Building a financial planning practice that outlasts its founders

Many advice practices depend heavily on a small group of leaders. The challenge with that model is that knowledge, relationships and decision-making become concentrated in too few people.

Most financial planning businesses begin with an entrepreneur's vision, expertise and personal relationships. Often, the founder becomes the centre of the business – the key advisor, decision-maker and cultural anchor. While that model can be highly successful, an important question to address is what happens when those founders eventually step aside?

For Consolidated Wealth Group, that question has shaped the organisation from the beginning.

CEO Craig Kiggen explains that the intention is to create a firm not just for today, but to develop talent in a way that enables clients to be served for the next 30 to 50 years. That ambition has led to a deliberate focus on building an organisation that can preserve its values, culture and client-centred approach by growing talent across the business and preparing people for greater responsibility over time.

Talent is broader than a few individuals

Kiggen describes the need to broaden capability throughout the business rather than concentrating knowledge, responsibility and decision-making in a handful of individuals. The goal is not simply to appoint successors, but to increase talent density so that more people understand how the business works and can contribute meaningfully to its future direction.

That process starts long before any formal transition is required. People with future potential are increasingly exposed to business planning, leadership discussions, decision-making and operational challenges through various programmes and committees, helping them develop both the capability and the institutional knowledge needed when making key decisions rather than having to start from scratch.

Growing talent from within

A well-known business concept is that of "growing your own timber" – investing in people internally so they can eventually assume greater responsibility. Consolidated believes there is significant value in this approach. While external recruitment remains important, the organisation places deliberate focus on growing talent internally by developing people who understand its history, values and way of serving clients.

Julie-Anne Visagie, who oversees people development, described how new financial planners are often developed through progressive exposure to administrative and compliance work, internal planning responsibilities and increasing exposure to client relationships before operating independently. The result is not only technical development, but a deeper understanding of the full financial planning process and why it operates as it does.

Mentorship in practice

Formal qualifications remain important, but Consolidated views mentorship as a critical component of preparing the next generation. Internal advisors frequently work alongside experienced CFP® professionals, attending meetings, assisting with planning work and learning from advisors who have spent years building client relationships. Visagie describes this period as a valuable season of mentorship in which future planners gain practical experience before taking on greater responsibility themselves.

Just as importantly, learning is not confined to one-on-one relationships. Internal advisors and developing planners participate in planner meetings alongside experienced professionals. They are exposed to peer discussion, technical debate and shared problem-solving. These interactions help transfer the type of professional judgement that cannot easily be documented in a procedure manual.

Building institutional knowledge

An enduring organisation requires more than capable individuals. It requires knowledge that is embedded within the business itself. Kiggen highlights the importance of developing institutional knowledge so that future talent understands not only what decisions were made, but why they were made. He emphasises the importance of the next generation understanding the history behind key decisions rather than relearning lessons previously learnt.

The organisation deliberately shares lessons, processes and professional insights with peers in the industry because learning and knowledge transfer are viewed as important responsibilities, both inside and outside the business.

Preserving culture intentionally

Consolidated's leadership realised that a business could survive a leadership transition but still lose the qualities that made it distinctive. Therefore, Consolidated places significant emphasis on cultural alignment. Recruitment processes focus not only on capability, but also on whether prospective team members align with the firm's values and expectations. Visagie explains that candidates are evaluated not only on skills, but also on whether they are the right cultural fit for the organisation.

Performance appraisals follow the same principle. Employees are assessed not only on their technical performance, but also on how they live the organisation's values, emphasising the relationships within their teams as well as with clients.

Perhaps the most distinctive aspect of Consolidated's approach is its time horizon.

Thinking in generations

Perhaps the most distinctive aspect of Consolidated's approach is its time horizon. Succession is not viewed as a future event that will need to be managed one day. It is viewed as an organisational capability that must be done continuously. It is seen as a day-to-day objective whereby talent is grown, and knowledge is developed before it is needed. Future capability is being developed long before formal transitions occur.

Kiggen speaks about preparing people who may be "30 years behind the founders" but who need to begin learning today. That perspective reflects the vision to "create a firm, not just for today's planners, but for the next 30 years of clients and future leaders".

Ultimately, Consolidated is not simply trying to preserve a business, it is seeking to preserve a way of serving clients. Every mentorship relationship, every planner forum, every opportunity to grow talent and every investment which increases talent density contributes to that objective. Success will not be measured solely by what today's leaders build, but by whether future generations continue to serve clients with the same professionalism, stewardship and care for decades to come. ■

Craig Kiggen, CEO, Consolidated Wealth Group