

Cultivating Empathy in Finance: Catching up with Tara Tussing Unverzagt

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Full Episode Transcript

With Your Host

Alan Moore

XYPN Radio With Alan Moore

Alan Moore: Hello and welcome to this episode of XYPN Radio. I am your host, Alan Moore, and I'm excited to welcome Tara, founder of South Bay Financial Partners, based in California, on the show today. This is Tara's second time being on the show, with her last appearance being in 2019 for episode 210. You can listen to her more detailed career history and journey to launching a firm in that episode at xyplanningnetwork.com/210. I always enjoy getting to hear how the journey has progressed, and this episode was really wide ranging in terms of all the changes and evolution that her firm has had since our last recording. Their client count is about the same four years later, but fees and revenue have gone up pretty dramatically over the years as they've honed in on their ideal client and the work they enjoy doing.

Tara's a certified financial therapist and leverages that skill set to really understand her clients, what's blocking them from making progress, and how she can help her clients ultimately accomplish their goals. The entrepreneurial journey is just that, a journey. And it's always fun to get to hear how another entrepreneur is managing through the rollercoaster ride and ultimately building a business that supports their own great life.

Without further ado, here's my interview with Tara. Hey Tara, welcome to the show. Thanks so much for being on.

Tara Tussing Unverzagt: Oh, my pleasure. Thank you for having me.

Alan Moore: So for listeners back in 2019 we had Tara on the podcast, so pre COVID 19 so if you would like to hear more of her career story and, and sort of her journey to entrepreneurship, you can go to xyplanningnetwork.com/210. So that's 210. Again, that was back in June, 2019. According to the picture on this, I had a much bigger beard than I do now for our last recording, but the world has changed dramatically. Since 2019, you were about four or five years into launching your business. Then you're another four or five years in now.

So that was sort of serves as a halfway point. So if folks want to go back and listen to that episode, fantastic. And I think you're going to learn. What it means to run a business here because life changes, things change quickly and it has been I don't know, two decades since 2019, I feel like.

So a lot has happened in the world. So I guess just sort of to reorient ourselves, can you sort of take me back to I guess the, the real, the purpose of launching

your firm, what ultimately drove you to, to make the decision to, to become an entrepreneur?

Tara Tussing Unverzagt: Yeah. So actually my family is entrepreneurs.

My dad is a was a management consultant, had his own business. My mom was a financial planner. She was originally his back office for his business, which was sort of how he got, she got started in financial planning, which I'll get to that in a minute. You know, and my whole family is entrepreneurs.

So I. I have my degree in computer science and started out on doing that and was on the fast track to being a CEO of a software development company when I realized, whoa, wait a minute, if I get to my deathbed and my claim to fame is running a software company, like I will not feel a thing. I'm proud of that.

I want to do something more to give back to the world. So I sort of did a turn and decided to become a financial planner. And that actually came from, my mom was one of the original financial planners. And this, you know, long story is in the episode 210. So I won't do the whole story, but when my dad started his business she was his back office.

So she was doing the accounting. She started a retirement account for him. That was pre 401k days. That was like Keogh plan, I think back then. And and, and just, you know, was his marketing and his secretary and all of that kind of stuff. And when she went to start the retirement account and invest in it, she.

went to a stockbroker to see what to do. Didn't really like his answers. Went to the bank to see what she should do. Didn't really like the answers. And what I realized in the, I've told the story a lot and I did in our last meeting, but what I realized in the last year was really what happened was she got the story from our industry.

And she rejected it and she didn't like what they had to say. And she's like, no, I'm going to do something different. So she figured out how to invest herself. She started the account, she started investing, started studying how to invest and all of that. And didn't buy any of the products that were trying to be sold to her, which I thought was really interesting.

And, you know, I hadn't thought about that until more recently. And therefore, when she started, so she did that for a while. And then she, Learn, she did, prepared her own taxes and volunteered at the IRS preparing taxes for seniors. She got a estate planning paralegal in estate planning, cause that's what at home

moms do, and started teaching classes on home finances at a community college.

And some of the students started asking her to help with their financial planning. So she started having clients and then about that time is when the CFP® was. And she saw that and was like, well, I do that. And so she got those certifications and that was, you know, in the early seventies, I think it's when that all happened.

So that's sort of how she got started. And that's how I grew up. She, you know, with all of that and with that being the conversation around the dinner table and all of that. So as I was growing up, it was always sort of my intention that I would probably become a financial planner. Cause I could see how she raised a family.

Well, also, you know, doing that and having a fulfilling life. And I thought that would be interesting. So it was really when I decided to get married and have children that I realized it was, and also I was realizing that the path I was on in software was not really for me. And I have to say. Looking back also, part of what was happening in the software company was women were really not valued, even though I was on the fast track, and I was like the woman that was picked out, probably because I was most manly of all the women in the room, and I was allowed to have access.

Really, women weren't very welcomed, and a whole lot of bad behavior was happening, and I think part of the reason why I stepped out was because of that, because that was more on a subconscious level than a conscious level. So I stepped away, started my own business, didn't join the family business, started my own business, had a couple of clients, but I was doing back office for my mom also, and I was the compliance manager, and she had I was trying to figure out a succession plan, wasn't figuring anything out.

Finally, I offered, why don't I fold into your company and I could be your succession plan. So she liked that. So we went with that. That was 30 years ago. And I started working for her company and brought my clients into her company. So I worked with her for 20 years, 25 years. And when she decided to retire, then I spent a year trying to.

Take over the business and I just didn't know how to do that. She didn't know how to give it to me. I, we were just not communicating very well after a year. She said that she was going to sell the company. I'm like, Whoa, I'm not going to some work for somebody else. So I stepped out and started my company.

So that's sort of how I got where I was. So I thought I was going to take over the family business, but ended up doing my own thing. And then a year later, she couldn't sell it any more than she could let, give it to me. Bottom line is I realized later that she really, I wanted to keep her company going and keep that legacy and keep that name and all of that.

And that's not what she was interested in. She was interested in her clients being taken care of. And so when I started my own business and she couldn't sell it, then it turned out that her clients came to me, but it wasn't intentional. It was very. Badly done. But I, I ended up onboarding 65 clients on January 1st, 2017, and that was quite a day,

Alan Moore: Quite, that would be quite a year. So...

Tara Tussing Unverzagt: Yes, it was quite a year.

Alan Moore: Yeah. I mean, you're, you really have experienced all the challenging family dynamics that happen. There's, Great advantages. I feel very fortunate that I get to work with my wife and my mom, you know, both work at the companies here. But there is this dynamic where like, you know, I don't want to have to be the one to fire mom.

I'm certainly not firing my wife. But I'm, you know, and, and that's just, those are tough conversations because You know, in the end, we got to run a business, but also they're, there's no, you know, they're inextricably linked. And so, that idea that, you know, you're the successor and then you're not, and then you are like, that's family, that's life.

And it's really hard to navigate, but you've really you know, come through it. You're making it sound easier, I think, than it was, but you know, at this point in hindsight, it's 2020, but I'm sure it was. So, talk to me a little bit about, you know, since we last spoke in, in, on, on this show in 2019, it's been four years almost five now, or four and a half, I guess, from time to this recording what would you say has been some of, like, the biggest changes that you've made in the firm over those last, Years, you know, in, in surviving COVID 19, sort of dealing with, with the world going upside down a couple of times.

Like what have been some of the sort of the major milestones and, and shifts you've seen in your business?

Tara Tussing Unverzagt: Yeah, well, COVID 19s interesting and it is interesting that we. Had our last episode right before COVID, but when I last

talked to you, and I don't know if this was in that episode or not I had had an awesome CSA who moved from California to Florida and I did not want to lose her.

So I kept her on and she was working virtually. Which meant that we had to figure out how that was going to work and how we were going to communicate and how the business was going to work. And as we were figuring that out, actually, everybody moved away from headquarters. So everybody went virtual. And so we actually started at the end of 2018, but in 2019, we just became virtual.

We still had the office, but we, every, all the workers were all over the country, basically. And and so we all got, you know, our webcams and we And I was trying to figure out, I was at that time using like Google Drive and Google Meetup and Slack for chatting and blah, blah, blah. And we were trying to figure out, do we want to keep that or do we want to go over to Microsoft Teams?

And we ended up hiring somebody, RooksDM, and I'm going to give a shout out to them because they are awesome at helping. Financial advisors figure out their technology and getting technology that works for their systems, hired them to do that, you know, and I'm a programmer. So like I could do the analysis on that, but I didn't have time.

I was running a business. And are you hearing a telephone in the background? Okay, let's let it ring. Okay, somebody answered it. Okay, so I'll back up. Okay. So in 2019, we were going virtual and, and I ended up hiring Rooks DM. And, you know, I am a programmer. I, technology is my thing. And so I could have done this, but I was trying to run a business.

So they were awesome in coming in. And then we were also putting together our processes and workflows and they're awesome at that also. So they were asking us like the key questions that we needed to, to ask, to make good processes that were able to be automated. And then the technology to make those automations.

So they were really instrumental at that. And so we were working with them in 2018, 19. So by January, 2020, we were already virtual. We were already there. So when things shut down in March and everybody had to go home, we were already home. We just had to train our clients. The question was do you meet with your family?

Do you see your grandkids? Like, how do you do that? What kind of, you know, and okay, well, we use Teams. Can you try that? And if not, we'll go to your Zoom or FaceTime or whatever it is that you use. But, you know, it ended up being a very easy transition for the clients because they had to figure this out also.

But, and we were already there to meet them and to guide them into our process. So that transition was really easy and just like How just coincidental that we, that we were did the right thing at the right time. So that happened, but one of the things that's been a really big change to over the last 10 years is I started this company with the vision of making finance, quality financial planning, accessible to everyone.

And when I started that, my vision was that people with low assets or low income would still be able to have access to financial planning. So the last time we talked, I had started a community, an online community that people could join to ask questions. We would give them resources, blogs, ask me anything sessions for them to come in and ask questions.

And we were trying to do a one to many kind of financial planning to make it cheaper and more accessible to people. We still have that online community. It didn't take off the way we were hoping it would. What didn't solve the problem for people that we were thinking that it would? And so we sort of tried some other things and pivoted.

And, and Two things came out of this whole journey. One is that we are still trying to make financial planning accessible to people, but what we've realized is that actually the market that we make it accessible to that we hadn't thought about were people who cannot deal with traditional financial planning either because they're neurodivergent, because they have a lot of shame, Because anxiety, depression, whatever, they can't follow that system that you learn when you get, you know, our training for your CFP® and they shut down, they do whatever and so I, I'm a certified financial therapist too and we weave that into everything we do and I didn't realize how valuable that was to a whole bunch of people who just can't even, like just, just making that first phone call, they shut down, you know, and, and, and they can't do it.

So. Like that's a whole group of people that I never even realized didn't have access to quality financial planning that we've now allowed to step into our doors. When did

Alan Moore: you start working with that client base? Like when did you realize that was an opportunity or, or notice that suddenly, you know, your clients were different maybe than, than the clients of other advisors?

Tara Tussing Unverzagt: When, when they started contacting us and becoming clients and, and getting the feedback that, you know, I have ADHD and I, I couldn't talk to somebody else, you know, or I hear these things and I just shut down or, or, you know, we went to your website and, oh my gosh, like I felt heard and, and, you know, accept it, even though I'm not doing anything right.

And a lot of people, and one of the things, so I do the KMSI, the Klontz Money Script Inventory for All. clients coming in. And one of the things that I thought was interesting when I first started using it, which was like seven years ago or so, everybody was money vigilant. And I'm like, Whoa, wow, everybody is money vigilant.

And then I realized, Oh, wait, no, no, no. Everybody who comes to financial planner is money vigilant. A little bit of self selection. So they know they are, they are like focused on this. They don't necessarily. So, you know, I also use the wealth builder from data points, which is money behaviors. And, you know, based on the millionaire next door and the behaviors that allow you to be wealth accumulators.

So they may not be good planning and monitoring. They may not be frugal. That's a really interesting one. You can be money vigilant, but not frugal, which is going to, you know, send you into a direction that's not going to be successful. But they're all money vigilant. They all are like paying attention.

They all understand that something's not right here and that I need to do something wrong. And that is why they reach out to a financial planner.

Alan Moore: So, when I was asking sort of when you know, like when I guess, or with those clients, when, like what year did they, did this start? Is this something you've always worked with or has this been in the last few years?

Tara Tussing Unverzagt: It was probably when we changed our website, which we need to change again, because. Probably back when I did that last. And before we were targeting like 20 year olds, like college students, and right out of college. And so we set up a website for that about five, six, seven years ago, which is really the website that we have now.

And that's not really our market anymore. So we need to shift it. But the, the message is still the same, which is, you know, You want to live your best life, and yet you're anxious or uncomfortable or like have issues with making that happen. And, and just that sort of open and understanding verbiage that we put on the website at that point is what it is.

That was when people started stepping in. And I guess when we changed the website, we probably also changed like our messaging and social media and stuff too. But it was funny. We have one client who contacted me in LinkedIn, but she had seen a comment I had made in Instagram about something that was very inviting.

She was ADHD and felt like she was failing at everything. And something that I had posted in a comment in Instagram made her go over to LinkedIn. And then she went to our website and called us. And I was like, whoa, that's, that's interesting. And maybe, I don't know. I don't know if that's normal or ADHD, but...

Alan Moore: I would say as a fellow ADHD-er I, I had a story of sort of going from Instagram to, to LinkedIn, that's definitely the rabbit hole.

I can end up headed down and like find, you know, someone that shouldn't be findable looking for that. But the yeah, I mean, it's so interesting how messaging on a website really can, and the way you're messaging on social media and that sort of thing can really help bring in the types of clients you want to work with.

Because, you know, you mentioned in in our the initial sort of data gathering for this show, you said and I'll, I'll read this quote other financial planners, problem clients are our ideal ones. So can you tell me more about what that means and how that shows up in your firm?

Tara Tussing Unverzagt: Yeah. So I, I hear a lot of clients who say, you know, I told them to do this and they don't do it.

Like I told them and they say that they're going to do it and they come back to the next meeting and they haven't done it. You know, and they're going to do it and then they come back, but they still haven't done it. Blah, blah, blah. You know, and it's frustrating for the financial planner. Totally understand.

And that makes a lot of sense that it's frustrating for the financial planner. But the fact is it's equally frustrating for the client also. And it also comes back to a lot of financial planners, whether they are financial therapists. Also, or not, like

I know a lot of financial therapists, financial planners who feel like they can't take the time to do the financial therapy part.

And I'm like, no, no, no, no, you can't, you don't have the time not to, because you waste your time in those circles. If you don't like slow it down. And take a meeting to dive into like, what's, where's this landing on you? How, why, you know, what is going on when you think about going on that, you know, website and, or calling HR to set up that retirement account, like what's happening in, in your body.

What's happening in your brain. And let's slow this down and really tease it apart and figure out where this is coming from. And by spending a little time on that, you can go forward so much faster.

Alan Moore: I love that. Cause it's so true that if you invest some of the time upfront, you avoid the debt that starts to accrue from not making that early investment.

It starts to accrue this debt that to your point, you hit a point where life's like nothing is moving forward. Nothing is happening because you did not invest the time upfront. You know, it is. An interesting phenomenon that it's like, I, I fully believe in financial therapy and life planning. I believe that, you know, life, what we call life planning is, is just financial planning done well.

But it, it is a time consuming process. It is not a like jump on for 30 minutes and knock it out. And so how do you balance that? The time consuming and emotion consuming. I mean, you know, a 90 minute financial therapy session for the practitioner like yourself is draining. It is exhausting. How do you balance that with wanting to make this accessible to more people, which generally means you need to be more efficient and spend less time with the clients and turn and burn.

So like, how do you balance those two?

Tara Tussing Unverzagt: Yeah. And I think that's beautiful. My, my brain went so many different directions on that. And one of them is we are living in a world of efficiency. And I want to just throw out there, if we didn't learn anything during COVID 19, it was sometimes there's too much efficiency.

And when you go too efficient, you lose resilience and robustness. And the whole breakdown of supply chains and thing was because we were so efficient. That we had no resilience to anything going wrong, anything going wrong and

the system falls apart. Right? So efficiency is great to a point. And then it breaks down.

And so keeping that in mind. And so what I do, you know, and because I do have a technology background, I try to be as efficient and automated as I can until a point where you're, you have to have a human interaction. And at that point, efficiency is out the window because it's not about efficiency. It's about getting things done, which is not necessarily efficient, but absolutely right.

The relationships are. 100 percent not efficient, which is one of the biggest struggles I've had when I started this journey down financial therapy. And I had to do my own work first. And actually I continued to do my own work. And one of the things I realized was, yeah, the first thing that came to mind is, oh my gosh, relationships are so inefficient.

Like can't we just move on? And so that was my discomfort. And so I had to deal with like. When am I feeling and why, you know, and, and exploring that and, and sort of digging up, why is it valuable? Why am I uncomfortable to slow down and take the time? Because I was, I was very uncomfortable sitting in my feelings as I'm connecting with somebody else and allowing them to feel their feelings.

So that was my work that I had to do. But, and then that leads to the second thing that you were talking about, how exhausting it is. Financial therapy is a hundred percent not exhausting for me. My hour sessions, I come out of there energized because I'm not absorbing what they have to say. I'm helping sit with them while they go through that and reflecting back to them what they have and understanding that the feelings that they're having are the feelings they're having.

And the only thing I need to keep track of is. What am I feeling in relations to their feelings? And those are my feelings and keep them to me. And like, I, I study internal family systems, which I think is a modality that's really great for financial therapy. And that has a concept that we all have many parts, many thoughts.

So I always talk about how we have a spending part and we have a savings part. And if they're imbalanced, Things go well. And if they're out of balance either way, so like for me, I have a huge saving part and I have anxiety around spending. So I'm out of balance in that direction, which makes me a great accumulator, but doesn't necessarily allow me to live my best life.

So I've had to figure out how to bring that back into balance so that I live my best life and that I'm comfortable saving and I'm comfortable spending also. But so teasing out what those parts are and when I'm talking with a client and a part comes up with me because they're anxious about something, recognizing I have that reaction and that that part showed up and saying, Hey, I'll talk to you later.

I need to be here and, you know, ground it for my client to be able to help. And that just is exciting to me and thrilling, but it did take a while to get there.

Alan Moore: Yeah, absolutely.

Tara Tussing Unverzagt: And Practice

Alan Moore: So tell me about sort of your typical client now, you know, if a prospect walks in the door and they're sort of your ideal client profile what makes them unique?

What makes them sort of your ideal client?

Tara Tussing Unverzagt: Yeah. So one of the things that, so our first meeting, so we have what we call the fresh start. Program, which is basically building a plan and there's six sessions, which could be done in six meetings often take way more than six meetings to get through. But the first one is what we call the discovery, which is going over KMSI.

So your money beliefs and wealth builder, which is your money behaviors and talking about, you know, what was money like growing up, what were some flashpoints, some, you know, pivotal moments that have happened in the past, either in childhood or as a young adult that are memorable. And when they become memorable, then they then they become part of what you think this is the way the world works.

And because of those, that's how why you're making decisions going forward. So knowing where they came from, helps us understand where they are right now, what's going to help. Move them forward successfully and what's going to hold them back from moving forward so that we can capitalize on the things that are working and sort of tease open the things that are holding them back so that they stop holding them back.

So if you can go through a discovery. And be okay. And maybe even energized at the end of that, that like, wow. And we've had a lot of our clients, our ideal clients. We'll get to the end of that and say, wow, that was amazing. And

especially for couples, a lot of times it's the first time that they've heard the other person's money stories and, and, you know, how they got here.

And so we often have with couples, oh my gosh, that explains. So much about our conversations. I had no idea that, you know, this is what they had experienced getting here. Like that explains why they're not worried. Like I am cause. They had a different experience. They got here differently. And that's true for every single person.

So if we get to the end of that discovery meeting and they have that wow, aha kind of thing, then I know that they're going to be an awesome client. And if they get to the end of that and they're just like shut down and uncomfortable and all of that, then we're probably going to have a little bit of a struggle.

Not to say that they're not going to be good clients, but we're probably, either they're going to like run and hide. Cause they don't want to deal with it or it's going to be a little bit longer for them to get comfortable and confident to be able to really address some of the things that they're thinking and believing.

Alan Moore: I know there are mixed feelings on assessments and putting people into, you know, the little Myers Briggs box or whatever it is, but I personally find them enlightening and I don't think any one is perfect. But sort of in the aggregate of looking at a lot of, you know, I guess sort of learning how to view yourself in different ways, putting words to things. You don't know what to call it. You know? I, I joke like with Strength Finders is one we'll do with our team. And when I was growing up, I, my parents would call it Alan's crazy train, like Alan's on his crazy train again. And I never knew what that meant. And, and I learned, you know, StrengthFinders calls it activator.

It's the ability to get started in like this compulsion to just start something. And when there's nothing to start, you just find something. And, and that for me was so helpful to, to really just be able to put a label on it. And now, you know, I know what my wife's are and we can talk about it and we can say, Oh, there's your activator showing up.

And it's not a blame or a critical thing. It's just like, Hey, that's your personality and we see that strength coming up and sometimes that's good. And sometimes, a lot of times it's not. And so things like the you know, the, the, the assessment that you're mentioning, the the, is it the building wealth...

Tara Tussing Unverzagt: Wealth Builder

Alan Moore: Wealth Builder is super helpful for that. So...

Tara Tussing Unverzagt: Yeah. And I'll also say that, that. Those surveys, the way that, that I look at them are they give you like trailheads to start conversations and and sometimes we'll, you know, we'll say something, you know, that you have this money script or you have this behavior and they'll be like, Oh yeah, a hundred percent.

And also, you know, because we have them talk about their past first, a lot of times going over those surveys are. So the survey says this, and that actually relates directly with, you know, what you said over here, like that, that confirms, you know, this, this thing here. But sometimes they feel like, oh, no, that's not me.

And that can be one of two things. That could be A denial because in their head, that's a bad thing. And so I have to not be that, but they really are. And so then that, that becomes their inner critic getting in their way. So like opening that up and saying, it's okay to be that. Cause this is a us thing too.

All parts are welcome. So like your activator part, that's a great part. And as you said, it can show up in places that maybe isn't the most helpful, but that doesn't mean that it's not a great part. It just needs to know when to be big. And when to let other parts of you be big and let, you know, and to relax a little bit while, while other parts show up.

So it's, it's a matter of knowing what is there when you want it to show up, when you want to say, Hey, you know, we love you. But relax a little bit. We'll come back to you later. And being able to navigate that smoothly and effectively and, and honestly, and like in, you know, with no judgment and like really honoring the fact that you, that those characteristics are important and good strengths in certain situations and that other areas are better in other areas. And being able to balance that.

Alan Moore: Yeah, I totally agree. I should have started the episode with this. Can you sort of orient me in terms of like where the firm has grown to and however you measure the size, whether clients, revenue, number of staff, sort of the, those metrics.

Tara Tussing Unverzagt: Yeah. So we actually have, oh, and I should have this off the top of my head, but I think it's 60 clients right now.

And I think the last time we talked, we had. 65. And as you might've noted, we had like 65 in January 1st, 2017. So, we, the number has been sort of the same. We do have the, the clients that the legacy clients, as we call them from the family business when they came on board, were between 65 and 80, no, 65 and almost 90.

So now they're, you know, 70 to 90. My oldest client is 90-... turning 98. And so we have one person pass away. One or two people pass away every year. Sometimes we get their clients cause we do do a lot of legacy generation work, which I'd love to go into also. But because of that, we often, when a client passes away, we end up with.

Two or three new clients, but sometimes we don't because sometimes they're not the ideal client. So, you know, sometimes the, the kids don't come to us. So, so that happens and it's a funny fact. We had nobody die in 2020, not a single client died in 2020, January 21st, 2021. We had somebody die. It was just like the weirdest thing, like every year somebody passes away.

But not in 2020. But yeah, so, we we've lost some people because of that. And then we've had one or we've had, no, we've had a small handful of people leave because they weren't ideal clients and they were uncomfortable with the direction that we were going. And I'm like, and, and some of them wanted just, especially the legacy client, just wanted an investment advisor.

And I, I basically, I actually tried to fire an investment only client. I have three legacy investment clients left. And one of them is not an ideal client. And I fired him. I said, okay, you're not a client on January 1st. You're just gone. He's like, No, I didn't want to leave! And I said, I don't care. I want you to leave.

And he's like, well, wait, how can I, how can I become, stay a client? And I said, well, I do comprehensive financial planning. That's my love. That's my joy. You need to, you know, get on board. And he finally said, he said that he would do it. And I, he said, okay, I'll, I'll switch over. I'll be a comprehensive.

And I said, well, wait a minute. What that means is, you know, you need to meet me. Like, there's all this stuff that goes with that. And he's like, I'll do it. I'll do it. And I said, okay, I'm giving you six months to show up and be a good client and you can stay. Otherwise you're out of here. So, So people who just weren't, you know, good clients went away.

But I have a feeling this, this guy is probably going to end up being a good client. He has ADHD, I'm pretty sure, undiagnosed. And so he's just sort of all

over the place. And so I think he needs just a little bit of grounding to help him get get connected and, you know, get on a path. But we lost a couple of people because of that.

So we've been like shifting to ideal clients. So We've always had around 60, 65 clients. We used to have probably 25-40% ideal clients. And now I would say that we have about 80% ideal clients, maybe even higher than that. So, and our AUM has stayed about the same. Our fees have gone up a lot since 2017.

It's. That's probably triple what it was back then. Because we've changed the way, we haven't raised our prices. We changed the way that we charged fees, fees. There's no good model.

Alan Moore: There's no perfect model. People spend a lot of time on that one.

Tara Tussing Unverzagt: I didn't, I didn't like any of the four that we had. I don't really like the one we have now, but it's the best one that I can use.

And basically it's a sliding scale so that it's affordable to whoever it is. People who have more money, make more money, pay more. People who have less, you know, make less pay less. And, but it's, it's, it's a good deal for any of those people. So I, you know, I don't feel like I'm overcharging anybody.

Alan Moore: So with your sliding scale, is that based on income, net worth, investible assets, a combo?

Tara Tussing Unverzagt: Income and and assets. So we do 2 percent of. And this is always so hard if you're not a tax person, 2 percent of AGI minus capital gains. And then 0.45 percent of assets under management that, you know, are at Schwab that we are managing and then 0.2% of held away accounts that you want us to advise you on.

Alan Moore: Ok. Do you ever get pushback on the income base number just from clients?

Tara Tussing Unverzagt: I get push back all the time from everybody. And when, I don't know if I told this story the last time, I think it was after our last podcast when we went to this, current fee, our biggest client had the biggest jump. Because he was really underpaying for what he was getting and, or they, it was, it's actually a family. And uh, he, he yelled at me for like an hour about the fee. And and, and the thing was like, I totally understood it. You know, as he

was talking, I was really glad that I had had my financial therapy background because he's money vigilant.

He's a hundred percent money vigilant. This was a big sticker shot. This was a lot of money that he was having to write a check for. Of course, he was upset. He's a, you know, he, he wants to make smart investments. He wants to use his money wisely. Of course, he's upset about this. And I realized later after going through that and thinking about it, that he was just processing it and I was just sitting with him as he was processing.

His anguish over having to pay this high fee. He didn't leave, you know, and he didn't want to leave. And he felt like, you know, I was abandoning him by doing this higher fee, but he realized that, yeah, it is still worth it. And so he, he stayed, but he, he had a lot of big emotions that he needed to express and it's like, okay. That's part of my job too.

Alan Moore: Yeah, and there's no right way to handle those situations. I mean, for some folks, I say, look, if a, if a client yells at me, I'm going to let them go. There's no way I'm going to work with them. Others can sit with that and be comfortable with it and not comfortable, but can work through it and, and make it to the other side.

As long as it's not repeat behavior. If that's happening every month, we need to, you know, we, we need to address it. But, but it is okay for people to have bad days, you know, in my opinion, like it just, it happens. You, and we know more as financial planners, but like we don't always know what's going on in everybody's lives, like what's stressing them out.

And so giving a little bit of grace while also protecting yourself and being sure that. You know, you're, you are well taken care of as well. So you mentioned earlier about the generational planning. I'm curious how that fits into sort of your family office model that you really have been building towards cause you offer do you still offer tax preparation?

And so really comprehensive service.

Tara Tussing Unverzagt: Yeah, so we are financial partners and that is one thing that some people don't understand. So like if people come to us and they want to be, have an investment advisor, I tell them they're a dime a dozen. They're not me. Go someplace else. You'll actually probably pay more and get less, but if that's what you want to do, but you know, that's your prerogative.

But yeah, so we do financial tax preparation and planning. We do Cashflow, both day to day with like a YNAB or, you know, something like that. And also long short term, intermediate, long term goal planning with RightCapital. We do investment advice. We do, we review insurance and we review estate planning.

And so, and we do, we have a lot of experience with reviewing estate planning. And I think it's so funny. We'll review their estate documents and do a summary. This is what your estate planning, you know, documents. Say will happen when things happen and we'll give it to the client and they're like, well, I don't want that.

They're like, no, I don't want this person doing whatever. And it's like, well, that's what your, your documents say. And if that's not what you want, like we're not the lawyers, you need to go to your lawyer, but this is what it says. So we put it into English that they understand, you know, what they've done.

And that's always sort of interesting. And then helping them figure out like, what do you need and what don't you need? No. Do you need a trust? Do you need two trust? You know, and, and all of that. We work with special needs people also, so there's a lot of what services are available and how to set up your finances so that you take care of your loved ones who might be in that situation.

And so it's comprehensive for all of that. And yes, then we end up also having conversations with people, well, like when they reach about 65, 70, I start talking to them about like, when you need more help. What is that going to look like? And I like to start them because they're nowhere near needing more help, nowhere near needing caregivers or going into, you know, retirement home or nursing home or whatever.

But it's a good time when they're still fully, you know, not like anxiety is down, cognitive ability is open to have those kinds of conversations and open up that discussion as a normal thing to think about and to talk about. So we start that at about 65, 70. And then we also start talking about that wealth transfer, especially if they're, have a family business or if they have, you know, a large net worth having those conversations, cause a lot of times they won't be having conversations with their kids and they're uncomfortable about having conversations with their kids.

So sort of, I, I see it as like an onion and you're just peeling the layers of the onion of starting to talk about. Talking about money and what does it feel like to talk about money? You know, it's like sort of the first place to start and talking with your kids about what are their concerns around money and things like that.

So not talking about the actual dollars and cents and you know, all of that technical stuff, but just, you know, where are we on having comfortable conversations about money? So we help families do that. And then when they get a little bit further, like having those conversations about what, what do you want to, it to look like, you know, what does fair mean?

Is being fair important? Is being fair being equal, or is it something different than that? And like going through that because often, you know, your kids are at different places. And so meeting everybody where they're at can be really challenging. And most people who don't want to do their estate planning, it's really not this.

A lot of people think that it's because they're afraid of dying. And I find it's not about that. It's about. Thinking about their estate planning means that they have to think about their family relationships.

Alan Moore: And they have to pick winners and losers. I mean, in the end about who's going to be the guardian and who's going to be the beneficiary and who gets the family.

Tara Tussing Unverzagt: How are they going to feel about that? Right. And like, I don't like, you know, my daughter's husband. Well, I don't want her to getting, you know, him getting my money, you know, and all of that. And so they don't really know how to navigate all of those big feelings that they have about that. And so they just don't even want to like go down that path.

So a lot of people think that they. That they're like being lazy or that they're afraid of death or no, this is hard. This is hard stuff to think about and to talk about. So, but yeah, so we help people try to get a little bit more comfortable and sort of step into that. You know, we, we love baby steps, little steps at a time.

Alan Moore: Yeah, I, I challenge advisors who do feel, you know, who are, who feel like, you know, like, I'm constantly having troubles with my clients getting things done or having these estate conversations. Like if, if you're running into this a lot, I would ask you as the advisor, do you have your own financial planner?

Because I can tell you, I, I have multiple degrees in financial planning, plenty of experience. My wife and I still have our own financial planner and I make. terrible client. I know I'm a terrible client. I so feel for our advisor and he keeps the wheels on the bus and keeps us pointed back in the right direction.

But like, we're not the, we are not the quintessential clients who the CFP® case studies told you about. We struggle, like my wife and I, we've just come to the realization there's no right answer on our guardian for our kids. And it just, there's, there's no perfect answer. I have a one opinion. She has another.

It's different values navigating that and so, you know, we're still working on getting those, you know, documents updated several years later. And like, those are just the things that I, I think it, it's one of the huge values of sitting in the seat of the client is I do think it helps you develop some empathy to understand just how hard these conversations are to navigate, particularly with a couple.

And you know, I, I think it, it has made me much more with clients over the years, just because. You know, we, we start to see what it's really like, again, not the case studies.

Tara Tussing Unverzagt: Yeah. Well, and also we all, it took me a long time to realize that how I needed to show up for my clients was not to expect them to want, to have had the same experiences that I've had.

And therefore they're on the same page and they know everything I know. So A, that's not true. And also that they're going, trying to go in the same direction that I'm trying to go. Because most likely they're not. And so, you know, that was a beautiful example that you just mentioned about two people. So in a couple having different such, you know, thoughts about things, but that can also happen within one person.

And I'll go, you know, speaking culturally also is that we are all, you know, a lot of us white, eurocentric financial planners have one way of seeing the world and the way we think things should be. And that's not the same as like the whole rest of the world. And we have a hard time like shifting our brain to realize they didn't grow up like us.

They don't have the family systems we have. They have a different set of family system. Neither are better or worse. They're just different. And so I need to be open to the fact that they're going to be different. But then in the make what makes it even more complicated is here in the United States, a lot of we have a lot of immigrants, and they have one foot in the old country and one foot in the new country.

And they get flustered because what is being responsible in the old culture where they came from is different than what's being responsible in the new culture. So now they have that anxiety and the internal conflict going on. And

then they see a financial planner who's trying to tell them, you know, something that is not landing well on them because that's not where they came from.

That becomes very challenging. So there's a whole lot of stuff going on. And, and a lot of it is You know, back to asking the questions and trying to be open to the fact that you might not understand where they're coming from, what's important to them and what, what's the value of a short story from a, I went to a conference and somebody was talking about a couple that they were working with.

Woman was European descent. The husband was from the Middle East. She was the main bread winner. They wanted to get life insurance to cover her income for the husband in case anything happened to her and the husband didn't want life insurance. And they're like, no, you have to have life, like your plan doesn't work if you don't have life insurance.

And my question to the financial planner was, well, like what was he thinking was going to happen if anything happened to her? Like what? From his culture? How does he do? I mean, that happens in this culture. What, what do they do? And he said, well, they have a safety net, you know, in their culture, like everybody pulls together and takes care of that family.

And I said, okay, was it, well, that, is that not good enough? And the, the financial planner was sort of dumbfounded and wasn't quite sure how to answer that. But, you know, we might not have the answer. We might have an answer. And there might be other answers out there that we're not considering because in our worldview and our experience, we don't know about. Other options. So being open to that and being curious.

Alan Moore: I love, I love that that example. And then that's what real financial planning looks like. And so for folks who if you're like, I'd never have these clients you know, coming to me with these types of issues, I would, I would question whether or not, you know, that, that advisor.

is, has done some of the work for themselves so that they really can take a client there because this is just life. No one is simple. No one is easy. No one has an easy plan. It is just hard in different ways for different reasons. And, and that's the value that we bring as financial advisors.

Tara Tussing Unverzagt: And I think one of the reasons why we have this anxiety that we do in our culture right now.

It's because everybody's trying to do it right. And I have to tell you, I have a huge inner, get it right part that shows up and just smacks me all the time. And getting that part to relax is really hard. But I think that we all are living with that. And so we're trying to do our best. And we're always trying to get to the top and be that one percent.

And the fact is, that's an impossible journey, right? We are not all going to be one percenters, and that's okay. And actually, it's good that, you know, we do have that diversity, and to embrace, as we were saying before, you know, the values that we do have, and appreciating that. Can help that anxiety relax a little bit, but to a certain extent, like, you know, we financial planners have to do that work for ourselves so that we're not bringing that into the room, but know that your clients are probably bringing that into the room also.

And so you need to you know, sort of relax a little bit about. How you're expecting them to show up.

Alan Moore: Yeah, totally fair. So where is your sort of time and energy being spent in terms of, of the business? Like, I guess, what are sort of your one to two year goals that you're working on with the firm?

Tara Tussing Unverzagt: Yeah. So we are in a scale phase. We were in you know, sort of trying to get our found foundation down. And we actually, last year was the year of the sloth and we actually had our marketing person made a logo with a sloth hanging off of our logo. I'm showing it to Alan, the podcast won't be able to see that.

But so yeah, we, we've spent actually the last, well, since 2018, working with Rooks DM and getting, you know, our infrastructure in place. And then this last year or two, like really figuring out. What is the service that we're offering? And, and, you know, we tried a whole bunch of different things as we've told you, and we've narrowed it back.

So getting back to that, making it accessible to like lower income, lower asset people. We do have the community. Everybody's welcome there. But we also have hourly services. So a lot of times people just have questions and they, they just need answers. And, and actually there was a, on the Facebook XYPN group, there was this conversation about somebody who came and spent an hour asking questions of a financial planner about when they, this person should hire Vanguard to be their advisor.

And the financial planner was like, what the, you know, why is he wasting my time? And the fact is, there's a whole lot of people who don't know how our system works. And so we do have an hourly service so that that guy can have access to us, to ask those questions about when is the right time to hire Vanguard, and that he can go hire Vanguard.

He doesn't have to hire us. We're A OK with that. And we also feel like there's a whole lot of people who can do it themselves, you know? And so we want you to do it yourself, but we want you to have access to quality financial planning. Maybe ask questions or review what your plan is. So if people come to us and they'd go through a fresh start program, we use RightCapital.

They get to keep RightCapital forevermore and they can come back to us and, you know, they can maintain it. They can drive their plan and then come back and ask us questions if they want to on an hourly basis. We're trying to put together an annual review so that they can hire us for, you know, less than the recurring client price to, to actually go through that on an annual basis.

That's coming soon. But, so that's how we've sort of figured out how to best meet the needs of lower income, lower asset people. And that has been really successful. People love that. And so we're, we're happy. We have that. We have the community that's open, free for anybody, and that's just for community building.

And that, so then where am I spending my time? So we have all of our infrastructure. I've hired, we now have four lead planners in our business. And so now I'm starting to have some of them take some of the clients that they are capable of taking, maybe require their expertise. So we have a CPA tax planning person who's also an expert in special needs.

And we have somebody who's a specialist in, she's a fire person. She, she was a teacher, retired early and became a financial planner. And so she's our fire retirement. Like how do you get your act together? If that's the direction you want. She also is an expert in student loan planning. So, and we do 30 minute free student loan consultations for anybody who, especially right now because of the changes that have happened and there's a, there's a window right now where you really have to take some action.

And then we have another person who's sort of a family oriented small business side gig kind of, focus. Our family office also, because of who has the CPA and me in it because family offices often have family businesses, we do do both supervising accounting. We don't do bookkeeping, but we'll oversee

bookkeeping and we'll prepare taxes or oversee their CPA's taxes to make sure that they're taking advantage of everything.

And then also marrying the cashflow of the business and the cashflow of your personal. which that's a whole unique thing in and of itself. So I am, I've been training my staff to be awesome at what they do and supervising them and making sure that all of our clients get what they need. And doing podcasts like this and sort of getting the word out of what we think like real financial planning is all about and why it's important.

And then also doing a lot of studying on financial therapy and how to be better accessible to people who have more challenges in coming to financial planning. And yeah, so I'm, I'm actually moving. I'm an EOS er, so I'm moving towards being the visionary. And, but I still have my core clients that I'm planning on taking to the grave with me cause I love them and I love working with them.

And I also do the financial therapy. Right now, I'm the only financial therapist in the company. We are planning on hiring more. But so you can do a one on one, one hour financial therapy as a standalone, or all clients have access to me to, even if they're meeting with another financial planner for their financial planning needs, they can meet with me to do financial therapy to get, if they get stuck in an area.

Alan Moore: That makes sense. Well, I can't believe our, our hour has flown by. You know, as we're coming to the end of the show you, you gave me an answer back in 2019. We'll have to go back and compare and so I'll change the question just a little bit. And that is, I guess, really over the last four years, four and a half years since we last spoke, what, what's one piece of advice that you wish you could go back and give your pre 2019 self something that you've learned over the last several years that's really been valuable to you?

Tara Tussing Unverzagt: Oh, wow. Um, you know, I think one of the things as we went into EOS was, you know, finding the right person for the right seat and having people who get it wanted and are capable of doing it. I was pretty good at that, but I, I, I think I gave a lot, way too much runway for trying to support somebody being able to move into that into a position that really just wasn't the right position for them.

And for, you know, all sorts of reasons. And so we have let go two people since then. Or two people have left. I'm not going to say that we let them go. Two people have left that I think there was in everybody's best interest and

everybody is better off that they're now gone. And I think that if I had done that a little bit quicker, everybody would have been more happy.

Alan Moore: Yeah. I joke that we call that RPRS issues, right person, right seat. And I am just relentless on handling RPRS issues quickly because I've never once waited longer and then been like, Oh, I, I really should have done this later. Like it's always, I wish I would have done this sooner.

Tara Tussing Unverzagt: So, you know, and it's my background is so I'm pretty old and I've been in business for 40 years and I've been a manager for like 35 years.

And so I had a client, I mean, I had a staff member who was probably autistic would be my guess. I have no idea and I really shouldn't be diagnosing, but, but he had some interpersonal issues and like he called the CEO of the company stupid and things like that. And so he I had to put him on probation.

So I put him on probation and it was a six week program that blah, blah, blah, blah. And when I sat down with him the first time and I told him what the problem was and how he had to change, he had no idea that what I told, like he was, he was like side swiped on that. So he came back the next week and, you know, he was still working on it and, you know, there's areas that we were still working on, but he had made a huge improvement just getting reflected back what the problem was right? So in about week five, he was going to come off of probation, but we had layoffs. And so of course, who gets laid off first, but the guy on probation, so he was gone and I felt really badly, but that made me realize that like, people can change if you give them enough feedback. But, but there's a point where you have to say, no, you just like I've given them enough feedback.

They had enough time. They needed to get there. You know, there, there's just not a match here and it's not anybody's fault or anything, but there's just not a match here and we need to cut bait.

Alan Moore: Absolutely.

Well, thank you so much for taking the time to come back on the show and give us an update on your journey.

It's been you know, it is the journey. It's the entrepreneurial journey. It's a roller coaster. It's highs and it's lows and it's twists and turns and, and that's just life. There is no, there are no straight lines in, in life and especially in business. So

thank you for for giving us your time and look forward to hearing from from listeners on, on what questions they have for you and how they feel like this went. So thank you.

Tara Tussing Unverzagt: You're welcome.