

Anjali: [00:09](#) Hi everyone. Thanks for tuning in to today's episode of Money Checkup where we take a deep dive into matters related to money, business and personal finance. I'm your host Anjali Jariwala, CPA and Certified Financial Planner. My guest today is Mary Beth Storjohann. Mary Beth is a Certified Financial Planner and founder of Workable Wealth. She works with entrepreneurial women and couples in their thirties and fifties across the country, helping them make smart educated choices with their money. Hi Mary Beth, welcome to the show.

Mary Beth: [00:45](#) Thanks for having me.

Anjali: [00:46](#) So I'm excited to have you on today because a topic that has come up in my client base is why do people turn to CFPs, which are Certified Financial Planners and what to look for when you're trying to find an advisor for yourself. And I thought having you would be an interesting perspective because you're another amazing advisor that works with entrepreneurial clients virtually and we both independently also use a financial advisor for our personal lives. So I thought we could share our insights. Together as to why we use an advisor, what we recommend other people to look for as well when they're doing that search for themselves.

Mary Beth: [01:25](#) Yeah, definitely. And I think it's really interesting, you and I have talked about this a lot offline before about how it actually helps to hold us accountable. And so it's interesting and I'm sure you see this as well. It comes up with clients of why should I use you, where is the value? And then I'm completely candid with prospects and clients that I have my own financial planner and that I need that help and the behavioral component as well. So I'm really glad we're chatting about this. I think it's really important because self-diagnosing is really hard, especially when you're on your own. And then also when you were part of a duo you have correct. So I'm excited for us to chat about this. So what do you find, I guess when clients are asking you or even prospects, what are the questions that you see that are coming up around hiring a financial planner? Do you think people are resistant to it or they just mostly have no experience in, they're curious?

Anjali: [02:10](#) I think it's a little of both. I don't see as much resistance because I think if someone is booking that initial consultation, then they've recognized that they need professional help in this area. I think it's more than most of the people I talked to have never used an advisor before or if they have, it's been someone who's an investment manager. So kind of a money manager, which is very different than the type of planning you and I do. So it's

really helping educate clients as to what we do as a financial advisor, what we help them in terms of planning and really just helping them align their goals with their money. Because at the end of the day, they're working really, really hard and there's sometimes a misalignment or um, an inability to really understand what they need to do to get to where they want to be long term.

Mary Beth: [02:54](#)

Yeah. And what do you see in terms of people being resistant? Oh, obviously there's a price barrier, right? Different, have different views of things. And I think the pricing is one thing and we can talk more about that. But what are the other kinds of barriers people getting a financial planning advice that you're seeing?

Anjali: [03:05](#)

I think the other barrier is people wanting a onetime checkup versus that ongoing help. And what I usually tell prospects is that you can have someone look at your situation one time, but that is only one glimpse into what their current situation looks like. And anyone who's young, and by young I mean not retired, uh, their life is constantly changing. So someone looking at your situation one time is fine, but as soon as one fact changes, then that literally would require another checkup. So it really helps to have, I think that ongoing relationship and it's something that you and I have talked about is the accountability. You know, someone can get like a bunch of to do action items, but a lot of times it's really hard and overwhelming to try and take care of that yourself. So you really need that third party to be there to help hold you accountable and make sure you're making progress on everything you want to make progress on.

Mary Beth: [03:59](#)

Yeah, I completely agree. And I think one of the things that I've spoken about before on my podcast as well is this next generation of financial planning. So kind of how will you speak to, and we'd probably see it in the media a lot as well. Anybody at this point in time can call themselves a wealth manager, financial planner. We're not regulated, right? So there's no legal entity that's regulating anything that we call ourselves. So there's this confusion around what a financial planner actually does. Some people think they have a financial planner and it's actually their insurance sales person or some think they have a financial planner on it. That's their investment manager, which actually doesn't mean financial planning. And so it's really interesting in terms of what this next generation and what we advocate in our profession and in our businesses, what we're pushing towards. And it's more of that comprehensive piecing together all of the life pieces in addition to your insurance and your investments and I think that is really where the industry is

moving and I actually think that's where a lot of the value is in that component, in that financial planning, that coaching accountability component and putting all the pieces together. I've personally feel like that's where the value is and that's where I get value out of my personal relationship with my financial planner as well. Is that just like piecing the puzzle pieces together and managing the behavioral components versus I know I need life insurance or I know I need my investment allocation to be x, but it's mostly like talking me off the cliff, you know, whatever my stress or anxiety is. Is that what you're experiencing as well?

Anjali:

[05:16](#)

As you know we've talked about the behavioral finance component of it and how sometimes we're part adviser, part therapist and I think that's a good description of kind of what we do because there is this emotional component to money that which I've talked about on the podcast as well. That impedes our ability to make better financial decisions for ourselves. I know I've experienced that just with my own money script. And I know you've talked about that on your podcast as well, so I'm curious to kind of get your thoughts in terms of how you work with clients and when you talk to prospects, uh, what do you talk to them about when it comes to that emotional aspect to really get them to understand that that is also another component of this process in terms of helping them manage that, especially in a situation where it's a couple and there's two people who may have different views on values and money and whatnot.

Mary Beth:

[06:03](#)

I think the interesting thing about the way that you and I operate in the way that that conversation is even started really does come down to a little bit of how we present ourselves. There's our web presence at this point in time, right? Where it's not traditional face to face marketing, but from on the website presence. Um, that conversation is actually started there on the webpage in terms of, there's not a lot of talk about how I'm going to allocate your investment portfolio there, but there is talk, I very open about the background that I have in terms of finances and the education that I maybe didn't grow up with around money and how I was exposed to, to finances and grew my career from college beyond. And so I think laying that foundation actually kind of brings a barrier down for clients. They know right away a piece of me. So that makes them more comfortable to kind of start the conversation. And then from there, when we have the initial phone call, to be honest, we talk about numbers. We do, we always want to know like, what's your income, what's the value of your accounts? How much debt do you have? Like those sort of things. But then it goes

into goals. And I asked, you may have a similar question to this, but on all of my consultation calls, I always ask if we were talking three years from today, what would have had to happen personally, professionally and financially in order for you to be happy with the progress that you've made. And I make each person answer separately and I don't allow somebody to say ditto. And it's really interesting though the answers that I get and I think that starts to uncover some of those emotional components and then some of the stories come from there and then it's zeroing in on that over time. I can't like sell somebody on the emotional side of it right away, but I will talk about, we're going to talk about these things. We're going to lay out the foundation. I say from the beginning, a lot of times people are doing some great things with their money. There's not like a bow on it, right? There's not some wrapper around it of the strategic plan. So people are doing good things, but it's kind of just really like moving forward but at a slower rate than if we put a plan around it. So I kind of explained it to him that way. And then the emotions come over time. It's really interesting how many conversations, I'm sure you have it as well. The partners will be on the phone call and they'll just get into it and then, oh look at me and they'll say, well you're not a therapist and I just shrug my shoulders.

Anjali:

[08:01](#)

There's a lot of bickering that happens. It's good cause it it that would sometimes is the only space that they have to really talk about their money issues and I, I'm happy to be there to mediate or to just like give them a space to be able to have that conversation with each other because otherwise they're both fuming about it on, on their respective ends and then nothing was getting accomplished. Right.

Mary Beth:

[08:20](#)

It's true. Like we just had a meeting with our financial planner last week and we were talking about our donations and when we want to give to, and there was a little bit of like a tip of like blah, I feel resistant to this one thing. And Brian was feeling, you know, he wanted to give one and so it was a conversation we probably would not have had on our own with, there was not like a neutral third party is sitting there. And so even as a financial planner we need that neutral third party to help them navigate those conversations. And I think it's important and that's invaluable because he goes back to basically using your money to create happiness in your life, right? You work really hard for what you've built and so the whole point of it is to reduce the anxiety and to give yourself to enjoy what you've built or what you've created or to know that you actually can. Sometimes people are just looking for that permission of like,

yes, you can actually spend that. You will still be okay. They need that second opinion,

Anjali: [09:06](#)

right? When Udai and I work with our adviser. It's, it's the same thing because I have a very hard time spending money and sometimes, you know, I just need him to say it's okay, you guys will be okay. And just having those like calming words and you know, you and I do this for a living, but when it comes to our own finances, I am biased toward it. So how I view my finances would be very different than how I would view a client's finances because I'm emotionally tied to my money. So I need some separation there. And the only way to get that separation is to really have someone from the outside view our situation to make sure that I'm doing things okay. Because I remember when I, when I run stuff for myself, my husband will be like, well, is that how you run projections for your clients? And I was like, no, it's not this conservative. And he's like, why would you run obscenely conservative projections for our financial situation? I was like, I just have to be absolutely sure everything will work out. That's when we recognized we need help. Then we decided to to use an advisor for ourselves as well.

Mary Beth: [10:02](#)

It's funny because it's true, but at the same I give, I mean the pep talks I give the clients, it's hysterical to me because I just, especially this week after having our meeting with their planner, which I just felt like I was saying the same things to them that he was saying to me and I was like, just don't worry. This is getting passed on. Actually I get my own pep talks on my own. I have clients who will just have multiple savings accounts with cash and I was just telling them, I'm like, Oh yeah, I just got yelled at for basically the equivalent of digital stashing cash in mattresses. So it's interesting and I think that that's the best part about having a planner is just that, that neutral third party, that guidance, that second opinion. And then also like the person who's there to celebrate wins with you. And I like, one of the best things for me as a financial planner with clients is to be able to, to share in those celebrations with, with people of their business hit six or seven figures. They got that like 20% raise or whatever. Bonus. Those are things that unfortunately in our culture, we don't openly talk about that or share that with family or friends. It's weird that you're not supposed to talk about money because it's an uncomfortable, it's uncouth and so, but we are that safe space for people to share those wins. And I, I really love that aspect of it.

Anjali: [11:06](#)

Yeah, I know that that's so true and similar. I'll, you know, I do the same thing with my client base because it's a space to share concerns but also a space to share celebrations which we

should be doing. So you, something you had brought up earlier is that our industry is not really regulated. So when someone calls themselves an advisor, it could be the insurance salesman, it could be someone who has no background or experience doing this. And, and that's actually kind of a concern because for people who are looking for an advisor, it's really hard to vet that and know you're getting someone who has the right experience, credentials and what not. So why don't we talk through some things that people should look for when they're doing a search for themselves. Okay. So what would you say are the first few things? So I think the first thing is I think there should be a credential for that person. So something like you and I are both CFPs, so certified financial planners, it does require education. Um, you do have to pass a test and you need an experience requirement to do so. Other credentials help as well? I'm, I'm a CPA, so you know, that has its own set of metrics and parameters. I need to be mad. And I think the other big one is being a fiduciary. So do you want to talk through what a fiduciary means?

Mary Beth:

[12:12](#)

Yeah. Fiduciary and general means that we're obligated to required to act in your best interest as a client. And so for example, I always explain this to my clients. If I think that you need life insurance or you needed to work with somebody or do a certain thing with your finances, I'm never compensated by anybody that I recommend to you. There's never going to be commission or a kickback to me by any product or person that I recommend to you. I'm only compensated by my clients, which means I'm always acting in your best interest or someone sent it for me to recommend life insurance A over life insurance B. It's just if I'm recommending somebody to you is because I have vetted them out, I think the great client service and they'll keep me in the loop. And so fiduciary means that person is obligated to act in your best interest and put your interests first. And that's a number one thing for me. Cause a lot of times that's not the case and you're getting sold a product and somebody can recommend product A over product B because they're going to make 10% more commission goes back in their pocket and that's suitable versus the best recommended options. But fiduciary is basically the word of the day. I've talked about this on my podcast and I think you can probably link to it in the show notes. There's with a John Oliver who did, did you ever see that youtube, the video that was like all over the Internet? Yeah. That John Oliver has an odd scene.

Anjali:

[13:19](#)

Definitely watching cause it does a great job of summing up the industry and the, and the bad players to stay away from.

- Mary Beth: [13:25](#) Yeah, exactly. And so I think, I mean the fiduciary is one of the, when I do my consultation calls and just education in general CFP, the education component, the tasks and then also there's a continuing education component there as well. So hopefully when the tax laws changed and the end of 2017 hopefully your financial planner is staying up to date impact you. So there's a CFP and as a continuing education component of any certifications and then the fiduciary or the two big things when you are just at least starting to screen somebody out to start to narrow things down.
- Anjali: [13:52](#) Right. And then the other one you mentioned, which is similar for me is a fee only. So I think people get confused on the terminology. Fee only is the type of advisor that Mary Beth described, which is what I am. The only compensation that we take is what our clients pay us directly. So when I recommend an insurance person and disability person, whoever the case may be, I usually tell people that it's people I've either personally vetted or that I've used myself. So I'm not selling insurance products, I'm not selling investment products. It's purely just going out there and trying to find like the best provider for our clients. So try to keep that separate from fee based. I get that terminology a lot that I'm looking for a fee based advisor. A fee based advisor is not a fee only advisor, a fee based advisor. He is getting some sort of commission or other fee in addition to what you're going to be paying them. So that one I feel like is not a true conflict free relationship. So just knowing the terminology and what to look for I think is helpful for people when they're doing that search.
- Mary Beth: [14:47](#) Yeah. The fee based is basically the hybrid model. Correct. You're getting, you're getting both. Right. And I agree. So those are the two things and then I get asked a lot of, in terms of looking for the financial planner who's right for you, I think thinking about your values and what you're most comfortable with. And to be honest, I mean it's okay if you prefer a woman over a man or a man over a woman, you know, thinking about whatever your, whatever you were going to respond to best. If you want somebody who relates to your situation, if thinking about personality fits how you want to be communicated with demeanors. I think when you're thinking of a financial planner, typically you want to go into the mindset should be long run, right? You want to be with this person for the long run, you're on a financial journey or there's not really an end point to your finances. I mean there is, but we won't talk about that. So I think that's one of the things I think is not talked about enough is a personality fit of of what kind of a person do you want and what kind of relationship do you want somebody who is going

to be next to you, guiding you along the way. Somebody who has 40 years more experience than you in the world. Do you want somebody younger than you who will be there with you well into your retirement years? Thinking about those things I think are really important and I don't, those are typically come up to be honest in conversations with prospects maybe every now and then it comes up, but I don't know what you see with that.

Anjali:

[15:55](#)

Yeah, I think similar stuff. I think a lot of people who are reaching out, some of them is because they want someone female, they want a minority woman because or they want someone who has the same cultural values as them. I see that on one side of it. I see others who sought me out for a specific technical knowledge that I have because I'm so tax heavy and in my planning practice. And then, you know, I think a lot of it's both, they're like, you know, I've gotten a few who are like, oh, I saw you were Indian and I'm Indian so I want to talk to you. Right? So it's funny how people will find me in and why they decided to set up an initial consultation. But usually like I tell people when they ask me the question, why should I work with you? I was like, I can't answer that for you. But what I can say is that personality makes a big difference in this relationships. You have to make sure that whoever you're using you feel very comfortable with because you're going to be disclosing a lot of personal information, sometimes even things that you're not going to be telling the rest of your family. So you want to make sure that that person is someone that you can fully trust as well as feel comfortable with that. They understand where you're coming from. And so I, you know, I tell people you talked to her a few advisors because sometimes you don't really know what you want until you start talking to a few. Cause you know, advisors can be very different in how they approach planning in their thought process and how they work with clients. You really need to do your diligence and see what's out there and that might help guide you into like which advisor you feel like is best for you. And the other thing I'll say is if you're a couple and if you're the one making the decision, then you tend to be the one running the finances. I would actually encourage you to have your significant other in the conversations as well and really get their opinion. You know, when I decided to use a financial advisor, I actually wanted to pick someone who my husband would get along with because I wanted to make sure that he, because I'm the financial advisor, has never really been involved in the money aspect of things or managing the finances. So I wanted to make sure that it was someone he clicked with so that he felt involved in that process, which I think it has been super helpful for just us in terms of our communication because

we have someone that he likes. He's involved in the process now, which takes a little bit of the burden off of me being the one that knew all the information and with my husband before we started planning with an advisor, didn't really know like the basics and what was going on in our financial situation, which can be kind of scary and overwhelming.

Mary Beth:

[18:10](#)

I completely agree. Even for me when you're talking about why should a client work with you, and part of my conversation usually is, well this is what you get. This is who I am and how I operate and how I've worked. This is my personality. This is, you know, we're all celebrate where I'll, I'll call you out, I'll challenge you on certain things. And we've talked about this before. Me being the Italian mom, personal finance, I'll love on you hard, but I'll whack you with a wooden spoon. I need to, and that's, you have to be receptive to some of that stuff. If you're resistant to that or you don't want to be called out, you stick your head in the sand. We're not a fit and I'm totally open with some clients. People call and I'm not really getting that they're motivated or I'm just kind of like concerned that maybe they're not going to take the action. I'll tell them up front that all, oh, also and let them go as a client because it's not a fit. It's not going to be a personality fit on the long run. And that's what we want. These are people when you're picking a financial planner, that, again, like it's a longterm relationship so they become your friends and you kind of become embedded in each other's lives. I've been in this for five years on my own now and my clients have become really good friends of mine as well. And so those are people I enjoy spending time with and I want to enjoy spending time with my clients. So if it's not a fit and you don't really enjoy your financial planner, that's probably a sign that you might want to make a switch.

Anjali:

[19:17](#)

Right. And I will say from the advisor standpoint, we're looking for it to be a fit as much as you are looking for it to be a fit. So yes, and because it's true, we want to work with people that we want to work with. So if we don't feel like it's a good fit, then I have told prospects, I just don't think I'm a good fit for you. But here are a few other advisors that I think would be a better fit because I'm very similar. You know, I, I, I pretty much will tell my clients right to their face, whether I like something or not. I mean I've done it in meetings or they'll tell me something and I'm like, I don't like that then then I'll have to sit and think about it. But you know, I'm very upfront and open with them and that's the kind of relationship I want to have with them because I can't coddle them because we need to make financial decisions. And do things that's in their best interest. And sometimes that means I have to have the tough conversations

with them. So if someone is not receptive to that or it's not, it's something that will go over well with them, then I may not be the best fit either.

Mary Beth: [20:08](#)

Yup. One of the interesting things that came up for me recently, well it's coming up probably, I don't know, once a year maybe get a request. I know there's lists floating around online about questions to ask financial planners before working with them, and even recently a prospect asked me to see a sample financial plan. I will say that I actually don't send those out at all because I think each person's situation is unique and those recommendations are handcrafted and so I don't know what your take is, but I've actually opted out of that. I know some financial planners will send you a sample document of the recommendations they give in the and the format, but I, I'll give an overview of here's what the document looks like, here's what she's going to expect. But I don't send a sample financial plans, but I know it's advised, I know it's floating around out there that you should ask for a financial planner for that. What's your take on that? Would you so have you been asked?

Anjali: [20:51](#)

I don't do that either because mine are all customized to the individual client and I don't do the large plans, right? Like I, I break up the planning process into steps that is anywhere from like a year to a few years to get through everything. So I don't have quote unquote sample plan because as you mentioned, it's, it's different for every client and it's customized and tailored to every client. And sometimes I don't even know the exact things that I'm going to work on with that client until we get through the first few meetings. Because part of part of the process is not only uncovering like the financial information, but uncovering the emotional pieces of it as well. Because what I tell prospects and clients is that financial planning is an art. It's not a science. So there's, there's multiple paths we can take to get to where that person needs to be. And sometimes figuring out that best path takes a little bit of time and effort and getting to know each other to really do that. So I don't send that. The other one that I see come up is, oh, is there a client of yours I can talk to just to get a recommendation? That's also something I don't do mainly for privacy purposes, mainly because my goal is to save my clients time and I don't want them spending time talking to a prospect. So I tell prospects I, that's just something I don't do because it's a personal value of my business and I don't want to disclose my client's information like that. So I dunno what what you do if you've seen that come up as well.

Mary Beth: [22:07](#)

It was the same. I don't provide plant referrals or testimonials or link them up at all. I was basically, I mean totally from that,

those first conversations, you know, if it's a personality fit or not, and then it's a matter of going into the value of financial planning. It, if you can understand the fees involved, if they're within your budget or not, what your thoughts are on that and then, and then it's moving forward to like the process. So, right, from a personality standpoint, I feel like there's usually, you know or not, and the questions you should be asking you, your financial planner, if you haven't figured it out by the initial conversation or before meeting with them is how long have you been in the industry and your own business? How many clients do you work with? What's your capacity, education level? Those are the details that you want to ask somebody because right away you're gonna know if you're working with somebody with two years of experience versus 10 years of experience, those are going to be very different depending on whatever your complexity of needs are. So I think asking more about industry experience, where they spent their time, where they've worked previously, that's going to be more important than you getting a recommendation from a happy client, which they're going to pick a happy client.

Anjali:

[23:08](#)

So it doesn't count for that much weight anyways. But I totally agree. I think it's just doing your diligence. I will say like a lot of those questionnaires that are out there. What to ask when you're vetting out advisor? I think it's kind of based on the old school mile of financial planning. I think for like the next generation of planners like you and I, a lot of those questions are irrelevant because they're usually like investment focused and and things like that. Which investments is something we both do, but it's a small component because of the focus in my practice is mainly the planning side, so I think it's knowing that personality fit. I think things like you and I both having podcasts, listening to episodes that you get a feel for how we operate in terms of our areas of expertise, how we think. You get a really good sense of our personalities and how we work with people. Just like kind of listening to podcasts. If we've written articles, if we have blogs, things like that. Those are all things that you can easily find and look at and then you get a much better sense of that advisor and that person versus someone who doesn't have any sort of presence. You have to rely on on what they're telling you, which hopefully is all accurate, but you never know because you know, as we mentioned before, there's a lot of bad players in the industry, so you just really need to do the diligence on your end to make sure that the person you're talking to is at least from a technical perspective and an experience perspective, they can deserve your knees and then it goes into personality and how they're planning process works and if it's a fit for you.

Mary Beth: [24:27](#)

Yeah, and going back to what we talked about in terms of us focusing on financial planning, I think it's important to note what that means. Right? A lot of people think, again, financial planning equals investment management and that's actually part of the puzzle, but I think the financial planning component, how do you speak to the value that you provide as a financial planner in terms of somebody wanting to work with you or where you're going to provide peace of mind in their lives? How do you begin to address that?

Anjali: [24:48](#)

Yeah, yeah. No, that's the million dollar question. I think we all struggle, you know, so when I talk to a prospect, I actually just let them do talking for the first half. So I ask a lot of questions as I still like. Why did they decide to set up an initial consultation? What's going on in their financial life, what are money concerns and stressors that they have? What are goals that they're working for that they don't feel like they're achieving? Right. So once I have an understanding of where they're coming from on the financial side as well as the emotional side, then I usually talk to those things specifically. I already know that there's going to be a ton of other stuff that we need to do for them, but all of that other stuff is not really relevant for the initial call because the initial call is there to address their immediate concerns, at least from my perspective. So it's really helping them understand that and then I can talk to the what I would help them with initially so that we can get to where they want to be. Cause a lot of times a prospect is coming in because there is one or two things that have happened that and now they feel like they need that professional help. So I want to make sure I address those concerns first. The value piece of it is really difficult because it's hard to quantify what we do because there is savings that will help them. Interns and maybe like investment management fees, taxes, whatever the case may be. But there's this emotional side of it that is so hard to quantify. But that's really where the value is, is just like having someone there that provides you with that second opinion that you know you can call or email or text whenever you need to, when there is something financially related that's going to happen to you. And that's the piece that I, I have to admit, I have a hard time telling clients the value of that. Right? And clients get in once they're in the process and they've worked with me for even like after the first two meetings they were like, oh I get it. But just having to verbalize that is, is something I still struggle with. So I'm curious how you have that conversation with prospects of what your value proposition is that you explained to them.

Mary Beth: [26:39](#)

It's really interesting and I'm always, I am asking, I'm not going to lie. Some people are like, can I afford you? I shouldn't be

asking you this, but based on what you know about me now, can I afford this? And a lot of the times the answer is yes. Especially from, there's like the strategic component, right? We're going to do tax savings. And part of that financial planning is tax reduction strategies. We're going to probably look at your investments and save you money on your expense ratios, your investment expenses and stuff. Right off the top we're going to save you money in terms of how we strategize and start to help you make better financial decisions. So there is that component. Unfortunately I can't put a dollar amount on it right from the bat, but I can tell you, and I'm sure you see this too as well, Anjali, it's just sometimes you can cover your fee for like 10 years, right? And like the first few meetings because you bought something and then it goes into, mostly you're paying for that peace of mind. They need that reassurance. And so I speak to the process of how many meetings we have and what I'm very structured and what my process is and that we have there, depending if you're entrepreneurial or not, there's either quarterly or every six month check ins and in between there we're doing phone calls to make sure that you're checking things off your list. The accountability factor is huge. The neutral third party is huge. That the guidance in terms of open enrollment is coming up, but we're buying this house or we're having another kid or we want to start saving for college or I want to sell my business, whatever those things are. That's the part where again, like there really isn't a dollar amount we can put on that. But what I've actually created for myself, and I think you've seen it as well as I have a four quadrant one pager that I send as a followup to those calls, it basically says like here is all the ways that we provide value and it's basically speaking to those things. And so it is a little bit of this is what we charge and we know that we provide peace of mind and this is you're paying also for our experience level and you could probably find somebody that's got less experienced than us that will be cheaper, right? You can opt for that as well, but you're making the investment in our education and the time that we spent to build our businesses and careers as well. Right. So I speak to it that way. It's mostly of all of these things that you're getting. Plus you know you're actually going to have the dollar for dollar savings in some areas as well because we're going to dig into to things like your tax returns on your investments and whether it's in your debt load and see if there's ways to refinance things, whether it's business or mortgages or whatnot. There's ways that we can optimize your financial life,

Anjali:

[28:44](#)

right? Yeah, no those are all such valid points and I think knowing kind of what you are looking for an advisor I think is really important in terms of the search because someone like

me and someone like you for our business owners were like even the business financials as much as we're in the personal financials, right? So you are getting a two for one. So there's like a premium to that type of service and my background is in corporate tax so that space is very comfortable for me and so that's the, the added value I'm providing for people is like, well, I'm going to help you in terms of the business side because a lot of us small business owners can start our business and then we don't really spend time on the business. We're just spending time in the business and you really need someone to look at that piece because that piece is usually so interrelated to the personal finances. So someone just looking at the personal finances may not be looking at the whole picture because a lot of the cash flow is coming from the business side, but the business I may not be running efficiently. There might be gaps in coverage. There's all these things that need help on the business side that an advisor who has that experience can in and look at and really help get both sides taking care of so that your overall financial picture, which goes back to the comprehensive financial planning is in line with what you want to do long term.

Mary Beth:

[29:51](#)

Yeah, and it's really interesting. Even just yesterday I was talking with a client, we were doing her business planning phone call, same way that you feel sometimes you need permission in your personal lives. I find that my entrepreneur clients also need that with their businesses and just chatting through her potential income. We found that she was letting, she's a physical therapist and she was giving penalty free cancellations. There was like five penalty free cancellations when she was still paying her team so people would know show cancel last minute. She wouldn't get compensated, but she was still paying her team for that hour. So basically I was like, you're giving, you're literally giving your client, you're giving money away, you're not nonprofit and sometimes we need to reframe that. Right from our conversation yesterday. I was running numbers this morning. If we make some small tweaks in terms of those cancellations, plus she did a fee increase for certain clients for certain people, but not the other. There's \$30,000 of income minimum that we've discovered in her business potential that's being just left on the table at a minimum. And sometimes you just need the neutral party. And we do that. I do that in the businesses as well. I'm sure you do. Also just certain things that we end up looking at, and again, I can't put a price on that from the beginning to live until you're in it. But those are the things that you just, you get as part of the processes.

Speaker 2:	30:55	Well, so let's talk about fees because you and I have talked about this now a few times already. So usually the fee is the one thing that people, when I talk,
Mary Beth:	31:05	I'm already uncomfortable. I'm shifting in my seat, make me talk about fees?
Anjali:	31:09	So let's talk through them. The fee structure, how we charge. And, uh, what I will say is why you don't want the lowest cost provider when it comes to a financial advisor. Because I think that's a big one. And I think we need to like help people understand why that's not a good option that you shouldn't really make a decision purely based on price.
Mary Beth:	31:28	Right. Do I have to like disclose the, Angela yells at me for my pricing all the time. So if you're, if you're my client listening to this on says you're getting me on sale just so you know,
Anjali:	31:38	because I, as you know, I feel like women in our field undercharge and I'm on a mission to make sure that they charge their value and that goes for all of my female entrepreneurs as well. Everyone should be charging for the value they provide. So, okay. So do you want to start?
Mary Beth:	31:54	yeah. So, okay, we're catching me. Just to be completely honest, we're catching me in like this weird transition. So if you're listening to my podcast or my, actually by the time this airs for me, I'm actually in the middle of doing a merger is my pricing will change a little bit over the long run, but in general, so clients that come to me, my minimum right now is it's \$5,000 minimum. I've shifted from doing an upfront fee to now it will just be a flat annual retainer. I still do the planning upfront. Anjali and I talk about this all the time. I was trained a certain way and this is how I do it's, I do a plan up front, but flat fees for me, for entrepreneurial clients start at \$5,000 and go up based on complexity of your business and your personal lives Anjali's. I know start higher than that, but that is where I start. I think I worked with different entrepreneurial stuff than you do as well though, but that doesn't mean the time commitment is any less. But I would say that that is, my clients can pay me monthly, quarterly, or six months. We can't take payments in advance of six months, but that's basically it. The \$5,000 annual retainer and that includes depending on the complexity, the minimum that will also include investment management, so that means if you have a business that brings in like 300,000 but then you have like a \$100,000 in your Ira, like that's kind of included in there. I don't know if the example is properly priced, but if there's like an IRA or investment account that needs to be

managed as well. That is wrapped into the retainer. The fee that I'm quoting you at that point in time is how it works. That's how I charge right now. That might be changing with my merger, but that's how I put that as of this moment. That is how I charge.

Anjali:

[33:11](#)

Got It. So my pricing is a little different. My minimum is \$10,000 a year and that include assets up to a million. Then I'll manage. When I charge on assets, I charge on things that I would directly manage as well as things that I indirectly will manage. So things like employer retirement accounts. I'll usually, we'll factor that into the calculation. I have clients that have a lot of investment real estate. Um, that's something that I'll factor into the price in terms of complexity just because that is an added complexity factor and it takes a lot of time. So that's something where I'm kind of looking at all of that. Most of my clients are coming in that 10,000 or less. I work with a lot of physicians who are either 1099 practice owners or partners in their medical groups just because they need that added tax planning. And you know, there's the business side of those components as well. I also work with general small business owners usually who are a little bit further along. They're kind of at that point where they're making money in their business, but they haven't really adjusted their business too. They're still kind of operating as a startup when they're not really a started by two guys are just kind of a kind of a little slightly different timing. And you know there a lot of them like you and I are, they have young families so life has just gotten much busier and they just need someone else there to help them give them that guidance and support. So that's how I charge. So you know for anyone listening you could see like Mary Beth and I are fairly similar but

Mary Beth:

[34:34](#)

we are similar and Anjali yells at me I need to be charging. Yes you would expect that if you work with me going forward by it. But yes that's exactly it. Businesses in general, I mean same thing, small business owners and that's the optimization, the retirement planning, all of those things. I work with a lot of therapists like group therapists that worked with a lot of creative business owners and that's what I'm seeing in terms of tax planning. how to set up payroll or they S Corp those or even like the the elections and I think you see this as well, like part of that value we provide is actually I hate using the word term quarterbacking or why do I have a better word this far and we are collaborating and pulling together like your CPAs and bookkeepers and I am that person who's like I'm getting monthly copies of P&L reports for my clients to see like cause same cashflow problems. Are you overspending in a certain area? There's the accountability that happens there as well. But yeah, the fees are based on complexity though. And I'm sure

you see that as well. If I, if I see that your business is kind of messy or that you know it's grown and it's going to keep growing and gonna require more time, the fee goes up. And that's just kind of like a time component as well.

New Speaker: [35:36](#)

So I think that's because I think someone looking for an advisor first needs to have a framework as to what the fee would be. I think most people have no idea really what this costs and so they're a little price sensitive. That's okay. So then you got to really figure out like what you need from that advisor and what experience level they have and then what you're willing to accept from that advisor in terms of those things in order to keep the fee to what you want it to be. I talked to prospects, your W2 employees, you know, their life is fairly simple and I'll tell him, I said like, I think I'm too expensive and you don't really need the level of service I'm providing it just doesn't make sense for you to pay me that. And here some other recommendations for people who would be more inline with what you need. So I, I think a good advisor is going to tell you if they're a good fit. They'll also tell you if they're not a good fit and hopefully provide you with recommendations of other fee only advisors who take care of you better than that person may be able to.

Mary Beth: [36:27](#)

Yeah, I agree. And I think the other thing that's important, so in terms of like talking about fees and structures, I think you're the same. Clients can pay from cashflow and then also, I don't know if you provide this option, but one of the options I provide my clients or your, there's going to be a flat retainer in that range. Sometimes what we'll do is if we know that we're going to manage your investments to, if you don't want to pay it off in cash flow, you can take the 1% of the fee comes from your investments and the rest comes from your cash flow.

Speaker 2: [36:48](#)

So there's ways they can mix and match that as well. I want, my business owners are like 7,500 so we'll mix and match. Some comes from their investment, some of it comes from business cash flow, some of it actually comes from personal cash flow. So there's different ways that you can pay to get creative for writing off. The fees are, you know, minimizing what you're spending is directly out of your life.

Anjali: [37:03](#)

And a lot of CPAS that I work with, they have no problem deducting a portion or all of my fee against their business because a lot of what I do is business consulting anyways, which is I'm sure the case for you. So that's gonna be added tax benefit you get in there is tax deductability there, which I'll with

the new tax law investment adviser fees are no longer deductible. So. I just needed it. Throw that in there. So

Mary Beth: [37:26](#)

it's like a little pop up in the back of little pop up.

Anjali: [37:28](#)

Like if anyone is listening to my podcast, they all these tax tidbits and almost every single one. So you're gonna go with the,

Mary Beth: [37:36](#)

we need to insert a little like soundbite for you Anjali's tax tip of the episode.

Anjali: [37:43](#)

So funny. But no, I think it's, I think, I think people need to have some sort of expectation and I think you get what you pay for. So I, I always tell people, you know when people talk to me and they said, oh, I'm talking to other advisors and I'm like, okay, I'll probably be the most expensive person you talk to you and I'll just be up front with them. And I was like, but there's very few people who have my experience, my background and my credentials and that's why I charged the way I do because of the value I provide in the time I'm going to spend with you. And I was like, so you just have to keep that in in the back of your mind when you're comparing advisers because sometimes it's really hard to compare advisers because comparing someone like you and I with all the experience that we have compared to someone who's maybe just starting off and only one or two years in, that's a very different type of advisor and a very different level of service. So you just have to make sure that you're comfortable with what you're signing up for and knowing that things that are of higher value is going to more. And that for some people that might not work with their cash flow and that's okay. But for others who need that, be ready to have an expectation of what that fee may be and knowing the value that you're going to get for what you're paying.

Mary Beth: [38:47](#)

Agreed.

Anjali: [38:47](#)

All right. And so the one item that comes up a lot that it's actually one of my clients who recently just signed on and, and she was the inspiration for this episode, especially if I've been seeing it a lot in the physician community, is, is the do it yourself attitude. There's enough resources out there. Um, you should be able to do all of this yourself. You don't need to pay someone to do it. And for my client who decided to come and use me, there was a lot of guilt actually around coming to terms with meaning to you, someone and paying someone for that. So let's kind of talk about do it yourself. What are some of the pitfalls that you see in terms of people who, who are trying to

do it themselves and why they may want to reassess that and possibly use someone if not now in the future?

Speaker 3: [39:30](#)

I think one of the big things for DIY is, oh my gosh, how much time have you and I wasted in our own spreadsheets? Right. It just in terms of time in general that you spend questioning and rerunning scenarios and, and then updating again and what-ifying yourself into oblivion. I mean that right there is the pitfall because there's no stopping. You have to hold yourself accountable to say enough. And what I've found, even for myself before we had a financial planner, and even now I still do it. Sometimes I just get in there, I might take a break from it, but I'm back in there a couple days later. Like, what-ifying is, you know, especially when there's life transitions in life changes. And so I think that's one of the pitfalls is that there's nobody to pull you out of that. Out of that spinning that happens when you go the DIY route and I see it even my engineered type clients as well, they'll come to me with their own spreadsheets. yeah, exactly. I'm always like, Kudos to you for having your own spreadsheets. Do you want to be a financial planner? Also worked with engineers like you, and that's always interesting to me because the engineers who come do not want to talk about their feelings or emotions, but I pushed it. If you're gonna, if you're gonna be an engineer that works with me, we're going to talk about your values and the things that you say that you want to actually how you want to use your money and what you want to do. I have one client, I was like, I want to spend more time with kids and then I'm like, how much time are you spending in your spreadsheets and why are we what-ifying on expense ratios and projections? Because you will be okay. What else do you need besides knowing that you will be okay, but we do that right? We get in our own way and even knowing you'll be okay, it's not enough sometimes. And so that's where DIY can be a pitfall. A big one in my opinion

Anjali: [41:03](#)

that's so relevant and it might not even be do it yourself. I might just be people who just have not decided to use an advisor is that you just establish a lot of bad habits as you get older and it's, and it's really hard to unwind those once you've been working for awhile. And lifestyle creep is a big one that I see come up when I work with my young physicians who are just coming out of training and we set everything up. It's so easy at that point to just have everything set up or you're maximizing your savings, you're still doing everything you can because you're not used to making money. So you're still getting a lot more money you used to, but you're also just putting so much more way into retirement. Your savings for all your goals you need to save for. And that's so much harder with someone

who's been set in their ways for like 10 plus years. And having to unwind that and then you've kind of lost those 10 years. So now we have to do a lot of catch up and so catch up takes time and it takes a lot of hard decisions to do that. And as I mentioned before, like planning is an art, it's not a science. So for do it yourself, you're getting to come to a crossroads where there is going to be more than one path that you can take. And it's really, really hard as just looking at it by yourself to figure out which one is the best for you. Right. So I think that's what my husband and I learned that working with an advisor is we have different paths that we can always take and it, those decisions come up pretty frequently and we just need a second opinion in terms of which one makes the most sense for us. And sometimes it's not even like a function of having to run the numbers because the numbers are already done. It's just a matter of talking through it with someone and when we talk through it with someone who's not in our relationship or tied to us in that family and emotional signs like it's much easier to realize what's the best decision because we've had chance to talk through it and get that outside feedback on it.

Mary Beth:

[42:42](#)

I completely agree and that's one of the things I see a lot with my entrepreneur clients, especially working with a lot of group practice type owners. They expand too fast and they go DIY expand too fast and they come to me and then we're having to unwind it and explaining that there's two years of catch up and they're asking questions. If I do go back to a solo practice or do you stay in the group and at what point in time will it be profitable or more profitable so it's worth it. Those are really interesting conversations and those are the pitfalls of DIY though because you're trying to take it all on. You don't necessarily know what you're looking at and sometimes you go, especially entrepreneurs will go chasing after the money, right? The gross income, not necessarily understanding how it's affecting their bottom line and what they're spending to get that gross income. That actually is also one of the big pitfalls of DIY that I see is that you're just not as aware as you should be and things get missed and then you actually end up losing out on money.

Anjali:

[43:32](#)

Yeah, no, that's, that's such a great point that anyone listening to really take that. That's the tidbit to take away from this episode. You know? That is so true. Mary Beth, thanks so much for being on the show. Tell our listeners how they can learn more about you.

Mary Beth:

[43:47](#)

Sure. Thanks so much for having me. You can find me at workablewealth.com I also have the Work Your Wealth podcast.

You can find that on iTunes. I'm also on, there's a Workable Wealth Facebook page and I'm on Instagram in case you're there at Marybstorj s. T, O, r. J.

- Anjali: [44:04](#) Great, and all of that information will also be in the show notes for anyone who may have missed it during the episode. Thank you.
- Mary Beth: [44:11](#) Thank you.
- Anjali: [44:12](#) Thanks for tuning in today. If you're interested in making better financial decisions and are considering working with a professional, please visit us at www.fitdvisors.com to schedule a free initial consultation.