

Breakaway Spotlight: Magnus Financial Group



As part of Orion's Year of the Breakaway Advisor, we're following up with the successful breakaway firms we spotlighted in our original Breaking Away video series, hosted by Josh Brown, CEO of Ritholtz Wealth Management.

Today's feature firm is Magnus Financial Group LLC, an independent registered investment advisory firm based in New York City, founded in 2017 by Michael Schwartz CFP®, AEP®. Schwartz, who spent the first 18+ years of his career at a large broker-dealer, was recognized by *Financial Times* in 2017 as one of the top 400 advisors in the country, and was also named to the Forbes Best-in-State Wealth Advisors list in 2019, 2020, and 2021.

Watch Now: Josh Brown and Magnus Financial

In an effort to truly align with clients and best serve their needs as an independent fiduciary, Schwartz left his former firm to start Magnus Financial Group, which focuses on integrated, holistic financial planning with an emphasis on tax sensitivity. Through portfolio optimization, cash flow efficiencies, tax strategies, and a true bundled approach to financial planning, Magnus Financial seeks to create efficiency on their clients' balance sheets.

We caught up with Michael Schwartz to learn more about his new firm, and find out what valuable tips he has for other advisors considering breaking away.

1. What advice do you have for advisors thinking about establishing their independence?

Make sure that you have a business plan written out. Expect the unexpected. Whatever you think the costs will be to run your firm, expect that they will be

20%-30% greater.

2. How has your business changed over the last few years?

We have gone from being a practice to being a true business. There are now other advisors that are generating revenue, but they also need resources to run their practice.

3. What would you tell yourself three years ago that you know now?

Change your mindset! Make decisions based on target margins and net figures, not gross.

4. What do you wish you had done differently, if anything?

I would have changed my mindset earlier on. I came from a large firm, which kind of brainwashes the way you think. It took a few years to realize that if I wanted to make a change on something, I could!

5. Which single piece of technology could you not live without?

Our cloud based technology (Egnyte). Our cloud based tech allows us to work remotely, share documents across the team, and is used by everyone in the firm, every day, multiple times during the day.

6. What's your favorite part about running your own firm?

The idea that you are adding not only a quality service to hundreds of households, but also the fact that you are providing professional development for your staff.

7. What's your biggest goal for the next year?

Our biggest goal is to hit our inorganic growth targets of adding three new advisors.

For more information about becoming an independent advisor, visit our Breakaway Resource Center!

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