

The COO Roundtable with Matt Sonnen

Episode 72 – Brittany Manning and Brian Habas

[00:00:00] **Matt Sonnen:** Hi, I'm Luke Sonnen. Welcome to the COO Roundtable, powered by Coldstream Wealth Management. Here's your host, Matt Sonnen. Happy New Year, everyone, and welcome to Episode 72 of The COO Roundtable. This is the January 2025 episode. It's also our six-year anniversary. We launched this podcast in January of 2019, and we've released one episode per month for 72 straight months.

Let me take an opportunity to thank all of our past guests for sharing their wisdom with our listeners. And let me make a quick plug to recruit new guests. If you or someone you know would like to be a guest, I only ask that it be someone running operations at an RIA. We've had a lot of opportunities to interview COOs at different vendors that serve the RIA space, but I really prefer to interview operations professionals at the RIAs themselves.

It is called The COO Roundtable, but you do not need to have a title of COO. We've had plenty of Presidents, Director of Operations, Operations Managers, et cetera. So don't worry about the title. So if you have someone you think would be a good guest, please email me at matt.sonnen@coldstream.com. And I'll try to pair them with an RIA of similar size, and then we'll, we'll get them on an upcoming episode, but let's jump into today's conversation.

We have two amazing guests joining us. So joining us from MCF Advisors with several offices in Kentucky is Chief Operating Officer, Brittany Manning. The firm has offices in Covington, Lexington, and Louisville. Brittany has been with the firm for about 12 and a half years. She's had several positions.

Most recently, she was named COO in May of this year. She has her CFP® designation and she's been licensed as a certified public accountant since 2010. As COO, according to their website, Brittany "supports MCF clients and team members in delivering an exceptional service experience, as well as provides leadership and process execution, strategic business development, and long-term growth goals."

Brittany, welcome to The COO Roundtable.

[00:02:16] **Brittany Manning:** Hi Matt. Thanks. So glad to be here.

[00:02:19] **Matt Sonnen:** Well, great. And joining Brittany is Brian Habas, COO at AlphaCore Wealth Advisory headquartered in La Jolla, California. AlphaCore has two other offices in California and then additional offices in Arizona, Connecticut, South Carolina, Colorado, and Texas.

Brian joined AlphaCore about six months ago. He's had career stops at Ameriprise, T. Rowe Price, and LPL. I don't know if his designation is still active, but at one point he was an advisor and CFP® earlier in his career. I'll let him talk about all of that in a minute. When he joined AlphaCore as COO, the announcement that the firm put out said, "Brian embodies our firm's culture and is responsible for ensuring AlphaCore continues to deliver great experiences for our team members and clients. His expertise will accelerate AlphaCore to the next level during this pivotal time of growth and opportunity." So Brian, welcome to the podcast.

[00:03:14] **Brian Habas:** Matt, thanks for having me. And thanks for that warm welcome. Ah, it is still active. My CFP®'s still active, but I'm excited to be here and share the story.

[00:03:22] **Matt Sonnen:** Great.

Well, Brittany, I'm gonna let you kick us off. Tell us a little bit about MCF Advisors.

[00:03:27] **Brittany Manning:** Yeah, happy to. MCF Advisors was founded in 2004 here in Kentucky, as you mentioned, by two partners, both of whom are still active with our firm, which is exciting. We've got about 3.2 billion of AUM as of 9/30 and 34 employees across our three offices that you mentioned. We serve clients primarily through two divisions: our first is our wealth management division, which focuses on individuals,

families, business owners, and those who really want a holistic financial planning experience. We tag them internally as delegators, those who really want someone to take care of them and take care of all of their financial pieces. Our second division is our institutional division. Institutional kind of encompasses for us defined benefit and defined contribution plans, endowments, pools of money, namely wealth management.

And for those clients, we target retirement plans of 10 to 100 million of AUM, who really would like a partner in staying on top of their ever changing DOL and ERISA requirements. And then family kind of wealth management just depends on a client fit there. We've historically had great growth over our tenure, primarily through organic channels and are really looking into the future on making a footprint in M&A going forward.

So that's a little bit about us.

[00:04:56] **Matt Sonnen:** Great. Thanks for the recap. Brian, tell us a little bit about AlphaCore and what attracted you to the firm.

[00:05:01] **Brian Habas:** Sure, Matt. So AlphaCore is actually coming up on its ten-year anniversary and it's about three and a half billion dollars in AUM. And like you said, we have offices all over the nation.

We have about 49 employees. And it's really a, you know, full-service wealth management firm. The roots of AlphaCore really are all about deep research, really understanding somebody's total financial picture. Our target client's usually in that 3 to 30 million dollar range. And we've had a lot of success organically growing over the years.

And similar to Brittany's comments, when it's appropriate, we've looked to M&A to add either talent or geographical regions, and we'll continue to do so moving forward.

[00:05:47] **Matt Sonnen:** Well, Brian, I mentioned the different firms that you worked at prior to joining AlphaCore; walk us through your career path.

[00:05:54] **Brian Habas:** So, ah, you know, as you started, I was an advisor for four years.

I thought I'd do that for my whole career. I think when we get to the later conversation, I think it's really important to have that client interaction. When my wife and I moved to Baltimore, I joined T. Rowe Price, spent about ten years with them, launching a 529 plan for them, and then working all over digital experiences.

And I think that experience for me taught me a lot about process and, and thinking and, and really putting the client first. And then I was lucky enough to join LPL about ten years ago and help them build out a product team. And then most recently on a lot of their larger M&A and partnerships with institutions.

[00:06:34] **Matt Sonnen:** So you were, and you were at LPL right before joining AlphaCore?

[00:06:37] **Brian Habas:** I was. Yep. I left LPL over the summer and joined AlphaCore directly from there.

[00:06:42] **Matt Sonnen:** So you saw a tremendous amount of growth.

[00:06:45] **Brian Habas:** We did. It's hard to imagine when we were a much smaller firm then. I like to use the, the public numbers that - I think the technology budget was about 60 or 70 million dollars when I joined them and it was probably four or five hundred million dollars when I left. It's a, it's a small example of the growth, but you could do that in number of advisors, number of models they had, number of products that they offered. And for me, that, that really gave me an experience on hiring, training, developing, challenging myself to grow. And I think LPL was a great opportunity in that sense. And I think anybody listening today, if they have a chance to be a part of any firm that has a, a growth mindset, it can be really exciting for your career.

[00:07:25] **Matt Sonnen:** Yep. That's why I paused and asked you about that because we're going to talk a lot about growth and trying to manage all the growth.

So you have great experience in that area because LPL for the last ten years, it was nuts. So yeah, good, good for you. Well, Brittany, you had a history in accounting before you joined MCF Advisors, and then you've had a few different roles leading up to your most current role as COO. So walk us through your career journey.

[00:07:51] **Brittany Manning:** Yeah, sure. Started my career out of college working for a local regional CPA firm here in Kentucky. Spent a couple years there. And actually went to a smaller firm for about a year or so. I have known the CEO of MCF my entire life. Kentucky has a way of being a small, kind of close knit community, and I actually ran into him at his daughter's wedding several years ago, and just - we're catching up on life and he said, "you have a lot of the skills that we look for at MCF and come see me Monday morning." And about 48 hours later, he had offered me a job here at MCF, kind of, as you mentioned, we didn't really even know what my job was going to be when I said I'd make the move over, which was a little scary, but also exciting.

I've had the opportunity to work through many different roles here at the firm, starting with internal bookkeeping and financial reporting and client service, all the way up to where I am now as the COO. So I've had a good perspective on the inner workings of the firm over the last twelve and a half years.

[00:09:00] **Matt Sonnen:** That's great. I think I've mentioned, I might've mentioned this on the podcast before. I used to talk at the career center at UCLA from time to time. And, and those poor kids, I'm sure it's even worse now. This was probably ten, 15 years ago that I used to do it, but they were just so stressed about - I haven't figured out my entire life yet.

You know, they're 21 years old and I would tell - try to tell them stories of - you don't know where your next career opportunity - you might be at a wedding and run into somebody - like, don't stress too much about it. So that's always my favorite question on the podcast is hearing people's career stories.

Because I love hearing all the zigs and zags and how they got the different opportunities. So I love that, that that opportunity came about and twelve and a half years later, you're still there, but that came from just being at a wedding. That's amazing.

[00:09:45] **Brittany Manning:** Yeah, it's a fun story to tell. And, you know, I took a risk doing it and not really knowing what I was getting myself into.

And it's certainly worked out to the positive. So...

[00:09:54] **Matt Sonnen:** That's great. Well, Brian, as you said, you, you chose to pivot your career after being an advisor. And there's, there's a lot of talk in our industry about how people early in their careers, they need to make that decision: which road are they going to head down?

Do they want to go the route of an advisor and try to build a book of business, or do they want to go the back office route, whether that's operations or client service or marketing, whatever it may be. So talk to us about that decision for you. And more broadly speaking, do you think our industry is providing a solid enough career path for non-advisors?

[00:10:28] **Brian Habas:** Absolutely Matt, and you know, I just, maybe listening to Brittany's story, I, let me take a step back and just say, you know, when I hear, you know, connected with somebody, took a risk, was open to learning new things, Brittany, if I could put words in your mouth, I, I think that that is such a unifier on maybe our stories and what I'd say sort of the answer to your question, Matt, which is,

you know, I had somebody, a mentor, her name was Suzanne Ricklin, and she didn't know me at all when I first interviewed at T. Rowe Price. And I thought I was asking for one thing, and, and she was smart enough to ask me a few extra questions, Matt, about why I was an advisor and what I liked about my job.

And she's the one who picked up the phone and called my first boss, Lois Welsh, and offered that I might be a good candidate for this thing called marketing and 529 plans. And. And that those words never came out of my mouth. And then I - when I picked up the phone and called LPL, they helped me find a role there.

And I think similar to Brittany's story, both times, what I was trying to offer was that I was willing to learn and try new things. And what I was hoping was they would help me understand their culture, their company, where I can make an impact. And so if I get to your conversation, I think that's the crux of the move from being just an advisor to doing more.

And so when you're an advisor, right, you're building that book of business, you're calling, you're, you know, building relationships. But if I were to oversimplify it, we usually get a shoebox of information, right? With statements and things, you build a financial plan, but maybe the whole job is whether or not you can influence somebody to take action on that plan.

Yep. I think the same true in business. So those on the, you know, listening in, trying to contemplate maybe where that line is, is: if you're introducing a new technology, a new process, a new way of doing business, you're doing the same thing. You have a bit of information, you create a fact base, you present that information, then you really have to figure out how you're going to influence somebody to take action.

Otherwise it's just, it's on the shelf. And so, I think that's where it is. And so in our world, we talk about people's career paths or doing more. You asked the question, you know, are we doing enough? I think the answer is no. We talk a lot about badging here, and we've just had a lot of success with this concept.

And I think when you're getting a designation, right, there's a bunch of tests. And an exam at the end and you get your CFP® or whatever designation, I think the same is true in a microcosm of any skillset, you can learn a technology, you can learn how to present to a client, but being purposeful and sort of bragging, Hey, I'm great at proposal generation, or I'm great at processing new money, or I'm great at meeting with clients for client service, is a great way to create a career path that's less binary - advisor or not advisor - and a little bit more along the journey of a client and their touch points. So that's sort of how I think about it, Matt, you know happy to follow up on any of that, but that's how we've been doing it.

[00:13:28] **Matt Sonnen:** No, that's great. I mentioned this on the last podcast.

I'm just so upset about it. I'm going to mention it again. Someone told me recently, they were struggling with one of their direct reports because they were trying to give this person a promotion and - a younger person - and they said, "great, but I'm not going to lift a finger. I'm not going to start doing the new job until you've hired someone to take off those other responsibilities from my plate."

And when they told me the story, I just literally fell out of my chair because it's just so anti everything you just said, which is the way you're going to grow your career and find enjoyment and fulfillment in your career is you're going to try new things and you're going to find out what you're good at and what you're not good at.

And there isn't always going to be that opportunity, if ever of - well, before you can try something new, we have to take off all the old, like, you're going to have to do two jobs, three jobs at a time for a short amount of time until we really figure out what, you know, you like and what you're good at and what we need. But I'm just so upset about this story. I'll mention it for the second month in a row.

[00:14:27] **Brian Habas:** Well, I remember hearing that cause I was doing my research for this. You know, I'll meet you in the middle of that. I love that the person had a courageous conversation. Right, that they actually thought for a moment. I just would love them to put their first foot forward, almost like they were maybe playing a team sport or whatever their favorite hobby is, and say "yeah, but I need to try first," right?

We've been talking a lot about internal statements of work, and maybe I'll offer this as an example for that story. You know, whenever we work with an external vendor, right, nobody ever does any work without writing it down on a one pager and signing off on the money or the time or the amount of effort.

And sometimes we forget to do that internally. And maybe if I were sitting down with that person, or if I, you know, when we talk internally, we've been practicing how to do that internally, so you really can put some scope around it, and that way you can put in that extra effort, Matt, and maybe you can meet that person in the middle and say, I understand that this might be a challenge for a while, so why don't we time box it, or why don't we say, you're going to try it for 30 days, or eight hours a week, or whatever it is, and here's what I'm hoping to expect, you know, to see from you.

And I think when, when we were all starting our careers, maybe that was a little bit more implicit and less explicit. Yeah. And so that's what we've been trying to do on our side.

[00:15:46] **Matt Sonnen:** Yeah. No, well said. Well said. Yeah. Well, Brittany, with your background in accounting and financial planning, I'm sure you can speak to this.

What do you think of the various career paths available to folks entering our industry? Have we done enough for the non-advisors out there?

[00:16:01] **Brittany Manning:** Yeah, I loved listening to you and Brian talk about that because I agree with, you know, pretty much everything that you guys have said. I think, you know, when we're thinking about, have we done enough?

I try to look at everything through the lens of what got us here is probably not what's going to get us to the next point. And, you know, our industry has had such rapid evolution over the last several years that I think there are more people in positions such as Brian and myself, who have played these kind of hybrid roles, for lack of a better term, and can start to impart some wisdom and guidance on those coming into our industry, that there's not just one or two career paths that are being offered, which may have been the case, you know, 20-plus years ago. Our industry is also just expanded so much and kind of what we do and deliver to our clients.

So, as Brian mentioned, kind of having roles along the client experience and the client, you know, interactions with the firm, I think it's just expanded the opportunities for individuals to have jobs that may look a little different than what you think of when you think of the financial advisory firm.

So I think that that's been really exciting and something that we continue to emphasize here at MCF on how do we create those opportunities for individuals and how do we start to carve out some of those more unique roles.

[00:17:30] **Matt Sonnen:** Well, going a little bit deeper on that topic of career paths: not only is our industry growing, but both of your individual firms are growing quite a bit as well.

And both of you have been on, on hiring sprees. Brittany, talk to us about how you identify the different skill sets on your team and figure out who should be in what roles.

[00:17:50] **Brittany Manning:** Yeah, this has been a work in progress, I would say, probably not unique to our firm, but you know, as we have evolved and grown, we've had a lot of those hybrid-type roles where people were covering many different positions and getting exposure to a lot of different facets of the business, which has been great. And as we've continued to grow, we - at least on an annual basis - our leadership team looks at our organization to really see what we are structured like currently, and where do we see we need roles for the next, you know, one to five years in our growth trajectory. And then we have, you know, frank conversations with managers and individuals at the firm and kind of tell them what we view the next couple of years looking like for MCF and get candid feedback from them on what they enjoy about their job, what they don't enjoy, and kind of, if there's pieces that they've seen at the firm that they'd like to get more information on.

So, it's a really two-way street, you know, we want to make sure that our employees are super-engaged in their work, but also always looking at it through what's going to serve them the best and also MCF the best.

[00:19:02] **Matt Sonnen:** Yeah. I love that. I just read an article talking about Adam Grant. A lot of people know Adam Grant, follow him on LinkedIn.

He was talking about: everyone does exit interviews, and that's great, and you should do exit interviews, but it's kind of pointless at that point. Ah, the person's leaving, and you're basically trying to backpedal and say, "what could we have done or what should we have done to keep you here?" And so he was talking about how important it is to ask before they leave, to be asking them on a regular basis, "what do you like about your job? What can we give you more of? And what do you not like? And what should we be trying, if possible? What should we be trying to give you less of?" So I love that you're doing that analysis.

[00:19:39] **Brittany Manning:** Yeah. And one of the things that we've really prioritized over the last several years from a management level is doing more frequent - I won't even call them reviews - but just conversations with our team. So it's not an annual take: okay. What was great over the full year? What do we want to do next year? It's much more frequent. And so we can kind of keep a pulse on how everyone is feeling about their responsibilities, what they're enjoying about their job.

And, I mean, as you both know, when you're growing and adding different pieces to your firm, what you started the year doing may not look the same in September. And so we feel it's really important to keep that line of communication open proactively.

[00:20:20] **Matt Sonnen:** That's great. Well, Brian, you and I have talked about how as the business grows, the job descriptions need to get tighter and tighter.

And as the team grows, you aren't necessarily looking for a jack of all trades anymore. You need someone with a very specific skill set to fill a very specific role within the team. So how have you navigated that change in business need and how have you ensured that you have the right people in the right seats across your team?

[00:20:46] **Brian Habas:** Yeah, you know, I think these are all really under the umbrella of growing. I think when you're not growing as quickly, a lot of these things you can do over time or in side conversations, but Brittany hit on it. It's these direct conversations. I - Doug Lennick, who was at IDS now, you know, Ameriprise, had a thing called witty, wiffy, and everybody always teases me about it, Matt, but it's a - what do you want for yourself - was the purpose.

And you could just call that goals or - or real conversations that are more than just metrics or your day-to-day operations. I think you have to start there with people. I think as it relates to roles, you know, I was talking a little earlier about these internal SOWs. For me personally, they have become a way to create an early job description because they define work that's starting to come forward in a way that didn't.

And, if I could use a silly example, I feel like everybody always understands finance, right, there's a bi-weekly payroll, there's a monthly closeout, a quarterly closeout, there's the year-end taxes, there's a bookkeeper, you could have a controller, you could have a CFO, and everybody sort of gets their mind around it, right, Matt, like those are all very definable things.

And that same concept exists in every other function, but is such a meandering path rather than a straight line. And so for me, I, I've been trying to use that as an analogy to say, great, so in our marketing department, we might've started with just an agency and then somebody who's doing it as a - you know, as a - on the side of their desk, and then it becomes a role. And then eventually it becomes a department, right? And each of those are different in terms of the skillsets needed and how much of their time is really dedicated to that. So that's where we've been spending a lot of our time on really trying to anticipate those. I think Brittany said sort of by September - I think that's a good, you know, maybe six to twelve months out - what do we see going on? And then I think the other reality for us is that we did start the M&A process. And we have been really trying to look at thoughtful, talent-based partnerships. And that talent's also had us challenged. What are we doing now and how can they fit in, and where could they add skills or experiences that we haven't had in the past?

And then what does that mean for our current team and how can that be a positive rather than something that's either scary or unknown or a threat?

[00:23:14] **Matt Sonnen:** I love that. Well, again, keep going deeper. So as, as the business grows and gets more complex, not only do we need to define the, the roles, but we need to define the processes.

As you said, Brian, this is all about growth. So I've written several articles on this topic and we've, we've talked about it quite a bit on the podcast, but Brittany, I'll go to you first. Has your firm taken the time to document all of your core processes? And if you have, what benefits have you seen from those documented processes?

[00:23:42] **Brittany Manning:** Yes, we have: several years ago, we really made it a key initiative of the firm to start documenting what we call the MCF way. And every person in the firm participated in some capacity and getting pen to paper on what lived in all of our heads for so long. We have found this to be just so instrumental as we: one, move to a more remote work environment and not necessarily a work from home, but with several offices, and I'm sure you both can relate.

Sometimes I'm helping someone in our Covington office or in our Louisville office. And so being able to refer back to a streamlined process and procedure for whatever that may be has been instrumental in our efficiencies and our ability to really train new people as they move either into the firm or into new roles within the firm.

We've also seen that taking the time to document all of our processes and procedures has given our internal team members several opportunities to take on more leadership positions, whether they're spearheading, articulating a particular workflow or process, or if they're leading a group of people in, you know, analyzing it, what are the pain points associated with an onboarding, for example, how do we make sure we alleviate as many of those as possible and being proactive and bringing solutions to the team? And so it's been a great forum for everyone to kind of take a stab at ownership. And it's really allowed individuals to - to kind of show themselves, if you will, and really see what they can do when they're given the chance and opportunity to, to really own something.

[00:25:26] **Matt Sonnen:** It's just amazing to me how many RIAs out there, they push back on: we're growing too fast to stop and sit down and write down our processes. And I just, I just fall off, fall over and say, you would grow so much faster if, you know, your people could get trained so much quicker. I actually did talk to someone who had joined a firm that did not have things written down. And he said, I'm having a hard time learning the, like you said, you know, the MCF way, like, of, of how to do things. And their answer to him was - oh, hang in there. Just, you need more reps. Just if you, you know, open a few more accounts and you'll get good at it and you'll figure it out. Rather than having, like, a process written down of this is how we open an account here.

It's just mind boggling to me that so many people push back on it.

[00:26:09] **Brittany Manning:** Oh, I completely agree. And, you know, even some advisors at our firm, you know, we have to remind them that we have this all documented and processed out. And as we look at MCF to, to move more into the M&A, you know, realm, we know how important this is going to be, you know, bringing individuals into our, kind of, the MCF way of doing things.

And if we don't have that documented, it's just going to be even, even more difficult. So we really use it as a, as a growth tool rather than a growth inhibitor.

[00:26:41] **Matt Sonnen:** Yeah, exactly. Well, Brian, you're a big people process tech kind of person. What, what tips can you give us about documenting processes and the lift and organization we'll get from having those processes documented?

[00:26:53] **Brian Habas:** Well, I'm just sitting here, you know, nodding my head as I listen to both of you. You know, look, this is a problem across every firm I've been at. It can feel so good to be the person who solves the problem or knows the answer, and that - that personal heroics or that firefighter who puts out the fires or just that trusted person in a small firm, or area or division, even at the big firms like T. Rowe and LPL, right? You have that person who knows that one thing. And unfortunately it reinforces not writing it down or not having a process, right? And I, I think that that shift is so hard and it has to be based on trust. Right, that that person can write it down and that only good things are going to happen, right?

So I think you have to start there.

[00:27:42] **Matt Sonnen:** Yeah.

[00:27:44] **Brian Habas:** if you move from there, I like this analogy - in my wife's field, they used to say this all the time. It was: See one, do one, and teach one And Brittany, you were talking about opportunities for people, right? I think that idea of: somebody shows it to you, then you actually have to go do it, and then you have to actually be able to teach it. And if you can do those three things after you've written it down, and that person you taught it to can then do the same thing, you start to have a half decent written process. And then you can go analyze it, right? Then you can use Six Sigma, you can ask five whys, you can do any of the process steps to make a process better.

But if you haven't taught it and somebody else hasn't done it without you in the room, I don't know that you really have a process mapped out, right? You might have written some things down. And, and so I think that's the tip I would give for folks is just pick anyone. If, if somebody else can't pick up that document while you're on vacation and do it, why not?

Why is it so complicated? Why, you know, why is it so hard to explain? And that's the challenge I would give folks and I, you know, you didn't offer it, but I'll go to tech. Everybody jumps to tech as if that process or workflow is going to solve the problem. And unfortunately, that's, that's the last thing you need to do.

If you can spend all your time and really value process, I think you'd be winning. And unfortunately, I think we value people doing their tasks or we value buying a technology. It feels good. We need to start sort of really valuing for people that they made progress on a process document and that that is the job.

Yeah.

[00:29:28] **Matt Sonnen:** I love the see one, do one, show one, because, in my consulting days, I always had to say: you, obviously you want to go to your subject matter experts that know that task the best to be the one to write down the process, but in many ways, they're the worst person to do it because they know the task...

[00:29:43] **Brian Habas:** oh, they skip over everything!

[00:29:44] **Matt Sonnen:** ...know the process so well.

Yeah, that's right.

[00:29:47] **Brian Habas:** Well, obviously you press, you know, shift F function five. Yeah, exactly. How would you not know that, Matt?

[00:29:55] **Matt Sonnen:** Exactly. But, so you mentioned tech, so let's go there. So, we've talked about building out our people, we've talked about building out our processes, so now let's talk about the tech stack.

And you mentioned this. So, a very common mistake I see is: these RIAs, they get sold on a new technology tool and then they buy it and they don't - they just think, well, it will just magically start working and it's going to solve all of our problems. So Brian, talk to us about the complexities of tech integration.

You can't just slap on a new component to the tech stack and not first think about: how does this fit with all the other tools and, and how is data going to flow from one tool to the next, et cetera. So to walk us through that.

[00:30:38] **Brian Habas:** Yeah. And this is an area I have a lot of passion in. I spent a lot of time, especially at LPL, building with, you know, user experience teams and product teams.

And so I think when I came back to sort of a smaller firm, you know, the importance of putting wherever the user is at the front and center is critical here, right? I think it's so much fun to think about a new CRM or a new financial planning tool or new prop gen tool and, and how you're going to integrate it.

Or maybe you're going to bring on a new custodian or whatever you're going to do. But if you put the user first and really walk through, you know, what is it, you know, what's the app on their phone? What's - how do they log in? Where did - you know, Matt, we were talking earlier in a different conversation about data - where does the data go? Right? If you, if you update an address, what happens and how does it walk through? And it really is the process conversation all over again. If you can spend twice as long building that blueprint before you build any integrations, you're so much better off, but everybody gets excited to start the build, right? Have we started, have we bought it and it's fine, right? It'll work, but you won't have great workflows. You won't have great permissioning, and you really will have a tough time scaling. And I - for those who haven't been through it, if you're starting to contemplate maybe bringing on a different firm or hiring new people, then you're going to be stuck in the conversation we just had, which is: they won't know how to be onboarded because they won't be able to follow along. They won't understand how to join your technology and be efficient because you haven't spent the time up front to really map it out. And so. Hopefully that's a little bit of the story, Matt. I'm happy to go a little further if you want to.

[00:32:22] **Matt Sonnen:** I was talking to one group and we were talking about, you know, documenting the processes. And we were joking that some firms, the manual says: to send a wire, log into Schwab, go to cashiering, and send wire. And they're like, it's three steps. Well, how do I get to Schwab? Do I go to, you know - Coldstream, we use Okta. So you've got to log into Okta first and then you get a tile and you click on the Schwab tile, but then once you've done that, then you got to go to your phone - like you mentioned, there's the VIP credential. You got to like, you got to walk people through all of that. And then you got to explain how do they get - how do they navigate to the cashiering tool?

You can't just say, go to cashiering. Like, assume this person has never done it before. So yeah, the tech is going to drive people nuts if they're not trained on it.

[00:33:04] **Brian Habas:** Yeah. You know, I mean, we could - it is a COO cast, right? So we can geek out a little bit here? You know, I, we think of like all the different ways you could do DocuSign.

[00:33:14] **Matt Sonnen:** Right.

[00:33:14] **Brian Habas:** Right. We have our own, we could use Schwab, we could use Fidelity, do something in between, you know, they all say the word DocuSign, right? They're all great technology. That's fine. And so, you know, ubiquitous, but each one will have a very different login, just like you described: a different permissioning, different things you can or cannot put in that envelope, and then different experiences at the end for that end client,

right? At the end of the day, what does it feel like? To get that DocuSign and open it up. And, do you get multiple that day? Right. They come from an address you recognize? I think that's a, just a microcosm on integrations, right? You can take any topic and if you can really walk that through, then the integration starts to make sense.

And then your change management plan comes to life.

[00:33:58] **Matt Sonnen:** No, that's great. So Brittany, how are you approaching tech integration at MCF?

[00:34:04] **Brittany Manning:** Yeah, I think Brian really hit the nail on the head when explaining that, you know, the client experience is really the driver of how we approach any sort of technology features or new pieces or, kind of, what changes do we need to make? Because that's exactly what we do too. You know, our goal is to deliver outstanding client experiences every time someone interacts with someone at MCF. And so, when we are reviewing new technology offerings, or even doing a gut check of our existing ones, it's always through that scope.

And anytime we opt to make a change from a technology standpoint, we always want to make sure it's very deliberate and intentional, and we want to get the buy in from our key stakeholders: who at the firm is going to use it? And who's going to help the clients use it? And if they can see value and can see how it's going to improve one - even small aspect of the client interactions with MCF. And we know it's worth exploring, or at least going further in that. So, the DocuSign example Brian gave is perfect. You know, we wrestled for a long time with introducing, actually, our own instance of DocuSign because we had had so much confusion from a client standpoint on Fidelity's instance or Schwab's instance.

And we used Adobe Sign at MCF. And so, it's such a small thing, but it makes such a big difference to the client when it's as easy and seamless as it can be. So that's kind of how we approach it.

[00:35:38] **Matt Sonnen:** That's great. Well, there's probably no area today better indicative of that - you hear the sales pitch and you assume it's going to solve all problems - there's no area other than AI. Everyone's - half the people are saying, Oh my God, I'm scared of AI, it's going to take my job. And the other half are saying, I can't do my job without AI. We have to have AI. Why don't we have AI? Let's get some AI. And it's, it's insane. So I definitely have used it, in several capacities.

I've seen a lot of advantage to it, but I don't think we're at the stage where anyone would say it has revolutionized the wealth management industry yet. So I'm curious, Brittany, have you dabbled with AI? Are you using it at your firm?

[00:36:18] **Brittany Manning:** We are actually just kind of starting down that road, Matt. We're actually trialing a couple of different AI note taking softwares to review the, you know, output.

I think one of the things that is really appealing to us about AI is that some of these platforms can streamline actual tasks into our CRM, it can assign them to individuals. And so I think from an efficiency standpoint, there are huge benefits. And if we can make it all talk together, it'll definitely be worth it.

But I think you're right. I mean, there's still - so much of our industry is relationship based and that human contact and human interaction and, you know, being able to empathize with a client and hear them and prioritize their goals, which is just, you know, the foundation of everything. So we're really approaching AI with how do we use it efficiently to supplement that relationship.

And so we'll see, we haven't really decided kind of how it's going to look at MCF, but know, if we don't look at implementing it in some capacity, you know, we'll be left in the dust. I mean, it, it truly is just taking off at such a warp speed that we want to make sure we, we don't miss out, but also do it really intentionally.

[00:37:33] **Matt Sonnen:** Yeah, well, just like we were saying in the previous conversation that the execution of the technology is where it's all at. And so we've researched a bunch and we've implemented a note taking tool, but some of the advisors have said: Oh, well, I didn't realize that on the zoom, it like shows up as a person. And that freaks my clients out and they don't like it. So a lot of clients have said, no, I don't want to be recorded. So that part's a problem. And then it doesn't work on an in-person - you know, you can put your phone with the, with the app, in the middle of the table, but it doesn't know who's talking when. So you don't get great notes from that because it doesn't know Matt Sonnen said this and Brittany said that, et cetera. So we'll figure all the - you know, the world will figure all of this out, but we're, we're not there yet.

[00:38:14] **Brittany Manning:** Yeah, I totally agree. And, you know, the other kind of wrinkle that we've looked at is how does it work with compliance? You know, how does it work with books and records and what do we need to keep track of, and do we want all of this written down? You know, just all sorts of facets of it, but completely agree.

[00:38:28] **Matt Sonnen:** Yep. So Brian, what are your thoughts around AI? Have you, have you started using it at AlphaCore?

[00:38:34] **Brian Habas:** You know, we have, but maybe it will echo some of the conversation you just had - I, you know, I've been lucky enough that a lot of my former colleagues are in the space or dabbling in the space and they've all been really generous to kind of share their learnings and what's worked and what hasn't.

And so, we have a little innovation team here. Maybe I'd encourage listeners for new products and services, bringing together people from different functions on a small group of three or four people, you know, ideally different backgrounds, ages, different functions at the firm, different goals, just to bring a perspective on a new thing.

So we did that specifically for innovation and AI. And where we netted was very similar to Brittany on, on typical sorts of things. And then where we've got a little bit of energy right now was on sort of the B2B side. And so what we found was a lot of these tools are terrific if we're really - we're the consumer of the output rather than our clients, because we would have a lot more tolerance for a rough draft or something that didn't quite hit the mark, but was helpful or made things faster.

And, so I'll give you a silly example or a simple example. Our research team listens in on a lot of calls, especially in the alternative space or with, you know, direct managers, and those calls - they have to take notes and come up with an opinion. And so that's a really easy format to also have AI listen and summarize.

The research team's going to do their own work anyway, but if it makes it a little easier, a little faster, terrific. If then somebody can query our research internally a little bit faster using an AI tool, that's great as a starting spot. And again, it gives us a little bit more freedom to learn the technology and the limits.

Because people can come in as employees and say, Hey, this is going to help me, but it's not going to be perfect. Whereas when we keep going to our clients, we really want to make sure we're holding that high level experience. And so we've been a little bit more cautious. And then I just echo sort of Brittany's comments around compliance and being thoughtful and make sure we're, we really understand what we're introducing, and its impact.

[00:40:38] **Matt Sonnen:** Yeah, well, a lot of our conversation has been around growth and how your firm and its people need to adapt to change. Change is always one of my favorite topics because most of our listeners are driving change at their firms and everyone struggles with that. So Brian, you're six months into your role at a new firm: I'm sure you've been suggesting a lot of change at AlphaCore. How have you broached that topic with your teammates and do you have any strategies you can share with us that make that change pill easier to swallow?

[00:41:10] **Brian Habas:** You know, we've been talking, touching on it in all of these conversations, but change for growth's sake, I think is also, you know, a subcategory, right? Change can be hard in lots of different ways. But in our case at AlphaCore, right, we're changing because we want to change and because we want to grow. And what that allows us is - or allows me - is to remind everyone that the firm is successful. Long before I got here, this was a successful firm. Our clients are happy. Our employees are happy. And so why, you know, getting to the root of why are we changing? Why is this a good thing? What are we trying to do? And being really deliberate to respect what got us here and then acknowledge that it may not be what's right moving forward, I think is the key, Matt, because if we didn't want to grow at this pace, we might not need to change at this pace.

And that's not always the case for every firm, right? But in our case. And then I think you said, you know, some tips. I personally, you know, whether you want to use Adkar or Kotter - I'm a huge fan of Kotter and change management. And for those who don't know those tools or those books as well, you know, you can look them up.

But it's really just about purposely setting a vision, you know, creating some urgency, getting those quick wins. And so six months in, that's the conversation I'm having, which is, making sure we're being really explicit on why we're doing something, why it matters to each individual, and then trying to get those quick wins and that sense of urgency so that it's still a choice, and we don't find ourselves in a spot where we have to change versus wanting to change.

[00:42:47] **Matt Sonnen:** It's funny you mentioned Kotter. We, we just last, literally last week we had a book club at Coldstream and we, we talked the book, "The Iceberg is Melting," which is his big change management book. He's got - it's a little parable about penguins and their iceberg is melting, and how do they get people to understand that there's urgency and the need for change, et cetera. Yeah, that's great you mentioned him.

Well, Brittany, you've been at MCF for over a decade, but again, sort of this - you're in the same spot, Brian is, you're, you're about six months into your new role as COO. So I'm sure you've been spearheading a lot of change. What strategies do you implement to successfully lead change?

[00:43:22] **Brittany Manning:** Yeah, I think like a lot of our firms, we at MCF have had a lot of change over the last couple of years. For instance, adding new services. We've got some new strategic partnerships that we're working on.

And so, as we've gone through a lot of these things, I always find it's super important to get leadership at the top very excited about the change. And so even if I'm not the one who has brought it to the table, or hasn't fully understood all of the benefits from it, we present a united front to our team that everyone at the highest level of leadership is - is really excited about our next steps and whatever that may be. You know, we all know change is hard, right? That's not a unique statement, but being able to level with our employees who may not be able to see how it's directly going to impact them. That this is beneficial for the greater good. I have found to be very powerful, keep an open door policy, so every time that we, you know, announce that we're doing something maybe a little different or introducing a new service, I encourage people to come talk to either me or their direct manager about any questions or concerns that they have. I've found that a lot of people usually are hesitant to change because they don't have a full understanding of it.

And they really just want to make sure that they're going to be okay. And they're going to be able to continue to do their job. And so we really just create a really open communication culture and really want everyone to feel like it is going to in the long term benefit, not only our clients, but our team here at MCF.

[00:45:00] **Matt Sonnen:** That's great. It's so true. If the leaders say: Yeah, yeah, this change is great. It doesn't apply to me personally, but the rest of you should go ahead and change, that just - that's going to fall apart. Everyone looks to the top and make sure that they're implementing the change as well.

[00:45:15] **Brittany Manning:** Yeah, exactly. And it's not always easy to do when we've got lots of different things happening, which are all exciting.

But we have found that being very deliberate and intentional about that has made a huge difference in how any sort of news is, is received by the team to the positive. So it's been great.

[00:45:31] **Matt Sonnen:** That's great. Well, Brian and Brittany, I can't thank you enough for being here today. We've covered several topics that I know many of our listeners are focused on right now. So this was a great discussion to have today. Thank you both for your honesty and commitment to sharing your experiences.

[00:45:47] **Brittany Manning:** Yeah. Thank you, Matt. Really enjoyed the conversation and being here today.

[00:45:50] **Brian Habas:** Matt, thanks so much. And Brittany, great getting to know you on this call.

[00:45:55] **Matt Sonnen:** Well, that is a wrap on Episode 72, everyone.

We will talk to you soon.