

MP Star Financial March 2015

Successful entrepreneurs: Nancy Butler turns \$2,000 into a \$200 million business

Nancy opened an asset management and financial planning business about three decades ago. “At the time,” Nancy says, “I had about \$2,000 to my name. I’d never owned a certificate of deposit, and I’d never bought a mutual fund or stock. But, I was also a single parent with no other source of income.”

In other words, Nancy had to make it work – and, when she sold her business in 2007, the business was managing about \$200 million in assets. For a look at this dynamo in action, here she is speaking at the 2012 Western Mass Business Expo.

Lean years – and how Nancy made all happen

“I didn’t have the luxury of thinking about whether or not I’d be good at financial planning,” she says. “I needed to learn how because I needed to put food on my family’s table.” She quickly found out that she liked helping people and making a difference in their lives. “And, I also realized that, even if my business didn’t work out, I was learning how to manage my own money and that would help me to raise my kids.”

She studied for her federal securities license and other related licenses in the middle of her divorce and in the middle of a move seventy miles away. “Right when I was getting started, I was offered a salary position that would have been the highest pay of my life, but I turned the company down.”

So, here Nancy is, seventy miles from home where she “knew no one,” so forget about selling to friends and family. To get her first clients, “I started by reading the newspaper, paying special attention to who got married, bought a house, sold a house or had a baby. I then made cold calls to see how I could help them. For the newly married, budgeting and setting financial goals together. For the home buyer, budgeting and homeowner’s insurance. For the home seller, how to invest the money from the sale. For the new baby, budgeting and setting up a college fund.”

It took Nancy about a year to start earning a reasonable amount of money. “In the first year,” she explains, “I did not charge for advice. Instead, I charged for helping them implement what they needed, such as setting up a college fund, purchasing life insurance, properly investing their money.”

Here’s why. When she first started out, the industry was not charging for advice, and Nancy didn’t yet have the confidence to buck the trend. “Later,” she says, “I charged for advice and charged separately for asset management. My advice fees were from \$800-\$12,000, depending upon the complexity of the case.”

She offers this piece of advice for new business owners. “Income,” she says, “can be very erratic. I learned not to worry about my income from day to day or even week to week.

As long as, at the end of the year, I could look back and feel great about the progress I made, I learned not to sweat the days in between.”

Successful years – and when it was time to quit

Remember when Nancy turned down that salaried position? “My mother thought I was crazy, with two kids to support, but I would have been hired at the top of the ladder. Instead, I wanted growth opportunities, so I stepped outside of my comfort zone to become more successful. If you’re always comfortable, then you’re missing out on the magnitude of what could be.”

She lists another reason why the financial planning field appealed to her. “I don’t like being in a rut,” she adds, “and so being in financial planning excited me. Just when you think you know everything, the law changes and/or new investments come out. The business is constantly growing and changing, so I was constantly challenged.”

Nancy was determined to end up in her brokerage’s hall of fame, something that few people achieved – and even fewer women. She accomplished that goal on December 31, 2006, and sold her business shortly after that. “Once you earn top accolades,” she says, “it’s time to move onto something else. It’s my opinion that you can’t be a good financial planner part time, so I went from working 60 to 70 hours per week to zero the next.”

Ten years before, Nancy had interviewed people to hire so that she could seamlessly transition out of her business when the time came. “I didn’t want the clients to notice any difference,” she says of her exit planning, “so I hired the kind of people that, even if my mother and kids invested with them, I’d feel comfortable. Then I trained them and introduced them to clients. By now, I’ve been paid in full for my financial planning business, and my clients are still there – and so is the staff.”

Nancy’s views on entrepreneurship We first met up with Nancy in November, when we published the results of a survey we conducted where we asked 113 small business owners if they considered themselves entrepreneurs – and what three characteristics each person felt were the most important for an entrepreneur to possess.

Nancy answered the question about entrepreneur characteristics a bit differently from most, listing reasons why becoming an entrepreneur made sense to her. She needed:

- Control over her time
- Control over her income
- Control over her future success

And, she still considers herself an entrepreneur, working as a business coach, professional speaker and author. “I don’t have to work anymore,” she says, “but I like to

stay busy. There is so much opportunity out there that I need to say ‘no’ to things rather than hunt for something to succeed in.”

More advice for entrepreneurs

Nancy is very clear about the business owner’s main job: profit.

She also has this to say: “People often go into business because of a passion. Perhaps you love to cook – and you might be an amazing chef, but you don’t know much about hiring, training employees, laws and rules, or building maintenance. What you’re really good at makes you feel energized, so be sure to hire people who feel the same passion about what you don’t like to do or aren’t good at doing.”

And, if Nancy could start her first business all over again, she would have hired sooner, not waiting to make more money first. When it comes time to hire, she suggests the following: make a list of all you do on a daily basis, are good at, and enjoy; a list of what you do daily, are good at, but hate to do; and what you do poorly.

“Then fill in the gaps. Don’t hire a clone of yourself. Hire the opposite of yourself. Then, every day, they’ll come to work and do what they’re best at doing – and you can do the same.”

More about Nancy

She has been quoted in USA Today, Money, Playboy, Chicago Tribune, AARP and more, and has spoken for major corporations such as Pfizer, General Dynamics and Dow Chemical. She has guested on numerous television and radio shows, and is the author of two books, *Above All Else: Success in Life and Business* and *A Realtor’s Guide to Greater Success*, both available on Nancy’s site.