



EPISODE TRANSCRIPT

How CPA Referrals Drove a Former Lincoln Financial Independent Group to \$12B in Just 5 Years

A conversation with Paul Saganey, Founder and President of Integrated Partners

Mindy Diamond:

Welcome to the latest episode of our podcast series for financial advisors. Today's episode is how CPA referrals drove a former Lincoln Financial independent group to \$12 billion in just five years. It's a conversation with Paul Saganey, founder and president of Integrative Partners. I'm Mindy Diamond and this is Mindy Diamond on Independence.

Mindy Diamond:

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Mindy Diamond:

Your input helps us to make this series better, and alerts other advisors like you who may find the content to be relevant. While you're at it, if you know others who are considering change or are simply looking to learn more about the industry landscape, please feel free to share this episode or this series widely.

Mindy Diamond:

Not every break for independence is propelled by frustrations. As a matter of fact, most of the biggest breakaway turned independent business owners stories we hear on this show are about being able to have more control and to act as true fiduciaries, running towards something rather than running away from something. It was 2016 when as the leader of one of Lincoln Financial's largest independent groups, Paul Saganey, made the decision to leave the firm and build a multi-custodial hybrid RIA firm with LPL Financial.

Mindy Diamond:

At that time, most would say he was already pretty successful, having built the business to three and a half billion dollars in assets, but with the DOL rule festering in the background, Paul said in an interview with InvestmentNews, "We felt having our own RIA and being able to control our own fee structure was the way to go in the future."

Mindy Diamond:

So while the DOL rule never really came to fruition, you might say Paul was prescient in his desire for greater control, as the hybrid RIA he built, Integrated Partners, now manages some 12 billion in assets. That's pretty explosive growth in just five years time. Plus Integrated continues to offer Lincoln Financial



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products, a win-win for clients and the firm's and it's an incredible story of how making smart decisions with an eye toward the future can pay off in a big way.

Mindy Diamond:

So we're pleased to have Paul join us in this episode to share his secret sauce for growth with Louis. Paul talks about the decision to leave Lincoln Financial for independence with LPL Financial, and he discusses the firm's unique relationship with CPAs and how that serves as both a driver of business and a value add service to their clients.

Mindy Diamond:

Paul shares how his desire to grow beyond their Waltham, Massachusetts office to become a national brand served as a motivator to build Integrated and why that wasn't possible with Lincoln. Plus, he talks about how they've built one of the hottest acquirers in the space, which he credits to a talented team, staying ahead of the puck and a smart focus on vision. So let's get to it.

Louis Diamond:

Paul, thanks so much for joining us today.

Paul Saganey:

Louis, thank you for the invite. I appreciate this opportunity.

Louis Diamond:

Absolutely. Let's jump to it. How did you initially break into this industry?

Paul Saganey:

Well, right out of college. So I went to school here in Boston. I went to pharmacy school, actually, but I had the great fortune to have a roommate whose name is Brian Donahue, and your listeners may know Brian. He runs a very successful insurance agency here in Hingham, Massachusetts, called DMI and what for me was a wonderful opportunity was at Northeastern, I got to work in a number of co-ops. So I had the chance to actually own a small business with a friend of mine, but then it wasn't the kind of business that would sustain us for my career.

Paul Saganey:

So having the chance to watch Brian's career, he was at that time in financial services, and specifically he was marketing disability insurance to attorneys here in the Boston area. I just loved the fact that he had freedom, he had unlimited income potential and certainly the opportunity to chart his own destiny. So I



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think that early in my college career, that entrepreneurial bug got to me. So I was very fortunate to watch Brian in action and then jump in and do the exact same thing. So I started originally by offering disability insurance to attorneys here in Massachusetts under a special association program, which was really a fantastic way for us to market.

Louis Diamond:

Very good. So that was the beginning of what's now Integrated, correct?

Paul Saganey:

Well, it was the beginning stages of what now we would refer to as Integrated. So Integrated really began in 1996, but I think like everybody, I am the net sum of all of my collective experiences in life. So everything that I had done starting in 1986, leading to that point in 1996 when I started Integrated helped form who I was as a person, and certainly who the company turned out to be.

Louis Diamond:

Understood, and a major component of Integrated's value proposition is its CPA referral network for advisors and the other part of it is how you enable these CPAs to begin receiving economics for referring over their existing clients. I'm wondering what sparked this, and how did you get into such a thing? Because I would imagine this pivot point in the business was probably a large part of why you are so successful in how you built the business today.

Paul Saganey:

Well, I think as we'll certainly talk about it, it certainly is one of the key components that defines our organization. So I think an important part of my career was having so many attorneys as clients and for your fear listeners that go back this far, that was also the beginning stages of a product called second-to-die life insurance. So many of my disability attorneys would ask for "life insurance."

Paul Saganey:

So I started to get an interest in estate planning and in the early 90s, a very good friend of mine named Peter Gaines, asked me if I would come over and jointly run a firm here in Boston called Cigna Financial Advisors. What was so wonderful about Cigna was the fact that Cigna really had to focus on doing fee-based planning for wealthy families and successful businesses.

Paul Saganey:

So the other wonderful part about that which kind of led to who we are today was that Cigna also had a focus of offering complex financial planning solutions in the wirehouse community. So we were being



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referred on a weekly basis to clients from Morgan Stanley, Smith Barney, Dean Witter. So looking back on it now, that was a pivotal point in my life, which was spending so much time not only learning the art of charging fees and doing fees for planning, but also the chance to work with so many wealthy families, and once again, those business owners and really watching the best of the best in action.

Paul Saganey:

So if you jump forward, Louis, so the early 90s was pivotal because I got to learn the power of getting a strong introduction to a wealthy client and I realized that in 1996, 97, is when CPAs began to get licensed as financial planners. So the only challenge at Cigna is we would go in and we would do the estate planning work, but we could not manage the money.

Paul Saganey:

The money would go back to say, Morgan Stanley at that point. So we just saw the opportunity where as CPAs were getting licensed, we recognized the fact that the typical CPA, he or she would not be in a position to offer a fee-based financial plan to their wealthiest business owners or their wealthiest families. So we originally started this whole thing out by recognizing the fact that CPAs were entering the financial planning space, we had an expertise which was working with their wealthiest of clients, and charging fees for the work that we do.

Paul Saganey:

So really 1996 is what sparked this whole thing. It was the experience that I had working with wealthy families and fee-based planning, coupled with the fact that CPAs, who at the end of the day are certainly the clients most trusted advisor in many respects. Putting those two entities together really is what helped us build this whole thing to where we are today.

Louis Diamond:

Absolutely. So that was the spark and then let's fast forward to today, just to give the listeners some perspective. What does Integrated's business look like as far as assets and whatever metric would be the most useful for describing the scale, the best nests and number of advisors, et cetera.

Paul Saganey:

It seems like assets is certainly what everybody looks at. So, for us, we made the jump to independence, which was 2016. So that's when we put our own RIA together. Up until that point, we had about 50, 60 advisors about 50 or so accounting firms. This is once again back in 2016. We were managing about \$3.5 billion of assets. I think to probably get the listeners' attention here, what we've done since 2017, so what we decided to do at that point was really take control of our own destiny by having our own RIA and adding some amazing talent to the team.



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Paul Saganey:

So in the last handful of years here, we are now approaching \$12 billion of assets. We went from having just a story that was very effective here in the New England states and down in Virginia, to now we've really built a national footprint with headquarters just outside of Boston, as well as out in San Diego. So that growth from 3.5 billion to now \$12 billion of assets, which I guess would be the industry way to measure our success has been exciting.

Paul Saganey:

The people that are backing that up are once again, our amazing advisors, which now is about 145, 150 and our CPA program is now up to about 104 accounting firms. In the trend in the last five or six years for us, Louis has also been to work with much larger accounting firms. So originally, we started the program by working on one to five partner CPA firms, but now we're adding some of the largest regional accounting firms around the country, as well as some top 20 accounting firms. So it's really taken off for us in an exciting way.

Louis Diamond:

That's incredible. Some unbelievable growth, both in terms of advisor recruiting to almost triple the number of advisors your group has brought on, but also the asset growth, especially after a transition only about five years ago. We'll get back to more on the CPA networks. I think that's something that's quite unique. So let's go back to say 2015, 2016 timeframe.

Louis Diamond:

I would assume one of the, not the largest group over at Lincoln, the independent broker dealer, you decide at that point to launch your own RIA hybrid using LPL Financial as the broker dealer and then leveraging them amongst other major custodian such as for your RIA business. Can you just walk us through, why did you decide to break away in the first place? What was limiting you or made you believe that remaining status quo wouldn't be an option for the future?

Paul Saganey:

Well, there were really a couple things in play, say in 2016, 2017. First and foremost was the success that our advisors were having when they got into a CPA alliance. So our advisors were getting in front of the types of clients that they never could get on their own, or through their own marketing efforts. So seeing the powerful growth and the asset growth and the financial growth and revenue growth that our advisors were realizing, but once again, up here in New England, we just looked around and said, "Wow, we don't have a lot of competition for the way that we were doing the CPA Alliance Program."

Paul Saganey:



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So I think it was a combination of number one, wanting to and desiring to take our story national. We had a chance to really build this thing out around the country, but number two, and equally as important was the fact that if you think back to 2016, that's when the Department of Labor was really starting to push forward on their fiduciary standard and really trying to eliminate conflicts of interest.

Paul Saganey:

So we just felt at that point, that being in charge of our own destiny, the fees that we were going to be charging, and even the investment offerings we wanted to have and how we did our fee-based plans and even the ability to grow our CPA program by bringing CPAs in as solicitors. Those are things we just couldn't do at our prior firm.

Paul Saganey:

So it was really about just taking control of our own destiny, thinking first and foremost in the best interest of our advisors, as well as our CPA Alliance Partners and also, we just had some amazing talent around us. John Cataldo, who was our internal attorney, was a former SEC attorney and Ann Swartz who runs our compliance. We had the talent to grow nationally, our advisors really pushing us to make sure that we were going to be ready for that fiduciary standard and that's when I looked out and did my research.

Paul Saganey:

I realized that if we had our own RIA, which gave us the ultimate control, coupled with the fact that LPL really had spent a lot of money, time and effort to make sure that they were prepared for that fiduciary standard. It was actually quite impressive to see what they were doing to really eliminate those advisor conflicts of interest. So I think when you put that all together, that was just the right time, if you will, for us to really go off and do our own thing.

Louis Diamond:

Absolutely. If you had decided to stay, let's say the fiduciary rule, well, it ended up being abandoned anyway. So probably not as much of an event, but if you just stayed because like many you were growing, had an incredible business. Where do you think the business would be today, and what would you have been blocked from doing?

Paul Saganey:

Great question. Lincoln was a great company with wonderful people and certainly for those who don't know it, where I started my estate planning career at Cigna, Cigna was bought by Lincoln and then became what's now referred to as Sagemark. So just some amazing people, some amazing talent,



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people who shaped the person that I am today, but I think it would have been very difficult to really grow the firm nationally.

Paul Saganey:

Lincoln's a big company, and they've got competing offices all over the place. So we didn't want to go in and step on people's toes, and maybe infringe on their boundaries. So by truly going independent and having our own RIA, it just gave us that maximum flexibility to grow where we wanted to grow, and not have to worry about the politics, if you will, of that growth around the country.

Louis Diamond:

Absolutely. When you were in the process of vetting LPL and making the preparations to launch the RIA, what else did your group consider?

Paul Saganey:

Good question. I think that certainly we had teams of advisors and our CPAs together to talk about this move. It's something we did not take lightly and we wanted to make sure we had everybody's buy-in. So I just think that you could see the trends in the industry. So even though maybe the fiduciary standard didn't turn out to be what it was expected to be, we had always, because of our relationships with CPAs, always held ourselves to a fiduciary standard. So we would comport ourselves in the way that we would work with clients at our CPA Alliance Partners.

Paul Saganey:

So I think that it wasn't that we were being blocked or I just think that as we were looking forward here, and I've been working with Dan Sullivan for over 20 years. He's from Strategic Coach. So having the other opportunity to meet other RIA leaders and people that were growing national footprints. I just think when you put that all together in getting the buy-in of our advisors and CPA partners, it wasn't a hard thing for us to do at that point.

Louis Diamond:

Were there other broker dealer firms that the group looked at? Did you consider not doing the RIA?

Paul Saganey:

No, I think during the RIA, that was the first thing we decided before we even looked around. So we knew the future of the business would be our RIAs. Once again, I had some amazing talent to help me put this all together. So we felt that we could build a better mousetrap, let's say than what we were seeing other firms running out there. Then once we had that figured out, and we knew the direction of



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the RIA, that's when we started looking at what was out there for broker dealers, but certainly, LPL is the biggest, aren't they?

Paul Saganey:

So they're always on everybody's list to check off and see what they're all about, but I had known a number of people from LPL for many years. They were never pushy, they were never in our face are forcing us to make decisions and they really did guide us along the decision making process and I really did appreciate that. People like Jason Catlendar and other people that were part of their story. That was really key for us.

Paul Saganey:

So it became pretty obvious, as we were doing our research that they really were spending the money and regardless, as you said, although the fiduciary standard didn't happen, we were just impressed that regardless of the outcome, they took the steps to make sure that advisors would not have conflicts of interest and could truly act as fiduciaries and they also have a great platform for our RIA. So although we are multi custodial, Fidelity, Schwab, Pershing and others, but LPL also had a wonderful platform for us to work on as well.

Louis Diamond:

Fantastic. I remember back to 2016 timeframe, where that was the big motivator for advisors was seeing how their own broker dealer stacked up for the fiduciary standard, and using that as criteria for evaluating another firm. To your point, it wasn't necessarily about who is going to be best for the DOL rule. It was more, how does the firm's scale and ability to adapt to changing regulations, how is that going to help the business and really just more of a test for what the broker dealer would be like in the future?. I get it.

Paul Saganey:

You talk to so many advisors and you could almost hear the fear in their voice, couldn't you, in terms of what their future was going to hold? How could they work in their clients' best interests, be compensated? So there was certainly some nervousness in the air, no doubt about that.

Louis Diamond:

Absolutely. Looking back on your long relationship with Lincoln, and now knowing five years of hindsight, are there aspects of the platform or your relationship with Lincoln that you either miss or feel like Lincoln did better than what you can do today?



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Paul Saganey:

Ooh, that's a loaded question. Out of respect to Lincoln, I'd like to think that we are doing as well as we can possibly do in so many different areas, which that's the advantage of having a smaller firm. It allows us to pivot and acquire talent much more quickly, but I think that once again, my days at Cigna, and those individuals carried on to Lincoln, even they're there today, I just so appreciate my time there because it formed who I was today and being exposed to their training, and people that were just truly living that fee-based planning philosophy.

Paul Saganey:

This is back in a time, Louis, when most advisors weren't doing fee-based planning. So I'm jumping back into the 90s now when fee-based planning was in its infant stages. So Lincoln, for us today has wonderful products, we've got a great relationship with them. I think as I look forward here with the potential Biden tax law changes, and as I talk to groups that are joining us, some of these large RIAs that are joining us are large wealth management firms that are coming in the door.

Paul Saganey:

Life insurance is a block of property, and it's going to be a much more important block of property as you look forward into some of these changing tax laws. So a company like Lincoln, along with other life insurance companies are certainly at the forefront of helping firms like us understand how life insurance fits into our clients' picture, especially once again, going after wealthier Families and business owners.

Paul Saganey:

So I think where many of the advisors who join us or are part of our organization are, say more wealth managers, but as I'm telling our people in our coaching sessions with our advisors, it's impossible not to pay attention to life insurance right now. It will be, maybe at some point, one of the only truth tools out there to either transfer wealth or maintain the wealth that your family has. So I give, once again, Lincoln credit for the fact that they are at the forefront of looking at the life insurance process and the life insurance product as it pertains to our clients' lives.

Louis Diamond:

Many advisors associate Lincoln similar to Northwestern Mutual or MassMutual as more of an insurance first broker dealer. So I'm curious with your business. When you were at Lincoln, obviously easy to offer life insurance. Major part of the selling proposition. Now that you left though, are you still able to help your clients with life insurance, and how has your ability to offer insurance changed since leaving the confines of Lincoln?



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Paul Saganey:

When we were at Lincoln, we were an independent group. So none of our advisors were either employees of Lincoln and honestly had no financial reason to sell life insurance or investments or whatever. So when we joined them many years ago, that was important to us that none of our advisors would be incented to sell a certain product which continues today. So no, I would say there was never an issue with Lincoln back in the day. They didn't block anybody but every advisors practices, their own practice, isn't it?

Paul Saganey:

So advisors, based on the needs of their clients, and the type of client they want to work with, that dictates if you will, the types of products or solutions that are being offered. So once again, as you know our story, and as we began to help advisors work with wealthier and wealthier clients, once again, life insurance becomes part of a solution.

Paul Saganey:

So you may get a kick out of this, Louis, as I talked to now large advisory groups, say, 100 million plus in assets, I've been telling them that if they look at this new tax law change and they look at their existing clients, I think that every single advisor out there can see a bump up of about 30%, if not more in revenue, just by adding life insurance as a block of property to their story. As I work with and coach these advisors, some advisors are wealth managers, and they don't want to be in the insurance business.

Paul Saganey:

So we provide the talent to once again step in, sit second share and be seen as the insurance expert, or for some of our advisors who are really knee-deep in the business owner market, they recognize the impact of insurance and therefore, once again, with these tax law changes, they'll be much more aggressive in their recommendation of certain types of products.

Paul Saganey:

So when you look at this Biden tax law change versus me getting nervous about it or how's it going to impact me, I think if you stick your head out and look around, it's an attack on wealth and therefore as an attack on wealth, it's important for us to get out there and defend our clients wealth, and using insurance solutions, that may be a great way to do that going forward.



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Louis Diamond:

Do you have more insurance options or more carriers that you can recommend today, then say back in 2012, 2013, when you were with Lincoln?

Paul Saganey:

I would say no more, no less, because once again, our advisors were never paid more or less for using Lincoln. So therefore, we do have an insurance solution team. So if I just kind of mentioned, hey, this is the client fact pattern, this is their health and age, they'll do a complete analysis and come back with the top five companies, let's say. We've always done it that way. So we've never been one company focused.

Paul Saganey:

Once again being fiduciaries with no conflict of interest, if I determine that insurance is a solution, I can send it to our insurance team, they'll do all the research and once again, based on age and health, will come back with the best recommendation for my client. What I love about that, though, is I can show a client, hey, we looked at 50 different companies, called it down to these five and let me tell you why these one or two would be ideal for you. So that is truly living the fiduciary lifestyle right there.

Louis Diamond:

Definitely, and let's look at the RIA today. How has being an RIA or an RIA hybrid because you still have some elements of your firm that do brokerage business, how has that enabled your advisors to scale their business and better serve clients differently than being at a broker dealer firm?

Paul Saganey:

It's interesting. I certainly see a big trend towards going RIA only and matter of fact, we started a program here a few years ago, where we're actually buying out the broker dealer business of our advisors to allow them to go RIA only, but I wouldn't say it really blocks them at all. I think once again, at the end of the day, it's about doing what's best for the client. So I do think the trend, and if you want to hold yourself to that, doing what's best for your client, if you want to hold yourself to that standard, I think certainly the RIA story is much more effective, especially once again dealing with wealthier clients and people with more complex financial needs.

Paul Saganey:

But there's no doubt, even as I look at our growth here, 95% of our assets are going to the RIA and 5% to the broker dealer. So we have truly become an RIA organization versus even a hybrid, I would say. We've certainly got that hybrid relationship because a lot of our advisors have a business with different



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products that can't be changed and need to sit in a broker dealer platform, but certainly the trend for us going forward and even who the new advisors are joining us are primarily RIA only type of people.

Louis Diamond:

Understood. When you're working with a particular client, are you able to do things differently for them today than you had in the past?

Paul Saganey:

No, because I think at the end of the day, it's all about doing the fee-based financial plan for the client. So fee-based financial planning doesn't involve a product. It's about asking the right questions, understanding the client's situation and making proper recommendations, and then the products thereafter are what's going to implement your recommendations. So no, I don't see any complex or any issues or didn't cause any problems for us because leading with a planning first methodology, I think that's what's always been one of our strengths. And certainly what our CPA Alliance Partners appreciate in us as well.

Louis Diamond:

Yeah, that makes sense. It seems like different from many of the folks we've interviewed on this podcast series, and also that we just work with on a daily basis, that Integrated's move to launching their own RIA hybrid was more about the pull of the opportunity. It was the chance to scale the business differently, take it national, expand the CPA program. It was more about that, rather than some of the internal frictions that some might feel with a limited product set, or feeling like they couldn't serve their clients to the best of their abilities. Am I reading that correctly?

Paul Saganey:

Yeah, well said. I think that Dan Sullivan has a fantastic line, he always says and that is, your future always has to look more or be more exciting than your past. So if you look forward, the industry is morphing towards being more RIA focused. So there were no frictions or issues there, just that we knew that Wayne Gretzky line, where the puck was going and we just felt that by having control of our own destiny, making our own decisions on behalf of our advisors and CPA Alliance Partners that that would put us certainly in the best position going forward.

Louis Diamond:

Absolutely. So let's pivot to what I think is the star of the show, this CPA referral program. Can you please explain what makes it such a success at your firm, and how you're able to do it at scale when I think a lot of advisors have attempted to cultivate even just one or two solid CPA relationships. What's



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been the recipe to turn it into 100 plus CPA firms that are actively referring business and adding to your firm's organic growth?

Paul Saganey:

I could honestly spend hours on this topic. So I think to give your listeners maybe a couple of quick tidbits here. For us, it was just about being patient and understanding the CPAs environment and understanding what motivated them. The three words I use all the time here as a firm would be the board's vision, capabilities and reach. So if you truly want to understand why the program works for us, and maybe not for others, it's inside of those three words.

Paul Saganey:

So we had a very strong vision back in the mid 90s, and we recognized that accountants would most likely not be in a position to offer complex fee-based plans to their wealthiest of clients. So we had that vision, and it was very solid, in that Mike Tyson line, "Everyone has a plan to get punched in the face." We get punched in the face a bunch of times, and we learned a lot of lessons, but our vision was so strong that we never deviated from it.

Paul Saganey:

So that's one important component there, where if you've got the right vision and you truly believe in it as a leader, then it was my job to really just drive forward and ignore all the problems. Then I think its capabilities. So once again, the words vision, capabilities and reach, which I want to give credit to came from a gentleman named Dean Jackson, who's part of my study group.

Paul Saganey:

So when Dean threw those out, what the word reach means is reach is the people we can talk to. In other words, as an organization, we can certainly reach out or an advisor can reach out to their own clients and their circle of friends, but what a CPA firm does, it expands our reach. So if you look at our current math right now, with 140, CPAs, averaging about 1,000 clients per, that's over 140,000 clients that we literally can go in, look at the tax returns, and cherry pick who we want to work with.

Paul Saganey:

If you want to play the additional game and say 20% of those 140,000 would be our advisors' ideal clients, that's over 24,000, wealthy families, business owners, that would be ideal for us. So out of the word reach, though, comes the word marketing. So we had to find a way that we could support our advisors and support our CPA partners and get the story out there.



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Paul Saganey:

So it doesn't matter if we were the best financial planners in the world. If no one heard of us, then this thing would go nowhere. So I think a big differentiator was the fact that we started our own marketing company, which today is just an amazing group of talented people under Becca Zophin's leadership. It's called InTouch Innovations and that company Louis, what it does is we can basically ... We spent a lot of money and built our own internal databases, but we load up the CPAs clients on this marketing company's databases, and we segment them, business owners, wealthy families, young married couples, or whatever we want to do. Then what InTouch will do on behalf of our advisors and CPAs is we will then get the message of planning into the hands of the right people at the right time.

Paul Saganey:

So as you can probably imagine, when the Biden ... As we've been getting rid of the last year, I've written some articles on the fact that we are out there being seen as thought leaders to the clients of our CPA firms, because we're getting information through the InTouch portal into the hands of the right people. So we're getting some tremendous opportunities from that.

Paul Saganey:

So we had the vision and we were very strong on that, and regardless of what went wrong, we just stayed with it the whole time. We recognized that CPAs would give us the reach, in other words, getting out into the right people, but the key thing, and I think this ties in Louis, to your questions about having an RIA is that we were able to add and continue to add some amazing capabilities here to the firm.

Paul Saganey:

So if you think about this for a minute, if we're going to be asking our financial advisors to work with clients that are 10, 20, 30, 50 times wealthier than the typical client they work with today, that can be intimidating for advisors. So internally, we have our estate planning team, we've got our business owner team, we're doing a lot of work now with M&A. So through our consulting organization, we can actually consult with small businesses, help get them ready to be sold, and then actually sell the business and do that all internally under the umbrella of Integrated Partners.

Paul Saganey:

So a big thing for us is never going outside for talent. So if your listeners are hearing this, if you're sending your estate plans to the local estate planning law firm or using outside experts, I learned many years ago never to do that. Always keep control, keep it under your umbrella and that's how you can charge larger fees and have the clients see you as that thought leader and not really lean on other people for advice and counsel.



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Paul Saganey:

So hopefully, in those three words, Louis, the vision that we had, the fact that we recognize the reach that CPAs had, but then we had to cover up that region to different components, and have a really powerful marketing story to deliver the message of planning out there. Then what I do every day is I'm just adding new and better capabilities. I shouldn't say better, but more expensive capabilities that, once again, are tied into the needs of our financial advisors, tied into the needs of what our CPA clients are asking for and the results have been spectacular.

Louis Diamond:

Terrific. Thank you for sharing some of your secret sauce. Let's move on to the inorganic side. So I know really, most of your advisors are capturing referrals from the CPA networks and are probably growing organically, pretty impressively just on their own. I know Rob Sandrew on your team is tasked with helping like-minded advisors affiliate with the platform. What's the pitch to those advisors, and why would an independent advisor, breakaway advisor or an RIA up to join Integrated versus affiliating directly with a broker dealer or joining someone else's competing platform?

Paul Saganey:

I wouldn't say it's so much of a pitch. It's more or less just getting our story out there. So Rob Sandrew is amazing and he's a wonderful storyteller, and he is no pressure. Matter of fact, I met him as we were coming over here to LPL. So Rob is in an amazing position to tell our story, and I think that in telling our story and what Rob is also so good at doing is escorting the potential advisor around and meet all the different people that make up our story.

Paul Saganey:

So he can escort the advisor through what we refer to as the discovery process, but that's Rob's unique ability. So it's my responsibility and our organization's responsibility to have a great story for Rob to deliver, have wonderfully talented people that these people can meet with and then once again, have very successful people that these potential advisors can talk with so they really get a feel for what we're all about.

Paul Saganey:

I think that's what Rob is best at doing. So I don't think it's so much of a pitch, this is who we are and this is what we're doing. In doing that, I'm not going to say we're right for every single advisor out there but if we need advisors coming out of the wirehouse or have their own RIA, let's say, that are looking to grow, they want to work with wealthier clients, and they want to a steady flow of wealthier clients, which is what that CPA program is all about.



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Then they understand the value of the talent that we have added here, those capabilities and how that talent can really help these advisors be much more powerful in front of these potential clients. You put that all together, it really gives Rob an amazing story to tell, and he's an amazing person. So that's why there's no doubt about the fact that as we have made the decision to get our story out there and even doing this Louis, having the chance to talk with you here and tell our story as more and more people hear about it and reach out for information, we've been getting some very exciting results.

Louis Diamond:

Fantastic. I listened to most of your extended interview with Michael Kitces on his podcast, and anyone who's listening, if you really want to go even deeper on the CPA network and how Paul built that, would highly recommend that episode. But one of the aspects of that interview that stuck out to me, you've mentioned Dan Sullivan, the founder of Strategic Coach a couple times. I'm also a big fan of his and I'm part of the program. One of, I think the hallmark teachings of Dan and Strategic Coach is the concept of Who Not How. How have you integrated that concept throughout your business, and maybe even just a brief overview of what that even means.

Paul Saganey:

Yeah, Dan's amazing and he changed my life. I started working with Dan, as I mentioned over 20 years ago and it was at a time when I was truly working seven days a week, 12 hour days, and here comes this guy saying you can work smarter, not harder and how to be a better entrepreneur. So, Dan was amazing in my life. I'm also a part of what's called Dan's Free Zone Frontier, which is about ... It's a smaller group of us that are getting together and are really looking at building much stronger collaborative relationships and using those relationships to really help each other grow our businesses.

Paul Saganey:

So Dan was amazing for that. He taught me how to be an entrepreneur. I use it myself personally but as importantly, when I am coaching our advisors. So I do a lot of coaching here and I spend a lot of time with our advisors and their practices. So being able to share what I learned from Dan, and what I learned from other successful entrepreneurs has been amazing.

Paul Saganey:

If you look at Who Not How, once again, as you just mentioned, I would recommend that book to everybody. It's probably, I think, one of Dan's greatest achievements. It encapsulates what he's all about. So for us as a firm, if we've got a problem, it's not how do we solve the problem, it's who can solve the problem and as we open up opportunities, like I look at this M&A work that we're doing, where we can now do a consulting agreement with a small business, do their financial plan, estate plan,



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then help the business get sold, all under one umbrella here at Integrated Partners, that's a great example of who not how an action because we recognize we had the opportunity. We just brought in the right whos.

Paul Saganey:

So those whos are then coming in the door to help work with our advisors to make these dreams a reality, and just coming out of COVID. Here, we've had a couple of transactions that are in that \$40 million range of small businesses being sold. As you can probably imagine, by hearing the story, when it's all done inside of one organization, once we get these businesses sold, and the money goes into motion, there is no doubt about the fact that our advisors will manage those assets. There really is no competition at that point.

Paul Saganey:

So Dan's an amazing teacher of entrepreneurial skills. His book, Who Not How surely should be must reading for everybody. I think that as I'm out there talking to different groups, and even I've talked to our advisors, it may be for yourself, Louis, you're the same way being in the program. It's changed the way I think.

Paul Saganey:

So when I get a conflict in my life, or I see something we want to do, the brain instantly goes to who can help me figure that out versus me trying to do it myself and certainly, that puts me personally and our organization in a much more powerful position.

Louis Diamond:

I completely agree. The way I think of it too, relative to an advisors business, is this whole support ecosystem that's been developed to support independent advisors is all about who not how. It's figuring out what your own unique ability is, to use another one of Dan's teachings, and then outsourcing the rest. So it's why firms like yours have become such popular destinations for entrepreneurs, because instead of doing it all on their own, instead of being responsible for compliance, and organic growth, and technology and operations, these folks have decided to outsource it and really, your firm becomes a who just like many others in the ecosystem. So I think it's brilliant teaching, and definitely lots to take from it and very applicable to our day-to-day.

Paul Saganey:

If I could just add quickly, Louis, I think when you think about when I came in the business and the industry in the 90s, there were thousands of advisors at these companies and these companies had estate planning staff, so three or four people. So now what we can do as a firm with only 140 or so



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advisors, think about it, we've got our own staff of talent here, our own whos that are supporting the needs of 100 people versus many thousands. So it's that penetration that RIA provide. Once again, it's the talent that advisors need to take their practices to new and better levels. So to your point, that's where Who Not How is really got this finger on the pulse of what we're trying to do as an industry.

Louis Diamond:

Two more quick questions. So I know, in addition to leading Integrated on the strategy, and being the fearless leader, you also retain your own very significant book of business. So you're still very much a player-coach. How do you allocate time between being the president of the firm and being an advisor, and wouldn't it just be easier for you to offload those relationships, sell your business to an internal advisor, or hire a support advisor to take that off your plate?

Paul Saganey:

It would certainly be more efficient, but I would then be less effective to the advisors that decide to join our firm or have worked here for so many years. So, my practice actually has gotten smaller over the years. I've got a wonderful partner named John Pastore. John has been taking over more of the client relationships and even some of the relationships that get us to some really wonderful opportunities. So my practice is actually small, but some exciting clients are certainly larger and more complex planning options that they need. But for me, it allows me to sit across the table from another advisor or even as we're meeting new advisory groups that want to join us.

Paul Saganey:

I know where they're coming from. I've done almost every single job in this business in my entire career. So when I sit across the table, I'm talking as a coach and an advisor who is living the dream and doing what they do every single year. I also approach this too, with I think that being a financial advisor is the single greatest career in the world. So I'm somewhat biased on that comment, but I love being an advisor.

Paul Saganey:

I love the clients I work with, I love working with our existing advisors and some of their client opportunities. I love the intellectual stimulation of doing that. So although maybe not as efficient, it certainly allows me to be much more effective. So going back to that Who Not How concept, I've got a wonderful team around me. So I'm the last person you want to be running RIA operations or doing a bunch of things that have to happen.



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I'm just surrounded by some amazing people and these are people who certainly allow me to do what I do best and focus on my unique ability. So I think that being that coach, being that advisor to other financial advisors out there has been a really important component of my career.

Louis Diamond:

It makes sense. Even if it's not the most efficient use of your time, it lets you stay sharp, it's what you're passionate about and it also probably just gives you a perspective of what advisors need. Aside from the empathy, it's just allows you to be more forward looking because you're not often in the backroom, just guessing what people need. You actually live it on a day-to-day basis.

Louis Diamond:

Last question for you. Something we ask every guest. What sort of advice would you give to either an advisor who's right now independent under a broker dealer and is considering a change or an advisor at a wirehouse or more of a captive environment that is in the early innings of thinking about what's next.

Paul Saganey:

Talk to people like yourself. That's why you and your family is so great at what you all do is you are the who, aren't you? So you're the who that people should turn to for advice and counsel. So there's certainly some wonderful RIAs out there. There's some wonderful hybrid companies out there. So I think it goes back to that word vision. Know what the division is for your practice and know what the vision is for your future. So bringing in that Dan Sullivan line of making sure your future is more exciting than your past.

Paul Saganey:

There was, don't start to do your search and don't start to wonder what's out there until you really have your vision figured out because every one of us will look like a shiny new object and you're going to be attracted to, oh, that's a good story over there and, hey, look what they're doing. So the danger in that is you're going to get bounced around.

Paul Saganey:

So before you do your searching, know exactly what it is that you want to be when you grow up. Talk to other advisors that have made the jump to independence, especially coming out of the wirehouse community. Understand what they did well, what they would do differently going forward. So I'd really do the research and talk to others that have done it first, make sure that your vision is really solid and then get out there and talk to groups like ours and others that look a lot like we do.



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There's a lot of wonderful things going on up there, a lot of exciting developments and as I look forward at our firm here, we've got a 25 year plan looking forward. So we're very excited about our future and I think that an advisor, as they do their searching certainly should be able to tap into the excitement of the group that they're looking at and make sure that that excitement matches the vision they have for themselves.

Louis Diamond:

Perfect. I completely agree. I should hire you as a spokesman for us because we say that all the time. You need the vision and once the vision is clear, the plan falls into place and you're smart to invest time and doing that on the front end, rather than just jumping to action without really being clear on what your own vision and framework and methodology is. So Paul, this has been terrific. Thank you very much for letting us behind the scenes on how you've built one of the most successful RIA firms in the country. I'm really excited to see where you're going to be a couple years from now. It's probably has a two zero in front of it as far as your asset figure. Thanks again.

Paul Saganey:

Louis. Thank you so much. I appreciate it as well.

Mindy Diamond:

It's clear that under Paul's leadership, Integrated has become a force to be reckoned with. A success story driven by, as Paul describes it, three key components. Vision, capabilities, and reach. It's a strategic combination that will continue to propel this hybrid RIA forward in the years to come. I thank you for listening and I encourage you to visit our website, diamond-consultants.com and click on the tools and resources link for valuable content.

Mindy Diamond:

You'll also find a link to subscribe for regular updates to the series, and if you're not a recipient of our weekly email, Perspectives for Advisors, click on the articles link to browse recent topics. These written pieces are an ideal way to stay informed about what's going on in the wealth management space without expanding the energy that full-on exploration requires.

Mindy Diamond:

Feel free to email or call me if you have specific questions. I can be reached by cell at 973-476-8578 or by email at mdiamond@diamond-consultants.com. Please note that all requests are handled with complete discretion and confidentiality and keep in mind that our services are available without cost to



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the advisor. Please see our website for more information, and again, if you enjoyed this episode, feel free to share it with a colleague who might benefit from its content and if you're listening on the Apple podcast app, I'd be grateful if you gave it a star rating and a review. That will let other advisors know if it's show worth their time to listen to. This is Mindy Diamond on Independence.