

**Ep #285: Creating a Global Financial Planning
Institute: An Update with Ashley Murphy**
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Ep #285: Creating a Global Financial Planning Institute: An Update with Ashley Murphy

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Maddy Roche

Narrator: [00:00:01] Join your host, Maddy Roche, as she brings you into a community of fee-only financial advisers who are successfully building profitable businesses that serve the next generation of clients. Learn from innovative advisers whose unique stories will inspire you to dream big and take action on your goals. Are you ready to live your best life and help your clients live theirs? Then you're in the right place.

Maddy Roche: [00:00:25] Hello and welcome to this episode of #XYPNRadio. I'm Maddy Roche, your host. I'm excited to have XYPN member Ashley Murphy, founder of Arete Wealth and the Global Financial Planning Institute and the show with me today. This is Ashley Murphy's second visit to #XYPNRadio nearly three years ago he shared his career journey and expertise in the expat space. Today, he joins us to give an update on how his niche can turn into a full blown industry shaking initiative. After recognizing the gap in technical training in the space of cross-border and international planning, Ashley spearheaded an initiative to create content, training, and a designation around the expertise. As Ashley discusses on the podcast, advising in this space is complicated and, like some other niches, demands a specific level of technical competence. Ashley recently had an article on Kitces' blog talking about the considerations of cross-border planning and issues advisers may run into. Ashley shares with us how his passion project for the GFP is changing the direction of his firm, and he encourages anyone who wants to get in the space to do so. There's an unlimited number of clients out there in dire need of cross-border planning from an adviser who has done their research. If you're interested in turning your passion project into a full blown second business, the show is for you.

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Maddy Roche: [00:01:45] Avocado toast, selfies, a mountain of student loan debt. Gen Y is anything but traditional and with over seventy five million people, it's a population you don't want to ignore. Learn more about how to serve this unique population in our guide called Attract and Profitably Serve Millennial clients in your RIA. Discover three key ways to tap into the millennial market and six things that they want from their financial advisor. Visit XYPlanningNetwork.com/millennials for your free copy. You can find any of the resources we mentioned during the episode at XYPlanningNetwork.com/285. Also, be sure to go to XYPlanningNetwork.com/VIP to join our private group, just for #XYPNRadio listeners. It's the community of advisors we've all been looking for that's there to provide support when we need it the most. Best of all, it's free. I encourage you to check it out. Again, that's XYPlanningNetwork.com/VIP. Without further ado, here's my interview with Ashley.

[00:02:44] --swish--.

Maddy Roche: [00:02:44] Hi, Ashley. Welcome to #XYPNRadio.

Ashley Murphy: [00:02:48] Maddy, Maddy! So excited to be here! It's great to be back.

Maddy Roche: [00:02:52] It is great to have you back. I did not facilitate your first interview back in 2018, but you have been a long time XYPN member and you certainly have a great story to share. I'm so excited to get an update from you about Arete, your firm, and especially some of the stuff that you've been working on behind the scenes that has been pretty

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big in your world. So, Ashley, why don't you let the listeners know just a little bit about you and your firm, just generally maybe for folks that haven't yet listened to that podcast.

Ashley Murphy: [00:03:19] It's funny, Maddy. So I actually haven't been a member of XY Planning Network nearly as long as I should have been and when I should have been. I was the guy that invited Alan to the study group that in turn spawned him and inspired him to launch XY Planning Network. But I was the odd kid out. I was still doing insurance, much to my chagrin, as I look back, about things I wish I hadn't done. But I did for four years. And it wasn't until mid 2017 that I joined XY, but yeah, how things been going. What's-what's happened since then. It's a-it's a remarkable period of time to-to reflect upon because in that time if we look at say July 1st, so beginning of Q3 to the end of Q2 2020, I've experienced 300% growth and it's continued on that pace actually. Now in the second two quarters, not that we're done here in 2020 yet, but hopefully fingers crossed with, with all this good, good news we're starting to see with vaccines and maybe not the winter that hasn't been so positive, but I'm remaining optimistic things that we think that we will hold on through the rest of this year. So things have been going growing like gangbusters. It was actually also around the time I spoke to Alan that I had made my first hire. Well, that stuck, I should say, (laughter) wasn't my first hire, but we've been together now for almost three years. That's Kellen Enright. Fantastic paraplanner of mine. And I've also got a full time, which sounds crazy for my size. It's about 60 client households, fifty four million AUM, as of today. I've got a full time marketing guy, but the reason he's full time is-is will come out later in the conversation, but things have been going great. So, yeah, Arete is doing well. We actually have a retreat this weekend. I'm getting together with my marketing guy in Miami and I think we're going to take the decision to-to end the domestically focused business simply because we've been going so hard on this-this Aussie expat niche for-for so long. We rarely get prospects that are like just plain old domestic. Sometimes you do from

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those legacy clients that make a referral or something or NAPFA or whatever. But-but really, you know, it's-it's-it's just it's undifferentiated. And rarely am I am I too excited by those prospects that come on. What really gets my heart racing is a client. I've just on board. I mean, she's literally just the perfect, perfect, perfect kind of client. I'm looking for a young lady who's been extraordinarily successful with her clothing business in New York. She's an Aussie expat businesses worth seven million. And because she's been focused so firmly on her business for so long, she it's she's done basically nothing in terms of the financial planning side. And so the nature of the engagement is really, really broad. So we've got the business owners stuff. That's great. I love that. I got the CEPA® designation a little earlier this year, so helping her think through the exit planning side of it. So there's tons of domestic planning work, tons of business owner work, and then there's all the expat stuff there. So there's a lot of meat on the bone with-with a client like that, you can charge a fair fee to someone who's got that sort of income and net worth and it's worth our while. We really dig deep and can move the needle for her and make her dreams come true.

Maddy Roche: [00:07:00] Oh, that's awesome. Ashley, you mentioned Aussie expats. I'm interested, is that your, is that your niche and what you consider your niche? But you mentioned kind of business planning, an exit strategy, that sort of stuff is what is your ideal niche?

Ashley Murphy: [00:07:12] Yeah. So when I launched, you know, I have a background as an entrepreneur in Australia out of university, that's what I was doing. I had a funded startup. And so when I made the transition some years, it was some years like like 80 years old, six years later, I made a transition, but I did it very intentionally. So I had five target markets that I'd identified. I don't know if I can recall all of them, but I really wanted to scatter my-my-my bets a little bit here. And one of them was the Aussie

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expat angle and another one was business owners. And both of them made a lot of sense for me and who I am and my history and so forth. And so I got traction very early on with business owners, given a background in entrepreneurship, but also in corporate finance. I did that for-for about five years before becoming a financial advisor. So that one took off early. But it wasn't until the end of 2014 when I had a referral from advisor, mentor, slash friend of mine, she said, Well, gosh, you're an Australian. You must know everything there is to know about, about Aussie expats and, you know, the financial services market there and financial planning. And of course I didn't know anything. You know, I've moved from Australia when I was gosh, twenty three or something like that. I you know, I didn't know a thing. So I enrolled in a graduate diploma of financial planning there and really started schooling myself on what there was to know. And, and because I felt that's the only way to do it. You know, I'd been attending the FPA's International and Cross-border Knowledge Circle Group since 2010 in Denver. I remember the first breakout session I attended and there was so many things that one needed to know to really properly serve that target market. And it was intimidating. I mean, they were throwing alphabet soup, acronyms at me left and right. And and I had no idea what they're even talking about. So I thought, man, I've got to study up and learn what I don't know about this particular target market. So-so that's what I did. Yeah. I went in and studied up on that and-and learned about it. But anyway, you know, sometimes I waffle on here Maddy with it. Get so excited. You know with what I'm talking about that I just want to make sure I answered your question there.

Maddy Roche: [00:09:38] No, you did. You did. And I'm-I'm thankful that you brought up what you did because there are certain niches that really call upon specific technical expertise. And I think a lot of advisors enter into this industry thinking, oh, I'll take anyone that fogs a mirror but ultimately, if you have a client with massive student loan debt, there's a real technical

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expertize that you need to know about. And it sounds like there's-there's that here with with your expertize, is that correct?

Ashley Murphy: [00:10:05] I think that's exactly correct. And I love that you've used that term. There was a thread going on XY for a little while there. And, you know, to do with what is a niche. And I would say that the technical one is-is probably the first rung below niche like so meaning you've got a niche. But then beneath that there's a marketing niche, like just I identify with, you know, whatever category. But there's really no specific technical knowledge that you need to work in that market. And then the technical niches and among the technical niches, I'm sure there are more. But I would say the special needs planning, late stage college planning where you can shift, Joe Messinger is has got great material on that. Student loans, of course, it used to be same sex and maybe that still same sex is probably a bit of both, you know, probably marketing and technical. But with DOMA, a lot of that as has simplified, thankfully. That's about it as far as I can think of, on the technical side. I was just listening, I was in the gym this morning listening to my old friend and mentor, Richard Arzaga podcast on XY, on-on-on Kitces. And, you know, he talks a lot about real estate. I, I don't think that-that really is that technically different. I think if you understand the PNL, if you looked at one or two properties, you know, APODs, as they're called, annual property operating data, you know that it's pretty easy to understand. But, yeah, those are-those are the technical areas that that I would I would point to. And the expat one is, in my mind, is far and away the most complicated in terms of what technical knowledge that you need. So the way I would divide up, I think it's very, very important. Language is important. You know, words have meaning. And so I always use the term international and cross-border because international really means if you're in the US, as we are and you're working with clients that have moved here from abroad, there's-there's two ways you can work with it. You could say, listen, I don't know anything about where it could be from Austria or Zimbabwe or anywhere in between. You

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could say, I don't know anything about where you're from and that's fine. You know, I appreciate that. But I'm going to be upfront and say that I don't, I can't help you with your Austrian or Zimbabwean retirement plan or investments or whatever, but that's okay. We're living in the US and as someone from abroad, you have a common set of challenges that I might be able to help you with if I have that particular schooling and education on what those issues actually are. So that's international. I'd call that inbound international. Outbound international would be the American moving abroad. Same thing, it doesn't matter where they're going. There's going to be a common set of challenges, common set of things they need to know about. And hopefully you can make a good referral to someone in that country they're going to to help them with with the matters in the place they're going to, whereas cross-border is is, you know, even further down the specialty track. Cross-border means, you know, specifically about that foreign country. So you can say someone's moving to Canada. You could- you could say, look, someone like Brian Rock transitions financial advisor. He's a guy who actually has a CFP® in both countries. He's he has a firm that is licensed in both countries or Marina Hernandez. She's another person. So she has the RIA equivalent in Switzerland and the US. So if you're Swiss or you're an American moving to Switzerland or vice versa. Oh, my goodness, you've got one firm that can truly provide that book ended financial advice. And we try and do the same thing. I'm not registered. I don't hold myself out as being registered in Australia, but I know a lot of firms, you know a lot of advisors there. I can make a good referral. But-but anyway, that was a goal early on. I had thought I'd like to do that. But then this tsunami or nuclear bomb of-of of compliance blew up in Australia. They had this thing called a royal commission, you know, very similar to like a blue ribbon commission in the US where they-they had an unlimited budget and unlimited powers to subpoena anyone. And the financial services industry got put through the wringer. And so now all of the fun, all of the profit, all of the incentive anyone would have to to be a financial adviser has been removed in Australia. And, of course, the pendulum is just beginning to swing the other direction where they're

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talking about simplifying things because they just made it impossible to-to operate in-in this business. So anyway, hopefully that-that-that gets better over time, but, that's the long winded answer to your question, Maddy. So international, inbound, outbound and cross-border being a subspecialty of that.

Maddy Roche: [00:15:09] Wow. And how many of your 60 households would you say fall into those nations?

Ashley Murphy: [00:15:13] Two thirds to three quarters. I think there's- there's also the the the vintages of clients are really the pre, let's say, 2018 vintage when, you know, getting started, I was the same as what you described. You could fog a mirror, if you had two legs or even if you didn't, then you have a good prospect for-for my firm. So-so there's the legacy clients, which which would really be that quarter to a third of clients that are there. And then everyone's sense is, is an Aussie expat and really everyone this year, maybe I'd have to think of who came on board last year, but probably for the last two years, not a single. Yeah, I think that's accurate. Not a single client that did not fall into that Aussie expat niche. And the real the niche within a niche is the business owner, Aussie expat. So the Aussie expat, there might be just some random person or an American moving to Australia. So those are the two target markets. And there could be any Aussie or any American moving to Australia, whereas I feel like I'm really swimming in my lane with the Aussie expats or the American. So the Aussie expat businesses owners or the American expat business owners.

Maddy Roche: [00:16:32] Fascinating. Yeah, Ashley, I'd be interested in just a couple examples of kind of the technical expertize that you have to

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have to serve these folks. I think a lot of advisors don't realize by taking on a client that may have interest in living abroad or had, was born abroad, what that really means for the planning components, like how does that change the financial plan, technically speaking?

Ashley Murphy: [00:16:56] Oh, man, it's-it's fundamentally different. It starts at the fact finding level, as a matter of fact. So the first class in the GFP is about that. Is there's all sorts of things you need to know about what's the legal status of this person you're dealing with, are they on a visa, are a permanent resident? Are they a citizen, a dual citizen? Because that is going to change like literally what-what road we're going down? Are they going to get bitten in the backside, possibly by-by the HEART Act or other things? So that way and in fact, I'm doing a presentation to the FPA just tomorrow, as a matter of fact. So these these points are well versed in my head Maddy. So thank you for asking the question. The way I define the- the technical issues would be by virtue of of the missteps, what are the things you could do wrong? And I'd categorize them as being in descending order of consequence. And that would be you've got your bear traps, you could lose a leg. If you step on one of these things, you've got your pitfalls. You could break a leg. If you-if you fall down a pit and then you've got your missteps, you could twist an ankle. And so bear traps, pitfalls and missteps of the bear traps, I think they really center on a very, very fundamental point. And this raises eyebrows whenever you-you explain this to people. And that is the US is amongst one of the only countries in the world is. China is just beginning to do the same. But it's one of the only countries in the world to practice what's called citizenship based taxation, meaning if you are a US citizen, doesn't matter. Again, if you're in Antarctica or Zimbabwe or Mars or anywhere in between, you are going to be assessed for taxation by Uncle Sam. And so what are some of the bear traps that that are there? Well tax reporting? If you fail to file your files, your formatting on 38, we're talking about penalties as high as 50 percent of the asset value, not fifty percent of of the growth we're talking

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about 50%. Uncle Sam comes on and takes half of the whole thing that you didn't declare. And a lot of that came about as a result of the Swiss banking scandals that came to light around 2008. But these happen, you know, people get hit with-with those sorts of fines. And if you've got an advisor that doesn't know what they're doing and they're party to that, then they probably just cleaned out their E&O policy as a result of that. If it would pay at all for something like that. Another one would be PFIC. That's an acronym for passive foreign investment corporations. We spend half a-half a lesson. So a whole hour talking about PFIC. PFIC, what are they? Essentially, if you have a client who has a foreign domiciled mutual fund or ETF or rate, then they have a PFIC. Okay, well what's that mean? PFIC essentially get taxed at the highest marginal rate for every year that they're held, plus penalties interest, but-but even if that-that if there's there's little growth on that PFIC, then there's something that's I think is-is it's just as bad or maybe even worse, depending on who you are and how you value your time. And that is the time it takes the time and money that it takes to account for these because the unbelievably complicated and will drive up your-your cost of filing your US tax bill significantly. Another one that really doesn't hear the light of day, which it should and-and, you know, I want to encourage advisers to to to adhere to their CFP® oath of-of competence. Another issue is the HEART Act. So the HEART Act of 2008, the Heroes Earnings Assistance and Relief Tax Act of 2008, essentially an expatriating individual leaving the US. In other words, it might stumble into an exit tax on a global estate. This really hits. So if you're an American moving overseas and you want to relinquish your citizenship, not that you wouldn't do that for your love of country, but because of the untold complications that will go with with being an American abroad. Many, many, many. In fact, those just an article I posted to the GFP Institute just yesterday, the trend towards increasing renunciations has been it's been an exponential curve and there's no exaggeration. That's exponential starting in 2017. It's been you know, is the trickle sort of gradually increasing and then since 2017, it's just been taken off. But anyway, so really permanent residents have that to worry about. If you become a green

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card holder and you're here for more than eight of 15 years and you fail one of these three tests, then you get assessed for an exit tax when you leave the US, which is quite unique. And few others, I shouldn't use the word unique because that would imply it's the only one. But there are few other places that that apply that. And most-most advisors don't know this. And it's not readily attainable to gain that knowledge, to find out exactly what these things are anyway. So those are bear traps. There's some estate planning, bear traps. I've got a client. This is the last example of a bear trap. He owns a highly appreciated company in Silicon Valley that the beneficial owners actually family trust back in Australia. Big mistake. Big, big, big mistake, because that if things don't go his way, that could be deemed to be Australian. What's that mean? It means located in Australia, therefore subject to Australian tax. Let me say Australia is a lot less forgiving with its capital gains tax than what Uncle Sam is. So those are bear traps. It could lose a leg. Pitfalls would be certain things like individual disability policies, group life policies that don't pay if you're overseas or don't pay readily contributing to the wrong type of account. We see this left and right, Roths, 529s, cash value life insurance, not so much with-with-with XY advisors do we see cash value life insurance. But they don't travel well, you know that you could end up getting double taxed. So that's breaking a leg there. And missteps would be foreign withholding taxes in excess of what a treaty provides for. That's that's really an inconvenience. You might twist your ankle, get over it within a day, but if someone's moving overseas, they've still got their retirement account in the US. A treaty says, hey, you can actually be eligible for 15 percent withholding or in the case of the Australian treaty, zero percent withholding. The folks working at Fidelity or whatever that-that 401k or IRA custodian is. They have exactly zero incentive to use their eyeballs, use their brains and read a tax treaty and understand that that's actually what it says, because every other situation they've ever encountered says 30 percent withholding. And so they've got nothing, nothing to gain and everything to lose by-by going along with what someone is saying. And that is, hey, the treaty says this. So-so that's an inconvenience because they're going to have possibly

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tens of thousands of dollars or hundreds of thousands withheld unnecessarily. They'll get it back. They can file the next year. But, you know, there's that uncertainty that exists, the lost opportunity of investing those funds and so forth. So that's my answer, Maddy, yeah.

Maddy Roche: [00:24:53] Yeah. Really, really, really good answer. Puts a lot of perspective to what advisors will need to take into consideration when deciding to take a client like this. I'm interested, Ashley, how common is this niche? Because quite frankly, when I when I think of cross-border planning, I can think of just a handful of advisers in our network that focus on it. And I'm interested. Do you do you have a study group of folks that that work on this or a community of advisers that focus on this niche?

Ashley Murphy: [00:25:21] Yeah, you know, that's a great point. So what I found after spending almost 10 years in the-in the FPA and the International Cross-border Knowledge Circle, I was a host for them for a couple of years. What I found was that there weren't study groups coming together. There had been one in the late 2000s and the first decade of the 2000s. What do you call it? Some people call that the naughties, the like not zeros, the 90s. But anyway, there was one that that got started. I wasn't a part of it. I was invited towards the end of it, but it didn't it didn't really achieve lift off. And that's because I think there needs to be an alignment of incentives and that's what's been missing. So it works. I think there would be a really harmonious community if people were were certainly qualified. They know what they're doing and they were established and there were successful advisers already. Because I think what happens is and I don't-I don't begrudge much, I don't begrudge advisers that are like this because because we're all there at some point. That is if a great prospect came along to any financial adviser and I don't know if I've said this to you before, Maddy you probably have. But if let's say an Aussie came along, is worth

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ten million dollars, you know had several million investable assets of business here, business there, to practically any adviser in the country and said, listen, here's my situation. Can you help me? That's absolutely, we can help you, can't help you anything to do with your strain of investment property or that inheritance you got to the superannuation account or any of that stuff. That's okay. We won't pretend we know what we're doing there, but we've been helping hundreds of families. You know, this business has been around for however long and that's what happens. Advisors don't just claim that they're operating outside of their area of technical competence. Like I said, despite it being standard of conduct, code of ethics, CFP® website, looking at it right now, A3 competence. Despite being in breach of that, practically every advisor I know of would still, not I should say not every advisor. And I do get a steady trickle of referrals from professional advisors that are-that are happy to stick to their knitting and do what they do. But-but anyway, that's what happens. So there's nine million Americans overseas. Thirty million folks born abroad and many, many, many millions more who pass through the US in other circumstances, like students and business travelers and so forth. I would put it to you. I haven't Maddy, I haven't researched every other niche out there. But I would put it to you that of those technical niches that we mentioned, that it's the biggest of all. In fact, it's so big that it has it's it's made a stealth entry into the CFP®. If it-if it wasn't important, why would it appear in the CFP® curriculum under the estate planning side where if you've got a nonresident spouse, you need to know that there's one hundred and fifty seven thousand annual exemption, gift exemption that you can send between those spouses. It wouldn't be there if it wasn't so common. That's the thing. There's 30 million, there's literally one tenth of the, almost a tenth, one 11th, I guess, of the entire US population is in this bucket. And yet, we don't-we don't have nearly the attention called to this niche that is deserving of it. So anyway, those well.

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Maddy Roche: [00:28:58] Yeah, great answer, Ashley, and I appreciate your perspective on this, that it's a-it's a super important niche to focus on for advisers who are interested in it. And I love your attitude of the abundance mentality that there is-there's so many clients out there that need support. There's not enough advisers to give the support. -.

Ashley Murphy: [00:29:14] Exactly, yeah.

Maddy Roche: [00:29:16] - And that you've actually taken it upon yourself, Ashley, to create a more in-depth curriculum around this niche. And I'm interested in you sharing with the listeners kind of what you've built and why you built it.

Ashley Murphy: [00:29:26] Absolutely. Absolutely. So that was what I found was and I wasn't alone. I think other advisers felt this as well. But there seemed to be this cycle of advisors that would ask questions to do with a cross-border client or international and cross-border clients. And then these very experienced advisors that had spent, like myself, tens of thousands of hours and dollars developing this knowledge and-and without the appropriate context, they didn't have any incentive to spend their time writing lengthy emails and referring them to white papers and whatever to educate advisors that were dabbling in the area. And so we saw this recycling of there were new-new folks say in this cross-border community, they don't know anything. And then they experienced advisors who do know stuff but aren't really incentivized to educate whom they may view as future competitors. And so this bifurcation happened where no one was really, well certainly the clients were suffering at the end of it all, who's not getting served is clients. So I saw that dynamic and I thought that there's got to be a way to-to-to-to break this, to-to-to hack it and to fix it. And it was

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with that insight that I said, right, the way to do it is to launch a community that does a couple of things. It provides education so that everyone's on the same platform so that we can have intelligent conversations. People know what these bear trap, pitfalls and missteps are. They're educated as to how to avoid them, how to-how to refer out, how to refer in, depending on the-the client situation that present. So the education, the community, no one knows as much as all of us. So to have a trusted network to go out to and say, hey, by the way, I've got this weird situation, a client who would otherwise be in my target market is moving to Europe. And actually this did happen on two occasions, I can think of. I've had Aussies that have moved to Europe or my very first ever client. Coincidentally, he moved to Germany. And so I would love to be able, did I fire him? Did I say, sorry, you've moved to Germany? No, I've said I can't help you on the German side. I'm not even going to pretend. Here are some outbound international issues you should be aware of. I went and found him an adviser in Germany, and I hope he's getting great service from-from that adviser in Germany. But anyway, so-so the education, the community, the ongoing research as to best practices and serving these communities, but also compliance. You know, most advisers, if not everyone I've ever met in the XYPN community, they want to do the right thing. But finding out what the right thing is, is incredibly complicated and expensive. And then the fourth thing would be providing-providing a platform of-of services, a platform of-of tech and apps and services so that advisers can actually profitably serve that community. So what does that look like them? That means foreign exchange for one sixth the best rate that's otherwise out there. That means specialized tools to help folks figure out when their clients might be subject to that exit tax I talking about. Helping folks report on-on multiple, on their global portfolios, in multiple currencies and so on. And so there's a whole bunch of things that really builds on the tech stack of-of-of XY Planning Network or others that are or the existing tech stack that and an advisors is using. So that's the-the-the-the GFP, the Global Financial Planning Institute, was founded to address those those shortcomings that existed, the opportunity that I saw to get advisors educated, the opportunity I see

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also to make a referral to clients looking for someone with this knowledge and provide the ongoing research and resources to support the clients.

Maddy Roche: [00:33:45] Fascinating. You've been running your firm for a number of years and now you've kind of pivoted into this space of being an expert and a community builder of this area. How does this all fit into kind of the larger plan for you and in your life? And were you expecting it to take this kind of pivot?

Ashley Murphy: [00:34:01] You know, I-I should have been I don't know if I entirely was or that I entirely am currently. But it would appear I often think back to Alan's situation in launching XY. It feels like a very similar journey to what he must have gone through, because there's no way of knowing the future. But it would seem as though there's been a tremendous, not seem as though there has been a tremendous response to the GFP. You know, we've got twenty five advisors just in our inaugural class, like literally first email went out August 1st, class started October 1st. We got twenty five advisors, just nuts, in that time. And we have a wait list that's even longer than that for, for class starting at the beginning of February. And so it's likely we'll probably have more than 50. That being the case, I am drawn to. It's my life's work to build that community. I can say that safely. However, it's also my life's work to-to work with clients and help them realize what possibilities lie for them. So to be honest, I really haven't figured out what's coming next. It would seem it would seem that the writing is on the wall, that I'm going to have to hire an advisor to replace me at Arete. I would still like to work with a half dozen or-or ten or so clients, but drastically reduce my time there. And so I think it's going to be a parent probably by January, late January, once we see what the enrollments are looking like for-for the next intake of the master class. Exactly what-what

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my future is with-with the GFP, because, you know, it's probably a 15 grand undertaking to hire a recruiter to go and find someone. And then this is not this is the other thing. It's-it's a shame about the niche that I have. But it's also why I'm developing the GFP in the first place, is how do I go and find some advisor that has the knowledge that I do on the expat side that could walk in, you know, and provide the same level of service and advice. So I think it's probably going to be a two year transition. I can't imagine, you know, maybe-maybe that's my short-sightedness. I just haven't met the right person yet. There was a transition, actually, two of note in the last six months to an advisory out in Madison to creative planning and and Andrew Fisher's firm, Worldwide Wealth, that was recently sold to it to a gigantic RIA. So the big RIA is these aggregators, the roll ups, they're seeing that this is a real niche. So there's money and motion out there. This is real, real action there. Some could that happen? Possibly, but it would have to be someone like a like an Andrew Fisher, you know, who would-who would take over the firm because otherwise, how are-how are these clients going to be advised so either internally or or or a sale. But I think it's much more likely to be internal. I would prefer that too.

Maddy Roche: [00:37:10] Awesome. And I love this idea that, like through this network of yours, you're going to be able to have an even larger impact than what you've been able to have at Arete as advisor to clients. You-you're now empowering other advisors to serve even more clients. And so the impact that that you will have in the space Ashley is quite large. And I'm wondering really, what are your goals with it? What are you hoping to achieve with rolling out the GFP Institute?

Ashley Murphy: [00:37:38] You know, I'm so thankful. It's such an unexpected reply that I might have here, Maddy, but I'm so grateful to XY Planning Network and here's why, not only has-has Alan provided, it's kind

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of just a template of what I see is happening for myself. But coincidentally, later today is a presentation from someone who he doesn't know it. He might actually. But because our performance coach is the same guy, Peter. But-but Reese, who will be presenting, I think at one o'clock Central Time, I forget his last name, but. He's-he's actually done exactly what I see myself as doing, the idea that GFP so big, I think we'll be looking at raising money, raising capital. Presently, it's me. I've got a partner, Matt Garren. He's actually the Director of the Curriculum. He's-he's a big wig. And I shouldn't say big wig. He is-he's actually he's with the American college, is a Ph.D. He-he helped them redo their CFP® curriculum. So he's a fantastic partner to have on board. Also got a PhD working group helping build out this curriculum. But that doesn't answer your question. The-the focus here is now we've-we've got a great US curriculum, international, inbound, and outbound. The next step looks like doing the same thing for the major countries. You know, the English speaking folks from are moving to like Canada, UK, Australia, New Zealand, South Africa. So building an inbound outbound starting from those countries and then doing the third level would be doing a cross-border curriculum. So doing a US-Canada, a US-UK, US-Australia, making it so that if you want that education it's available for you. So that's what excites me. There's also, you know, again, it's-it's just I see the example Alan said here and Alan and Michael have had it's exactly the same. It's like there's a whole bunch of niche opportunities that I see in serving this market, like tech opportunities, investment opportunities, planning opportunities that-that I'm just excited to-to-to get into and develop. That's what really gets my heart racing is-is looking at that. But one other thing Maddy, I know we're pressed for time here, but one other thing that excites me more than anything in studying the GFP is doing what my friend Matt Jarvis is doing next year, and that is designing my own conference. So and like what-what do you guys have done to. But if you think about it, you know, we've got this GFP members that are serving clients from all over the place and members who themselves are from all over the place. What's stopping us from having a conference in Majorca, the island of Majorca, off the coast of Spain or in Hawaii or in you name it, I

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mean, literally, you name it. And why not? Because we're dealing with an international folks, you know, target market to begin with. So having conferences in places that you want to go to, you know, making making your life something that's exciting. You know, the work that you do is, is the work of your dreams. You get to go to these incredible places and have these amazing experiences and get content that you'd never, ever get access to otherwise.

Maddy Roche: [00:41:01] I love this industry so much and I'm so thankful for the opportunity to do this podcast because I get so much energy from the advisors I interview. And it's so amazing, Ashley, the kind of energy that you're speaking with about this, that this is-this is really your life's work and you don't have any plans to pivot any time soon. And how lucky is that for for you to really have found the space that-that you just love so much.

Ashley Murphy: [00:41:25] Yeah, there is a lot of luck. There's also a lot of soul searching and self-help books and great communities, you know, that help you arrive at it making the right decision. But, yeah, actually, just-just in February, my wife and my family and I, we're moving to Australia for-for, two years. So I'll be running these businesses from down there. I think there's a behavioral bias. This is one I'm really trying to talk to whack, you know, wherever I see it. But people get nervous. They always ask, oh, so where are you? It's like, this is where I am. Doesn't matter. You know, I will set my Calendly to hours that I'm comfortable in meeting. You don't need to worry if I'm in Brisbane, Australia, if I'm in Minneapolis, Minnesota, I'm going to be as present focused on you as as I would be anywhere. So for-for the next twenty months will be-will be in Brisbane. Hopefully, these-these COVID restrictions will begin to lift by mid next year, which is what I'm expecting with the pace of these these vaccines rolling out. So then, yeah, it will likely be looking at having a conference, maybe, maybe fingers

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crossed later next year, probably more like 2022. Yeah. So it's, it's nuts. And I've been apart of Limitless Advisor for a couple of years and some of the exercises that they do are things like, you know, if-if-if you could do, if you knew you could, couldn't fail, what would you do? And that's what got me to launch the GFP. Another one would be if money was no object. Then-then what would you do? And it's well, it's it's pretty much the same. But, you know, a little bit of a pivot towards education impact, family planning, environmental stewardship, things like that. That's maybe a bit beyond financial planning. But I hear you Maddy. I hear I think it's-it's we're so lucky in the field that we're in. It's just yeah, it's just so many benefits of being a financial planner and doing the work that we do and making the impact that we make on people's lives.

Maddy Roche: [00:43:27] Did you know that that was going to be the result of your work in this space? Ashley, when you started, I mean, if we were speaking directly to advisors that are considering getting into the space, did you expect that you would be able to have this kind of impact when you entered into it?

Ashley Murphy: [00:43:45] It's a great question because I think probably, you know, everyone answering that question honestly would probably say yes and no. I would say both, because you've got to hedge your bets and be like, you know, I don't know what I don't know. And, you know, I don't know how competitive or helpful or unhelpful the folks in this business might be. But also there's a belief that you have in yourself, you know, and what got me I know I'm not the only ones answered this way, but what got me to become financial adviser was I did that Three Circles Exercise by Jim Collins. You know about what you're passionate about, what you're actually skilled at, what you understand the business model of. What's the middle of that? What lay in the middle for me was financial advice. But I

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had turned my back on it. I'd started an investment club at my undergrad university and grew it to a couple hundred members. But financial planning was completely off the path for me at that time. I would just as well become a shoe salesman because financial planning at that time in Australia was one of these sort of, you know, not like this quasi white collar business, but you didn't need anything. You didn't need a high school education. You didn't need a degree or none of that. No, no, no. And so it was it was very lax. The regulations, it was all about selling enough annuities, and life insurance to make it to the president's cup trip. And in Fiji or wherever Bali, it was not, it was all about product sales. And so I-I just totally closed it off and then went to a CFP information session, which was just as much as an RIA information session at Berkeley back in 08. And the scales fell from my eyes that, you know, it's just like, oh my God, this is exactly. So did I know, no. Did I expect it, no. But when I realized that no one else was doing it and that there were active barriers in the way, that's a whole nother conversation. Better suited to a beer at a bar sometime. But there were barriers. There were literally obstacles. People saying do not do this, for their own reasons. And I'm glad I had the the stomach to be like, no, I think they're wrong. I think they're and I know they're wrong now in retrospect, like certain things that were said were absolutely false, like some of the founders of the profession today said things to me that were categorically wrong. And it was like, okay, I, how long as a newbie in a field, if-if one of the most storied advisors in the whole profession says to you, state of fact, you know, with passion and emphasis, how long do you think it's going to take for you to prove them wrong and to be like, what don't I know? Because clearly this person speaks with so much authority. I've just got to listen to them. I'm going to take it on faith. But it took me about eight years, literally took me eight years to realize actually what that person said was just not correct.

Maddy Roche: [00:47:00] Wow, wow, wow, wow. I'm so thankful for this interview. Ashley, I think our listeners are going to really be enlightened by

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a lot of your commentary around this. I can't help but wonder, Ashley, if you're running two businesses. I know you're a dad. You're about to move around the world. Do you sleep? I guess the common question to Michael Kitces is, do you ever sleep? How do you stay sane? How do you take care of yourself in this kind of especially tumultuous time?

Ashley Murphy: [00:47:28] You know, it's not that. Thank you for the question and the implicit compliment there. I don't often compare myself to Kitces and no one ever has. But anyway, so, no, I actually, I again, I attribute this to Stephanie and Matt's work with-with Limitless Adviser in just getting really clear about delegating and-and, you know, the whole concept of client surges. So I am very busy. I'm also very structured with my time, so. Excuse me, I, I really try and time block I'll have client on weeks, client off weeks. Kellen is-is great. He certainly does a lot of heavy lifting. My marketing guy, he's fantastic too. And we've-we've just I don't know. I've just had a real focus on efficiency kind of my whole life I've been obsessed with-with efficiency getting more done with less. Don't reinvent the wheel. It's let's but let's make sure that that wheel is aerodynamic, has low rolling resistance and those tires are pumped up. So-so that's it. I've probably bitten off more than I can chew right now. Like I've been pretty stressed with the move. You got to register with the SEC now that I'm going overseas. We're putting together a final exam now for the-for the for the GFP master class. Rolling at next year, client interview with Arete. Yeah. I mean, there's-there's a lot going on, but that's-that's really is having goals. I do this daily goal review, quarterly retreats to-to-to get up on goals and figure out what my rocks are. And then we've got weekly meetings on a number of different topics with Kellen. And so things get done and it's about holding people accountable to do what they they're committed and tasked with doing.

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Maddy Roche: [00:49:22] Ashley thanks for that-that perspective. And I love how you just casually say you're-you're kind of stressed. You've got to register with the SEC and do all these things. You seem to you seem to really keep yourself nice and consistent. I think that-that focus on efficiencies are really good lesson to all of our listeners to really think about. You know, as you go out on your own, it really will just be you for a little bit and that you do have to do a lot more with less. Yeah. I'm wondering any last commentary to-to the listeners about maybe what you would have told younger Ashley about his future in this space, if you could? Any recommendations for our listeners who are considering entering into this beautiful industry of ours?

Ashley Murphy: [00:50:03] Yeah, you know, I really, really, really early on, I had a conversation with a lady who. Came from a professional services background, very smart lady who-who had fallen in love, coincidentally with Brisbane, Australia, my hometown, and she said, great, I would love to launch a cross-border firm, as you're planning to do. And she used this word. She said, but my thing is I'm very empirical. I like to experience things myself because I think that's the best teacher. And-and I love the way she phrased that. She said empirical. Yeah, yeah. That's me, too. But it's-it's been my undoing. And that's my answer to your question is because I didn't listen to folks, to the consultants, to the-to the annual studies and so forth. And what people like Michael and Alan are saying about, you know, pursue a niche, because if you're undifferentiated, you're really just not going to get the referrals and have the growth and have the efficiency that you get when you are differentiated, doing very, very similar work from one client to the next. And so I would have done that. I probably would have taken a side hustle and-and really focused on that-that Australian side and gotten my-my graduate diploma in Australia sooner and just been able to hit the ground running with that. Coulda, shoulda, woulda with the-with the expat market and the niche, the niche focus. I think it probably would have slowed growth for the first two years because you're still learning the basics

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at that point, but would have accelerated it now. And I feel like I'm yeah. I've, that-that would be my answer. But I've also, you know, just thrilled with the journey. I'm especially happy where I'm at today. I have to pinch myself sometimes. But yeah, it's-it's been a wild journey, learned so much, met some incredible people. And I think mostly I appreciate the culture that exists within the financial planning community where this is not like investment banking. This is not like management consulting, where people you'd be hard pressed to get anyone to give you any time. I talk to new advisors all the time, offer them tips, and hence I have to be mindful of my time. But I do carve that out and and share my experiences. And I know I like to pay it forward because others help me as well.

Maddy Roche: [00:52:34] Love that, Ashley so much. Thank you for such a beautiful interview, I hope our listeners enjoy this. Ashley, it's been a total pleasure to know you over the past couple of years and to watch what you've built. I cannot wait to catch up with you soon as you make the transition abroad. But thank you so much for your impact on this industry. And don't take it lightly. You really have had an impact both on our network and certainly on your clients and the folks that you've come into contact with. Thank you so much Ashley for being on #XYPNRadio.

Ashley Murphy: [00:53:03] Yeah Maddy. Thank you for all that you do. You're the unsung hero here. We need to thank you for the work that you've done in elevating XYPN.

Maddy Roche: [00:53:10] Thank you. I so appreciate that.

Ashley Murphy: [00:53:13] All right.

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Maddy Roche: [00:53:14] Avocado toast, selfies, a mountain of student loan debt. Gen Y is anything but traditional, and with over 75 million people, it's a population you don't want to ignore. Learn more about how to serve this unique population in our guide called Attract and Profitably Serve Millennial clients in your RIA. Discover three key ways to tap into the millennial market and six things that they want from their financial advisor. Visit XYPlanningNetwork.com/millennials for your free copy. Be sure to join our VIP community at XYPlanningNetwork.com/VIP to hang out with other #XYPNRadio listeners, ask questions for future mailbag episodes, and finally to find a community of like-minded financial advisors. Thank you so much for joining me today. We'll see you next time.

Narrator: [00:54:02] You are not alone and you are not crazy. It's scary starting, building, and growing your own financial planning firm. And that's why we put together a free private community just for you, the cutting edge financial planner. Go to XYPlanningNetwork.com/VIP or text #XYPNRadio to 33344, and join a network of thousands ready to change the lives of Gen X and Gen Y clients.