to the actual changes she's making to reduce her workload long term, which she will highlight is an emotional process.

Cathy and I spend a fair amount of time discussing her fee model, which is a traditional AUM fee structure, and how she defines value to her clients. To the listeners out there who contemplate justifying their fees or question their ongoing value, I encourage you to pull out a pen and paper during this episode, because Cathy's confidence is contagious, and her quantifiable value is undeniable.

Per usual, Cathy's advice is pertinent and relevant, and she even advises listeners to do things differently than she has over these years, given the state of the industry today. Hint, hint, she advises you to get a TAMP. We laugh a lot during this episode, and we're so lucky to have Cathy as part of our network here at XYPN, but also for her to share her advice on the show today.

So without further ado, here's my interview with Cathy Curtis.

Hello, Cathy welcome back to XYPN Radio. How are you today?

Cathy Curtis: I am great, Maddy. Thank you for having me back. It's super exciting after, I think, three years.

Maddy Roche: I know it feels full circle to have you, my first returning guest back to XYPN Radio.

Cathy Curtis: That's exciting. Are you planning to do a lot of return guests?

Maddy Roche: Yes. One of our initiatives is to call back a number of the advisors that we've interviewed just like you, three or four years ago and just get a pulse on where they are, what's changed, what challenges have come up. And of course, hear from you about the future of your firm. So with that listeners, let's hear a little bit from Cathy, about, let's start with who you are and what you've built, Cathy just give the listeners who maybe haven't listened to your first episode a chance to get to know you a bit.

Cathy Curtis: Absolutely. Cathy Curtis, I'm a, solo RIA based out in Oakland, California. I've been in business for, gosh, almost 24 years now, which is unbelievable always as a solo, at one time, I merged my firm with another firm, and after a year, I realized it was a mistake and I merged right back out again, which was traumatic, but I, was trying to solve for growth and I didn't choose the right path, but other than that, I've been on my own the whole time.

I work primarily with single women, women head of household, women breadwinners, and I've been doing that since 2008. I do, comprehensive financial planning and investment management on an ongoing basis for every single client. I have a firm service model where I do a couple of meetings a year, and I do that for everybody now.

I have a pretty standard model, which is, that has been different iterations over the years, but I'm really happy with my model now. And I think that's, where I'm at today.

Maddy Roche: Beautiful. listeners, I think it's a total privilege that we have an advisor here who's been doing this for almost 25 years, Cathy, we have so much to learn from you and I'm sure so much for you to share. would you mind just giving the listeners a bit of an overview of number of clients you work with, revenue, if you're comfortable sharing it, and that'll give us a starting point for our conversation.

Cathy Curtis: Yeah. So, I have about 70 it's somewhere between 70 and 75 client relationships, households. my overall AUM is \$120 million now. And, and I make a good living. Let's put it that way.

Heck yeah. Good for you. Now, you didn't start with \$125 million under management. Could you just walk us back in time a bit of how did you start the firm? What was your price point. and why did you get into it?

Yeah, sure. I got into it because I had a real passion for personal finance and investing that I developed as a, teenager into my twenties. a lot of it was

influenced by my father, who was a businessman. Also by the fact that where I grew up in San Francisco, was an area where I was introduced to a lot of people that had more than my family did.

And it was because I went to a Catholic school and there's parishes in San Francisco, and I was in a very middle class part of the parish, but it was surrounded by very wealthy neighborhoods. And so a lot of my friends had a lot more than I did, and it opened my eyes to this whole other world.

And I think it probably instilled in me a desire to have more for myself. and, I learned that personal finance and investing was a way, a path to that you could do on your own, which was pretty cool. So that influenced my decision after 20 years in another career to go into personal financial planning.

So it wasn't a sudden move. I worked in the, food business to packaged goods, grocery side of the business for almost 20 years, building over time from customer service role into sales and marketing. And at the tail end, I was so tired of corporate, the corporate world, having bosses that I didn't admire and wanting to do something myself and be independent that I just jumped ship and I started my own firm.

Maddy Roche: Oh, I love that. I love that. And I know some of our listeners are feeling the same way about their, current position. So not every advisor is a career changer and then knows that they want to run a solo practice. And I think that really stands out in my mind with you, Cathy, is that you've been confidently solo this whole time.

So could you tell us a little bit about your decision around running a solo practice versus building something bigger?

Cathy Curtis: Yes, One thing I knew I didn't want another boss, so I decided not to go the route to join a firm . So that was a key thing. I really was just wanting to do my own thing. So badly. Another one was that I did look at the big wire house firms and I decided I didn't want to go that route because that just wasn't where my values were, and just selling product and bringing in assets and all that. and I, talked about this. I'm not going to go over it too much because I talked about the last time, but I discovered NAPFA and the fee only model, all of that super appealed to me and I think really, I was naive.

I thought I can do this all by myself. No problem. Why would anyone else start their own firm from scratch in this business, unless you were naive, I was very

naive and I thought I can do this. And it took a while. It was a struggle in the beginning. It really was, it was a struggle to get clients.

And I was fortunate in that my husband had his own mortgage broker firm when I split off from my grocery career. And he, it was in the heyday when people were buying houses, like he was doing so many loans. It was unbelievable. He couldn't keep up. I stepped in and helped him while I was building my firm.

So I had income while I was doing my thing. And those two fields are related because you have to know so much about a person's finances when you're doing mortgage loans. I was really good at doing the mortgage loans. I did not like that business at all. It is so transactional, whereas I wanted the relationship.

I knew that too. I learned that forget the transactions. I want the relationship. But that kept me busy, kept my mind active and kept me confident that I can keep trying to grow this financial planning business and I'm going to stay with it. But it was tough going for I'd say a good seven years. And then I did the whole branding, decided to market to women. And I go into that a lot in the first podcast, that was the turning point for me. But all along even in the hard times, the option of going with a bigger firm never came up. I always wanted to at least try to start out solo. I hadn't yet decided to not hire anyone or partner with anyone.

It was more. Let me make this solo firm successful. So that's really where my head was in the beginning years.

Maddy Roche: Did you have a definition for what success was when you started?

Cathy Curtis: Yeah, that's a really good question. I have to admit it probably did entail growing a firm with employees where I was the head. The successful head of a growing, thriving financial planning firm. but over time, I realized that I enjoy solo work. I really do. I like the lifestyle that it, it allows the ultimate flexibility of being a solo advisor in that you have no people you have to worry about.

And it just, that's more me. I really believe I made the right choice. Although I have to admit, sometimes I get a little twinge of not regret, but a little feeling that was, I selfish to do it this way, was could I have helped other, particularly women advisors get into this field and mentored them and all that.

I sometimes I feel like that because so many women do that, they. They start firms and they grow and they have employees and they're tending to these employees and mentoring them and helping them build their lifestyles and careers. And I never did that, feel a tiny bit guilty about that, but I was being true to myself and this model seems to fit for me.

So I give back in other ways.

Maddy Roche: You sure do you sure do and it is interesting hearing you kind of should on yourself a bit of that you should be doing this but if we go back to episode 313 from July of 2021 you're really passionate about opening your calendar up to other women and advisors in this space could you fill us in on how networking has helped you as well as others over the past few years?

Cathy Curtis: Oh, yeah, I am solo, but I'm not a hermit and I really do like people and I love the people in this industry. So I, I belong to three different mastermind groups still, and that, that was true in 2021. and I leave myself open for any woman advisor and men too, it's not just women, but women are particularly intrigued by the path that I took because a lot of women want this path, they find the same challenges and obstacles that I did growing a business and they're listening to me and thinking, she did it. I can do it. I think a lot of women want to have their own firm. And I'm very encouraging that yes, you can do it. I just, I, am so firm about that, that you can build your own firm and it doesn't have to be a completely solo firm.

Like I did, you can bring in people, you can have a partner, but absolutely, especially more so today than ever, you can have your own firm if you want that kind of flexibility and independence.

Maddy Roche: You heard it here first listeners.

Cathy Curtis: I have a hard time believing that a lot of advisors don't realize that, but there's a fear factor. It's like leaping off a cliff. Oh, my God. And I think it, what scares people the most is they're competent in doing the work, but then they have to run the business and they don't think they can do it.

But there's so many resources to help you run your business. It's, your firm, XY is one of them. It's almost plug and play. In a lot of ways, so I didn't have that advantage when I was starting out if I did. Oh my gosh i'd probably be I it my

whole world would be different if I had the advantages that advisors have today Which is fantastic.

That's the way it should have gone and it did

Maddy Roche: Absolutely. What are some of the challenges you faced, maybe not early on, just generally in the practice as you navigated it as a solo advisor?

Cathy Curtis: Probably similar challenges to most advisors one is deciding on the right fee schedule. I went from flat fee hourly, I would do financial plans separate. I would do investment management separate. That took years to sort all out, and I found that AUM fits the way I want to do business the best.

It's the most efficient way to bill people. you, typically earn what you should, you get paid for what you do when you do AUM. so I'm really pleased that model still exists. I know that it was supposed to, other models were supposed to take it over and it didn't. I think the clients don't mind it when they understand it.

I know they don't mind it because that's how I bill and I'm very transparent about my fees. I include an invoice with every report that is more clear than any wire house report you'll ever see on exactly what they're paying. So I feel it's fair. I feel it's a good way for a maybe in particularly solo firm where you want to, you don't want to spend tons of resources on billing.

You want it to be a fit. So that was challenging. That was definitely challenging. I have to tell listeners, though once you get there, it's such a relief. So try and get there earlier than I did. Just, embrace the fee schedule you want, charge what you're worth and go for it. That's super important.

Undercharging for years and years makes no sense.

Maddy Roche: We do a lot of coaching at XYPN about charging what you're worth early on.

Cathy Curtis: Absolutely. And if you show your value early on with the client, they're willing to pay. People recognize value. They do. And they will pay you. I think we all get stuck in our own heads that it's too much money. We think more about it than they do.

And another thing that I started doing, over the years was doing like a maybe every other year review of what other advisors are charging.

So it gives me a comfort level that I'm, I have that fear of I'm charging too much. I have to admit. And, it makes me realize that no, I'm not. And, then you could just feel comfortable about it

or, I raised my fees sometimes because I realized I'm undercharging. So being aware of what others are charging, that have a similar business to what you do.

Sometimes it depends on geography. I'm in a high cost area. maybe you could charge more where I am, but, I think getting knowledgeable about fees and not being afraid to charge what you know, your worth is super important. And to try super hard not to negotiate all the time on your fee schedule

Maddy Roche: Yes.

Cathy Curtis: and even in the early years Don't do it.

You'll regret it. You'll have 15 fee schedules in your 10th year and you'll be pulling your hair out, then you'll be hiring a coach to figure out okay how do I get all these fee schedules right? What do I do? It's you know, you can prevent a lot of problems by just picking one, sticking with it and taking price increases every now and then.

Maddy Roche: Absolutely. Absolutely. thank you for that advice. Oh, we are going to need to rewind and re listen to that a few times, but let's stay on the fee structure a bit because I do hear advisors who are really hesitant about AUM billing, and it does come from imposter syndrome, value concerns. Are they able to demonstrate it?

a variety of objections. Could you talk about how you manage some of that? In your own practice, as even you've alluded to, sometimes you do think you're overcharging.

Cathy Curtis: Yes. I, yes, I have had that syndrome in my head. I realize in the longer you do it, the more you realize the tremendous value you're adding to your client's lives with what you do. So my AUM covers all the financial planning and as well as the investment management. So that's my fee for my comprehensive service, my financial planning and my investment management.

I make sure that I've added enough value within that service, where I can feel comfortable with what I'm charging. And that is in ways like I do a lot of tax planning. Sometimes I can even quantify how much money I'm saving clients by doing really in depth tax planning. Which, I know firms like, I won't name

firms, but the big brokerage firms who manage money, they don't do in depth tax planning unless they're a high net worth and they have a tax arm that steps in.

But I know for a fact that just day to day working with a client does not include tax planning. Whereas I do it every single meeting I have with a client, I'm pulling up a list of plan. And we're trying to figure out how they can improve their tax situation for the year. That's just one area where you can add so much value.

A good example is right now, a lot of people have inherited IRA accounts that have to be emptied in 10 years. How do you figure out the best way to do that if you're on your own? I help people figure out optimizing that 10 year withdrawal plan out of their IRA. That adds tremendous value.

They could make a mistake, pull it out in one year, pay a whole bunch of tax, or they could spread it out. They could spread it out unevenly. and also just, decisions about how much insurance to buy, how to protect their families, all those things that, especially as you get more experience, that's the benefit of being in the business as long as me, I feel like I, I can add so much value because I have so much experience.

And really help people to build sound financial plans. So I think younger advisors, it may be a confidence issue. You need to build your confidence that what you know and what you're doing is so incredibly valuable because most people don't have the time or they don't know even know where to go to find the answers to things and that's what you are you're the person that's going to find the answers for them for whatever they need

Maddy Roche: And I hear you speaking directly to your ideal client as well. So there's been some narrowing that's happened over the years for you, where you've gotten very, familiar about what it's like to work with breadwinning women, right?

Cathy Curtis: Right. Exactly. And I also work mostly with single women. I do have some couples, but I'd say 70 percent of my clients are single women, so you may say, what's different about that? they don't have a partner to bounce anything off of financially. And they, couples bounce off finances all the time.

They, in building their life plan. So I become that person that can talk to them about what do you think of this decision? Can I afford to do this? And that's

super important to a single woman and I find that really satisfying. That's why I love my client base so much

Maddy Roche: Absolutely.

Cathy Curtis: I really do so if I could have just all single women i'd be quite happy.

I also like the one on one relationship, I don't think advisors give enough credit to how hard it is to have two people on your screen doing their planning for them

Maddy Roche: I know.

Cathy Curtis: I mean, you have to deal with the psychology of two different people. Maybe they have different ways of thinking about money.

You have to be a psychologist or a coach, a couple's coach sometimes. And it's the one on one thing is quite different. It's also, I hate to use the word easier, but in a way, the way I've structured my practice as a solo advisor working with a single person each time is much easier and more efficient and the way I build out my services. There's no doubt about it.

Maddy Roche: Beautiful. and that, that softer side of I'm a partner to bounce ideas off of. We forget so often that there is value in the relationship that can be leveraged when we're talking about why we charge what we charge. Because yes, quantifiable value is attractive to consumers and to clients, but there is this other side that when we know our market and we know who we're talking to, that we can hit on these more sentimental feelings of you won't be alone as you have a decision to make. You can call me when something happens. that there is, there's so much value to the relationship that people are paying for that I think advisors early on forget to leverage.

Cathy Curtis: Definitely the relationship is so much of it. It's so much of it and maybe you have to be like I said earlier, I like the relationship business. That's why I didn't like being a mortgage broker, cause it was so transactional. Everything had to happen by a certain time. And you had, realtors mad at you.

If you didn't get it. That was so nerve wracking to me. And then it was over. Then maybe the client came back. Maybe not. I get to know people really well. year after year is for me, that is very satisfying. It is a relationship business. And

if you're not that kind of person, I don't know if, you'd have to pick, you could be an engineer and pick an engineering type client.

That's a whole different experience. I know it is. Because I've had engineers and it all becomes very analytical, whereas mine is, it's much softer around the edges than working with an engineer.

Maddy Roche: Absolutely. I use engineers a lot as an example of a client type that we may or may not want to work with.

Cathy Curtis: Yeah, but somebody may be the perfect advisor for an engineering type. That's why I think it's important for young advisors to try and figure that out early on. What kind of people do you really like to work with? And not only that, but what are, what is your skill? What kind of client is your skill set best suited for?

And for me, I really believe it is a single woman who wants a lifetime partner and it just works.

Maddy Roche: Beautiful. I do have a lot of advisors early on wonder, okay, I have my client service calendar set up for the first year, but how do I show them what happens in the next years? And how do I get this feeling that we'll be together for a while versus just this, teaching the client that it's more than just the first year.

Do you have any tips for that or thoughts around that?

Cathy Curtis: Yeah, I do. in the 1st year, it's always more intense and I've talked to a lot of advisors about this. You could throw your service calendar out the window on the 1st year because. You're getting to know the client. you can't shove everything into a 1 hour meeting. I end up having, depending how complicated the situation is, I'll have 5 meetings, 6 meetings.

As many as it takes and I don't begrudge that at all in the 1st year. I don't try and be efficient with the meetings in the first year. It's just the way it is. but then I strive to be efficient and I let the clients know that too. It's setting expectations is the key to all of this. Don't let the client think that you're going to be available every single time they need you.

weeks notice for a meeting or, and there's ways to deal with that. In the second year, I let the client know on all the prospect calls that we're going to fall into more of a pattern and the pattern is going to be, you're going to get a calendar

link from me in January or February to set up our spring financial plan update meeting.

And I give it, I used to give it a short amount. I can't do. No, I do a wide amount of months so that I don't have a gazillion meetings each day because I put so much into the meetings I get burned out. So but the key is to get it out there in advance because then January a lot of clients are saying I need I think I should see my financial advisor New Year. But if you send them a link for meetings that start in March, let's say They'll sign up for your appointment, they'll know they've got a meeting with you. Okay, that's checked. I'm seeing my advisor in March or June, whatever right and then we have a really robust financial plan update meeting where we just check over all the details again, see what's new. I ask them, is there anything new beforehand?

There's some preliminary questions before I make sure I get certain things, updated pay stubs, and I have a whole list of things that I get, so I can do as much updating of the plan before the meeting. And so when we're in the meeting, we're actually just looking at the outputs. And, and usually there's some new decisions to be made or so that's that meeting and then in the fall.

I do the same thing at about June, I'll send out a link for a fall tax planning meeting. And then we do a super robust meeting, but more focused on tax. And to see if there's anything they can do before the end of the year to pay less tax basically. And, all the normal things, donate, given enough to your retirement account.

Do you need to donate to your DAF, more charity whatever. So those I do with every single client, even no matter how big or small, because I'm trying to have a more uniform. Client base where they have good assets. But I will let people know in between, of course, if something comes up, of course, you can contact me, I'm there for you. But I ask for two weeks' notice on meetings and I'm pretty firm on that if someone There's always going to be somebody that wants more meetings than you think you can afford to give or doesn't ask for notice, you have to set your boundaries and say no I can't meet with you and to the within two weeks but I can meet with you on this day. I think keeping a mind of your boundaries all the time is a way to manage your client service model year after year. And I found that this always giving a really advanced notice on the next meeting psychologically settles their mind that I'm going to, she's got it under control. I'm going to see her it's so you're being proactive.

Maddy Roche: Great,

Cathy Curtis: yeah, it really worked for me. I like this model a lot.

Maddy Roche: Thank you for that overview of your meetings. And I think that is such a good reminder for our listeners, because they are tempted early on to build a client service calendar that really could lead to burnout long term and letting clients dictate the relationship. Yet, I hear you use my favorite B word, boundaries, which is what seems to have been able to allow you to scale to 70 clients,

Cathy Curtis: Yeah. And again, it, it's in your own head that clients are going to push back, try it. You don't get as much pushback as you think you're going to get. It's just like with the fee thing. You become so fearful to raise your fees. Then you raise your fees and you don't get a lot of pushback. It's very similar. and I think it also shows that people respect it because you're obviously trying to be a good business person and control it. Everybody can respect that, everyone has limited time. So I don't think it has to reflect badly. A lot of it is how you communicate it and how you set the expectations in advance.

And also I have to admit, you have to let them know I am there for you. If you really need me, it's not as set in stone as i'm making it sound and yes meetings slip through but i found that since i've set this up I have a lot less, I call them ad hoc meetings just ad hoc. I need to talk to you.

I have a lot fewer of those

Maddy Roche: Great. Do you have clients as you're taking on your, prospects, do you have clients pushback about fees or do you have to go into detail more than you want? Or is it really as easy as you're making it sound?

Cathy Curtis: That's a good question so I do get pushback from the clients that don't want what I offer the clients that want what I offer. I get no pushback I'll give you a good example. I just let a prospect through and I'm saying I let him through because I have a waitlist thing on my prospect form on my website.

Because I don't want to talk to everybody. I like to review first. And it seemed like she would be a target single woman, building wealth, all that. So I set up a call and, we started chatting and probably three minutes into the call. I realized, oops, I let one through. That's not going to fit because she said, I don't want to pay ongoing.

I want to be able to meet with someone maybe once or twice a year, have it be project based. And the minute I hear project based, I said, and so I said, oops, I

said, I think we should take a pause because, we may not be I'm really nice, but I said, we may not be the right fit. I work with everyone on an ongoing basis and I do charge assets under management , blah, blah.

And she goes, oh, okay. And then I immediately sent her on to, two other advisors that I know have more different fee schedules that she might want. And so that's easy. Okay. Done. I spent five minutes. No, I didn't spend half an hour talking to her about everything about her. It was, that's it. but then when I do get a prospect through my website, like I described, that we start talking and we get into the fee thing relatively early on.

And I realized that it's fine with them. I get no pushback at all on the amount. So it really depends. I think there's people who just don't want to pay ongoing fees and they've been, I think what happens is they talk to somebody or they read something that says absolutely don't pay an advisor AUM fees.

It's bad. You're getting cheated. I think that's what happens. And they don't even , like this woman , she would have been better off if she opened up her mind and said, tell me exactly what do you offer for that? Because I add a ton of value and honestly, I think she made a mistake.

Maddy Roche: I love this confidence, Cathy, we all need this. We all need this. And that comes with some reps, right? You, have had a lot of experience serving this clientele and you can say confidently that you add value.

Cathy Curtis: Yes, I know I do that. And that was so clear to me on that call and it's okay. I am not what she's looking for. She doesn't get it. She doesn't get that, and she didn't want to know more. I could tell her face went closed when I said, Oh, I'm sorry. I this how I charge. I could, see her face change.

And that's when I knew it, I could have spent a lot more time trying to convince her, but you learn over the years, you get a sense. If it's going to be a waste of your time or not, and I'm busy. It's that's the thing being efficient is really important. It may seem like a small thing to give a prospect a half an hour, 45 minutes of your time.

But it's really not a small thing because I had a big client meeting this morning that I needed to work on. And so I don't want to spend a lot of time on that kind of thing.

Maddy Roche: I want to move on from fees in just a moment, but you have your fees listed on your website, don't you? You're pretty transparent about it. So this prospect presumably knew that is how you charged.

Cathy Curtis: Actually, I, she did say she goes, oh, yeah, I looked at your website right before I got on and I saw that and I said, okay. So she didn't take the time before and she decided to do the call anyway, because I didn't used to have my fees on my website. I put them on there a long time ago, though, I'm in the mode where I want to attract fewer of the wrong people.

So I think the more transparent you are on your website, the better, since we all get a lot more people from our websites now. It's just so much better to be transparent. I'd rather have no prospect calls than the wrong prospect calls. That's where I'm at.

Maddy Roche: Great advice. Great advice. I would love to pivot into the space of technology because you've been an early adopter of technology in your firm really since the start. And I'm interested if there's been anything over the past few years that just really stand out as key. problem solving tech for you that you just couldn't live without

Cathy Curtis: Yes, yeah, back when I was preparing for this, and I was thinking what is what has changed since we last talked, I have to admit the addition of Holistiplan into my practice has been such a game changer.

Maddy Roche: And why is that?

Cathy Curtis: First off, California is an extremely high tax state. everyone hates taxes here.

we all hate taxes all over the U. S., but Californians, and I'm sure New Yorkers, I did, I know New Yorkers, I have clients in New York, hate taxes. And, we got the SALT thing where you can't deduct all your state taxes. You can only deduct 10, 000 that hit a lot of people hard. so my client base one year to another is really concerned about the amount of taxes they pay. So adding in that Holistiplan feature where I can do a projection. I always do a projection for the current year, but for clients that have these, like I said, inherited IRAs, our clients that are close to retirement, all do a 10 year projection to show them what happens when they take the RMDs and when they retire the decision to delay Social Security or not.

And then when the RMDs come in at age 73 or 75. We're looking at sometimes I do a 15 year projection of their taxes and clients love it.

Maddy Roche: Interesting.

Cathy Curtis: it really helps them understand the full, why maybe you would want to, take your, some of your inherited IRA, even while you're working, because if you wait to the fifth year to take it, you're going to be in the 35 percent bracket in six years.

So it shows them clearly, the wisdom of those kind of decisions

and I geek out on that software I love that software and it is a value to my clients. So that has been great and then they just added tax status where you can It connects right into the IRS website and now you don't have to ask clients for their tax return or their 1099s or their W2s because you get all of it within Tax Status, the minute it lands

at the IRS,

Maddy Roche: Oh, that is nice.

Cathy Curtis: I just started doing that. That's new and it's already been helpful. It's really helpful. So that and then they layered on now, property and casualty insurance reviews, I'm doing a trial on that, I'm probably going to buy that. and the reason another reason these things are so helpful is,

because tax has always been integral and I think tax underlies a lot of, decision. I used to do spreadsheets and I'd be so paranoid that I missed out on a calculation.

Maddy Roche: Right.

Cathy Curtis: God, the malpractice that could happen by advising somebody wrong. Just so this, just makes me feel like I'm, I can say I'm competent in this area and I can really help you because I've got this software, to help me. And same with property and casualty. It's always been a nightmare. Like, how do you advise people if they have enough? now we've got this new product from Holistiplan that's going to make that part of our practice easier. And that's another value add. So that, again, how do you earn your fees? Doing all these things.

Maddy Roche: So are you screen sharing Holistiplan during that spring tax planning meeting? Is that kind of part of the, 60-90 minute long meeting that you're having?

Cathy Curtis: Yeah, so the spring meeting isn't tax. That's the fall meeting. So yes, in the spring meeting, it's mostly on eMoney. I use eMoney, I screen share. usually I pop up Holistiplan at every meeting because something comes up and then so I always have it up and then in the fall meeting we spend most of the time on holistic plan.

And so it's all a screen share because I see very few clients in person anymore. and people seem to, it's easier to do Holistiplan sharing on Zoom than it would be in person. I just, to me, it's just being able to do meetings via zoom has been a game changer. I love it.

Maddy Roche: When we think of an efficient advisory practice, being able to connect over video seems like table stakes.

Cathy Curtis: That's another thing that's changed because I used to have an office and I did a lot of meetings in person. Think about how efficient that is for a solo advisor. It's, it just, really helps to keep everything more streamlined.

Maddy Roche: .

So Holistiplan for tax projections. What other piece of tech do you feel like in the recent few years has been crucial for your practice?

Cathy Curtis: I think that's the biggest one. I love eMoney. I know there's other, I have to admit, okay. Once I get into a software, it takes a lot for me to change and I know there's probably better options, but eMoney works for me. Okay. So that's one, oh, Kwanti I love Kwanti and they get better and better.

They keep adding features. pretty soon, I hope they're going to add a risk tolerance questionnaire and then I can do away with another piece of software I use. I love them. The reports are super simple for the client. There are some downsides. the performance doesn't show money coming in and out.

It's not perfect, but I have a Orion for that. When I just want to show somebody, this is what your portfolio looks like. like a prospect or just a quick review of investments in a client meeting. Quanti is the absolute best. I can have that thing pulled up in a second. And let's say a client says oh, by the way can you just pull up my portfolio?

I just want to see I can have it up in two minutes, a minute the software is very efficient It's really good software

Maddy Roche: Beautiful. This whole conversation, it lends itself to the fact that you do your investment management in house still. Is that right?

Cathy Curtis: Yeah, I do I always have I'm surprised i'm still doing it because it's a daunting thing

Maddy Roche: Well, That's my next question is that we do coach early on for advisors both to run an efficient practice, but also to save themselves some heartache and time to consider outsourcing to a TAMP or to use a chief investment officer, outsource chief investment officer that I know you've leveraged in the past.

But could you talk through that debate in your mind of what would be the best route for a new advisor?

Cathy Curtis: I think, , I'll tell you this is a good example. I did have a conversation with the, person that just went solo, a woman younger. And I asked her all the questions, what's your business model? And she decided to go with Betterment and, I said, Oh, tell me about that. And, then we were talking about maybe her taking on a client or two of mine.

And, I said, Yeah, Betterment, I don't know, that might be an issue I said, and she goes, Oh, maybe I could adopt another way. and I said, do not do that. I said, Betterment sounds perfect, perfect in every way for you. Do not start adding on more. If I send you a client that doesn't want to do Betterment, don't take them on.

And I meant it.

Maddy Roche: Good

Cathy Curtis: It's perfect. That betterment for her. it's streamlined. She doesn't have to worry about it. They do all the research, plug and play. She gets them in there. They open the accounts. She doesn't even have to open the accounts, which is, account administration using a custodian like Schwab is a big expense.

I have someone do that for me. I'm paying them. Just think about a young, a new young advisor, they don't have to pay anybody to open accounts.

Maddy Roche: Yeah. So tell us, you have outsourced some of the account administration and the maintenance of these accounts.

What role

that and how did you decide on it?

Cathy Curtis: Okay. I thought about, I think about this all the time, why I'm still doing investment management. And it comes down to psychology. I've always thought of myself as an investment person.

I'm an investment person. I've always loved investments. I got into this to be an investment advisor as well as a financial planner.

So guess what? I do the plans and I do the investment and I still do the plans. I do have some automation tools I like PreciseFP, another third software I should have added. Love PreciseFP. Yeah. Sorry. You reminded me of things I've adopted that I just, they become so much part of my practice I even forget I'm using them.

they can populate eMoney. so you don't have to do all that. So I am still the lead financial planner and the lead investment advisor. Is that efficient? No. My only excuses, I started before there was all kinds of other options out there, but for the younger advisors, I would leverage the heck out of all those platforms.

Maddy Roche: Interesting. Okay. As far as a TAMP

Cathy Curtis: Oh, yeah. Yeah. Some TAMPs are really expensive. I've talked to TAMPs, many TAMPs over the years. In fact, I used a TAMP. Okay. I have a lot of history, so I'm forgetting all the things I've tried. I used a TAMP for maybe three years and I just choked every time I saw how much they were taking. I've never been the highest price advisor out there. I still am not. And I didn't raise my fees when I hired the TAMP. Guess what? My revenue sunk. And then I interviewed others and I see the 30 BPS or whatever. I'm like, God, all the work I do and then I give it up because my pay for what I do is out of the AUM.

And I feel like I'm getting a pay cut for all the hard work I do. That's in my mind. I'm not saying it's rational.

Maddy Roche: really good perspective for our listeners, because there are advisors that enter into this space and investment management, quite frankly,

isn't their bread and butter. It isn't where they feel their strongest. And I often remind folks that we have to be fiduciaries to clients. And so if you really don't feel like you are absolutely ready to manage all those accounts, sit on the phone with Schwab, handle the NIGOS, handle the account openings, that outsourcing it, the opportunity cost is endless if, you are able to. But for someone

like you, who's come up in the industry and loves investment management and then bills accordingly, it absolutely is perfect for you.

Cathy Curtis: Exactly, but I think probably the more modern advisor would be well advised to not do it themselves. I really believe that there's so many options now. . And ETFs are where it is. You can build model portfolios so easily. you can't because you're always going to be doubting yourself.

Do I have the exact perfect ETF? But if you leverage a platform, I'm using Betterment, but XY still has an investing option, right?

Maddy Roche: Mm hmm.

Cathy Curtis: right?

Those are just as good. Look, and I just have to preface this investment thing I'm, not saying I can do better than any of those. I think everyone ends up in the same place I swear to god I do If you've got a 60/40 portfolio over long periods, you're going to end up with your average seven percent if you've got an 80/20 So it's not so important what you put it in, but it is important how you leverage your time.

And that's where those, platforms really come in.

Maddy Roche: Cathy I'm Interested in talking to you about the future of your firm because from the, position I sit, you could do this for the rest of your time and you seem more energized about this industry and your work than you were even three years ago when it still stands out as one of the most energizing podcasts I've recorded.

But I know you have shifted a bit in terms of, where you see the future of your firm. And I'd love to dive into that a bit.

Cathy Curtis: Well tell you the truth, I haven't shifted at all. I still, I feel like I'm 35, oh, when I talk to younger advisors, I'm so envious because it's so exciting. It's an exciting time to want to start your own firm. I have a husband

who is older than me. And he retired a while ago, although I mentioned in my, the last one, he does back office stuff, no client facing it's very integral part because he's the money guy takes care of the billing and all that, but he has put more pressure on me in the last 3 years to cut back.

if it was up to me, if I was single, I would not cut back. I would just keep on going. And I have, I'm being completely honest with you. I love what I do. I love the relationships I have. I love the whole, I love the industry and the friendships and. but you know what marriage, your marriage is really important or your relationships are really important.

And I know that too, so you have to compromise. So we've agreed that I am and I have been since 2021, I have let go of a number of clients just referred out. I haven't tried to monetize. I've just referred out and that's worked quite well. I found a couple advisors that take new clients and that's good.

But now I am thinking about like entrenches moving clients. And so I have spent the last couple years looking and I found two advisors who I like and I've even referred to them and the clients have hired them, the ones where I'm not expecting. Yeah. So I've tested the waters and I'm at the point where I'm getting ready to work up an agreement.

And, do a buy transaction a simple buy transaction. And, they're agreeable. So I'm getting there and yeah, and it's super hard, but, and I dread the conversations with the clients, but I'm gonna, I'm going to do it because it's the right thing to do at this point.

Maddy Roche: Okay. Wow think this is a really good reminder to our listeners that networking early on

with advisors that are ahead of you is a valuable practice because there are situations like what Cathy is outlining where it is time to transition some clients but also advisors hit capacity remember there's only so many seats on the bus for other advisors and they need good referral sources for those clients.

I'd love to ask, what does that buy agreement look like, if you're willing to share?

Cathy Curtis: I don't want to share it because I'm not sure you got it. yet. It's not really ready for prime time and, I need to talk to some people before I really commit to it, but it's not going to be 2 to 3 times revenue or anything. I'm not

doing it that way. These clients aren't my ideal clients. And so it's going to be fair and probably not as great as it could be, but I don't care.

Maddy Roche: Beautiful. Absolutely. And thank you for your transparency. And when I have you back on in three more years, maybe it will be ready for prime time. and how is that? just emotionally to, graduate clients and to be winding down? I sense some hesitation.

Cathy Curtis: Yeah, it's not great. I don't love it. The idea of it. I go through my list of clients all the time and, I have excuses why they won't be the one that I decide to let go. It's I do that every week now I go over the list of clients. It's super hard. But in the meantime, okay, i'm getting new clients And I am taking new clients.

This is where the husband is like what so that's where the pressure is coming in

Maddy Roche: He's doing all your billing for you, so he knows.

Cathy Curtis: he knows so this is one of the things getting more experienced and getting a good reputation like with your current clients you get referrals And they're really good or Someone hears about you. and goes to your website and they're your perfect even more perfect and perfect client.

That starts happening And that's been happening to me. I took, I just took on two, amazingly great clients. And so that means in my husband's mind, okay, that means you're doubling the people that you're going to let go. See, that's, so that's where I am right now. I'm in the midst of trying to wrap my mind around doing that, and it is, I have to admit, it's super, super hard.

Maddy Roche: I bet. It's emotional too, because this has been your, I hate the comparison to a baby, but it, you've grown this for a long time.

Cathy Curtis: Yeah, and clients do not like looking for other advisors is what I found. They really don't. It's a sticky, there's research on that. I think that if you're a good advisor, the relationship is super sticky. People don't really want to leave and they don't want to look for a new advisor, which makes this so much harder.

So that just shows you how much value you add.

Maddy Roche: Absolutely. Cause I'm hearing so many as you talk, I'm just hearing all the, voices of the new members I work with on some of our, launch

programming just around, Oh, how do I get them to stay after the first year and aren't they going to immediately leave? And it's just such a beautiful foil to that, to hear someone in your position from your vantage point to say, Oh no, they don't go anywhere.

Cathy Curtis: They really don't. They don't and they don't like it. It's very it's almost traumatic when you tell a client I can't and it's so hard to word it correctly Especially when you're not going out of business.

Maddy Roche: Right.

Cathy Curtis: But you know then a coach. Okay, you're a coach. I know what you would tell me. Want me to tell you what you would tell me?

Maddy Roche: Please. You coach me, Cathy

Cathy Curtis: You would probably say you know what Cathy This is the right time for you in your life to do this You've identified advisors that you know are good.

These clients may be better off with the new advisor because they will give them more time.

I'm not the only good advisor out there. There's gazillions of good advisors out there. So just do it kindly, efficiently, and everyone's going to be better off. my husband will be happier.

I have to admit I'll probably be happier too, because taking on new, bigger clients is a lot of work and now I'm getting stretched again, I'll be happier and the client will be fine. So it's a good business decision is what it is. And I will probably Make more money with less work. My husband keeps telling me that and I know he's right I know he's right

Maddy Roche: Yeah. and to, take an inventory of what you value right now because three years ago you really valued flexibility and having time to work on your own, on your own schedule and take the bike rides when you took the bike rides and, when we tap into, to how we really want to spend our time, we do have to make business decisions that support that.

Cathy Curtis: Yeah, it's true and I don't want anyone to think that money is a driving force for me because it never has been, but I think it is true. When you make the right decisions for your business and yourself, it ends up good things

happen that you didn't expect to happen. it opens up doors for other things to happen.

The perfect. New client walks in the door or some opportunity to travel somewhere. Fantastic. Comes up or whatever. It's just life seems to work that way.

Maddy Roche: Amazing. Cathy, I have admired you since day one of meeting you. And I know the kind of impact you've had on others, not just your clients, but this advisor community and to our listeners today, you are just a absolute wealth of knowledge.

Cathy Curtis: Thank you, Maddy and I feel the same way about you. You've been in how long have you been adding value to this industry?

Maddy Roche: I'm going on a decade, Cathy.

Cathy Curtis: There you go. And huge impact.

Maddy Roche: Thank you. it's been a beautiful ride. I'm, lucky, you and I riffed a bit in our last podcast, just about how incredible this community is not just XY, but the advisor community. And I think, you being a leader through it and, sharing your voice. I just encourage you, Cathy, to continue to share.

Because you have so much to offer.

Cathy Curtis: oh, I love doing this. This is something that definitely fits into my schedule. By the way, listeners, Maddy's a coach now, which they probably know, I would hire Maddy in a second. In fact, I'm considering that.

Maddy Roche: Thank you. Thank you, Cathy, for that vote of confidence. I have, like you, found myself in a absolute flow state, love every single one of my clients and dread the day I would have to graduate any. So thank you for walking us through the nuances of that, through your conversations around technology, how you charge your value, best of luck.

Cannot wait to have you on XYPN Radio again in the future.

Cathy Curtis: Maddy Thanks again. I enjoyed it.

Maddy Roche: Thanks.

Cathy Curtis: Take care.