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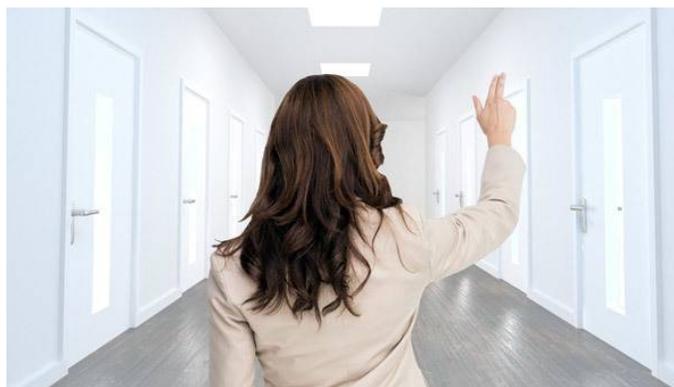
## ThinkAdvisor

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# Why 7 Advisors Left These 7 Professions to Become Advisors

There are ‘many more career changers than undergraduates’ enrolled in CFP programs, says Joseph Maugeri of the CFP Board



Now is the “golden age” for financial advisors, says Joseph Maugeri, a managing director at the Certified Financial Planner Board of Standards who’s charged with expanding the number of CFPs. Demand is growing as baby boomers prepare for retirement – about 10,000 retire every day – and others, including millennials, plan their futures while the supply of advisors is shrinking.

“Roughly 44% of advisors are over the age of 50,” says Maugeri. “There is a real need for more [because] many of them will be retiring over the next 10 years.”

Enter the career changer — the professional who doesn’t necessarily work in finance, sees an opportunity in providing financial advice and grabs it. There are “many more career changers than undergraduates” enrolled in the roughly 240 CFP programs offered at colleges and universities, says Maugeri.

They offer something first-career advisors usually don’t have: life experience, which can be particularly appealing to potential clients who are approaching middle age or past it.

ThinkAdvisor wanted to find out who these advisors are, why they made the change and what advice they have for others who are thinking about doing the same. We asked the CFP board and others in the industry for names, then interviewed some of those advisors. Here’s what we

found.

## What Second-Career Advisors Have in Common

There were several common traits we found among the second-career financial advisors we spoke to, including the satisfaction they get from helping others, as well as a penchant for learning and analysis and an entrepreneurial bent that may not have been manifest in their previous occupations.

Matt Doran, the Edward Jones principal responsible for the firm's Financial Advisor Career Development Program, says he sees a lot of community leader types including teachers, coaches and even clergy moving into the profession.

The business is a “great blend” of professional skills and knowledge and entrepreneurial spirit for those who “want to make a social impact, who want to do well by doing good,” says Doran.

All but one – Mark Hebner, CEO of Index Fund Advisors – work directly with clients on their financial plans and portfolio investments. Six own or work with an RIA firm; three are CFPs; two are retirement income certified professionals (and one of them is also a chartered advisor for senior living). All are fee-based, charging 1% or less on assets under management except for Genkin, who charges by the hour or by the financial plan.

All seven career changers that we spoke with, in fact, have started their own firm, either alone or in partnership with another.

Several still spend time doing what they did before they made the transition into financial planning and advice. Steven Podnos, a former pulmonary and critical care physician who founded Wealth Care in Cocoa Beach, Florida, and Washington, DC, joined the Air Force Reserves so that he could still practice medicine a two or three times a month. “I realized I wanted to maintain some connection to medicine but not to malpractice insurance,” says Podnos.

Here are the seven advisors and their advice for others joining the advisory profession:





## 1. Rosemary Caligiuri, RICP, CASL

**Managing Director, United Capital Langhorne**

**Langhorne, Pennsylvania**

### **Former Nurse**

The former nurse founded Harvest Group Financial in 1994, which was acquired by United Capital in January 2016 where she remains as managing director of United Capital Langhorne.

Caligiuri got interested in financial advice after hearing from patients concerned about their health insurance coverage, and recognizing the similarities between the skills needed for both.

“In medicine you assess the situation, do all the tests, talk to the patient and work with a team to develop an action plan, then monitor and tweak the plan. Financial planning is the same thing.”

She went out on her own after working for a “captive company” selling their financial products.

Caligiuri hasn’t returned to nursing but says she’s “still taking care of people. It’s just another body of knowledge” that she’s uses now, as well as the ability “to listen between the lines,” and analyze not only what’s being said but also what’s not, as she did before with patients.

**Advice for others:** Don’t be afraid. Consider starting as a client service manager. Find a mentor who will help you advance because this is hard to do alone.





## 2. Larry DeFluri

**Managing Partner, SevenBridge Financial Group**

**Harrisburg, Pennsylvania**

**Former Petroleum Engineer**

DeFluri, who worked long shifts on rigs in the Gulf of Mexico, had a passion for finance and spent much of his free time checking stock prices. When he decided to make the switch, he "went from six figures to hardly anything [but] planned the move for years ... [but] never looked back."

He started at Smith Barney, then Merrill Lynch, where he met his partner, forming Eberly & DeFluri Financial Management. The firm was affiliated with First Union, then Wachovia, then Wells Fargo Advisors (due to acquisitions). In August 2015 the partners went independent and founded SevenBridge Financial Group.

**Advice for others:** Don't get in it for the money. If you do the right thing for your client, the money will follow.



## 3. Stephanie Genkin, CFP

## Financial Planner

### Brooklyn, New York

### Former TV Producer

Genkin was an editorial producer at CNNfn and CNN, where she worked during the day while studying for the CFP program at night.

While she was covering the financial crisis in 2007 to 2008 and the eight-plus million who lost their jobs thought she, too, might suffer the same fate in the not-so-distant future. In that case, she was ready to leave media altogether.

"I got my best education at CNN and CNNfn and I still didn't understand the whole story about the financial crisis," she said. "I wanted to know more, to be that person to get the 360-degree view."

In addition to providing financial planning and investment advice, Genkin lectures on personal financial topics at the 92<sup>nd</sup> Street Y in New York and holds workshops at Brooklyn Brainery and at employment sites. She's also run the FPA New York Encore Career Study Group for those working in financial planning as a second career.

Genkin says she's "looking to change lives ... to create very educated and thoughtful consumers of financial services." She is a fee-only advisor who charges a flat rate or hourly rate – "whatever makes more sense for the client" — and runs workshops and lectures to educate consumers on financial topics.

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**Advice for others:** Go into the field with your eyes open and know it involve a pay cut and/or internship. Ask others in the industry what to expect when making the transition and what challenges to prepare for. "This is a tough road. In addition to the education requirements [for a CFP] you need to have 6,000 hours with clients."

Genkin sees opportunities in a profession that "has excluded many, those who aren't high net worth."





#### **4. Mark Hebner**

##### **President and Founder, Index Fund Advisors (IFA)**

##### **Irvine, California**

##### **Former Nuclear Pharmacist**

Hebner is the former CEO of Syncor International, a nuclear medicine company which provided radioactive pharmaceuticals for medical diagnostic tests and was acquired by Cardinal Health in January 2003 for approximately \$850 million.

After selling his nuclear pharmacy in 1985 for millions of dollars, he spent much of his time managing his own investments. When a friend's widow asked for investment help, he discovered that he had lost as much as \$30 million dollars in opportunity costs in his own actively managed brokerage accounts. He became a student of investing, reviewing the financial courses of his past MBA program and reading more than 20 books including Burton Malkiel's "A Random Walk Down Wall Street" and John Bogle's "Common Sense on Mutual Funds," and was convinced that a passively managed portfolio made the most sense.

He then founded his own financial firm Index Fund Advisors that invests exclusively in index funds and wrote the book "Index Funds: The 12-Step Recovery Program for Active Investors." Hebner discovered the strengths of index investing. That led him to the the idea of "leveraging the Internet to educate people about the benefits of index funds and providing them a semi-automated investing experience," adjusted for their risk profiles. "I'm the original robo-advisor ... [and] a born entrepreneur."

Hebner talks about the "tremendous reward" he gets "teaching something that will be tremendously valuable for the rest of my clients' lives." He's referring to his mission to "change the way the world invests," by replacing actively managed funds with a diverse portfolio of index funds that match an investor's risk profile.

**Advice for others:** If you want to go into the business and sleep at night, "take a job where you will be forced to be a fiduciary. You cannot be a fiduciary when you're taking money from

products." His firm offers "services, not products," says Hebner.



## 5. Steven Podnos, CFP

**Principal, Wealth Care LLC**

**Cocoa Beach, Florida, and Washington, DC**

### **Former Critical Care Physician**

The former critical care physician and pulmonary specialist developed an interest in business and finance after starting a hospitalist program in Florida, which required him to deal with the hospital's financial staff. He followed up with an online MBA, and after reading a magazine article about fee-only financial planning sought out a local planner. "He thought I was crazy since I had an established medical practice and was very busy but said I should do the CFP curriculum."

Podnos took the CFP course, liked it and talked to friends and colleagues about transitioning to financial planning. He eventually cut back on his medical practice to become a full-time financial planner, who gets 95% of his clients from referrals.

**Advice for others:** Take the CFP course. "If you find that estate planning and insurance is awful, stop right there. If you find you like it, get hired by an existing firm or start your own firm and build it up slowly." Second-career planners can work at their first job while building up their second career.

He favors fee-only advice – "the only ethical way to do this. As a physician if I had been paid by

drug companies to prescribe their drug, it would have been very hard to be ethical. I see highly unethical behavior by salespeople who contact my clients.”



## **6. Marvin (“Marty”) Reid, CFP**

**Reid Financial Consulting; Financial Advisor, Cetera Advisor Networks**

**Lincolnton, North Carolina**

**Former Theology Teacher**

Reid was ready for a career change after teaching theology at several educational institutions and going through a divorce. An online ad for a financial planner caught his eye, and he followed up and met with a managing director at Prudential, who happened to also have a theological background.

“They were interested in people having people skills,” said Reid. He says teaching and counseling students have a lot in common with what a financial planner does. “We’re educating individuals, families and small business owners.”

Reid describes the “satisfaction” he gets “working with individuals, families and small business ... to bolster their financial security and long-term wealth. It’s a pretty intimate relationship that you develop with people with over time.” He says his academic background, which includes counseling to help students write and defend their thesis, provides certain strengths for his financial advisory job.

Reid formed his own financial advisory firm — Reid Financial Consulting, which is part of Cetera

Advisor Networks — after working for several years at Prudential, where he became a financial planner. He wanted more flexibility on the investment side, without requirements to sell a certain amount of particular products.

Reid hasn't given up on teaching. He now teaches two courses in the CFP program at Queens University's McColl School of Business.

**Advised for others:** Have a plan about your financial transition. Understand the compensation arrangement in your first job. A fixed salary as part of your compensation is helpful in the beginning. "A CFP credential is really important [and] sets one apart" in the industry.



## 7. Paul Tarins

**President and Founder, Sovereign Retirement Solutions**

**Winter Park, Florida**

**Former Bartender/Sales Manager**

Bartending and sales helped Tarins finance his studies for a economics degree at Florida State University. He traded stock options for his own account and couldn't wait to get home to read financial publications. Those jobs helped Tarins learn how to talk to people and listen to them. Financial planning "is all about the listening," says Tarins.

**Advice for others:** "Don't venture down this road unless you're passionate about understanding the markets and want to learn. You have to be passionate and embrace changes in the environment, including technology. If you're just chasing dollars and income to extract from

clients, stay the hell out of it.”

He seeks clients who have acquired some wealth and share his overall philosophy about planning and investment.

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