



Kenneth Stephan Takes to the Air Waves



Kenneth W. Stephan, RFC, is a partner with the Equity Advisor Group of Murrysville, PA. He has been a financial advisor for 13 years. He sat down with business writer Hesh Reinfeld to discuss his approach to financial planning and client satisfaction.

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Ken: future talk show host

Hesh: Ken, Most financial planners are always asking their clients: 'What are your life long goal ; what do you want to,' I am going to turn the tables on you. If you were about to retire, what would you do?

Ken: I'd host a radio call in show.

H. Do you mean one of those shows that people call in for financial advice and you sprout all your wisdom?

K. Actually I had in mind a Sunday morning show.

H. So you want to be a radio preacher? Some of that fire and brim stone stuff?

K. No, Hesh let me talk. On Sunday mornings people are prone to talk about what they really want out of life, and I think I can help them meet those goals. And often the goals have little to

do with money. When I'm doing my work, and I feel that I'm making an impact, I'm helping people fulfill their lifelong goals.

H. Sounds a little corny to me.

K. I know and that is why I usually don't talk like this, but you asked.

H. I never expected a financial planner to be more than a good numbers cruncher and know the ins and outs of investments

K. I do that, and I do it well. But before I even look at a clients finances I spend a lot time understanding my client, his hopes and aspirations. If I don't invest the time up front, I'm not going to be able to make the best investment recommendations.

H. Lets stop and consider where our

discussion is going. You want to be that soothing voice on Sunday morning. In order to do that you'll need to kick off the air a minister who has a program already. I don't think you could convince a pastor to give up his slot to you.

K. Actually I have a very close friend and client who is a pastor. His goal is to do a radio show too, but not the typical Sunday morning program.

H. Did you say that the pastor is your client?

K. Not only is he my client, he gives me lots of referrals.

H. Let me get this straight, your pastor refers people to you. It doesn't sound kosher.

K. Hesh, I get referrals from all different kinds of people, besides the pastor. For example, my local tire dealer frequently refers people to me too.

H. I realize that, but getting referrals for your pastor is a more interesting story then getting referrals from your tire dealer. Does the pastor refer other pastors?

K. Actually he usually refers his parishioners.

H. Sounds like he really likes you. If you screw something up, you have an unhappy client, he, on the other hand, has an unhappy parishioner. And that could doom his career.

K. I agree. And sometimes I think he is crazy for referring parishioners. But he does.

H. Can you share an example with me,

let keep it as general as possible we don't want to betray any confidences.

K. A parishioner was traumatized by the accidental death of her husband. She was in shock, she was grieving. The pastor realized that she needed some immediate help with finances. He asked me to go with him and meet with her.

H. She let you in her home immediately following her husband's tragic death?

K. Yes.

H. She had never met you before that, correct?

K. True, but she trusted the pastor and he had confidence in me. I first helped her with the details of getting her husband's estate together. I brought to her table, and I mean this literally, the professionals she needed (the attorney, accountant, and insurance expert). I acted as her over all advisor. Interestingly, she really didn't want any family member to play that role. She had some concerns about any one family member getting too involved in her finances.

H. So what was your initial approach?

K. Don't make any major decisions. I recommended she put the insurance payments into a money market and wait a while. It wasn't that she wasn't financially savvy enough. She was going through the different stages of grieving for her husband. She was not capable of making long-term decisions No one is. She needed some time to regain her stability and to contemplate her future.

H. How is she doing now?

K. She's doing quite well. She's gained a level of self- confidence and optimism as a widow and single mom that surprises her friends and family (and herself). I'm happy to say that I played a role in helping her. We still speak, almost monthly and I return to her dining room table annually, to do a complete financial review.

H. Ken, this question may sound totally weird. Have you ever thought of creating a partnership with your pastor friend?

K. I'm not sure I understand your question Hesh?

H. I just thought that you two guys

would be a real dynamic team. Your approach could be 'out of the box.' So many other financial advisors seem to approach their clients the same way. You know, direct mail, those fancy dinners. Imagine if you and your pastor friend had a radio call in show that helped people with the real tough issues of life. It could be refreshing.

K. Hesh you are a real dreamer. However, I do think you have an important point. We all put people into boxes. We think a financial planner should partner with an attorney or an accountant. Similarly, we think a pastor should work with a social worker or psychologist. But maybe we have it all wrong.

H. At a minimum you guys should write a book

K. Any ideas for a title?

H. How about "the value of saving.... Not just money but your soul too."

K. Sorry, Hesh it doesn't seem to catch the energy we talked about.

H. I agree. Give me some more time to come up with a title.

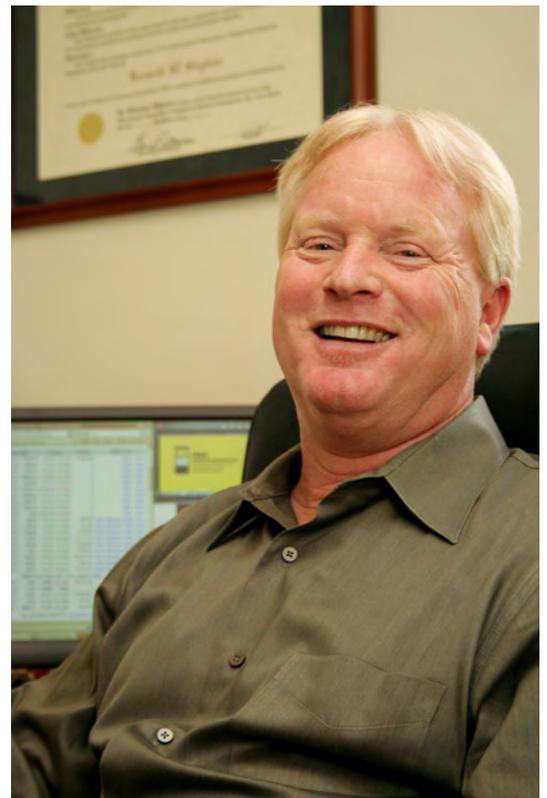
K. Hesh, I know you joking. But it really isn't a bad idea. However, as a financial advisor I have to follow a long list of legal compliance issues. There are things I am not allowed to say to clients. I don't think the government securities agencies would let me partner with a minister.

H. And do you think the pastor would get permission form his church elders to partner with you?

K. I don't think so. But I do like the idea of a book. I always wanted to be an author.

H. That is my profession. I thought you and your pastor friend would hire me to ghost write your book for you.

K. Wait, were you being honest about the book idea or were you just looking for a business opportunity to make some extra cash as a writer. I am not sure I trust your motivations now.



Ken: keeping tab on his clients' portfolios

H. See how easy it is to lose someone's trust. I say one thing and suddenly you start second guessing our relationship. Imagine what your clients would think if you suggested something that they believed is more in your interest than theirs? Your entire relationship would fall apart.

K. Pretty insightful on your part Hesh. Maybe you can join with my new partner (the pastor) and me. We could make it a three way deal.

H. Thanks for the offer. I want my name at the top of the letter head?

K. Is that all you think about?

H. I'm not as spiritual as you guys.

K. I think I'll rescind the offer. I don't want you to join our firm, even if it is only imaginary.

H. I'm hurt. This interview is over!

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