



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

Mindy Diamond:

Welcome to the latest episode of our podcast series for financial advisors. Today's episode is The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth and Excellence. It's a conversation with John Bowen, CEO and founder of CEG Worldwide. I'm Mindy Diamond and this is the Diamond Podcast for Financial Advisors.

This podcast is designed for advisors like you who are interested in learning more about the evolving wealth management industry through candid dialogue with breakaway advisors, those from the C-suite and industry thought leaders. It's available on our website, diamond-consultants.com, as well as Apple Podcasts and other major podcast platforms, so be sure to subscribe and share it with your colleagues.

At Diamond Consultants, our mission is to help advisors live their best business life. We want every elite advisor to find exactly the right place for their business and their clients to thrive, whether it's at a wirehouse, a regional, boutique or independent firm. As the industry's leading recruiters and consultants, we've transitioned more than a quarter of a trillion dollars in assets under management in the past decade. And each year, 25% of transitioning advisors who manage a billion dollars or more are our clients.

Curious about where, why and how advisors like you are moving? Download the latest advisor transition report to learn more, including intel on recruiting deals and our insight and analysis on the latest trends in the wealth management space. You'll find it at diamond-consultants.com/transitionreport or if you'd like to talk, feel free to give us a call at 908-879-1002.

There's a level of potential that many wealth management firms have left untapped, that is mastering the power of teamwork. No doubt the most amazing and successful companies in the world often start with an idea and vision from the founder. Yet as Steve Jobs said, "Great things in business are never done by just one person, they're done by a team of people." And he was right. It's the accomplishments of that team running on all cylinders and driving toward a unified vision that propels phenomenal success, but getting to that level isn't always easy. It takes building, supporting and nurturing extraordinary talent and developing a structure where teamwork and collaboration become a natural part of the work environment.

And that's exactly what John Bowen of CEG Worldwide found out in his firm's recent study. The dream team effect, as John calls it, plays a critical role in everything from growth to client retention and long-term success, and the impact is tangible when you look closely at the foundation of team dynamics and tap into the power therein.

So what do advisors who build or manage teams and business owners looking to take their firm to the next level need to know? What do you need to do to master the art of team dynamics and



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

build your dream team? John offers actionable advice in this special episode with my partner, Louis Diamond. There's a lot to discuss, so let's get to it.

Louis Diamond:

John, thank you very much for joining us today.

John Bowen:

Well, Louis, it's always a pleasure. I love having the opportunity, you and I, to share what's going on in the industry. You and your team are such leaders, and we've got some really interesting areas we're focusing on today that affect every one of the teams in the whole industry.

Louis Diamond:

Absolutely. I've been excited to dig into your new research study, The Dream Effect: Mastering Team Dynamics to Achieve Wealth Management Excellence. So let's jump into the questions. For our listeners who haven't heard you on our show in the past or aren't familiar with CEG Worldwide or CEG Insights, can you just give a brief refresher on the work you do?

John Bowen:

Sure. I've had the privilege of being a financial advisor for about 26 years. In the late '90s, I sold my practice. It was a couple billion dollars under management. And the thing that always frustrated me along the way, that I felt like I was in an entrepreneurial fog. So after taking off a year, I decided, "You know what? I'm going to start a company that does research, empirical research on the financial advisors, what are the best practices, but also on wealth every level." And then what we found is it's not only having the empirical research, you have to have the applied experience. We started a company called CEG Worldwide, and we have the privilege of coaching thousands of advisors. It's really been a great journey.

I love helping fellow entrepreneurs, financial advisors, intrapreneurs. And then more recently, and this is what really caused us to get together, is we acquired a company, Spectrem, last year, which one of the premier research companies. We combined our research group with their research group and we now have a company called CEG Insights. And I'm here to share with you the latest research, as you mentioned, on teams. And this is probably one of the most frustrating areas.

I always use the term accidental CEO. I know when I was an advisor, I just loved making a difference in people's life, but what happened was as we scaled up and had more success, we had to hire more people. I got to tell you, I owe some apology letters from the first few people that worked with me because nobody teaches advisors leadership and management and building a business. So that's really what we're going to talk about today.



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

Louis Diamond:

Fantastic. And I think in this industry, really across any industry, teams are such a critical element of everything, and good teams drive businesses forward, bad teams or dysfunctional teams have the possibility to end businesses, so it's striking the balance between the two. And I'm also very excited to dive into your accidental CEO concepts because most advisors find themselves in that role. Some end up thriving in this position, others struggle and others are kind of neutral. So I'm excited to dig in, see what the research says. Let's start there. Can you explain why you decided to embark on the study and maybe just a little bit about the sample size and the types of advisors that were respondents in the survey?

John Bowen:

I'm going to put up on the screen just real quick too, so don't feel that you have to take notes at the end of the podcast or underneath. Wherever you're listening to this, we'll have a link that you can go ahead and you'll be able to download the information because Louis and I want you to be fully engaged. This is really important stuff. We ended up studying 899 top financial advisors. I don't know why we couldn't find the one more, but we had 899. There are three different groups. There's the wirehouse, the major players, and it's roughly about a third wirehouse, one-third independent, one-third RIA.

And what was really interesting that everybody's having challenges, it was more than quite honestly I expected. Normally when you do this type of research, 85% you expect and there's 15% that's a high or lower. This was a lot more. Well, I was on a ski trip, Louis, up by your house, and when the initial data came in, and I was with 16 mostly guys your age and I'm 68, so skiing, trying to keep up with them. I was going over the research later in the day and I shared some of the statistics. And one of the big ones was 8.1% really of this whole survey of these very successful advisors said that they were dream teams. They felt they had it by the definition. We'll get into that, but I thought people were going to argue with it and they said, "No. Yeah, of course, we're not even ... None of us feel like we're there." And these were all very successful advisors.

This is something we can feel comfortable because in the sense, most of us want to build, we call it at CEG an amazing life of significance, and what happens is if the team's not working, our quality of life, we can make a lot of money, this is a great industry, but we hate our lives. I mean, if you just have one person that's a problem, if you have multiple, and it makes it hard. Louis, you guys help people with transitions. It's hard to transition when you've got a dysfunctional team merging, buying practices. So this is just a foundation thing that we have to take care of.

Louis Diamond:



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

Yup, and maybe if you can share some slides with us to show us some of the insights, maybe you can spotlight one or two critical insights from the Dream Team Effect study just to set the table.

John Bowen:

Let's do that. One of the things, and I'll go ahead and spotlight it here. Really, when we started asking about operational levels, you can see the different percentages. I'm going to actually move to another slide where we put it in a framework. I've already mentioned that eight ... Oops, let me hit the right buttons here. 8.1% felt they had dream teams. And what a dream team is, this means that we have everyone. Not only are we working well together, it's collaboration and all that, but we're each committed to each other's success and there's a clear vision of where we're going and we're going to get there.

And then when we looked at the next group, what we found, which was really interesting, these are high-performing individuals, but working, collaborating together effectively, and that was 31.8. And for most consultants, this is where you stop. And we just really think that's just a good enough line. You got to cross that. And then there's a lot, and our industry is full of a lot of talented people. This is where there are high performance individuals, but you're just kind of coexisting. And the last group, this is where it's really chaotic, the dysfunctional group, and it's a little bit open warfare.

One of the things we want to do today, Louis, is just really help people and give them a path. There's no reason why you can't have a dream team, and the effect has been just amazing for everyone. And let me stop there, but then I want to talk about the positive part that when you have the team working, the difference it makes too.

Louis Diamond:

Yeah, it's surprising that only about 8% of respondents self-identified as being a dream team, which probably means in actuality, maybe it's like 2% because you have some people that probably think highly-

John Bowen:

Well, that's the other team member.

Louis Diamond:

Exactly, who think highly of themselves, but I guess it does make sense that the most popular of the four categories are high-performing individuals because, I mean, this industry is built on cult of personalities and rainmakers, and we look at Barron's top advisors or Ford's best in state. It's typically about individual contributions, so that makes sense. But let me ask you a basic



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

question. Why does teamwork matter and why is it important to a successful wealth management practice to begin with? Why should we care about this?

John Bowen:

Well, one, I'm big on quality of life, and we talked about just the thorn of having someone that's creating dysfunction along the way is just really the chaos. But let's just say we're either at high performance individuals or team. When we asked about that, what happened, and this is where it gets really interesting, let's just spotlight it so it's a little easier to read, what is the positive impact. Over 90% of advisors reported positive impact. So we had 44% said, really, it's extremely important that if you're going to work at the high end of the market, you've got to have a great team. This is what's helping them grow, and 41.7 said that it was moderate.

And even when we got down here, slightly important, it was almost nobody that said it's not important. I mean, 95.2 said teams are important. And then when we get into client retention, so we want to grow our business, but we want to retain them as well, again, nearly half said it was really significant. Again, the quality of life, Louis, where if you have to do everything, you can't count on your team delivering a great client experience. That makes life miserable. When we combine the positive, it's 92.5%. It really is critical to have a great team. It's kind of foolish not to, but we're so busy doing it, doing it, doing it that we don't have time.

Because one of the things that was really interesting, Louis, was I was thinking, well, the most successful advisors would have the least turnover because they were going to have really good people. No, they had really high turnover, and it's mainly because they can write the check and they just put it out and we're saying, "Boy, what a difference it would make." You have a dream team, I certainly have a dream team across our companies and it makes life so much better not only from a profitability, not only for growing the business client experience, but your part as principal as a quality of life. You have people you can count on and you get to stay in your unique ability and let them run with it.

Louis Diamond:

To paraphrase, if you're on a team, the data shows that teams grow faster, they retain clients at a more significant level, quality of life's better, and I'd also say probably enjoyment and fulfillment increases as well. So I think that all makes sense. So now it's crystal clear why advisors should covet being on a team or being on a dream team, but let me give you a contrarian point of view. I come across a number of advisors that are sole practitioners. They're either running a solo RIA or they're operating in a wirehouse where it's just them, and they love just doing everything. They love being on their island. Maybe they don't play well with others or they just like having control over every little thing, kind of more of the lone wolf. I know many of these advisors who make a lot of money, they're very successful. Many of them are even



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

lifestyle businesses, so quality of life is actually quite good. Is there a problem with this approach or there's just different strokes for different folks?

John Bowen:

We identified in the study five major types of teams and we can have, you call it lone wolf, a sole practitioner type that's a lifestyle boutique all the way to really a major enterprise type structure. What we're finding the challenge for the lone wolf is usually they still need a team. Now, it may be just simply an assistant, it may be a outsourced team like at a mate firm where you have, but you got to work with people. And if you're playing in the sandbox, you can't kick sand. It does affect even top producers. You can get away with a lot type thing, but the quality of life will improve pretty dramatically if you're using this even with just an assistant, everything that we're talking about.

But as you grow and have scale, I mean, one of the things, Louis, you're always looking at is how can they create the most value based on the outcome they want. Well, around 2000, I was acquiring practices. We don't do that anymore, but one of the things I did in due diligence all the time, we acquired 28 practices, is we went in. Not only did we talk to the principals, but we talked to the team members, the next level, and we asked them about their business. It's kind of what you alluded to when 8.1 self-reported as dream teams, they were all trying to protect their jobs or telling all the negative things going on. This is where really taking the time, this is going to maximize the value for you and make a quality of life.

Louis Diamond:

It's very interesting because your point is, which makes sense, is even solo advisors, it's pretty hard to not have some sort of team element, so one advisor with even a partial admin or one advisor without an assistant but they're relying upon their custodian service teams or the back office at their firm or the lending specialist at their bank. So pretty much every advisor, it's a requirement to have some sort of team. But I guess the big takeaway too is if you are a solo, are there opportunities to find the right team? Because if it's going to help your growth, help your quality of life and help you with client retention, it seems like a worthy coaching challenge to maybe embark upon the journey.

John Bowen:

Well, let me give one more reason too, and this is something that you help a lot with is this transition planning and let's spotlight it so it's a little bit easier to read. But the idea, we asked about timeframe. How long are you staying around in the industry? You can see 10% thought they were going to leave the next one to two year. Okay, three to five, that's 33.4. I mean, that's 43% of advisors are thinking of leaving in the next five years.

Louis Diamond:

Note: This is a transcription of a spoken word dialogue and as such there may be errors and/or omissions.

Page 6 of 17



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

Leaving the industry, so retiring or walking away.

John Bowen:

Selling their practice, that type of thing, and 20.9 are only clear they're going to work 10 years or more. So when we start thinking about that, you can be the lone wolf, but you're now kind of selling a job versus a business, a solid practice. This is an opportunity for each of us to think, "Okay. Maybe right now I'm not overly concerned about teams. Should be, but I'm not," but we're going to give you a clear path of how to really make this work and that's going to maximize value, particularly when you decide to make that transition.

Louis Diamond:

Let me unpack that a little better, try to analyze why this is true. So transition planning or succession planning is obviously significantly easier and it's really probably a requirement to have a team because if I'm retiring as an advisor, I either need a next generation advisor or team members who can come and fill the team lead CEO role or just my lead advisor position. So that's number one is teams allow for transition planning or exit planning. I'll also say from our own experience that a business that has a next generation and has a high-performing team under it with the different functions, different age groups, et cetera, has more value.

So another reason for teaming is it's easier for succession planning or exit planning. You protect against, God forbid you get hit by the bus or you fall sick or something else happens, but you're also able to maximize the value of your business. I think every advisor would agree that's a pretty worthy goal in any business.

John Bowen:

Don't think of it as succession planning, think of it as sustainability. We want our clients to trust us. Well, one of the things about trust is they want to know if you ... I don't like to say you're going to get hit by the bus yesterday since we lived through it type thing, but stuff happens and you might not be able to be there. They want to know, particularly the lone wolf, that's a really thing. But big firms too, big practices, they want to know, they want to have that trust. You want to have that continuity. And the more you have that, your quality of life goes up as well as your team's and then the valuation as well.

Louis Diamond:

Okay. So I think everyone for the most part is probably in agreement that teams are a good idea. There's clear evidence for what teams allow you to do, but let's pivot a little bit. We said in the opening we're going to talk about the concept of the accidental CEO. What does this concept mean to you and how do advisors find themselves in this position?

John Bowen:

Note: This is a transcription of a spoken word dialogue and as such there may be errors and/or omissions.

Page 7 of 17



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

I asked AI to draw it and it made it pretty dramatic. One of the things I want to do is sometimes people use it as an excuse. I did look to see attribution, couldn't find it anywhere, whoever got the first credit for doing it, but it's been around in different industries, but really, our industry is one where it's strong because you're rewarded for being a great financial advisor, a great wealth manager, a personal chief financial officer, whatever title that you're using. But as you have more success and more complexity of clients, particularly if you're moving up market, you're going to have other people helping you along the way, and very little training goes into leadership or management.

What I want you to do is embrace the concept that you are. Be proud that you're an accidental CEO, that you really have great technical skills. Your ability to be a super advisor, that's very, very important. And then what we want to do is create a business or a practice around us where it's a self-managed business so that we're going to have team members that they don't really need you to manage. You need to provide leadership, the vision of where you're want to go because it's your practice or your partner's collective practice, but you want to provide that vision, but then design it so that you have those individuals who are self-managed that can help create that dream team effect for you.

Louis Diamond:

Let me ask you. I'd say pretty much every breakaway team that we've ever worked with, and we've read about in the press and probably even firms that start off as independent already, they started off having an accidental CEO, just the largest advisor or the advisor with the biggest personality. Naturally, it's either the team lead at their firm and then they become the title of CEO or they just self-proclaim it because they're the only one in the boat that fits the role. So obviously, this is a thing, but let me ask you. Through your coaching experience, are there things that the most successful breakaway team leaders or accidental CEOs do that helps them really excel in this new role? What are the attributes they have or what do they do that makes them really effective CEOs when they haven't had the formalized training and a lot of the various things you've touched on already?

John Bowen:

Let me share because we've created a model to capture it all. And there's basically three key levers, and think of it as these levers are the drivers because what we want to do, the center of our universe, if we're going to have a dream team, and this is all built on the best practices of top performing advisors who have the dream team, we want unequal performance certainty. We want things to happen. Particularly, I'd like to be able to take 90 days off and things are better when I come back type. That's what really is a good measure of a dream team. So we've got to have the momentum, we've got to get the foundation and results. This is the heart of a great team.



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

There are three levers. Motivation. We've got to motivate our team. So one of the things we want to recognize, Louis, is that everybody comes with their own self-interest, and what we want to do is help them identify how by being on this team, we have collectively. So if I were to draw out what we're doing is we're putting together this whole concept of interlocking circles, depending on the number of team members, and we're looking for that sweet spot. The opportunities in our industry to grow are tremendous. So it's not that hard.

If you have a really good practice with a great dream team, I can tell you I have no problem bringing people on. I mean, we're constantly filtering who, and we have almost no turnover where so many of the practices have 30% a year of turnover, a very large 20% or more. So it's worth doing.

And what we have then, so we think of the framework, the three things we want to do. Motivate. We want to make sure everybody's engaged. I want to move from managed to self-managed. We call it self-responsible. You don't want to be a manager. You want to have team members that can really move this ahead without you, but with your guidance from a vision, and then the execution. One of the things, this industry is so good, we can strategically stumble. So if we go in the general right direction, we do really well, but we want it to be seamless, that it's really very, very effective. And those are the three levers.

And then around the edge, let me switch too so it's a little easier to see, we call these the accelerators. You've got to provide leadership. There's got to be a value promise that you're bringing to the team members and to the clients. People want autonomy, but they also want to be able to really feel good about what they're doing, what you're bringing.

The development. They want to grow as individuals. They want to work with the right people on the bus using Jim Collins. They want to have the resources. They want to be recognized. They want to have the quiet confidence that what they're doing is right. They want to have the cadence and the communication. And this is where when we start putting this all together, it really becomes powerful along the way. It's one that we're so busy working and solving client issues that we never really reach our full potential as a team, and it's a huge missed opportunity.

Louis Diamond:

So it seems like whether you're an accidental CEO or an on-purpose CEO, that's the opposite of an accidental CEO, that these nine attributes is really what makes the highest performing teams. So if you're an advisor who either finds themselves as an accidental CEO wanting to create the best team possible or you're an existing CEO who feels like you have some work to do to kind of get to the next level, what do you recommend these advisors and individuals do to elevate their position?



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

John Bowen:

And the way we think of these, and let me pull this up and then I'm going to show it also in the research that they can download, but there's nine accelerators, and the levers are motivation, engagement, and execution as we talked about, but lead. This is promote co-elevation. When we talk about co-elevation, Louis, is it's where not only are we working collaboratively, but we're going to jointly help each other be successful. I mean, one of the things I look at, you and I are not only collaborate, but we want to help each other be even more successful, make a bigger impact in the industry. Every relationship in your team should be that or they shouldn't be there. And to do that, one of the big things is we have to have a shared vision. You as a leader have to have that.

Second thing is a promise. You've got to be able to deliver great client experience, what that value is. And 90% report this is a big part of it, development. 58% tell us that the retention, if they do continuous learning, huge retention. Let them grow into whatever role or get better. One of the things we always assume, that people want to move up. They don't necessarily want to move in a different role. They want better at what they're doing. So what? Don't use your values.

Recruit. Strategically attract talent. 82% of those 899 teams said they were going to hire one or more people this year. Okay. We're going to do this. Let's have processes to bring people on board. We leave so much for chance and we know how bad it can be if we don't have the right one.

Resources, shared values and objectives, recognition, two-thirds link it to bonuses based on gross revenue, but make sure you celebrate. See, it's more than just money. It's being acknowledged.

Confidence. They want to be equipped that for effective client service, and this is where they want to know they're competitive with anyone out there with what they're doing with you.

Cadence. This is they want performance structure. Most teams are 20% plus turnover rates. This is having a sequence of meetings and putting the structures together not to leave things to chance. And then communication. They want transparency. This is really important and in the research report, we have all the research, Louis, you and I have been talking about, I'm going to just flip through, but we also have the models and the framework we just did, and we can blow this up a bit, but we really have the bullet points of what we would do if we were them on each of these nine accelerators that would help them be even more successful.

Louis Diamond:

So let me ask you, I think intellectually I would agree with all of those nine points, and I think most people would look at that and say, "Yeah, I'll take that," or, "Maybe I have six of the nine,"



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

or eight of the nine or one of the nine if you're being really honest. What would you recommend to someone who wants to improve the attributes that they're weak in?

John Bowen:

One of the first things we have to do is we have to identify that we have the challenge. Most of the time, I make it personal, Louis. When I was an advisor early part of my career, I didn't have any problems. I just had bad people, so I got other people. And the reality is I eventually identified the problem. It was me. So once you start, you get this framework, and that's why I want to make this available to everyone. When you download the framework, then what you can do is really take a look at your practice. What are the areas you should work on? Don't try to do all nine, one, two or three. Do one at a time really is enough. This can be a year, even a two-year journey. I mean, we're on this for a long time, but we want to maximize the value for our clients, and by doing that, capitalism works. We We maximize the value for ourselves.

The great thing is once you do this, you build a great quality of life for yourself, for your team, but people want to be on your team then. And the ability to make transitions when you have that type of organization, whether you want to acquire, whether you want to leave to another strategic partner, I mean, you have total flexibility at that point and your client will go anywhere with you because of the performance.

Louis Diamond:

I like the concept too. Put it into bite-sized pieces. You don't have to do everything at once, but my guess is most advisors are probably doing some of these relatively well, so maybe you focus on the ones you're most efficient in and can work backwards or hey, maybe look for some quick wins. If you're already great on one attribute, but there's something you can do to make it world-class. maybe you start there to get some traction, but let me just give you another hypothesis.

So if we're talking about the concept of an accidental CEO, is it safe to say that this framework, these nine behaviors or nine attributes, this is kind of the CEO's playbook where if I find myself in a position where I'm leading a business for the first time, if I focus on these nine different things, I have the potential to be a really impactful CEO or do you think that's oversimplifying the query?

John Bowen:

I wish I had this. This is a big part of what we do at CEG and our coaching programs. It's a lot of out of regret. I wish I had all this stuff when I had a team, and I would say I was approaching this when we were at two billion in the late '90s. I would say we have it today, the dream teams. The earlier you start on this, the better because as you bring in more and more people, if you decide you're going to scale up and move up market and be one of the top advisors in the country, okay, you got to have a great team and get started.



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

Now, if you're just getting started in the industry, you're bringing one person, I would review this. Let's go ahead and do it right from the beginning. You're going to find some other mistakes you're going to make, but having a great team that is self-managed, that is self-responsible, where everyone is committed to co-elevation to helping each other be successful, they're all high-performance individuals, but we're working collaboratively but committed to each other's success and we're clear on the vision we're taking it to, it's a lot of fun. I mean, you look forward every day to going into work, and unfortunately, Louis, a lot of advisors who are some of the top ones, we have the privilege of working with thousands of advisors each year, you work with a lot too, there's a lot of unhappy people making an awful lot of money out there and it doesn't have to be that way.

Louis Diamond:

And we all know that money doesn't equal happiness, so that's only part of the equation.

John Bowen:

I've tried both. I like having the money but also being happy. You can do both.

Louis Diamond:

There we go. So I think we've hit on a little bit the different stages of team development. Do you feel like we've covered that enough or do you have any more comments to share on the different stages of development?

John Bowen:

Just walk through it real quick. I want people to think about it just for a second. We've all been parts of teams that are chaotic, and what happens is then we have this line here, it's called the fear no clear path line. You just get stuck there, and this is miserable. We really talked about this, Louis, the high performance individuals, and this is where the industry is so good, but this is a very large percent. I mean, this was that 42.9. It's almost a majority are in this and it's a missed opportunity. We want to start moving.

So think of it, you can go up step by step. I'm a big believer in just jump, but the collaboration, this is pretty good, but most people get what we call the ceiling of good enough, and what we want to do is we want to have the dream team again that everyone's committed to each other's success, and that's where it really starts coming together.

I keep on saying it's fun. I'm 68. I had a liquidity event. We sold our practice for 16 times earning back in the late '90s. We were the largest advisor at Schwab at the time. We were on the independent side. So it was a pretty major liquidity event, and I knew a good investment advisor so I've done reasonably well since that point, and so I don't need to do this, but I come in and I do it because I love it.



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

And I'm still buying businesses. We're working with thousands of advisors because I want to clear that entrepreneurial fog. This is what CEG is all about. And I know, Louis, you love what you do and Mindy does and the whole team. We're making a difference. Each and every one of you should have that. If you don't, be proactive on this. It affects not only your stress level, but the valuation of your practice, your ability to grow, and once it's dealt with, wow, what a difference it makes.

Louis Diamond:

I mean, I have to reflect that. I still think this industry will forever be built on high performance individuals. I mean, this business is, I think, forever will be a meritocracy that if you generate more revenue and you're really good at growing and selling and you have all the metrics, that you get rewarded.

John Bowen:

I totally agree with that, but that's what causes the accidental CEO because you rise because you're a great rainmaker. We can use whatever title we want for that individual, and I was. I mean, when we were in the commission side, this is 100 years ago, we were doing six million a year in commission back in the '80s. Pretty much, I could do anything I wanted to do, any team or any of the companies we worked with. Well, that made me a terrible boss.

So this is a time where relationships are so important. And if you are that rainmaker and something's missing, I mean, you know you're driven, you're very successful, you're getting accolades from everybody in the industry, but you know that's not all, this is where you can just really build the quality business so that you want to stay as long as you want or if you want to sell it or transition, boy, the values are there.

Louis Diamond:

If you do these things, you're preserving optionality. You're making it so you can have the largest possible exit or the easiest possible exit or an exit at all, and you don't have to take any of those paths, but if you do the work, then you have the ability to do it. My point earlier was high-performing individuals are the backbone of this industry, but my big takeaway from this was nothing wrong with being a high performance individual, but you can take a higher performing individual, and by using these nine attributes, pour some gasoline on the fire.

So if you're exceptional and you surround yourself with equally great people or people that are equally great in different areas than you are, then if you're amazing and they're amazing, one plus one can equal nine. That's my big takeaway is it doesn't mean not to be a high-performing individual, it doesn't mean to be an incredible individual contributor, it's more so that we can accomplish a lot more together than everyone kind of running their own paths.



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

John Bowen:

Well said. I mean, I think of it, we have the opportunity to build an amazing life of significance first for our clients creating that value, but then for our team, and the team will kill for you. They will do everything that you need. I mean, it's amazing the value they'll create for you that you don't even know about, and then that allows you to have an amazing life of significance, and this-

Louis Diamond:

John, if you can bring up the slide again for the nine accelerators, I'd love to ask you a couple more questions about that because to me, this is the most critical piece of the research. If we look through this list of nine accelerators, lead, promise, develop, recruit, et cetera, I guess two-part question. First, which of these do you find most advisors really lack in? Is there one of these nine that is the largest negative aspect of advisors? And then the second part is, is there one that is more popular for advisors to be really good at?

John Bowen:

The first group, I'm going to put this up only because we do this in order. This is the group we've got to motivate. So the number one thing, if you're only going to do one thing, create a vision of where you're taking the practice. Motivate them. There's something in it for them, for your teammates for being there. Their self-interest will be realized because collectively, we'll create an enlightened self-interest, your self-interest as a principal and theirs as well. I would say this is the biggest opportunity. This is one, even the top performers want. They want to create value for their clients, particularly in the younger generations. It's even more important, the autonomy, but also they feel they're doing something good for the industry. So that would be one, and this would be the one I think, oops, most advisors come to and they want to provide value, and it's typically a value from a standpoint of advice beyond simply investing.

When we study affluent clients at every level of wealth, they obviously have choices. We have almost 400,000 financial advisors in the US. How can they tell you apart? They want more than just investment. That's becoming the table stakes. They want advice beyond simply investing. What are you bringing to these clients? And that value promise of differentiating yourself can really make not only difference for the clients, but for the team. They feel that they're adding a lot of value.

Louis Diamond:

So the first one was lead, so having a shared vision, and then the second one was promise. I guess, is the assumption to make then that, that most advisors would struggle in one of those first two areas or both? Is that a common gap in a firm?



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

John Bowen:

I think at the top level, most advisors are pretty good at coming up with I call it the value promise. They know what they're going to bring to the marketplace and the marketplace is rewarding them. They've got to be a little forward looking to make sure as things are changing, but the lead part is where it gets dropped, that they don't have a clear vision or even if they have a clear vision, it isn't shared not only with their internal team, but any of their strategic partners because they'll help you get that vision. If you could have a clear, vivid vision, that's where magic happens.

Louis Diamond:

Love it. And maybe to make this tangible, if you can share a real life example of a CEG client or just someone in your own personal network who you think really embodies the dream team effect, and you can't say yourself. I know maybe you embody these back when you were an advisor, but are there any advisors you want to give a shout out to that people can just look at and just put a face to what a dream team looks like?

John Bowen:

Well, I didn't ask permission. I didn't know you were going to do this, but I want to share a story. There was an advisor that sent me a thank you note last week. It was an advisor that's been in our coaching programs I think for about four years. I met him at an event and he knew who I was. We just sat down and he was telling me how much he hated his life, and he was a successful advisor, and he went into our coaching programs. We really do a good job of helping build a simple and elegant wealth management business that the business itself is indispensable to the clients.

Well, the thank you note, he wanted to let me know that he just closed the deal where he sold his business for \$40 million. I had told him that his practice, I mean, he was almost ready to give the keys away when I sat down with him, and he just got inspired. A big part of it, Louis, was he got inspired with the vision. He ended up setting up a virtual family office structure, one of the things we coach to moving up market, and he's an extremely talented individual. I mean, we were probably the missing 1 or 2%. He just took off, but I was still blown away, \$40 million. It's not all about money.

And he did it because it was a great offer, but at the same time, he's staying there. He loves it and he's staying with the group. The acquirer wants to take his lessons and bring it to the other organizations they acquired. So this is something where never lose sight. People want to work with very talented individuals. I'd like to believe I was a high-performing advisor when I did it. You can attract people, but they don't stay with you unless you build this great dream team. And then when you do, it's one of the reasons why we sold our company for 16 times earnings too. It



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

wasn't that any one individual was a magical individual. They want to buy you because of the strategic value that you have.

Let's say you're like me at CEG, I can't foresee as long as I'm in good health for at least the next 10 years, and I get offers all the time to buy the businesses, but I don't want to do that. I love doing this, but that gives you the flexibility. And you said it earlier, Louis, having options is a phenomenal thing to do.

Louis Diamond:

Yup, creating your own destiny. John, before we wrap up, a final question. Any parting piece of advice? So for folks that are really interested in either implementing elements of this research study or for folks who are just looking to build the best possible business, anything you want to share before we hit the road?

John Bowen:

Yeah, no, one of the things I want to do is make sure we follow up always on our promises. So I'm going to go ahead and put a link where you can go ahead and [download the Dream Team Effect](#).

Louis Diamond:

We'll also put it in the show notes for anyone who's just listening.

John Bowen:

If you're driving the car, I don't want you to stop. Just go back and get the show notes and do it. It's a great report. I mean, really, it's one of my favorite. You can download it. It's going to take you to this landing page. I've got a short video just walking through, but it's going to have everything that Louis and I talked about, as well as more. And I just want to encourage you. I got to tell you, I was a little late to the party putting together a dream team. We were making so much money. I've made a lot of strategic mistakes. I've admitted that I got to send a lot of apology notes to early employees in my advisory practice, but the quality of life that you're going to have, your clients are going to have when you have this, huge. The value is just an extra bonus. So download it and make a difference. You're going to make a huge impact. Your current clients, your future clients, and your teammates, they're counting on you, so don't let them down.

Louis Diamond:

Love it, John. The dream team effect is real. I guess it's a good segue before the upcoming Olympics. Hopefully, our dream team's back, but all kidding aside, this was, I think, really important even for non-financial advisors, just looking at the nine key attributes that make the



EPISODE TRANSCRIPT

The Dream Team Effect: How Mastering Team Dynamics Can Drive Performance, Growth, and Excellence

A conversation with Louis Diamond and John Bowen, CEO and Founder of CEG Worldwide, LLC.

best performing teams. I think I would even say they make you a better performing individual. So there's just really good things to learn from the masters and really break it down into digestible pieces. And again, not to conquer everything at once, but take one or two nuggets from this, begin implementing it, and look around the industry. I'm sure there's folks that are kind of doing each of these categories really well and advisors like helping each other. So John, this was amazing. I'm excited for our next CEG Insights episode. I don't don't know what the topic is yet, but I'm sure it'll be enlightening. So thanks for doing this.

John Bowen:

Well, we've got about three, so I won't announce it today because I don't know which one you'll want to do, but we have great research on, and they'll all be on clients, and there are some really big opportunities we're seeing now for all advisors. So I look forward to joining you then, Louis.

Louis Diamond:

Perfect. As long as it's not on AI, I'm good. Thanks, John.

John Bowen:

All the best.

Mindy Diamond:

Curious about where, why and how advisors like you are moving? Download the latest advisor transition report to learn more, including intel on recruiting deals and our insight and analysis on the latest trends in the wealth management space. You'll find that at diamond-consultants.com/transitionreport or if you'd like to talk, feel free to give us a call at 908-879-1002.