

## PRACTICE PROFILE

BY BRIDGET MCCREA



# Creating a long-term continuity plan

Jeff Johnson of Buckingham Strategic Wealth

Jeff Johnson had a successful registered investment advisory firm, great business partners, and a reliable team of associates by his side. But what Johnson didn't have was a continuity plan or even a clear plan for what would happen if he were to exit the business unexpectedly. "Two or three years ago I began thinking about the risk for our clients and associates if I were to pass away, become disabled, or otherwise unable to run the business," says Johnson, who founded Executive Wealth Management in 2004.

On a mission to always put his clients first and act in their best interests, Johnson began exploring his continuity plan options. "I'm in good health—knock on wood—but I knew that my colleagues who had been in the business for years were starting to experience issues that kept

them away from their businesses," says Johnson. During that time, he read a book written by Larry Swedroe of Buckingham Strategic Wealth titled *The Only Guide to a Winning Investment Strategy You'll Ever Need*—a book that would serve as a pathway to Johnson's own continuity plan.

"We completely embraced Buckingham's philosophies when we set up Executive Wealth Management," says Johnson, "so it was only natural to start thinking of Buckingham as a great continuity partner." And with that, the two firms began talking about the possibility of merging Executive Wealth Management with Buckingham Strategic Wealth in St. Louis, where Swedroe serves as the director of research.

Johnson says the discussions got serious in May 2016, and resulted in the April 2017 sale of Executive Wealth Manage-

ment to Buckingham. "It took just under a year to work things out and to figure out the fine details of the transaction," says Johnson.

Six months later, he says the blending of the two firms has gone very well despite a few speed bumps along the way. "There are always going to be some hiccups when you transition to a new firm; we knew that," Johnson says. "My partners and staff worked very hard and late into the night for several weeks in a row, to get us ready for the April deal closing date."

Reflecting on 2017, Johnson says his practice, based in Lincoln, NE, had an "awesome year," and that it's thriving as part of a growing, national Fee-Only firm. "We've grown our business as a result of joining the Buckingham Strategic Wealth platform and by being part of the firm and having access to its research and resources," Johnson says. "Some of the capabilities we now have are far beyond what we were able to do on our own. Looking back, I really wouldn't do it very much differently."

### On a growth trend

Along with Swedroe's books, Johnson says Buckingham CEO Adam Birenbaum played a key role in his desire for the merger. "We have really great management at the top here, with Adam and David Levin (president and chief operating officer) both doing terrific jobs of leading and growing the company," says Johnson. "Buckingham Strategic Wealth has been involved in a lot of acquisitions because other practitioners like me have a similar mindset about serving clients at a very high level."

### Spreading the Fee-Only word

Jeff Johnson is pretty passionate about spreading the Fee-Only gospel and helping consumers understand the value of working with NAPFA members. Organizationally, he feels that NAPFA has had a significant impact on the financial planning industry, but there's more work to be done.

"NAPFA started out with a handful of members and has since grown to a few thousand," says Johnson, "but there are still a lot of American investors' assets that aren't held in a fiduciary-managed relationship or account."

Much of that money, in fact, is being managed by vendor- or product-oriented firms that aren't required to put the client's interest first. Johnson is out to turn that tide, one new client at a time. "I share the passion of helping people understand what's in their best interest for the long term; the fact is, a lot of people just don't know," says Johnson, who sees NAPFA playing a critical role in his mission. Study groups, for example, provide a solid foundation upon which members can share cutting-edge information and vital knowledge.

"We're in an industry where we can't afford to stand still," he says. "We all need to be out there sharing our experiences, talking about what we do, and operating at the same highest level—and with as much enthusiasm—as we can."

Johnson says there could be more acquisitions in 2018. “I anticipate that Buckingham will continue to grow through acquisitions with like-minded firms,” he says. “This company was founded by a couple of CPAs who wanted to do a good job of representing their clients on the investment side—and that started with nothing and has grown to more than \$12 billion in AUM by doing the right thing for the client, every time.”

### From Dow 777 to 20,000+

Johnson remembers a time when the Dow Jones industrial average was in the triple digits and he wasn't quite sure which career path he wanted to take. After earning his bachelor's degree in business from the University of Nebraska at Kearney, his first inclination was to become an accountant. Then he started reading about investments and the history of the stock market and got bitten by the finance bug. “I felt that this was a place where I could help people while also making a living,” says Johnson, who started out as an “everyday stock and bond broker” in 1982.

“The day I was licensed, the Dow Jones average was 777. It was the morning of August 13, 1982,” Johnson recalls. “That was the day that people, for a while, looked back and said, ‘That’s the beginning of the bull market of the 1980s.’”

It was also a time for sales-driven cultures and managers who told Johnson things like, “Anyone who is good at business opens a new client account during the first week.” That didn't happen for Johnson, who would spend a full month securing his first client account. “Thirty-six years later,” he says, “that couple is still working with me.”

Johnson says that early in his career, he enjoyed taking on responsibility and playing a pivotal role in people's financial lives. A longtime NAPFA fan, he couldn't join the group because his firm was affiliated with a broker-dealer doing business on a commission basis. “But I always followed what NAPFA was doing” says Johnson, “and I looked forward to the day I could become a member.”

## Buckingham Strategic Wealth, at a glance

**Location:** St. Louis

**Website:** buckinghamadvisor.com

**Year founded:** 1994

**Number of staff:** 280+

**Number of clients:** About 6,000

**Amount of money managed:** \$12 billion

**Description of typical clients:** Professionals, executives, physicians, and dental practice owners

**Typical client needs:** Comprehensive financial planning

**Piece of advice to fellow NAPFA members:** “Continue to learn and continue to improve your skills. Connect with other members. Go to a study group. Ask somebody you know who isn't a client if they'd like to learn what you do for a living.”



Johnson's efforts came to fruition in April 2017, when—upon merging his firm with Buckingham Strategic Wealth—he became eligible for membership. Johnson has since become an active member of the Midwest Region's board of directors. “It's great to be associated with people who accept the fiduciary standard,” he says, “and that play the ‘game’ at a higher level in terms of service and attention to the client.”

### A sense of financial confidence

Johnson says he works primarily with professionals, executives, physicians, and other clients who are “on the move with busy and demanding careers.” Most of those clients come to him for comprehensive financial planning and overall help managing their finances.

Now, of course, Johnson's former firm is part of a much larger organization, and he's adapting to its norms and style. Founded in 1994, Buckingham Strategic Wealth has more than 280 employees and about 6,000 clients. As of Nov. 30, 2017, the firm topped more than \$12 billion in assets under management.

The firm attracts new clients by staying in close touch with current clients and “being proactive about serving their needs,” says Johnson. “We're also active about getting out in the community and asking for new business.” As part of that effort, Johnson and his colleagues impress the value of the fiduciary standard, and of making choices and taking steps that are in the client's best interest. Haunted by the reality that not all planners live by the fiduciary standard, Johnson often asks himself questions like “How many people are out there, looking for something better?”

“They're looking for this sense of financial confidence,” says Johnson, whose book credits include *The Eight Points of Financial Confidence* (2016). In it, he walks readers through a systematic wealth management checklist that he uses to create a unique and custom roadmap for clients. People are searching for this type of objective advice and guidance, he says, and want second opinions about their financial decisions. “We have experienced good growth as a firm,” says Johnson, “simply by asking if we can share what we do here.” 

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