

Ep#207: Staying Patient When The Timing is Off For Your
Dream Job with Foster Hyde



NEW PLANNER PODCAST



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Caleb Brown

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Welcome to the *New Planner Podcast*, where it's all about helping you successfully enter the financial planning profession and accelerate your financial planning career.

This podcast will help you understand the profession, become familiar with the various career paths available to you, and avoid the mistakes that limit your success.

Join your host, Caleb Brown, to explore the human side of creating a successful planning career through interviews, personal experience, and insights from the trenches.

Let's get started.

Caleb Brown: Welcome to the 207th episode of the New Planner Podcast. This is Caleb Brown, your host. My guest today is Foster Hyde, who is a senior financial advisor at the Welch Group in Birmingham, Alabama. Foster joins the show today to share his career journey starting with how his father, who is an attorney, encouraged him to switch career paths in college away from law school and into financial planning instead.

Foster went on to share how his dream job fell through after college, how he found another position, and then was able to secure his dream job later. He talked about his role at the first firm, how it helped him make the transition to the new firm, plus insights on some of his initial struggles at his current firm and how he was able to learn create value to the firm and work his way up to becoming a shareholder.

Stay tuned to hear how his firm recruits new hires, how it has changed over the years and how they help new advisors build confidence. I hope you enjoy this episode with Foster Hyde.

Hi, Foster. Welcome to the New Planner Podcast.

Foster Hyde: Thanks, Caleb.

Caleb Brown: Hey, I'm glad to see you, man. I'm glad you're on here because we've been working on this for about three months to try to get you scheduled. So thank you for making a few minutes for us.

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

Foster Hyde: Of course. I'm excited to finally be here.

Caleb Brown: So just start with why you went to Alabama. It was Alabama, right? I mean, I see you wearing the Alabama shirt and I'm sitting here in Athens, Georgia, this is going to airway after the game on Saturday, but man, I got to tell you, I'm nervous.

Foster Hyde: Well, we can be friends until Saturday that—now everything changes, but yeah, it'll be an interesting game. We'll see. So I'll actually be there. It'll be my first game this year.

Caleb Brown: Oh, beautiful. Well, so why Alabama, and why pursue a degree in finance?

Foster Hyde: Yeah. Well, I grew up an hour away from the university in Birmingham and both my parents went there.

It was really no other consideration. I love the school. I wanted to go to the business school. They had a strong business school, love the football team, good Greek life. There were just a lot of good qualities about it. It also helped that I had a substantial amount of scholarship money there, that definitely factored in, but I chose finance really for two reasons.

One, I was pretty good at math and the other, it sounded like a good degree to have going into law school. My dad was an estate planning attorney and I don't know, since I was a teenager, I wanted to do that exact thing. Now, that didn't really work out. About two weeks before I took LSAT my senior year, I decided that was a terrible idea. I wasn't going to go to law school. So that was fun. But my dad was actually the one who tried to talk me out of law school. So he was not disappointed with that decision.

Caleb Brown: So what happened like two weeks before you take the LSAT, you just said, "Timeout, I'm done, I'm not doing it."

Foster Hyde: Yeah, pretty much. I still took the LSAT, but I knew at that point I wasn't going. And part of it was he was concerned that estate planning may not even be a specialty because at that time the exemption was about to totally go away, which as we know now estate planning is probably more important and complex, but also this was in, earlier, I guess 2007 and the economy was starting to teeter a little bit and he plopped down a big wall street journal article in front of me. There was something to the effect of the future of law school is terrible. And that was kind of the final card.

Caleb Brown: Painted a great picture. Didn't he there?

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

Foster Hyde: Yes. But so he, being in estate planning, he had worked with a lot of financial advisors around the Birmingham area. And I'd always express an interest in that.

And I actually took a class in the honors college. It was an intro to personal financial planning, was really interested. So he had me go to lunch with several people that he knew in Birmingham, kind of talk about the industry, what it would be like to work in it. And this was a combination of brokers and RIAs.

And between those meetings and talking with the head of the financial planning program at Alabama, decided that was something I was really interested in. And applied to do a, it's in the school of HES at Alabama, but it's a master's in family financial planning. Fortunately, one of the people that I met with was the chief investment officer of the Welch Group at the time, and they offered for me to do an internship, after my senior year.

So I interned at the Welch Group, had a great experience, set a good background for going into the master's program. So I kind of had a little bit of the practical side before just going into the education side. But that was really how I made that pivot and it was, and I said two weeks before the LSAT is when I decided not to go to law school.

I think within probably two months of that is when I decided to go to grad school for financial planning.

Caleb Brown: It just kind of fell into place, didn't it? That's really cool. All right. So you got an internship, then you did the master's, but you didn't go to work—'cause the Welch Group's your current firm, right? So you didn't work for them right out of school though. You went somewhere else.

Foster Hyde: Yes. So I had the misfortune of finishing graduate school in May of 2009, which anybody remembers on a March of 2009 was the bottom of the market during the financial crisis. And not only was that a bad time to find any job in financial planning, investment management, wealth management, but my finance degree was also basically totally worthless. So I really wanted to work for the Welch Group and they said they really wanted to hire me, but couldn't due to searching for basically anything in the Birmingham area, anything to do with finance and kept coming up short. There were no opportunities.

Nobody was hiring. I was lucky there was a forensic accounting firm that was looking for talent. They provided support for complex financial litigation. So our boss did expert testimony and they like to hire people that both had accounting backgrounds and finance backgrounds. So that's where my finance background came in.

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

It was interesting work, long, unpredictable hours. Not exactly what I wanted to be doing long term, but it set a really, really good foundation for hard work and attention to detail. So no regrets about doing it, but I'd stayed in touch with the Welch Group the whole time. I was at the forensic accounting firm for about a year and a half and finally, an opportunity came up at the Welch Group to start an advisor position and I accepted on the spot. So it was my dream job and the dream job kind of turned into a nightmare for a little while and then it came back around which makes you appreciate it a lot more.

Caleb Brown: I love that. All the stuff and the attention to detail, the hard work, the “Hey, it didn't really work out for you 'cause of the—” A lot of the stuff outta your control, right? And it looks like the revenue and the AUM recovered year and a half and they're like, “Okay, yeah. Bring him on.” So you just had to go and do something else. I mean, that's a good lesson, I think for a lot of our listeners. I mean, you didn't try to really force the things and the timing is what it is.

And it may not be on your timeline, but it could eventually work out. All right. So you get to your dream companies, the Welch Group, you're still there. So what was your first role? I mean, what were you doing?

Foster Hyde: I remember day one, one of the senior advisors at the time had a pile of documents that I don't know if you can see me or not, but a large pile of documents were set on my desk and said, “These have been on my desk for six months. I need help summarizing everything.” Like, okay, we're just jumping right in. So at that point we were still a pretty small firm. I think we had just reached maybe 500 million of AUM, which is pretty small relative to where we are now.

There was no established training program like we have now. It was kind of throw you into the fire, learn as you go. Fortunately, I'd already passed the CFP exam. I had a master's in financial planning, so I did have a little bit of background there, but a lot of it was learning on the job, helping prepare for meetings.

Fortunately, I got to sit in some of the meetings. So, get to see how everything I'm doing is actually applied on the go. Trading, I wasn't really making client calls right off the bat, but the goal was for me to work with established clients, not necessarily bring in business right off the bat, but also still be active in the community with State Planning Council, Financial Planning Association, try to start building relationships with centers of influence like accountants and attorneys. So it was a lot of responsibility, but it was so much fun. And I never had the boss coming in on Thursday night who's like, “Well, we just found out we're going to court on Monday. I hope you're ready to work all-nighter.” Yeah. There was no more of that. That doesn't mean you never had to put out any fires, but it was a little change of pace.

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

Caleb Brown: Well, and I think that's two, and I think I've shared it. I mean, like, there are certainly time-sensitive things. The client has something they need to get wired money or for club, but I mean, and people get freaked out with the markets certainly sometimes, but there's not, I mean, to your point, there's not a lot of, at least my career, there has not been a lot of like, "Oh yeah, we got to like get this done right now. And this is going to be a disaster. The world's going to end if we don't..." I mean, that gives you, I mean, I think that's one of the positives of the profession and the work because if you're an attorney. I mean, if you're like in the role that you previously had pulling on, I mean, that's just part of it.

They do that all the time, right? I mean, "We got this deadline," and so on. Maybe the old school financial planning firms, "We got to get these statements mailed out," like no one does that anymore. So you're kind of an associate planner, second chair, kind of is what I heard. And then, I mean, just talk about your progression.

I mean, how long, how many client meetings do you think it took for you to get comfortable in the end, maybe what was the next step in the career track for you?

Foster Hyde: Yeah. So it was quite a few client meetings and I mean, at first, I really had no speaking role in any meetings. It was purely observation, taking notes, which it's great being able to absorb that and getting to work under different people, see their styles of how they present, how they communicate.

But by far the hardest thing is the first time you're put on the spot and you're expected to present something. It's great having seen it a hundred times, but nothing really prepares you for that. And now, I mean, looking back 10 years ago, I can't believe how nervous I was. And now I was walking into a meeting and it's second nature.

I've done it a million times. But I think being given those opportunities is really important. And I think one of my regrets, I'm kind of naturally introverted. I know this role requires you to be an extrovert, but I feel like I should have tried to ask for more responsibility earlier, should have said like, "Hey, I know, like Stuart and Michael, y'all are the senior ones on this, but will you please give me a chance to present this part of the meeting?"

And I think that would have helped in my development early on, but it was just more and more, I mean, we kind of have a standard meeting format. You go through a client's financial statement, you go through the Cash Flow Retirement Analysis. You talk about the investments, then you get into the planning piece.

So it was really start off just going through the financial statement. That's purely informational, not really giving recommendations. Go through the Cash Flow Retirement Analysis, that one requires you to make some adjustments on the fly, talk through

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

potentially some difficult conversations, like, "Hey, you're spending too much money," or the fun conversation, like, "Hey, you should start flying first class. You're not spending enough money."

But just the nature of each conversation changes a little bit and involves you having more expertise, more knowledge, better ability to communicate, but being able to build on those. I mean, it put several years, but it's put me in a position now where I can walk into a meeting and I may not know the answer to every question, but I can give you a pretty good response knowing that I might still have to go back and like look up something specific, but really nothing surprises me anymore. And it's because I've had so much experience with that.

Caleb Brown: Yeah. I mean, just 'cause you've seen so much, right? I mean, you've probably seen it before, some flavor of what's being required before. And that's just like anything else, I think. Okay. So then, and then when did you, is your role now, do you, I mean, are you required to bring in business or did that ever shift for you?

Foster Hyde: Yeah. And so we always put a focus on business development. There's no quantifiable number. Like you have to bring in 10 clients before you get promoted to senior advisor. But we are watching, making sure that you are trying to develop relationships with centers of influence, making sure that you're developing your relationship with clients.

I mean, those are our two biggest referral sources and so through doing those things naturally, there should be new business coming in. But again, it's not one of those, we have no expectation of cold calling. I've been here almost 14 years and I've yet to make a cold call. And then like, I'm in an equity owner role right now.

And one of our options is business development. Again, it's not quantifiable, but there's no expectation of you have to bring in X amount of business before you get penalized, but we're all on the same page. We know that in order to pay back the notes on the shares that we've bought, growth is important.

We know that for our younger advisors to be able to advance and hopefully also have an increase in compensation, there has to be more money available. And we try to, kind of, we are not a sales organization and I'm very proud of that, but we do try to build kind of a culture of growth. We do need to continue to grow the business if you want to be able to advance here.

Caleb Brown: And when you said you were at 500 million approximately when you first started, where are you guys now assets under management?

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

Foster Hyde: We actually just crossed 3 billion this summer.

Caleb Brown: Okay. So you're, I mean, the business is, the pie is growing, right? I mean, whatever you're doing is working.

Foster Hyde: Yeah. Now, obviously, some of that, or a good portion of that is through, good investment strategies, right? A little market help behind that, but it's also through continuing to bring in great new clients, client families, and that is also a large piece of it.

Caleb Brown: How long were, I mean, I'm just interested in the ownership piece. Did you go to them and say, "Look, I've been here," or, "I'm doing X number of years, I'm doing this and I want to buy in," or who initiated that?

Foster Hyde: So it's a very collaborative process. So they have laid out, well, now we have laid out a partnership track. It's if you want to be able to buy into the partnership, kind of here is a list of expectations, characteristics of what it's like to be an owner of the firm, and timeline.

And then you say, "Yes, I am interested in that." And then as you get closer, we actually have a mentorship program where it has primarily been our current managing partner, starts with monthly meetings with kind of more senior advisors in the firm trying to kind of getting them ready for that.

And then what has to be available there, there have to be shares available to be purchased. And, fortunately, Stuart, our founder, has been kind of enacting his succession plan over the last decade and there had been shares available. So it has to be a combination of the advisor is at a point where they are ready and there also has to be an opportunity to purchase shares.

Caleb Brown: And maybe just walk us through, I mean, I'm just thinking of 3 billion. And I mean, this is a very profitable and firm that has probably a very high value. I mean, are you guys expecting someone to write a check or is it seller finance, or do you have to go get a loan? Or how do you, how do people afford to buy into this?

Foster Hyde: Yeah. And so it may be changing some in the future as Stuart has sold off the majority of his shares, but it has been exclusively or almost exclusively seller finance in the past. So Stuart, we're very fortunate that he wanted to set it up the way that he did.

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

He knows that he could have gotten 30, 40% more value selling to a third party, but we are the Welch Group. This is kind of his legacy and he wants to continue it on. So, he was willing to do that through seller financing. So obviously a lower multiple because you're not selling to a third party.

But also doing it with favorable terms that make it, I mean, we definitely have skill in the game. If something happens to the Welsh group, we default on the note, but doing it in a way that we can realistically pay it off without having to take on too much burden. So no, we were not expected to stroke a check to him.

And a lot of it is tied to the growth and the profitability of the firm. So there is a point where the note balloons, but you start with a smaller payment. And as the firm's EBITDA grows over time, your payment goes, the required payment goes up with that balloon at the end. So you're motivated to make it grow because if it doesn't grow, then you are going to have to stroke a really big check at the point where it balloons.

Caleb Brown: Gotcha. That's really cool that he set it up that way. I mean, just some of the money that, I mean, you guys have seen it, I'm sure firms call you all the time and pitch, I mean, the multiples and a lot of your colleagues take that and some of it just because that was their plan, but all others that couldn't find someone like you to buy their shares, or they found someone they didn't want to buy.

I mean, there's just lots of sort of moving parts there, but really cool to hear that you guys have kept it internally. So talk more about that if you would, maybe just give us the breakout, how much of your time has spent just taking care of clients versus running the firm and then managing and mentoring the newer planners.

Foster Hyde: Yeah. Yeah. So fortunately with a firm the size of ours, we do have nine shareholders. So the ability to share a lot more responsibility, we have a dedicated compliance officer that's not an advisory role. We have two IT professionals. So a lot of the day-to-day of management, we have been able to spread or outsource, and I am not in a managerial role.

So I still attend shareholder meetings, still have a vote there. There is still a lot of responsibility associated with that, but I don't necessarily have a dedicated role there. So one of the areas that I have kind of carved out as my niche is I am what we call co-director of financial planning.

So Beth Moody, one of our other partners and I head that initiative and really any decision making about like new software, we're going to roll out new processes. We're going to use, trying to still go from old-school Excel to better utilizing the technology we're paying for. A lot of that falls on us.

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

Now we do have help from the advisor group, but the bug stops with us there. Then with business development, every partner in the group has kind of taken on what they feel best at. And part of mine has been community involvement. So I've probably stretched myself a little too thin. I currently serve in a leadership capacity on two different boards and some sort of other capacity on two other boards, which been a little bit more of a lift than I expected, and looking back, maybe I shouldn't have agreed to quite so much responsibility.

But that and then constantly trying to network with the attorneys and accounts we work with and that is in part for business development, but also we want to make sure that we have good professionals that we can refer our clients to so they get experience and trying to help take care of their clients.

So on the client side, I am more of a relationship manager. I'm not doing as much of the day-to-day like meeting prep, but I still am in all meetings with my clients, or at least big meetings. If there's a one-off like, "Hey, I'm about to buy a house. I'm taking out this mortgage." Like somebody else may be able to take that on. Any true decision-making on most of the client cases I am involved in, but yeah, the day-to-day, the meeting prep, the investing monthly deposits as they come in, a lot more of that has been delegated to younger advisors. And I am learning constantly that I need to be able to delegate more even if it takes a little more time to instruct somebody else how to do it.

I'm also learning that by learning how to do it, it takes a lot more of, or it frees up a lot more of my time in the future. So, what is it like, "Give a man a fish he eats for a day, teach a man to fish he eats for a lifetime." So, even in a senior role, I am still learning on a daily basis.

Caleb Brown: Talk a little bit more about the newer, younger advisors that you're I mean, where are you recruiting them? What are you looking for and who's a good fit?

Foster Hyde: Yeah. Yeah. So in the past, we had really been trying to mainly recruit people with a little bit of experience. We had a lot of success hiring CPAs that no longer wanted to be in public accounting.

It's really easy to pitch, not having to work 60-hour weeks leading up to April 15th. So we particularly found success recruiting them in the month of January. They got out in time. But we've altered that approach a little bit and we started something, it's been maybe four or five years ago now, that we call our Client Service Team.

And the goal is hiring people with less experience. A lot of time it is people that have come from, through our internship program that have either degrees in finance or financial planning specifically, and it is geared towards more kind of internal work while

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

they get their, the CFP, hopefully pass the exam, get the designation, and it involves a lot of trading, meeting prep, and then some getting to sit in meetings so that I mean, that's kind of the reward.

You get to see, "Hey, here's all the work I've done. Here's how it translates." But trying to build that skill set for anywhere, two to three years with the goal of them being promoted to advisor, which still has some similar responsibility, but where you are starting to take ownership of individual clients and sitting in on meetings and having a role in them.

So very, very different than when I started, but for somebody fresh out of school, I think it kind of gets you to the finish line a lot faster.

Caleb Brown: So you created like a client service pool and you're putting people in there as just kind of a training ground is what I heard until they can become an advisor if they want to.

Foster Hyde: Yeah, that's exactly right. And there's nothing to say that you could not permanently be on that client service team. So far everybody that has been in it has had the goal of advancing.

Caleb Brown: What are some tips that you have for, I mean, just based on your own career, but also what you've seen in your firm for new planners you're starting out? What do they need to be doing to succeed?

Foster Hyde: So one of the biggest things is, I mean, just ask questions, absorb as much knowledge as you can. And some of it, I mean, don't go in with a list of 10 questions that you could have just easily Googled, but that is how I really learned. And I know hybrid work flexibility is really important for a lot of people, but for Michael, one of our senior partners, he is the one that my office has been next door to him since the day I started. I was in meetings with every senior advisor here, but in the most with him and I would just go into his office and just talk for 30 minutes, an hour, and I learned so much from that.

I would encourage younger advisors. I mean, try to engage with more senior people. I know you may perceive it as a waste of their time, but I think if you ask, most people are willing to kind of share some of their knowledge, stories, tips, and that's where, for me, that's where I picked up the most knowledge.

I'll also say, I mean, just work hard. It's not necessarily eight to five exactly. If there's more you can be doing, try to pick it up, try to show ownership of things, show that you have ambition, that you want to learn, that you want to do more for clients, be willing to

Ep#207: Staying Patient When The Timing is Off For Your Dream Job with Foster Hyde

ask for more responsibility that, as I said earlier, that's one of the areas that I wish I had honed in on earlier.

Caleb Brown: Excellent. So, I mean, what a story and congrats on all your success. Really, really cool to learn about this. Anything else that you'd like to share before we close out?

Foster Hyde: I mean, this is an incredibly rewarding profession. One of my favorite things, one of the reasons that I got into it was being able to actually help people.

You're not just driving bottom line for the bank you work for. You're not just helping the attorneys at the last minute for going into court on Monday. You really are providing comfort to people in one of the most important areas of their lives. So yeah, we're not doctors, we're not saving lives, but we're still very important and it is very rewarding knowing that what you're doing is helping.

Caleb Brown: Thanks for coming on the show.

Foster Hyde: Yeah. Thanks, Caleb. I enjoyed this.

Thanks for joining us for this episode of the New Planner Podcast. If you are ready to discover the top career paths for financial planners and see which track is best for you, we created a free guide to help you.

Grab your copy of the Financial Planner Career Roadmap at
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There, you'll also find more tools and resources all created to help you build a successful financial planning career.

Tune back in next week for another episode, and until then, we are here to help you succeed.