# Ep #296: Changing Careers and Launching a Firm Without Lead Planner Experience with Shawn Tydlaska

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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 *New Planner Podcast*. This is Caleb Brown, your host. I'm joined today by Shawn Tydlaska, founder and CEO of Tessara Wealth. Shawn joins the show today to discuss how he tried to enter the profession multiple times, and after a few stops along the way, finally found his fit by starting his own firm when he had no lead planner experience or clients to start with.

He also talks about taking the CFP exam multiple times and why he didn't give up, and what he did to pass the second time, plus some of his tips for new planners. I hope you enjoy this episode with Shawn Tydlaska. Hi, Shawn. Welcome to the *New Planner Podcast*.

**Shawn Tydlaska:** Hi, Caleb. Thanks for having me.

**Caleb Brown:** Hey, thank you so much for joining the show and donating the time to give back, and I really just appreciate the chance to be able to talk with you.

We were talking off the air before I turned the recording on about you trying to get into financial planning out of college, but kind of ran into some hurdles. So maybe if you would just start there. So why did you want to become a financial planner, and then what sort of hurdles did you run into right after school?

**Shawn Tydlaska:** Yeah, sure. So I think like a lot of people, we didn't talk about finance as a family. We didn't talk about money. There was kind of this mystique around money, like how does money work, how do people get rich, and all those sorts of things. I went to UCLA for undergrad, and for a college like that, they don't really—they don't have a business degree.

We had economics—was my major, and I learned a little bit about personal finance. I was in a fraternity. The president of my fraternity, he worked for Merrill Lynch out of college, and during college, he had an internship there, and he offered to hire an intern. I don't—actually, I don't even know if I was paid.

I might have just volunteered. But yeah, in every interview that he had his senior year, everyone asked about the Merrill Lynch internship, and it was a great resume builder. And so I decided to spend part of my senior summer working for him at Merrill Lynch, and his practice was a little bit different.

He focused on small business owners, trying to get them to move their 401(k) plans over to Merrill Lynch. So I spent half of my time during the internship working for him and kind of helping him with building like a sales list for him to reach out to these business owners. And then the other half I was actually cold calling.

I'd get a list of names, and I would cold call actually financial advisors asking them about their trailing 12 production credits and, you know, kind of their—I didn't even really know what that was. I guess it was like the revenue that they generated the last 12 months, and to see if they'd be interested to move to Merrill Lynch.

And so I was working for the regional manager, I guess, there to try to bring advisors over. So that was kind of my first exposure to personal finance, and I knew that wasn't kind of the avenue that I wanted to go. But my senior year when I was interviewing for jobs, I didn't know what an RIA was, I didn't know what fee-only was.

I didn't know very much about how the industry worked, but all the jobs—this is in, I'll date myself, this is back in the fall of 2003, 2004. All the jobs were—this is like AXA, American Express Advisors, New England Financial, Northwestern Mutual, Edward Jones, and it was all, you know, write down a list of people.

I remember as part of the interview process, they had me write down 30 names, and the next step would be for me to try to set up a conversation with 30 people in my network as part of the interview process. And I was like, "You know, this doesn't feel right. I'm gonna kind of bow out of this interview process."

And so I didn't have an affluent network of people. You know, I was just coming out of college. And so I decided I wanted to get like a stable job, and I worked for this company called The Capital Group. They manage the American Funds. And I did—it was kind of like fund accounting, keeping track of the companies that we own and keeping track of the corporate actions like dividends and stock splits.

And we had our own internal system that we kept track of all of our holdings. And I worked there for about four years, and I learned more about the personal financial space. And it was during that period that I decided to enroll in the UCLA Extension program and to start studying to become a Certified Financial Planner, with the thinking that once I got the credential and kind of, I wanted to like kind of know what I was doing before trying to do financial planning and trying to get a job in that profession, and I thought it would make me more marketable. So I started studying to become a CFP at that point.

**Caleb Brown:** Thanks for not giving up on us after that first go-round. I'm like you and a lot of other people.

Why the CFP? Why, when you were looking at designations, why didn't you go back for like a ChFC or some other designation?

**Shawn Tydlaska:** So there was someone at my company in my group that was studying for the CFP, and he was able to get the company to sponsor him, and he ended up moving. Okay. They have a personal financial planning division within The Capital Group.

After I left, he was able to kind of transfer over there once he got a CFP. But I was exploring actually going to business school at that point as well, and I set up an appointment with the Career Services department at UCLA, and honestly, I didn't really know what options were out there career-wise.

I didn't know what like management consulting or investment banking or kind of marketing or whatever you would use an MBA for. But the way it was explained to me at the time was the CFP is working with individuals and helping them with their personal finances, and an MBA is for like someone who wants to be a middle manager at like a company like GM or something like that, and that wasn't attractive to me at the time. I ended up getting my MBA years later for different reasons, but I was really interested in the personal financial side of it because when I graduated from college, I started just my own personal financial journey of creating like a personal balance sheet. And I—yeah, I just saw the other day, I have a net worth Google Sheet that goes all the way back to 2006, and I think I even started tracking it before then, but it was fun to see where I started out, and was reading *Rich Dad Poor Dad*, and *Richest Man in Babylon*, and kind of of all of those foundational books. And everything I felt was so empowering and just built this like fire inside of me of like, "This is my calling. This is what I wanna do. This is where I wanna be." And so, you know, you hear the term thrown around like the gold standard for credentials, and so that's why I decided to pursue the CFP.

**Caleb Brown:** So you go through the UCLA program, you take the courses, then you—I guess you took the exam, and then what did you do after that?

**Shawn Tydlaska:** Yeah, so I was at The Capital Group for four years. Then my wife, she got into business school. She was kind of, we met actually at UCLA in an accounting class, or econ. It was an econ class. And then so we were kind of on the same timeline of exploring our careers and what's next. And she got into business school. She got into HBS, and so we moved to Boston. And I was looking for personal finance jobs there, but I hadn't taken the CFP exam yet. I still had to finish a couple courses and take the prep exam.

So I worked for another company called GMO. A lot of people know Jeremy Grantham. He writes these quarterly letters. Yeah. He's kind of a permabear. He always thinks the sky's falling. I learned a ton working there just reading his letters and just being in that environment. But I was doing corporate action stuff there as well, and it was hard to find a job in personal finance there because I was new to the area.

And then also, you know, my background was in the corporate action side of things, and I was fortunate to get a job there kind of doing the accounting work, the fund accounting work. I did pass the CFP there. This is back in the days where it was a two-day exam and paper and pencil, and pretty rough.

I actually didn't pass the first time. Yeah.

**Caleb Brown:** Scantron. Scantron, right?

**Shawn Tydlaska:** Yeah, it was a Scantron.

**Caleb Brown:** You're old school like me.

**Shawn Tydlaska:** Yeah, I had to go to a, you know, a ballroom with, you know, 100 other people, and it took 45 minutes for them to read the instructions for us while we're sitting there getting ready to go.

That was anxiety-provoking. And actually, I didn't pass it the first time. I think I was close, but I didn't pass it the first time. That was a kind of a pivotal moment of like, "Is this the profession for me? Is this—" You know, I can't even pass this exam. And so, you know, but like I decided to take the exam again and passed it the second time.

**Caleb Brown:** Why didn't you give up after that? Like, "Hey, I could go back to doing this other stuff." Why stay with it?

**Shawn Tydlaska:** You know, I didn't wanna be like a quitter, and I wanted to see it through. And like I was mentioning, I felt like this was like my calling and where I wanted to be, and—

**Caleb Brown:** Well, was there something you did differently from the first iteration to the second?

**Shawn Tydlaska:** Yeah. So the first time, so just, this is—I mean, this is a while ago, but when I took the courses through UCLA, it took a while. It took almost two years just to get through all the courses. I took an extra accounting course, and they had, I think, a few more modules than you actually even need to meet the minimum requirements.

And then when I was studying for the exam, it felt like this was brand-new material for me. It was like I didn't cover this in my prep courses. And so I took a while to get through each segment, like a workbook, just to kind of read the material. And then I kind of was running out of time to do the practice questions.

And so, I can't remember if it was Dalton, or I think it might've been Dalton, was who I was using. I met with one of the professors, and he like looked at my exam results, and he was like, "You're really close. I think you just need to focus on exam questions." And so I just hammered the question bank the second time around.

And I wouldn't say I was like more confident or anything, but I was able to pass that second time.

**Caleb Brown:** Got it. All right, and I interrupted you. I think you were continuing on about you're in Boston trying to find something. What did that lead to?

**Shawn Tydlaska:** Yeah. So I was starting to mention that I passed the CFP exam.

I was able to use the marks actually, 'cause I was doing something that was like related to personal finance with the investment management side of things. And then my wife graduated, and then we—she got a job in San Diego, and that's where I'm from. And so, we moved back there, and I was networking, trying to get a job there.

And actually, my first job was at this company called WFP Securities, and they were a duly registered broker-dealer. It was actually—they were an independent broker-dealer, which there aren't that many anymore. That industry's kind of consolidating or constricting, and—

**Caleb Brown:** Yeah

**Shawn Tydlaska:** They had like 40 brokers, and they sold a lot of things like—maybe like a third of the portfolio was in raw land.

Okay. Yeah, like raw pieces of land in like Nevada or Arizona. And then they sold a lot of non-traded securities like oil and gas partnerships and strip malls and like non-traded REITs and stuff like that. And so I was the like a supporting advisor for the president of the company, so I'd help him do financial plans.

I think we were using eMoney. This was 2010, so coming out of the financial crisis. So a lot of it was like kind of researching these investments and getting ready for client meetings. And, you know, that wasn't what I had imagined financial planning was gonna be like. Some of the investments were fraudulent, like the underlying issuers were a scam. Yeah, it was just fraudulent. The company actually ended up going bankrupt. The WFP Securities company went bankrupt while I was there, and I was only there like nine months or so. And then after that, I started to work at an RIA. Like, it was just one lead advisor, and he had an admin person, and then I was gonna do the trading.

And then eventually I felt like I got like my dream job. I worked at a bigger RIA that—and like I thought this was like really big. They had like eight or nine people, and they managed like 400 million of assets. And again, I was kind of like a junior planner. We were doing mostly portfolio management.

The company did a lot of portfolio management by picking individual stocks, and I was helping to prep the financial plans and prepping for those meetings and doing rollovers and all that paperwork. And I worked there for about a year and a half. And kind of the, I guess, like the thread for my story is that like getting back to why I got into financial planning, I wanted to just help a lot of people more, you know, more so like me, like not super rich and kind of maybe more starting out in their careers.

And at, you know, most of our industry works with people that are getting ready to retire or retired, and it was hard for me to relate to those types of clients. And that's when I explored going to business school again, 'cause I saw the impact that you could have through business. When I was in Boston with my wife, Alexa von Tobel, who started LearnVest, was part of her class.

Some people launched a lot of these subscription-based businesses while she was at business school, like Birchbox and Rent the Runway and Blue Apron. These were all like peers of hers. And so it just kind of getting that exposure showed me what you can do through business. And so, that's when I decided to go to business school, with the goal to help make personal finance more accessible to people with like lower net worths and from, with like modest means.

**Caleb Brown:** Oh, okay. So then you left San Diego, and then you moved to where to go to business school?

**Shawn Tydlaska:** I went to Michigan. Yeah, so we kind of bounced around a little bit, and it was kind of fun.

We did a bunch of these cross-country road trips. So I went to Michigan and was with the goal of trying to get into fintech, so financial technology. Okay. Back then, that was just the start of Wealthfront and Betterment, and fintech was a new term. During my time at business school, I was working really hard to get into fintech, and I even moved to San Francisco after graduating without having a job and was just, you know, that was just one of the hubs for fintech.

And there was maybe like 10 of us from my business school that moved here without a job, or maybe it's less, five or seven. And I ended up getting a job at Personal Capital as a post-MBA intern. And so I was trying to get people to sign up for Personal Capital. Again, I was having a hard time getting, finding the right place to work and getting a full-time job and—

**Caleb Brown:** Why do you think you had such a hard time finding your fit?

**Shawn Tydlaska:** So, when I was—based on my experience, I mean, I did have my CFP, I did have an MBA. I wouldn't have called myself like a personal finance expert yet 'cause I had—I never led client relationships. I was still—felt still pretty junior in my technical skills as a financial planner. And then on like, you know, my dream of like building a like a hybrid software company or something like that, I didn't—I wasn't a programmer. I didn't have technical skills like engineering. So some of the jobs I was interviewing for were like at NerdWallet or Credit Karma, and they were looking for a CFP to kind of write commentary on financial planning topics, which at the time I probably—at the time I was still pretty green.

I think it's hard to find those jobs that are serving the people that you want to serve in a model that you feel good about. Like when I was at WFP, I didn't refer any of my friends or family to that company. I wouldn't want them to put their money there. And a lot of the jobs in our industry are working with pre-retirees, and I wanted to work with people that were more in my peer group, and so there just aren't.

There just—and even today, there just aren't that many opportunities. And so my wife, she had a good job at this time; she had a solid tech job. She works in HR. And we didn't have any kids, we didn't have a mortgage, didn't have a dog. And one of the advisors at Personal Capital told me about the XY Planning Network, and he kind of was encouraging me to check it out because he wanted to launch his own firm and wanted me to be like a little, you know, test it out and see if it would work.

And this is 2015 or starting 2016, and it was just a chance to take a, you know, it was just a time to take a chance on myself, and so I would kind of call myself like an accidental entrepreneur. And I really identify with a lot of career changers or just new people trying to get into the profession 'cause I had such a hard time even with the background that I had.

And so, you know, it is a great profession. I'm really happy for where I'm at right now, but it is a hard journey.

**Caleb Brown:** Would you have started your own firm—and maybe you already answered this—would you have started your own firm had you been able to find another firm that worked with the clients you wanted to work with the way you wanted to work with them?

**Shawn Tydlaska:** I would say so. Yeah—at least for a while. And who knows what the future would hold. Yeah, I definitely would've been open to something like that. Like Personal Capital was my dream job 'cause it was like—they had the technology, but it was like with humans and, you know, I always believe like personal finance, you kind of need that human element.

But like I said, unfortunately there wasn't a long-term opportunity for me at the time there. And I told them like also I would have loved to be able to use their technology as just like a turnkey, you know, data aggregator to run a practice, but they didn't—they don't—they didn't offer that.

And since then, they've gotten acquired and they're no longer around, but yeah, to answer your question, I definitely would have loved to work for a company that served the kind of clients I wanted, in a model that I felt good about, and yeah.

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**Caleb Brown:** So, so you end up starting your own firm, but no clients? Did I hear that right? No, you had to start from scratch?

**Shawn Tydlaska:** Yeah, no clients. Yeah, never was a lead planner and it was really scary back then, and it was exciting but scary at the same time. Wow. It was—

**Caleb Brown:** Yeah

**Shawn Tydlaska:** I was one of the first 200 advisors in XY, and the fee-for-service model, the subscription model, it was a lot of references to a gym membership, 100 bucks a month or $150 a month. And would people pay that? And my—I think my first financial plan I sold for like $500 back then. And so yeah, no clients, just kind of grew from scratch and, you know, kind of really hustled and grinded and kind of, yeah, had the time and energy able to do that.

**Caleb Brown:** How'd you get the first client, number one?

**Shawn Tydlaska:** Yeah, I was just talking to someone about—I had a launch plan for when I launched. I downloaded all of my contacts from Google, I downloaded all of my contacts from LinkedIn, and I scrubbed it for people that would be interested to know what I'm up to.

And I sent out a big email blast just saying, "Hey, I'm launching this company. If you wanna support me, sign up for my newsletter, follow me on LinkedIn, and please consider me a resource if you have any personal financial questions." And I posted that on LinkedIn, I posted it on Facebook, just so I kind of let people know.

And someone just sent me a direct message, a friend from high school that I played soccer with, and he was having some questions about his 401(k), about which funds to invest in, and he just sent me a direct message there and we set up a time to chat. And yeah, did a financial plan for him.

**Caleb Brown:** Wow, really cool story.

What were the other—I mean, other than sourcing the clients, other big challenges that you had to overcome?

**Shawn Tydlaska:** So I think starting the firm, like I mentioned, I had never been a lead planner before, so I didn't—and also serving younger professionals, there weren't templates or there weren't like—there wasn't like a playbook for how to do a financial plan for a younger person.

So like I said, it was kind of scary, but exciting at the same time. So some of the hurdles were like, what is a financial plan for a young person? I didn't use RightCapital to do a retirement projection for, you know, a 30-year-old, 'cause you're planning for like 60 years. But what we did do was like a spending plan and a cash flow projection and insurance reviews, and we did a lot of credit score reviews.

Oh, and back then, I was also helping people with student loans. So one of the big challenges early on was creating my process. So it was good that I worked at that higher-net-worth financial planning firm because it showed me kind of a sequence of events to take someone through a financial planning process, even though like the modules and tools were a little bit different.

So the first year was a lot of trying to figure out if what I was doing was good financial planning, like, or good enough. And so I actually—I became a client at Personal Capital. I became a client through Vanguard Advisor Services. I did a plan swap with another advisor. I did a plan for them, and they did a plan for me.

So over that first year, I did a lot of exploration to see what financial planning would look like for someone like me. I actually worked at, yeah, I did a plan with LearnVest as well. And so it was a lot of learning and going to conferences. I met you actually in May of 2016 at a NAPFA conference in Phoenix.

And I remember I cornered—I remember I cornered Justin Rush the whole conference and was like, "Who do you use for accounting for your own company?" And I just learned as much as I could and was like a sponge. And I think it was like maybe that first year was finally, it was kind of like me developing the confidence. I mean, yeah, it was definitely the imposter syndrome. And probably by one year in, I felt like, "Okay, I've got a good process. I can kind of do this for new clients and feel good about it."

**Caleb Brown:** And maybe just give us the high level. I mean, where's your, I mean, you've been at the firm, looks like about 10 years. Where are you guys now, and how are things going?

**Shawn Tydlaska:** Things are good. I was really kind of hell-bent or just super, super driven, and I had that idea of building this firm, this like enterprise firm. That was always my goal from the beginning.

I wanted to have 1 million clients, 10,000 advisors. My vision was to be the next Edward Jones or Merrill Lynch, but like the fee-only version. And so I was growing, and growing like crazy. Like at one point, I had nine people at my company, and that was just, I was just growing way too fast without any infrastructure in place for like performance reviews and check-ins.

And to sustain that growth, we had to bring on 10 to 12 clients a month, and it just wasn't sustainable, and we definitely went through some growing pains then. And so, yeah, I guess kind of the shorter version is we've gone through some evolutions as I've kind of, my life has evolved. It's kind of ironic, but now I'm kind of serving higher-net-worth clients.

I'm in the Bay Area.

**Caleb Brown:** Yeah.

**Shawn Tydlaska:** You know, it's kind of supply and demand. And—

**Caleb Brown:** Sure

**Shawn Tydlaska:** Like I was mentioning, like I wasn't sure what we were doing was very good. And then as I got more confidence in the profession, seeing what other people are doing, seeing what other advisors are charging for similar services, I got more confident in the value that we provide and, you know, want to be fair to myself, want to be fair to my team.

I want to be able to compensate my team fairly for the work that they're doing. And so we have moved upmarket. So our average fee when I started was like $150 a month, and now it's close to like $800 a month. I always wanted to do really in-depth tax planning, so we've done in-house tax planning for years.

We have a, so just to give you a kind of an update, we have—it's me and four other people. Vidalia Cornwall, she's a lead financial planner with about 80 clients. Kimberly, she's been with us about a year and a half; she's not a CFP yet, but she's kind of the point person for about 20 clients.

And she works really closely with Vidalia. They're kind of like a duo there. Like about 30 clients. So we have about like 130, 135 clients today. We have Joanne, who's a CPA. She does tax returns and a lot of tax projections and tax advice. And we also have Jennifer, who's our back-office operations client service person.

So amongst us, you know, we have 135 clients, and I think our run rate is maybe like about like $1.5 million of gross revenue is what we're looking at for this year. So we're charging, you know, close to like $800 a month, and then our tax returns are about $2,000 each, and we did about 90 to 100 returns a year.

And I would say my vision has evolved for this stage of life. I now have two kids that are seven and four, and I would say we're kind of cruising kind of this measured growth. I still have this passion to help others get started in the profession, and, you know, I've kind of had this vision of like some type of like a launchpad or incubator where I think there's a lot of people that want to get into this profession and want to be like a salaried advisor or have a little bit more support.

They don't necessarily want to start their own firm, but there just isn't an opportunity for them to learn, grow. So I'm imagining some type of an incubator to kind of develop planners where they can grow and—yeah, maybe like an Edward Jones kind of a trajectory where you're kind of building your own practice, but you have some support, and it's like in a fee-only comprehensive 100%, yeah, like fee-only way.

So that's like something that is kind of like on pause for right now, and so we're kind of on this path of the steady growth based on just kind of the season of life where I'm at. My wife, I mentioned, she is—she's pretty high up in HR, and so she has a very demanding job, and I have more flexibility in my career.

So I'm kind of like flexing a little bit back, and it's been an adjustment for me personally, like mentally and 'cause I've been so driven and like heads down with the business. But based on where I'm at now, I am really enjoying it and enjoying the family time and still doing great things for our clients, having great opportunities for my team, and that's the—yeah, that's kind of the pathway for right now.

**Caleb Brown:** Thanks for sharing all that, Shawn. I mean, you've built a nice business. Congratulations on doing that. And a lot of sort of—something that we have in common, just trying to help the newer people get started, so I really appreciate that as well. I mean, we've covered some really good stuff here, and a lot of this stuff I didn't know, so it's been very fun and interesting to learn more about you.

Any final tips or thoughts that you'd like to leave the audience with?

**Shawn Tydlaska:** Yeah. Daniel Jaeger, he has this metaphor or imagery to kind of think about the profession and getting started of it being kind of like a Christmas tree. Most professions look like a pyramid or a triangle where there's like a base, then you kind of move up and there's fewer people, kind of like a paralegal, attorney, you know, kind of like that. But ours, there's like a very narrow entranceway, kind of like the base of a tree, and then once you get like that three to five years of experience, then it really gets wide. And so, you know, kind of my advice for people that—that I have conversations probably like 50-plus a year about people trying to get into the profession, and you can kind of tell if they're in it for like the right reasons, and if you're in it for the right reasons, you want to help people and, you know, it's a very great profession. It'll work out. It'll work out. So but it is going to be hard, like I mentioned. So, you know, kind of early on, kind of there's two things I want to say. Like one is grow where you're planted.

You know, you don't have to find your forever job to kind of start off, but wherever you land in the profession, soak it up. Do as great job as you—do as great of a job as you can. This is a small industry. You're going to cross paths with lots of people, lots—or you're going to cross paths with these people a lot of times throughout your career, and so just soak up as much as you can.

Like I learned a lot about like non-traded REITs and oil and gas partnerships and things like that. And then the second part is your network is your net worth early on. So go to those FPA NextGen meetings and really develop deep relationships with the people around you. You don't know where things are going to head.

I, yeah, I still keep touch with the people that I took my CFP study material courses with. So yeah, really develop that professional network.

**Caleb Brown:** Shawn, thanks so much for coming on the show.

**Shawn Tydlaska:** Thank you for having me, Caleb.

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 newplannerrecruiting.com/roadmap.

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