

Episode 68

Head to Head: A conversation with Rory O'Hara, Founder of Ausperity Private Wealth

Kirsten Pickens: Welcome to Head to Head, a podcast by FS Investments, where we get personal with the people of financial services. I'm Kirsten Pickens.

Ryan Robertson: And I'm Ryan Robertson. We are the co-heads of distribution at FS Investments and together we sit down with some of the brightest minds, innovative thinkers and thought leaders in the financial services industry. Our guest this episode is Rory O'Hara. Rory is a founder and senior managing partner at Ausperity Private Wealth. After leading his own team at Merrill Lynch Wealth Management, Rory founded Ausperity Private Wealth in 2023.

Kirsten Pickens: At Ausperity, Rory focuses on helping baby boomers and high income millennials achieve their financial goals. He's been recognized by Forbes, appearing as a best in state wealth advisor in 2021 and 2023, and ranking on the Forbes Top Next Gen Wealth Advisors best in state list for the last six years. So, let's get started. We're excited for you to hear our conversation today.

Ryan Robertson: Rory, thanks so much for joining us today. We really appreciate it.

Rory O'Hara: Yeah, thank you for having me.

Ryan Robertson: So, I think one of the things that we always try and get out of our guests is what made you want to be a financial advisor? What made you want to be in this industry? What really sort of made you go that's the career I want to choose?

Rory O'Hara: For me, I always had an interest in investing to, to start. I grew up working at an early age caddying. I was investing with the local credit union savings account and wanted to grow that wealth to a greater degree. My father was working with his cousin who was a financial advisor, and I wanted to invest in a few stocks. So we got a few tips from him. I bought Boeing, Cisco and Corning in high school. And I got to see them rise during the great kind of tech takeoff and then subsequent crash. So I learned a good lesson there, but that's kind of where the interest was. And from there I went to Villanova University, majored in political science, but picked up double minors in business and econ. And I took an internship, an unpaid internship for Morgan Stanley my senior year. Which was really interesting.

That was driving into Center City Philadelphia three nights a week, making about two to three hours of cold calls interrupting people's dinners. And trying to pitch them for a meeting for two advisors that I was working for. Unpaid. It wasn't, you know, glamorous nor did I think was a lot of fun, but I got to see that makeup. Parking there, traveling up to the 14th floor, seeing this big office and advisors in these large corner offices was something that was kind of an interesting goal that I thought I could look for. And I guess I must have done enough to get the opportunity to join their training program.

Ryan Robertson: And cold calling was something that you've done throughout your career. I've been reading. So it wasn't just in the internship, cold calling was really something you used to build your business, isn't that? And I'd be curious to know like what that experience was like. How many calls did you have to make before you got somebody? Do you still have those clients? What's your best cold call story?

Rory O'Hara: Yeah. Ooh, I don't know if I have a best cold call story. It's definitely a chase. I got some great stories of clients that I initially cold called and then followed up with for, I mean not short of seven years before they became an actual client. Wow. But I built the entire business cold calling. So, I learned a little bit in doing it through that internship and got over that fear of rejection. But coming into it, I didn't have a lot of family wealth or family connections and I thought that this would be a great opportunity to just, you know, work as hard as I could give it everything I had. If I made it in this career, I thought it would be an amazing career helping people learning more. I think our country is, you know, vastly uneducated when it comes to planning investments and tax minimization. So, I thought, hey, if I don't make it, I'm going to learn a great skillset that I can apply personally, but I have nothing to lose, no kids. Right out of college, I've been given this great opportunity and without having those connections, it defaulted to cold calling. So I would try to make upwards of 300 cold calls a day, and I built the niche at two different public companies.

Kirsten Pickens: 300 a day, that's impressive.

Rory O'Hara: Well, if that's all you're doing for eight to ten hours, you can really crank out a number of phone calls.

Kirsten Pickens: And I'm just curious, I want to hear all about your first decade at a wire and then starting your own firm. But I'm just curious, how much of that do you still do today in a very successful, established business?

Rory O'Hara: I am not cold calling. Our newest advisor is doing that. We track all of it. In fact, going back to when I was interning, they were tracking the number of phone calls that I made, the number of contacts and pitches, and then any appointments set. So I always took that mentality and then that process and we've applied it. So post Covid, cold calling numbers have really declined. We're not getting nearly as many pickups as we did before. Thankfully, I mean I really feel that I'm lucky that I was able to build a business when cold calling worked. And you could get 20 pickups for every hundred dials you made. Now the numbers are five to ten for every hundred phone calls you make just based on people on the do not call list or you get a call from a number you don't know and you think it's someone telling you your car warranty's expired right.

So we are still leveraging it because it still does work. You're letting someone know that you're in business and then you're trying to schedule that appointment. With me also, being very young, I could battle, I could be pretty forceful on that phone and trying to schedule the appointment with them, not knowing how old I was or what I look like or anything of that nature. So if you get the commitment vehicle call for that meeting, they're locked in. You have that meeting many times. The opening line was, wow, you look a lot younger than I thought you were. I cold called as Robert Joseph O'Hara and I go by my nickname Rory and have since...

Kirsten Pickens: Way to make yourself sound older than you are.

Rory O'Hara: Fake it until you make it.

Kirsten Pickens: Fake it until you make it absolutely.

Kirsten Pickens: So you were with a major wire. I don't know if you want to say the name or not, but for a decade right?

Rory O'Hara: Merrill Lynch. Yeah, I started at Morgan Stanley for about a year and a half, then was recruited to go to Merrill Lynch and went through the Merrill Lynch training program there. And yeah, it was from 2007 through 2021 when we left.

Kirsten Pickens: And then you launched Austerity in 2021. Walk us through that. What was that decision thought process like?

Rory O'Hara: Well, it wasn't a quick decision. It was about a two year process of research and due diligence that we made. We thought that we owed it to our clients and to ourselves to learn about the independent landscape. I was very aware of the trend that has continued towards independence for advisors and wirehouse advisors leaving to set up an independent shop or doing some sort of partnered independence. So I thought we owed it to our clients to learn about it first and peek our heads over those big wirehouse walls and just look at what was out there. And throughout that process, we realized that we could create a better client experience, better outcomes through access to more investments. For us, the big thing was access to more private investments. And we don't have a ton of five million plus clients. We have a lot of clients in the one to five space.

And when we left Merrill, there was one private equity fund we could use, one private real estate. So we wanted access to more there. And also the tools for planning, financial planning was superior. So when we understood that and then came to the conclusion that we could be better advisors, which in turn was going to allow us to serve clients in a better capacity. That decision was made and then it was, okay, how are we going to do this? What's our timeline look like? And Covid, to be honest, helped because there was a lot of calls with Fidelity and with Sanctuary who we partnered with that we didn't have to duck out of the Merrill Lynch office during lunch hour or take these meetings. Because you are kind of living a double life when you're going through the process of setting up a firm, finding retail office space and making that move. We were all working from home, so I thought it was easier to do and complete that research process without, you know, tipping our hand.

Ryan Robertson: Rory, tell us about your team. How many members are on your team? And then I have a follow-up question about sort of this independent route that you went, but curious about how large your team is.

Rory O'Hara: We left Merrill as a team of five. I'm happy to say in less than two years we've expanded. We're now seven. We were using the phrase all of us are under the age of 40. My partner Jeff and I turned 40 a few months ago, so now it's 40 and under is what we're using. But yeah, there's seven of us currently at Ausperity Private Wealth.

Ryan Robertson: So I guess my question would be, there's one thing to consider leaving one of the big wirehouses to go to independent because of the best in your evaluation it was the best thing to do for your clients. But the other thing that you have to consider is sort of now you are taking on more responsibility as like a manager of the business, an owner of the business, compliance technology, all the other things that sort of come with, you know, leaving a wirehouse to be an. What made you think that either you could do that, wanted to do that? What skillset made you think that that was going to be a win for you?

Rory O'Hara: I think I'm very confident in our team and our capabilities, but I also don't think that we overlook that. I think we realized in that due diligence process, we know what we know, we know what we think we know, but we don't know what we don't know and becoming overnight business owners for a half a billion dollar book of business with us having all less than 15, 20 years of experience that we wanted some sort of assistance and partnership there and that's where Sanctuary filled that role for us. So I think it was just kind of looking ourselves in the mirror and realizing, hey, we don't want to bite off more than we can chew, but we've come to the conclusion there is a way for us to enhance what we're doing and we can be better advisors to our clients.

So it's a move that we have to make and yes, that comes with now a lot more responsibility and a lot more decisions fall on us, which I love. And we've hired a business coach, so I mean, we're taking that head on, we're not opposed to being coached. But I would rather have it that way and have that on our shoulders and have those responsibilities, those decisions to make because we were tired of hearing no and trying to push things, whether it be marketing or a client is moving to a different country temporarily, and we're told we have to give up that advisor. You know, I can understand why the wirehouses have their model and it's for scale but there's one-offs that sometimes will impact a client negatively. And now we can kind of take

those one-offs and create a better outcome or find that solution. So for us we certainly are not looking back, we prefer having the ball in our court and making the decisions ourselves rather than kind of having to see if there's a workaround for us.

Kirsten Pickens: That makes sense. Well, it's working because you have so many accolades, obviously the next gen list for the last six years on Forbes, Forbes Best in State. And I've read and heard you say in other podcasts that you really do feel like your age has been a differentiator. Talk about that a little bit and what does that bring to the table for you?

Rory O'Hara: You know what, I think it's pretty well known that the average age of a financial advisor in the industry is 59-60. If we look at that, I'm 20 years from that as is every single member of Ausperity. So we also have, I'm over 15 approaching 20 years of experience. So I think that's a very unique combination where we have the experience and I mean, I'm very thankful to shook research and partnering with Forbes to create a list for next gens. It's not just solely based on assets under management and they actually have built and provided credibility to me that I didn't have not being on any list previously. I think we now have that from a credibility standpoint. Obviously our client retention is exceptional, but we're able to sit across the table from a prospective client, and I think trust is the most important quality in the advisor client relationship.

And that doesn't come overnight. That's going to come with time. And for us to stare across the table and have that discussion that we are going to be the relationship managers for you, the same individuals working with you for the next 20 years, is a value prop that many advisors don't. If the average age is 60 and we're 20 years from that, I think that's really big. And one thing that I didn't anticipate in the independent space is from MNA perspective. Three months ago I had zero prospects. Now there's three firms that I'm in beginning or ongoing talks with that have approached us to potentially buy their business or buy them out from a succession planning standpoint. And all three mentioned that our age was one of the main driving factors. Their clients mean a lot to them. They're their best friends. And they want that continuous relationship as well, so if they can pair with a firm like ours that's got a long track record ahead but has already got this built up credibility. I mean, I didn't anticipate that but these are fun conversations.

Ryan Robertson: It's a compelling story, It's absolutely a compelling story.

Kirsten Pickens: One more question, I was watching the video on, I think it was on sanctuary's website where you talked about a coach and the benefits of a coach. Talk about that too, just in the development of team or just the fact that that's helped so much.

Rory O'Hara: I've been a Vistage member for five years, so that's executive leadership coaching. I realized that initially I was a very good advisor. I could cold call like crazy schedule appointments, close business and kind of build a client base. But to grow the way I want to and to, to take this business to where I want to take it and to help more people and more families and educate. I know I needed a team. It's very different being an advisor on that one-on-one and Okay, it's game on. I'm having a client meeting and we're doing that to then growing that in hiring or working with people. Working with people can be very difficult. And that was a skillset I realized I needed an improvement on. There was zero coaching that I had to establish a leadership position and to grow and be the visionary. So I joined Vistage off a great recommendation from my wife's uncle. That's been life changing really to bounce ideas off of, be held accountable and learn some leadership qualities. And then we took that even further to creating the strategic plan for Ausperity, which we just created within the last quarter.

Kirsten Pickens: Wow. That's really neat. I wanted to also ask you just about collaboration and networking with other next gens. I know there's a lot on the Forbes list. How do you interact with like your industry peers? Do you spend time collaborating? Is that something that's a big part of your, It's kind of hard to do day to day when you're so busy, but I'm just curious.

Rory O'Hara: No, I'm a big fan of that and major credit to Forbes that puts on national events and then regional events that I really try to attend, to hear best ideas. I try to take one or two of those and then make them our own. Some of my best ideas are not my own. I've stolen them from other best practitioners and tweaked them and applied them. You know, the cold calling script that I used was the one that was handed to me to cold call in the evenings in that Morgan Stanley office. But I think that sometimes the best use of time at those conferences are during lunch or during those breakouts where you just catch up with people or create a potential connection. There's a great advisor, Michael Henley, who was at Merrill, and then he transitioned to an independent firm.

He's setting up a mastermind, which is kind of a one day idea sharing with several advisors. I'm unfortunately going to be on vacation and I give him a hard time that he's not rescheduling for me. But, situations like that where you can connect and just share ideas, I think is extremely valuable. And I think that's one thing that also helped with our decision to, to partner with Sanctuary, knowing that we were one of 50 at the time that's now grown to 70 partner firms. Right. That they create opportunities for the best practice. The idea sharing. And frankly, I think that's a, a phenomenal use of time. Couldn't agree more. It's super powerful.

Ryan Robertson: Because of your age, what I find interesting as I read through your bio was, your prospecting not only baby boomers, but also high income millennials, two different types of people. I'm just curious, let's start with baby boomers. What challenges do they bring to the table and what conversations do you have mostly about their goals and their future?

Rory O'Hara: Well, initially it was baby boomers because that's where wealth was. And they were working and they were picking up the phone when I was cold calling them. So naturally that was the niche that I targeted because it was not easy. I mean, I think the hardest thing I did was getting through the Merrill Lynch training program. I needed to bring in \$15 million in client assets. And the first two years with \$10 million being fee-based. And that's a lot of appointments, that's a lot of business to be closed. So you didn't have the time to bring on a \$50,000 account and wait five years for them to retire. You kind of needed money now. So that was a niche that I developed just based off of trying to make it in this business. So it was baby boomers was kind of the target market.

They were working, they were looking to retire, helping them with that. The conversations now as we've taken them through into retirement, now that they're in retirement and doing the really in depth planning work that we're doing through E-Money is the software that we use. A lot of our clients are in a great spot. They've grown up saving like crazy, and now they've retired and they're frankly not spending a ton, or at least not spending at a point to where they're going to run out of money. So I'm having some really interesting, fun conversations with clients about the purpose of their wealth and my goal as an advisor now is I don't want this client years from now to be having the meeting with me where they're 80 and they're looking back saying, man, I would've could've should've gone on this trip, gifted wealth to kids when they used it more rather than dump three, four million to them when I pass away. So that's been a bit of an evolution.

Ryan Robertson: And then what about the millennial side? So millennials, high income earners, potentially if you know, lucky enough to prospect them. What the very clear thought out on the baby boomer side, but what about the millennials? What challenges do they bring to the table?

Rory O'Hara: From a planning standpoint, they have a lot more that they're dealing with in terms of potential needs and goals of theirs. But also more, they just need to figure out, they could be saving for their first house, saving for a second house. They could be having children and wondering whether or not they should be doing a 529 plan. So, I mean, there's a litany of, of decisions that they need to make that are financial, that they need assistance with. I always tell those clients there's two roads, right? There's the retirement road where we all know you want to take risk, you want to grow your wealth, you're going to use your 401k. I'll help you with whether you should do Roth or pre-tax 401k. We'll do some unique stuff like Backdoor Ross, but we're going to be aggressive there.

They need a lot of help with what do I do with the discretionary money? If we're cashflow positive, what do we do with that money that we're saving or the stock that vests? Are we selling that stock? Are we keeping it? And if they don't know, the default is they don't do anything. So, a lot of these high income clients that we get introduced to are sitting on a bunch of stock or a bunch of cash because they haven't made any decision because they don't know what the decision to make. And they've come to us without a, we're targeting now towards them, but initially it built up because they were the kids of some of our baby boomer clients. And one goal that I have is to really work with a lot of multi-generational clients and who best to serve our clients' kids than us. It's the easiest close. All we have to do is ask for an introduction, put them on our newsletter, help them set up their original 401k plan, talk them through Roth or pre-tax. And, you know, shame on me if I don't scale the firm. And we create individuals to make those outgoing phone calls and get those clients early as they then grow and expand in the workforce. Those are just assets that are going to flow to us.

Kirsten Pickens: A hundred percent. You kind of just answered the question I was going to ask. I was going to ask you about multi-generational, because you mentioned kids a couple of times. Is there anything that you would say is really unique to your practice to help get the kids or the younger generation involved in the overall investment process?

Rory O'Hara: I've tried a number of things. What's been working recently is we have been advocating for clients that are in a great financial situation that have working aged kids to fund the Roth IRAs for their kids. It's easy: If we are the ones that are managing the assets, the clients already have an account with us. We'll set up an account for your child's Roth IRA and then we'll simply make that contribution. The child needs to work and earn income, but the parents can fund it. So that is kind of kicked off a number of client accounts just through that discussion. And that's a real easy give. A lot of clients struggle with giving money to their kids. They don't want to enable them. But if it's in a Roth IRA, they feel, and rightfully so, that the kids are not just going to go spending that like crazy. So it's a fairly easy give to make and now they feel great about it because their kids are now established with us. We're going to be proactively managing the account, but that's now a tax-free asset that's growing for the betterment of the family.

Kirsten Pickens: Hundred percent.

Ryan Robertson: So, we're talking about kids. I know you have four young kids. Kirsten and I both have three children as well. We talk a lot, just her and I about balancing our families, balancing our work. How do you do it? What is your best practice for managing your really large business and then your very young family?

Rory O'Hara: I don't have a best practice. If you find that best practice follow up with me. I think you need a team and I believe that my wife and I are a great team for parenting our children and making a lot of those decisions together. I know I've built a great team within Ausperity that helps us from a scale and from a growth perspective. So I think it's trusting those that you're working alongside of. And I also think we're capable of more from a work perspective or just maybe life or just output, however you want to share it. You know, ultimately if you sleep for eight hours, there's a whole big portion of that day. What are you doing and how are you spending that time? I think on average we can get more accomplished. We can work harder than most people think that you can. I'm always looking to kind of stay busy and take on a lot of things, whether it's the business, family, faith, or there's a nonprofit that I'm on the board of that's very important to me. So yeah, I don't watch as many sporting events that as I used to. So there's things that you have to cut out, but I think those that are really, those things are very important to you. You find time to do your best.

Kirsten Pickens: My old boss used to always say, if you want to get something done right, give it to someone that's busy. Yeah. I think there's truth in that.

Rory O'Hara: That's a good point.

Kirsten Pickens: Talk us to us a little bit about the board that you're on. You said it's a big passion of yours.

Rory O'Hara: I'm a board member for the Cathedral kitchen, which is a soup kitchen in Camden. It's way more than a soup kitchen. There's a culinary school where they have individuals that go on and they prepare the meals for the dining service every day. And then they also graduate and the hope is that they then get placed in jobs with inside of the restaurant business. So that's right here in Camden. It's one of the largest soup kitchens in New Jersey. They didn't close a single day even throughout Covid. So talk about, you know, an organization that had to pivot and adjust from having in-house guests and dining for homeless, needy individuals and families in Camden that they transitioned to a pickup service and continue serving and didn't skip a beat. Had to deal with some covid spreading with inside of the employees. It's just an amazing organization. It's one that I'm very proud to be a part of, and one that Ausperity is proudly helping assist.

Kirsten Pickens: That's amazing.

Rory O'Hara: We've done some really neat, I found that to be great from a team building perspective. Two months ago we all went and we served dinner and did that as a team. And I think it's good to kind of maintain that perspectives.

Kirsten Pickens: Absolutely. A hundred percent.

Ryan Robertson: That particular charity, what made you become passionate about that? What was it that made you kind of latch onto that one?

Rory O'Hara: It was actually a connection where I was tapped to assist with their finance committee due to my background. It was the perfect fit because I didn't know what it entailed to be a board member. And I think they were nervous of my children plus business career and how much I could take on as well. So they had a need where someone had rotated off of that board that was serving on the finance committee. And I stepped in to kind of volunteer efforts from that standpoint. The Merrill Lynch office had previously done some volunteering within the cathedral kitchen, which I was a part of. So it was kind of a natural gravitation there, and I think that's why they kind of made dimension and were looking for someone. And through that year process of assisting and sitting on the fundraising committee or the financial committee meetings, they then extended the offer to a full board seat, which I proudly accepted.

Kirsten Pickens: That is awesome. It's so great to give back like that too. I mean, I can't believe that they never closed once during Covid.

Rory O'Hara: Yeah. Pretty remarkable. We've tried to get our children involved to a degree. I mean, a major credit to my wife who pushes that effort, they accept donations. So we've done with our two older boys making sandwiches and she sets up a whole assembly line on our kitchen table and the kids, the boys go through, you know, putting Turkey on one side and cheese on the other, and then putting in the Ziploc bag and then doing a drop off. So it's really been pretty powerful for our family to be involved.

Kirsten Pickens: That's awesome. That's great.

Ryan Robertson: Rory, you've built a fantastic practice. Kirsten and I can't thank you enough for spending time with us on head-to-head. One of the things that we like to do at the end of all of our podcasts as we like to ask a simple question, and that is, what advice would you give to your 20 year old self?

Rory O'Hara: I think it would tell my 20 year old self to embrace rejection, embrace rejection in the form of just in this business, you got to have a thick skin. You're going to hear no more than you hear yes. But I'm a big believer that things happen for a reason. Not everything works out. You're going to have adversity. Things are you're going to be rejected or your plans might be



rejected. Try to use that to your advantage. And probably second to that would be to be maybe a little less frugal, which is interesting coming from a financial planner or financial advisor. But, I practiced what I preached and did my best to put money in the 401k plan and I tried to do a Roth IRA. I was making \$30,000 dollars a year my first year at Morgan Stanley, but still was in that saving mindset. I think looking back, we don't really know what we're going to be capable of and what wealth we might potentially create. I think I probably said no to some things, whether they were experiences or trips or just something that I was prioritizing saving at an age where maybe I should have been a little bit more carefree and more, hey, in the grand scheme of things, I'm going to remember this experience more than I will that Roth IRA thousand dollars contribution. So that's something that I think I'd look back on and share or reflect on.

Kirsten Pickens: Those are two great ones. Live in the moment. Thank you so much, Rory. I really appreciate it. It's been a great conversation and get to know you better.

Rory O'Hara: Thank you, guys. This was a lot of fun.

Ryan Robertson: Thank you, Rory, Appreciate it.

Ryan Robertson: To get the latest episodes as soon as they're available, be sure to subscribe to the Fireside podcast.

Kirsten Pickens: For more on this episode, visit www.fssinvestments.com/head-to-head. This episode was edited and engineered by Aaron Sherman. Special thanks to show coordinator Lara Coleman. Thanks for listening.