

Planning for technology

New tools and robo-advisors take center stage for CPA financial planners

BY DANIEL HOOD

From tax to audit to bookkeeping, every practice area that CPAs engage in has felt the disruptive effect of technology, so it's hardly surprising that the top players among CPA financial planners should report that it's their turn to feel the digital pressure — the only surprise is that it took so long.

Each year we ask our Top Firms by Assets Under Management to name the most important issues facing their practices, and while many named perennial concerns like keeping clients in line or finding decent returns, various aspects of technology were by far the most commonly mentioned.

BEWARE THE ROBOS

Some of our Wealth Magnets were simply interested in making sure that they make the most of the host of new innovations available.

"I think we as an industry need to come to some conclusions about how to use technology in a way that adheres to the regulations and the protections they are designed to provide to the public, but which also allow us to meet people where they are, using the methods they choose, to ensure we are continuing to evolve in response to their needs," said John Lesser, president of Plante Moran Financial Advisors. "We are developing relationship-based, technology-enabled tools to allow clients who desire it a streamlined way to interact with their planning team and receive our services in the way most appropriate to their needs and lifestyle."

Meanwhile, Steve Doster, financial planning manager at Rowling & Associates, reported that his firm is finding ways to use current technology to help clients: "We developed a new monthly fee service for younger clients. They get year-round access to the team (via phone, e-mail and video chat), an annual review, and eventually a library of online videos on basic financial planning topics."

Other firms were moving to the cloud, reaching out to clients through social media, using more sophisticated reporting and communication tools, and otherwise finding ways to make sure they're using technology to its fullest, but the most commonly cited tech issue wasn't an opportunity — it's a threat.

"One issue financial planners and advisors face in the coming year is increased automation with regards to investment services. Financial professionals will have to adapt to the growth in technology and the rise of 'robo advisors,'" said Carmine D'Avino, a principal and chief compliance officer at PWM Advisory Group.

Robo advisors, who aim to replace many of the services of planners with low-cost software that can create and manage portfolios (usually fairly simple ones), are a particular threat at the lower end of the spectrum, where clients may value the savings more than the advice of an experienced advisor.

In response, at firms like Frontier Wealth Management, "We highlight our value proposition to the client and explain what a robo advisor cannot do," said senior financial planner Mark Howe.

"To address the robo advisor issues, Rehmann is continuing to focus on the value add of personal client relationships for solutions that require emotional intelligence," said chief investment officer Jeffrey Phillips, though he added, "We will be finding ways to work with, not against, the technology to enhance client experiences."

Similarly, PWM's D'Avino explained that while his firm's strong personal relationships and client-centric team help strongly differentiate itself from the robo advisors, "We have been investigating the robo space as a way to bring our services to the emerging wealth, a demographic that is hard to efficiently serve using the high-touch model our core clients receive. ... We are exploring technologies used in the robo advisor model to more efficiently service all of our clients. We are currently looking at client-facing tools, dashboards, and videos that can help improve the client experience."

EMPTY SEATS

Just as technology has been an issue for the profession as a whole and for planners in particular, staff shortages are also plaguing practices.

Other firms are also upping their game when it comes to attracting and retaining staff: Mark Briggs, owner of Briggs Wealth Management, has started offering internships, while ShankerValleau Wealth Advisors has started enlisting recruiters, according to adviser John Valleau, and BKD Wealth Advisors president Jack Thurman said that his firm has started developing and funding scholarship funds, and coordinating recruiting programs at select universities.

THE PERENNIALS

Of course, even with the unprecedented interest in technology, many of our Top Firms by AUM remained concerned about issues that have plagued the profession in the past.

"We continue to believe the most important issue will be to help clients stay committed to asset allocation and to broad diversification within equities and fixed income types," reported Nancy Skeans, a partner and managing director with Schneider Downs Wealth Management Advisors. "We continue to educate our clients about past market cycles, the difficulty to time markets and the importance of a diversified long-term approach."

"Clients having unreasonable expectations regarding investment returns," added Gilman Ciocia president Michael Ryan, whose firm is "educating clients regarding historic long-term returns for various investment categories and explaining that when current returns are above those averages, there is a higher risk that future returns will bring them down to those averages."

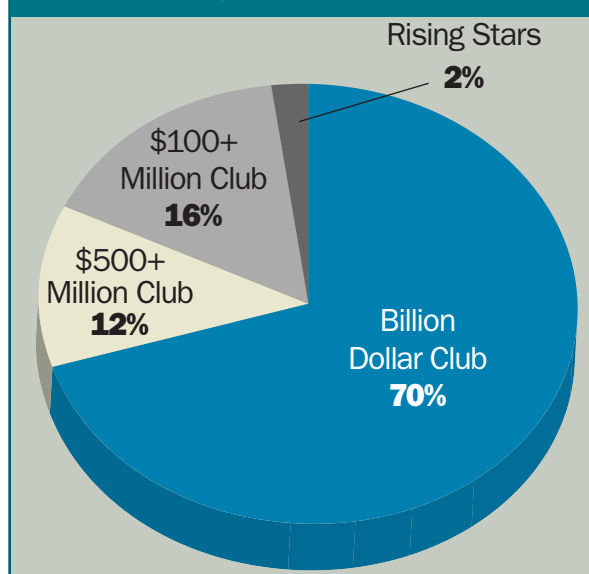
A final set of issues — one that touches both the Wealth Magnets and their clients — revolves around the vast amount of assets, legacies and businesses that will soon pass between generations. "Ensuring that our clients are properly positioned to transfer assets to the next generation over the coming years" is a major issue for planners, according to Kerkering Barberio chief operating officer Paul Cantor. "We are comprehensively offering our clients and their families guidance, education and counseling in preparing their heirs to become good stewards of the capital they will inherit."

But it's not just clients who have things to pass on. "One of the most important issues facing financial planners is next-generation planning," said Carina Diamond, managing director at SS&G Wealth Management. "This issue can be viewed as two-fold, the first being the succession of a practice. Many planners don't have younger-generation staff coming up the ranks. This can provide concern for continuity of service and advice to clients' families. The second part of this issue is how planners can effectively service the next generation or children of clients who are in need of planning but do not necessarily have assets to manage."

Diamond's firm has a long-established pipeline of college interns whom it grooms to understand all aspects of the business, and gets involved not just with clients, but with their children as well to "bridge the gap of next-generation planning," she said. **AT**

SHARE OF AUM

Percentage of total \$123.85 billion managed by the Wealth Magnets



"We believe that talent acquisition and retention will continue to be important issues that require a strategic plan as our industry ages and faces the consolidation of advisors and advisory firms," said Tom Haight, president and founder of Sequoia Financial Group. His firm has implemented the "Sequoia Playbook," a training guide, reference book, and valuable resource for new hires and potential acquisitions. The firm also created Sequoia University, which focuses on the lifetime professional development of team members.

THE BILLION DOLLAR CLUB

AUM \$	FIRM NAME	LOCATION	STAFF	CHIEF EXECUTIVE
10,977,209,465	Plante Moran Financial Advisors	Southfield, Mich.	150	John Lesser
8,271,692,000	Ronald Blue & Co.†	Roswell, Ga.	275	Russ Crosson
7,003,260,873	myCIO Wealth Partners	Philadelphia	37	David Lees
5,731,378,471	McGladrey Wealth Management	Minneapolis	81	Randy Matz
4,433,431,979	Savant Capital Management	Rockford, Ill.	127	Brent Brodeski
4,050,000,000	CliftonLarsonAllen Wealth Advisors	Minneapolis, Minn.	95	Tony Hallada
3,755,408,048	Wipfli Hewins / Hewins Financial	Milwaukee	72	Roger Hewins
3,500,000,000	Rehmann	Troy, Mich.	800	Randy Rupp
2,877,589,749	Joel Isaacson & Co.	New York City	38	Joel Isaacson
2,634,567,525	BKD Wealth Advisors	Springfield, Mo.	65	Jack Thurman
2,240,000,000	SignatureFD	Atlanta	54	Jeff Peller
2,115,579,000	Honkamp Krueger Financial Services Inc.	Dubuque, Iowa	60	John Darrah
2,004,638,104	Forum Financial Management†	Lombard, Ill.	62	A. Hamburger, N. Mindel
1,954,611,380	SVA Plumb Wealth Management†	Madison, Wis.	66	Thomas Plumb
1,937,124,083	HBKS Wealth Advisors	Erie, Pa.	49	Christopher Allegretti
1,922,960,150	Moss Adams Wealth Advisors	Seattle	40	Rebecca Pomeroy
1,866,532,717	Gilman Ciocia Inc.	Poughkeepsie, N.Y.	181	Michael Ryan
1,859,000,000	Truepoint Wealth Counsel	Cincinnati	40	Michael Chasnoff
1,838,045,385	Warren Averett Asset Management†	Birmingham, Ala.	29	Joshua Reidinger
1,800,000,000	Berkowitz Pollack Brant/Provenance Wealth	Ft. Lauderdale, Fla.	32	Richard Berkowitz
1,755,408,000	Andersen Tax†	McLean, Va.	595	Mark Vorsatz
1,650,000,000	RubinBrown Advisors	St. Louis	9	John Herber
1,523,636,750	Sequoia Financial Group	Akron, Ohio	44	Tom Haught
1,400,000,000	Citrin Cooperman Wealth Management	Philadelphia	9	David Bruckman
1,223,758,796	Frontier Wealth Management	Kansas City, Mo.	45	Nick Blasi
1,180,183,357	Dixon Hughes Goodman Wealth Advisors†	Asheville, N.C.	19	Frank Hoyle
1,139,811,396	KDV Wealth Management	St. Cloud, Minn.	20	Dave Hinnenkamp
1,100,000,000	CCR Wealth Management	Westborough, Mass.	15	David Borden
1,025,000,000	Level Four Advisory Services	Plano, Texas	31	Edmon Tomes
1,006,637,423	Thomas Wirig Doll	Walnut Creek, Calif.		Steve Leininger

THE \$500 MILLION-PLUS CLUB

AUM \$	FIRM NAME	LOCATION	STAFF	CHIEF EXECUTIVE
987,000,000	Schneider Downs Wealth Mngmt. Advisors	Pittsburgh	13	D. Linzer, K. Kunkle, N. Skeans
930,000,000	LBMC Investment Advisors	Brentwood, Tenn.	5	Gregory Herman
918,461,327	Durbin Bennett Private Wealth Management†	Austin, Texas	12	Richard Bennett, Brent Durbin
905,501,819	GHP Investment Advisors	Denver	14	Brian Friedman
894,373,889	Braver Wealth Management†	Needham, Mass.	21	David D'Amico
822,394,361	Howard Financial Services†	Dallas	13	James Howard
787,958,000	AKT Wealth Advisors	Lake Oswego, Ore.	19	K. Scott Barchus
777,537,606	Jackson Thornton Asset Management	Montgomery, Ala.		George Smith
738,000,000	Valley National Financial Advisors	Bethlehem, Pa.	34	Thomas Riddle
737,246,636	Beaird Harris	Dallas	9	Pat Beaird
695,383,278	Lutz Financial†	Omaha, Neb.	9	Jim Boulay
681,335,512	Sella & Martinic	Rockville, Md.	25	E. Geoffrey Sella
651,979,961	EisnerAmper Wealth Advisors†	New York City	5	Marc Scudillo
632,777,233	SMF Financial Advisors	Clifton, N.J.	7	Michael Shenker
607,000,000	Corrigan Financial Inc.	Middletown, R.I.	22	Daniel Corrigan
578,666,386	Schenck Investment Solutions†	Appleton, Wis.	4	K. Jaklin, K. Lakritz, T. Vonck
566,616,024	Raffa Wealth Management†	Washington, D.C.	4	Dennis Gogarty
565,157,000	Smith & Howard Wealth Management	Atlanta	10	Tim Agnew
546,527,174	REDW Stanley Financial Advisors†	Albuquerque, N.M.	16	Ginny Stanley
543,914,490	ML&R Wealth Management	Austin, Texas		Steve Harvey
518,907,830	Frank, Rimerman Advisors†	Palo Alto, Calif.	4	Patrick Sullivan

Notes on the report

For our ninth annual ranking of CPA firms by assets under management, we received submissions from over 200 firms. Such a large number of firms means, among other things, wide diversity in practice structure and in the information submitted.

▶ In most cases, firm names are those of the financial planning subsidiary, not the affiliated CPA firm.

▶ Firms have reported either their overall chief executive, or the leader of the planning practice. For simplicity's sake, we have listed both under "chief executive," though many bear different titles. In cases where a leader was not identified, we identified the leader of the planning practice from public sources (usually the firm's Web site).

▶ Many firms gave a date for the AUM figure they submitted; these varied widely, from the date of submission to a recent quarter-end, but in no case was it earlier than year-end 2014.

▶ In cases where a planning firm is a subsidiary of a larger CPA firm, reporting practice varies: Some report staff and office figures for just the subsidiary, some just for the overall CPA firm, and some for both. In cases where we had a choice, we published figures from just the planning subsidiary. In addition, while most of the chief executives listed lead the planning practice, in some cases firms reported the managing partner of the larger CPA firm.

Notes:

† Data provided by Audit Analytics, a premium online intelligence service that delivers audit, regulator and disclosure analysis to the accounting community. Reach them at (508) 476-7007, www.auditanalytics.com, or info@auditanalytics.com.

ONES TO WATCH

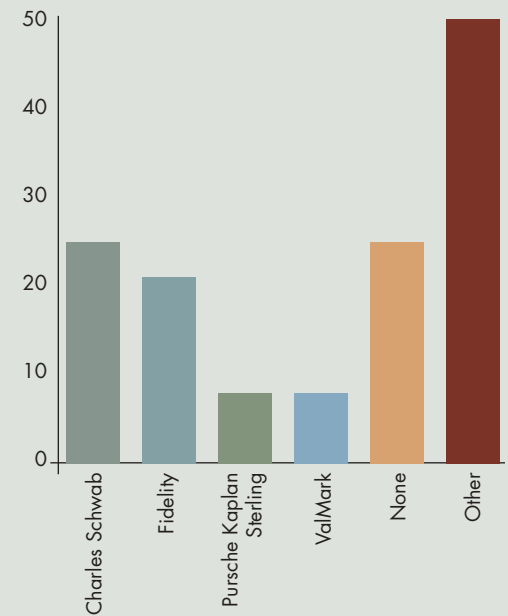
- ▶ Dexter Ward & Associates *Denison, Texas*
- ▶ S.C. Thomas & Associates CPA† *Medina, Ohio*
- ▶ Neuwander Asset Management *McFarland, Wis.*
- ▶ Tette & Ingersoll CPAs *Victor, N.Y.*
- ▶ Vantage Point Advisors *Salt Lake City*
- ▶ Forest Asset Management *Berwyn, Ill.*
- ▶ Convergence Wealth Advisors *Fall River, Mass.*
- ▶ Poinciana Advisors Group *Palm Beach, Fla.*
- ▶ Financial Life Advisors *San Antonio*
- ▶ Klane Wealth Management *St. Paul, Minn.*
- ▶ Maze Financial Planning *Chapel Hill, N.C.*
- ▶ Jordahl & Sliter Wealth Management Group† *Kalispell, Mt.*

TOP FIRMS BY AUM WEALTH MAGNETS

THE \$100 MILLION-PLUS CLUB

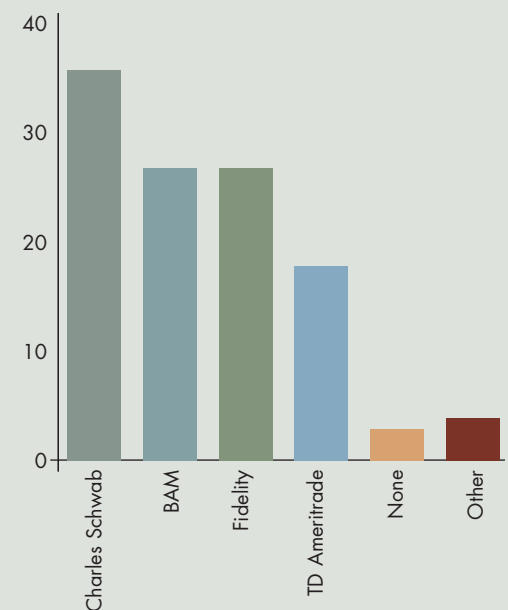
AUM \$	FIRM NAME	LOCATION	STAFF	CHIEF EXECUTIVE
470,000,000	Kerkering Barberio	Sarasota, Fla.	132	Robert Lane
456,000,000	Lassus Wherley	New Providence , N.J.	23	Clare Wherley
452,642,974	PYA Waltman Capital†	Knoxville, Tenn.	9	J. William Waltman
447,746,245	Meritrust Wealth Management	Louisville, Ky.	13	Diane Medley
439,936,120	SS&G Wealth Management	Akron, Ohio	13	Carina Diamond
436,257,759	Dopkins Wealth Management	Williamsville, NY		Tom Emmerling
417,538,213	CRA Financial	Northfield, N.J.	9	M. Reynolds/T. Reynolds
401,680,099	Traphagen Investment Advisors	Oradell, N.J.	7	V. Peter Traphagen
398,368,050	Bland Garvey Wealth Advisors	Richardson, Texas		John Garvey
396,000,000	Boulay Financial Advisors	Eden Prairie, Minn.	13	Dave Bremer
394,000,000	Marcum Financial Services	Melville, N.Y.	11	Steven Brett
392,442,737	Wealthquest Financial Services	Norfolk, Va.		Jeff Chernitzer
364,000,000	Kemper Capital Management	Robinson, Ill.	15	Thomas Moore
356,609,916	Kuntz Leshner Capital†	Lancaster, Pa.	9	Sarah Young Fisher
342,844,971	Jack Oujo CPA Inc.	Wall, N.J.	10	Jack Oujo
340,000,000	The Glowacki Group†	Los Angeles	10	Michael Glowacki
339,985,183	PBMares Wealth Management	Williamsburg, Va.		David Bush
338,315,372	GreerWalker Wealth Management†	Charlotte, N.C.	14	James Reichard
336,209,338	KEB Asset Management	Springfield, Ill.		Marc Carter
333,645,470	Weaver Wealth Management†	Dallas	15	Dave Sego
325,000,000	LBA Wealth Management	Jacksonville, Fla.	6	David Albaneze
308,373,311	Whitley Penn Financial†	Fort Worth, Texas	5	Thomas Rein
304,455,830	Tellone Management Group Inc. †	Anaheim Hills, Calif.	7	Dean Tellone
290,103,751	Herbein Wealth Management	Wyomissing, Pa.		Bill Morgan
285,000,000	Asset Strategies Inc.	New York City	12	Alan Rothstein
285,000,000	KCoe Wealth	Wichita, Kan.	6	Steve Callahan
280,574,736	Cherry Bekaert Wealth Management†	Richmond, Va.	13	Wesley Watkins
279,790,202	Arnett Carbis Toothman Wealth Advisors	Charleston, W.Va.		Gary Swingle
277,163,000	Glass Jacobson Investment Advisors	Owings Mills, Md.	12	Jon Dinkins
277,098,475	Mason Road Wealth Advisors	St. Louis		William Bender
276,893,234	WebsterRogers Investment Advisors	Florence, S.C.		Frank Rogers
276,000,000	John F. Suby Wealth Management†	Madison, Wis.	6	John Suby
269,848,364	Nova Wealth Management Group	Atlanta		Jeffrey Cohen, Sam Bromberg
269,700,000	KMH Wealth Management	Victoria, Texas	7	Lane Keller
258,645,000	Rowling & Associates	San Diego	9	Sheryl Rowling
248,000,000	PWM Advisory Group	Red Bank, N.J.	10	James Ferrare
247,000,000	Mark Sheptoff Financial Planning	Glastonbury, Conn.	2	Mark Sheptoff
243,768,774	Lauterbach Financial Advisors	El Paso, Texas		Jon Sonnen
238,202,821	Kraft Asset Management	Nashville, Tenn.		Stephen High
235,000,000	ShankerValleau Wealth Advisors Inc.	Evanston, Ill.	8	Lawrence Shanker
234,902,000	SC&H Financial Advisors Inc.†	Sparks, Md.	15	Gregory Horning
234,333,378	Claris Advisors	St. Louis		Stan Royer
227,939,949	Millares Asset Management	Coral Gables, Fla.		Ruben Millares
215,056,958	HA&W Wealth Management†	Atlanta	6	Keith Greenwald
214,000,000	Blue Ocean Strategic Capital	Syracuse, N.Y.	6	Theodore Sarenski
210,000,000	BCS Wealth Management	Johnson City, Tenn.	7	Mike Alread
205,314,873	Andrews, Lucia Wealth Management	San Mateo, Calif.		Robert Lucia
203,651,470	Mutual Fund Mngmt. Co./Arvai & Associates	Troy, Mich.	4	Frank Arvai
200,000,000	SK Wealth Management	Providence, R.I.	5	Jason Archambault
197,000,000	Mercadien Asset Management*	Hamilton, N.J.	5	Kenneth Kamen
186,821,179	Causey Demgen & Moore†	Denver	45	Paul Demgen
184,701,074	Eide Bailly Advisors†	Fargo, N.D.	30	Brad Kelley
178,194,918	Solutions for Wealth Management	Bourbonnais, Ill.		Mark Smith
177,714,000	Netting & Pace CPAs	San Antonio	16	Conrad Netting

THE BILLION DOLLAR CLUB PROFESSIONAL AFFILIATIONS (% OF FIRMS)



Note: Of 24 firms reporting. Includes platform providers, custodians, broker-dealers, RIAs, etc. Some firms reported more than one affiliation.

THE \$500+ MILLION CLUB PROFESSIONAL AFFILIATIONS (% OF FIRMS)



Note: Of 11 firms reporting. Includes platform providers, custodians, broker-dealers, RIAs, etc. Some firms reported more than one affiliation.

WEALTH MAGNETS

TOP FIRMS BY AUM

THE \$100 MILLION-PLUS CLUB (CONT'D)

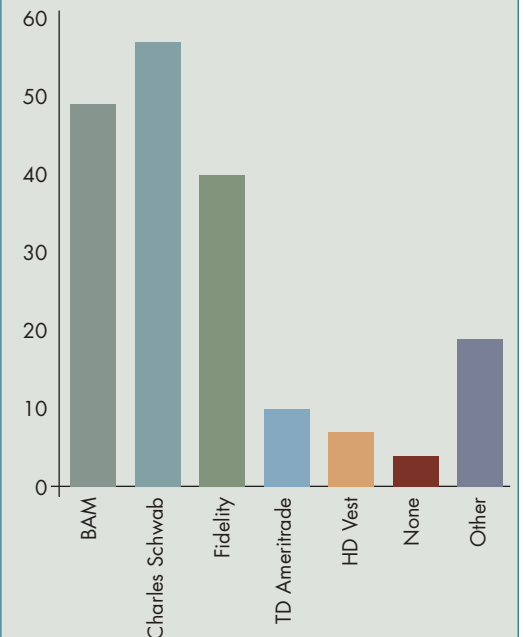
AUM \$	FIRM NAME	LOCATION	STAFF	CHIEF EXECUTIVE
169,008,351	Wealth Management Group	Dover, Del.		Scott Brown
165,084,213	Horne Wealth Advisors	Ridgeland, Miss.		Stan Purvis
165,000,000	KLR Wealth Management	Providence, R.I.	3	Peri Ann Aptaker
157,437,383	Kilner Capital Advisors	Gaithersburg, Md.		Joe Kilner
149,697,684	FMF & E Wealth Management	Syracuse, N.Y.		Chris Gardner
141,306,356	Dental Wealth Advisors	Kirkland, Wash.		Sam Martin
141,227,612	RF&L Wealth Management	Boston		Neil Doherty, Rodney Hass
137,263,510	Homan Wealth Advisors	Omaha, Neb.		Richard Homan
136,488,134	Wasserman Wealth Management	Farmington Hills, Mich.		Brad Wasserman
135,000,000	Briggs Wealth Management Inc.	Glastonbury, Conn.	6	Mark Briggs
131,907,642	D3 Financial Counselors	Downers Grove, Ill.	6	Donald Duncan
131,239,000	Pivotal Planning Group	Jericho, N.Y.	7	John Marchisotta
130,084,600	Ronald P. Austin CPA/PFS	Lafayette, Ind.	1	Ronald Austin
130,015,435	ARK Financial Services	Bethesda, Md.		Andrew Kline
127,924,569	PKS Investment Advisors	Ocean City, Md.		Winn Booth
125,000,000	Paul Carpenter Capital Advisors	Johnstown, Pa.	4	Paul Carpenter
124,468,107	Heartland Investment Advisors	Kansas City, Mo.		Douglas Hunt
123,079,575	Squire Wealth Advisors	Orem, Utah		Tim Christensen
120,765,135	SFC Asset Management Inc.	State College, Pa.		James Karchner
120,000,000	M. White Financial Services	Baytown, Texas	4	Matthew White
118,395,065	WIN Wealth Management	Denver		Mark Autterson
115,000,000	Alt Financial Services Inc.	Janesville, Wis.	10	Dennis Alt
115,000,000	Schexnayder Wealth Advisors	LaPlace, La.	4	Nolan Schexnayder
110,826,997	JDH Wealth Management	Santa Rosa, Calif.		Tim Delaney
110,549,264	AVL WealthCare	Gulfport, Miss.		Germaine Weldon
108,891,611	Walpole Financial Advisors	Goleta, Calif.		Kirk Stoves, Jean Smith
106,000,000	Susquehanna Financial Advisors	Mechanicsburg, Pa.	3	Edward Gormley
103,088,410	Siena Capital Management	Grand Ledge, Mich.		Roger Millbrook, Steve Hicks
100,900,000	CSA Financial Advisors	Cincinnati	4	Michael Clark
100,000,000	Shahbaz Southern & Co.	Greensboro, N.C.	6	Ken Shahbaz

THE RISING STARS

AUM \$	FIRM NAME	LOCATION	STAFF	CHIEF EXECUTIVE
98,307,641	Cornerstone Wealth Advisors	Overland Park, Kan.		David Imhoff
91,112,226	WeiserMazars Weath Advisors†	New York City	5	Carijn Michel
90,855,606	Financial Advocates	Costa Mesa, Calif.		James Pickett
90,000,000	Carey & Hanna Tax & Wealth Planners	Ventura, Calif.	11	Davin Carey
84,229,920	Green Wealth Management	Salem, Ore.		Phil Green
78,063,044	Lake Mary Wealth Management	Maitland, Fla		Paula Taylor
78,005,726	Waypoint Wealth Management	Hunt Valley, Md.		Grant Palmer, Dave Callan
77,564,878	BCG Wealth Advisors	Akron, Ohio		Doug Mathey
77,036,115	JMF Capstone	Tuscaloosa, Ala.		Joel Lake
75,752,727	Gallagher, Flynn & Co.	South Burlington, Vt.	71	M. Keller, G. Bourgea
75,540,118	Shoreline Asset Management	New Castle, Ind.		Marion Shore
75,000,000	Armstrong, Backus & Co.	San Angelo, Texas	56	Freddy Moore
74,743,000	Scafa Financial Services	Pennington, N.J.	4	Elizabeth Scafa
74,361,340	CTM Financial	Knoxville, Tenn.		Pat Taylor
74,000,000	The Whitlock Co.	Springfield, Mo.	32	Joe Page
72,752,595	Purtill Financial	Highland Heights, Ohio	4	Donald Purtill
72,000,000	Coventry Financial Group	Quitman, Texas	3	Larry Coventry
71,000,000	Morrison & Associates Wealth Management	St. Charles, Ill.	8	William Morrison
70,961,825	Sikich Financial†	Springfield Ill.	8	James Sikich
70,500,000	TDC Capital Advisors Inc.	Bryan, Texas	4	Ronnie Craig
70,045,645	Christakos Financial Group	Westfield, N.J.	1	Jeffrey Christakos
70,000,000	Phoenix Tax Consultants	Phoenixville, Pa.	9	Julia Brufke Wenger

THE \$100+ MILLION CLUB

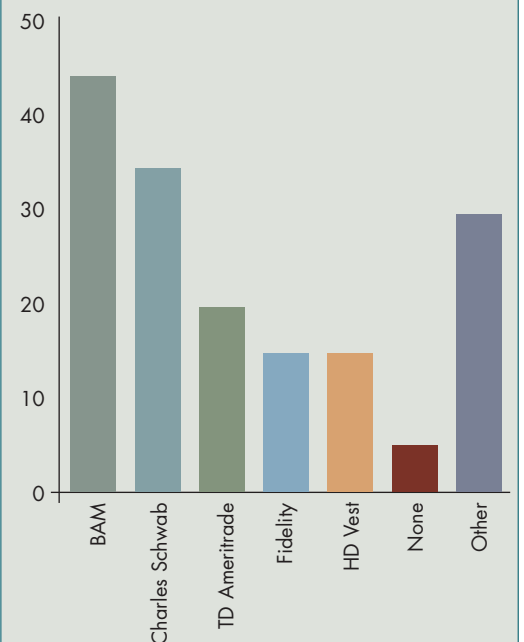
PROFESSIONAL AFFILIATIONS (% OF FIRMS)



Note: Of 70 firms reporting. Includes platform providers, custodians, broker-dealers, RIAs, etc. Some firms reported more than one affiliation.

THE RISING STARS

PROFESSIONAL AFFILIATIONS (% OF FIRMS)



Note: Of 20 firms reporting. Includes platform providers, custodians, broker-dealers, RIAs, etc. Some firms reported more than one affiliation.