

abacus

planning group

smart financial decisions

Visioning your future

NAPFA National Conference – Step Forward
(NAPFA Women's Initiative)

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Cheryl R. Holland, CFP®

abacusplanninggroup.com



Abacus Planning Group, Inc. Profile

Client profile

- ▣ \$700 million AUM
- ▣ 175 clients
- ▣ Closely held business owners; physicians; women alone, families in transition

Team profile

- ▣ 25 employees (2 virtual, 4 part-time, 2 interns)
- ▣ 7 CFP®s, 1 CPA/PFS, 1 JD, 3 CFA candidates, 2 registered paraplanner
- ▣ Full-time COO; full-time business development
- ▣ Four shareholders

Service profile

- ▣ Comprehensive, integrated advice, every client
- ▣ Advise on each client's total portfolio
- ▣ Target client - \$5 to \$50 million with complex issues
- ▣ Fee is a combination retainer and % of AUM



Purpose

- ☐ What is my vision for myself?
- ☐ What is my vision for my firm?
- ☐ How can I best execute for fulfillment and success?
 - ☐ Mood
 - ☐ Mindset
 - ☐ Mechanisms
 - ☐ Measurement
 - ☐ Momentum
- ☐ Resources

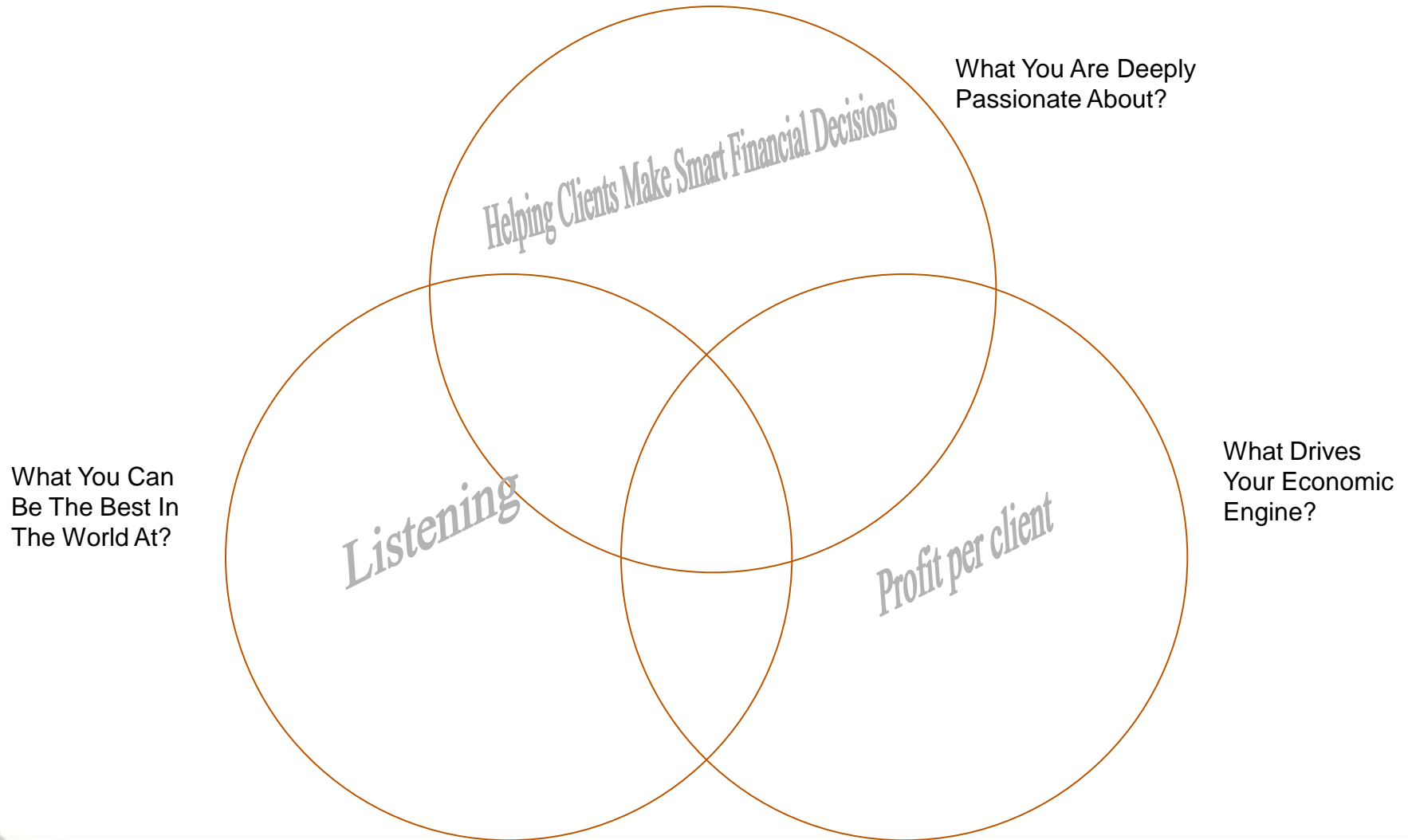


Vision

- ☐ Personal vision and goals
- ☐ Corporate vision and goals
- ☐ Methodologies
 - ☐ Kinder Institute of Life Planning
 - ☐ Good to Great process
 - ☐ Mind-mapping
 - ☐ Psycho-cybernetics
- ☐ TIP – Hire a facilitator



Abacus' hedgehog concept









Mood

- ❑ Creating and sustaining cultural norms
- ❑ 360 reviews
- ❑ Simple strategies have the most power
- ❑ Communicate
 - ❑ Gratitude
 - ❑ Praise
 - ❑ Vision
 - ❑ Strategy
 - ❑ Critical feedback

❑ TIP – Keep a gratitude journal



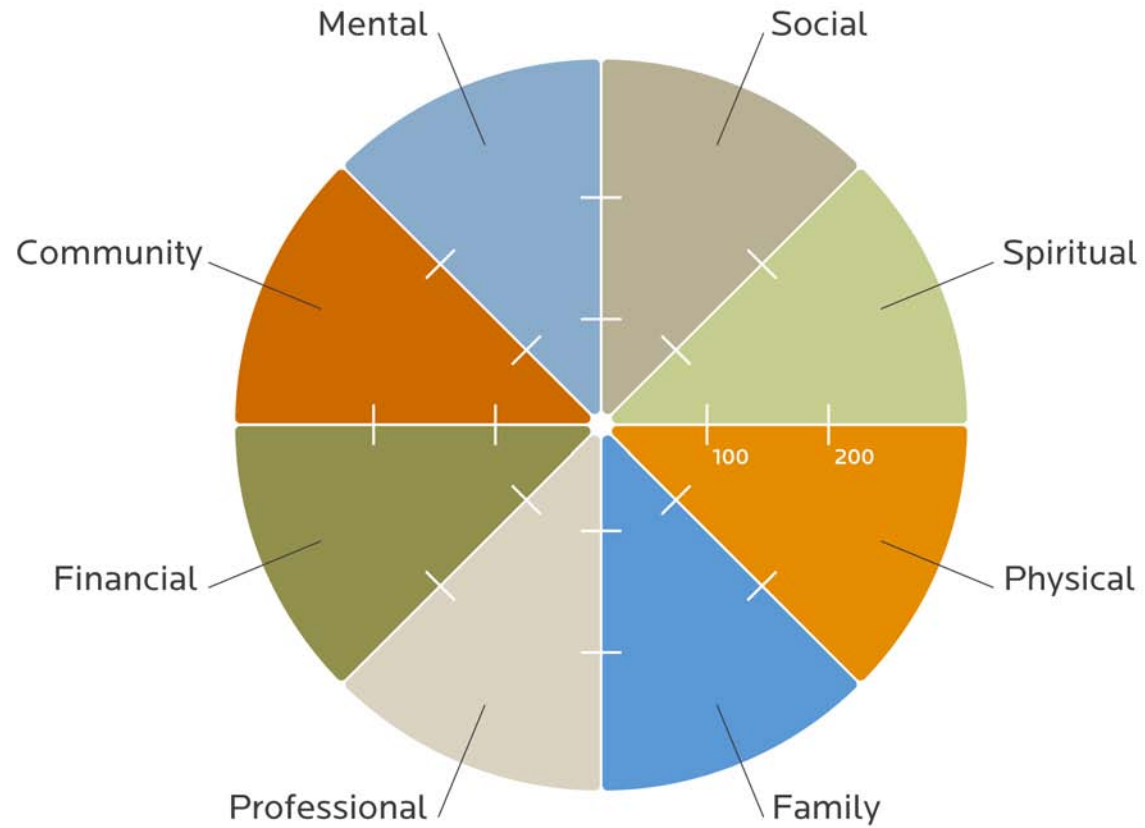
Mindset

-  Appreciative inquiry
-  Living in beta fka living with failure
-  Encourage productive conflict
-  Wheel of balance

TIP – Create regular opportunities to celebrate success



Wheel of balance





Mechanics

☐ Systems and processes







- ☐ Workflow
- ☐ Checklists
- ☐ Client Relationship Management
- ☐ Document management

☐ Allocation of resources

☐ TIP – Mindmap all the systems or checklists you can imagine and assign ownership



The power of ideas

-  Defer judgment
-  Build on the ideas of others
-  Go for quantity
-  Be visual
-  Stay focused on the topic
-  One conversation at a time



Measurement

- ❑ Self accountability
- ❑ Create dashboards for key indicators
- ❑ Complete client surveys
- ❑ Provide performance coaching
- ❑ Peer reviews
 - ❑ TIP – Hire a coach



Dashboard

FINANCIAL DASHBOARD

Year to Date 12/31/2010

Total revenue	3,817,456
Gross Profit	2,886,417
Operating Expenses	1,821,997
Operating Profit (GAAP)	1,064,420
Operating Profit after Deducting Capital Expenditures	998,715
Total Number of Clients	168
Number of full time equivalent staff	17.5
Number of Professionals	5
Total Assets Under Management @ beginning of year (millions)	540.0
Total "A" Clients	110
Total "B" Clients	38
Total "C" Clients	21

Profitability		Staff Productivity		Client Productivity		Intangibles	
Benchmark	Abacus	Benchmark	Abacus	Benchmark	Abacus	Goal	Abacus
Gross Profit Margin %	76%	# Clients Per Team Member	10	AUM Per Client (000's omitted)	\$3,210,000	CE Hours Per Professional	52
60%			27	\$1,214,000		40	
Total Operating Expense %	48%	# of Clients Per Professional	34	Revenue Per Client	\$22,723	CE Hours Per Team Member	36
46%			69	\$8,152		30	
Operating Profit Margin %	28%	AUM Per Team Member	\$30,860,000	Operating Profit Per Client	\$6,336	% of A Clients	65%
10%		\$31,318,000		\$763		80%	
Pretax Profit Margin %	26%	AUM Per Professional	\$108,000,000	Basis Points of AUM as Revenue	71	% of B Clients	23%
11%		\$86,002,000		69		15%	
Pretax Income/Owner	\$990,324	Revenue Per Team Member	\$218,000	% of C Clients	13%		
\$363,000		\$200,000		5%			
Pretax Income/Owner(% of Revenue)	26%	Revenue Per Professional	\$763,000	Client Retention %	99.4%		
14%		\$551,000		99.0%			



Peer reviews

Abacus Peer Review Survey TEMPLATE	
Teamwork and Interpersonal Effectiveness	
1. RESPECT FOR OTHERS	
This individual is respectful of needs and differences of team members, regardless of their position in the firm.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
2. PRAISE	
This individual recognizes, through praise, the accomplishments of others.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
3. LISTENING	
This individual listens to the ideas and concerns of other team members.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
4. OPENNESS TO CHANGE	
This individual is open to change within the organization.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
5. FOLLOW-THROUGH	
This individual can be counted upon to do what he/she says they are going to do.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
6. CELEBRATION	
This individual enjoys celebrating team and client successes.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	
7. ACCOUNTABILITY	
This individual is willing to hold other team members accountable.	
<input type="radio"/> Strongly Disagree <input type="radio"/> Disagree <input type="radio"/> Mildly Disagree <input type="radio"/> Neutral <input type="radio"/> Mildly Agree <input type="radio"/> Agree <input type="radio"/> Strongly Agree <input type="radio"/> UNABLE TO RATE	



Momentum

- Creating a sense of urgency
- Celebrate progress
- Focus on 10,000 hours
- Establish and revisit top priorities
- Communication

TIP – Create a one-page business plan



APG core+ purpose

smart financial decisions



Abacus Planning Group is the firm of choice for families with a net worth of \$5 to \$50 million. APG is a firm passionate about each client making smart financial decisions. APG is a firm dedicated to creating peace of mind for its clients through skillful listening. APG is a firm committed to its own financial integrity and a consistent profit margin for each client.



APG core+ values

- Listen, to be fully present whenever another person is speaking: client, colleague, friend or family member. My hope is to become one of the best listeners in the world.
- Keep a beginner's mind, to nurture the habits and attitudes that sustain a curious mind and an open heart.
- Embrace change, to create a mindset that seeks and welcomes opportunities for evolving Abacus's services, the team and myself.
- Seek mastery, to commit myself fully to developing the skills, expertise and wisdom to excel in my profession.
- Practice gratitude, to openly express thankfulness in a myriad of ways for the richness of my life and the gifts of others both great and small.
- Commit to radical responsibility, to make clear agreements with clients and peers and to bind myself to honoring these agreements.

super+ gutsy+ adventurous+ goal of a lifetime

5 year goal(s)

12 month goal(s)

90 day goal(s)



Resources

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 TIP: Buy a Kindle



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- ☞ Sullivan, Dan, Gratitude Journal www.strategiccoach.com
- ☞ Walther, George R. Phone Power: How to Make the Telephone Your Most Profitable Business Tool. New York, NY: Putnam, 1986.