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A background image showing two business professionals in an office setting. One person, wearing a blue suit, is seated at a desk with their hands on a laptop. Another person, wearing a light-colored shirt, is standing and pointing at a document on the desk. The document features a bar chart and a line graph. The image is partially obscured by a large orange diagonal shape in the bottom left corner.

# Driving Practice Value

How McKinley Carter Wealth Services Uses  
Valuations to Strengthen Cash Flow, Inform  
Practice Strategy, and Grow Practice Value

# Where It Starts



*McKinley Carter Wealth Services sought their first practice valuation the same way many do -- in response to a partner buy-out request.*

## THE INITIAL NEED

The insights they received far outweighed the cost, giving them a tool and professional advice that has helped drive practice value and strategy.

McKinley Carter had only done a couple of valuations prior to 2016. Prompted by a partner's desire to leave the practice, leadership sought out referrals to valuation companies specializing in financial advisor firms. They considered three different companies but were drawn to Todd Doherty and the Advisor Legacy team. Says David McKinley, President at McKinley Carter, "the process was clear, simple, and the timing for turnaround was good. We just felt that Advisor Legacy was the right group to go with."





# The Process

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## Purchasing

McKinley Carter purchased the valuation and immediately received a link to a portal and step by step instructions on what to submit and how.

## Submitting the Data

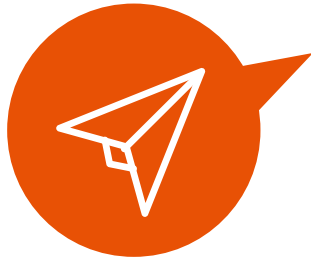
McKinley and his team divided up the task, giving respective items to “the people in the firm responsible for that information.” Since the firm was able to time the valuation with their annual year-end audit, it was easy to obtain the needed documents and financial information.

The requested information included AUM; traditional financial statements showing revenue cash flow, and operating expenses; payroll and staffing information; and data about the client mix.

## The Report

Within a week, they had a full report, which included the valuation methodology, an assessment of how the firm performed in each of the key drivers of value, and a side by side comparison with a benchmark firm. Doherty also provided candid feedback and recommendations on how to improve.

# A Simple Online Process



## THE DATA YOU NEED IN 10 DAYS OR LESS

While other consultants take many hours to complete a valuation intake, our proven process starts with just a few reports. Within a week you'll have a written valuation with personalized, actionable steps you can take to maximize your practice value. Our M&A experts walk you through the report, answer your questions and arm you with a full understanding of value drivers in the marketplace.

7 to 10 days From Purchase to Review

### PURCHASE

Purchase directly online. Once you purchase the service you'll immediately receive a link to the data collection process.

### SUBMIT DATA

Our data collection process is straight-forward and easy. We provide step-by-step instructions.

### REVIEW

You get a 60-minute 1:1 meeting to discuss your practice in depth and review the variables impacting its value.

## FOR THE LOW FLAT FEE OF \$1,295

### Order Your Valuation Now

<https://www.advisorlegacy.com/index.php/valuations>

# Results

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## A clear picture of where the practice stands in relation to the industry and where it should be.

### Honest Feedback

“Todd was really open and frank,” says McKinley. “He showed us where we are in relation to our industry and where we should be.” The added insights helped McKinley Carter take stock of their operations and make a plan to improve. “We were giving too much away. We weren’t where we needed to be,” McKinley explained, adding that the company was eager to start growing through acquisitions. In order to position the firm to scale, the executive team would need to make significant changes.

### Path to Positive Change

McKinley described the transformation, “We started having critical discussions. If we were ever going to become a buyer, we needed to change the culture, our decision making, and establish standards and practices around adhering to a budget.” The firm quickly implemented changes, using the key drivers and recommendations outlined in the valuation to help set metrics for the firm to follow.

The following year, the firm sought a valuation again to see what progress they had made. Bolstered by their growth, they continued to seek valuations annually, each time using the results to sharpen their operations and hone their strategy for the coming year.

“Once you change the culture and start winning and showing great financial reports, you get excited to do more,” describes McKinley. He explains how the newfound enthusiasm that’s resulted from their valuations has been infectious. “The whole company is now involved.”

*“Once you change the culture and start winning and showing great financial reports, you get excited to do more.”*

### A Path to Ownership

Not only are employees involved in helping drive company value, many are seeking out a path to ownership. “With the valuations, we’ve been building trust to buy-in to the business. Now 53% of employees are owners.” Along with a growing sense of trust, the firm has also seen their financial position grow and strengthen. McKinley admits that before, “we never wanted to go to a bank to ask for a loan. Now we are always cash flow positive, we’ve reduced our dependence on our line of credit, and banks want to lend to us.”

## Their Advice to Firm Owners

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The annual valuation has become a significant tool for McKinley Carter, prompting McKinley to urge practice owners to “invest in a valuation in order to really understand the value of the company and how it compares to the industry.” This helps give them a peer to peer benchmark to evaluate the firm against and a way to measure the firm’s progress over time. Says McKinley, “It’s always good to know where your weak areas might be. While going through the process, if you have a weak client base, it’s going to come out.”

McKinley also says a practice owner shouldn’t wait until they are ready to sell to secure a valuation of their firm. “Eventually everybody needs to think about the succession planning. Why not maximize the inevitable?”

# TRUSTED PARTNER

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When asked if they would recommend Advisor Legacy to another firm, McKinley answered, “Absolutely.” When asked why, he explained that, “They were very customer service friendly. I can email Todd and within an hour I have a response.” McKinley adds that, “It’s the simple things that matter. They return your emails and return your phone calls. If there was a problem Todd was quick to help out. Just very quick to respond overall.”

*“It’s the  
simple things  
that matter”*

McKinley also stressed the returns that a firm will gain from the valuation itself. “The review was very clear and simple and understandable for folks at different levels.”

McKinley explained that made it easy for everyone to internalize and apply the information they received. He adds that the process and the valuation, “Gives you a great overall summary of the practice, shows you where you need to focus, and if there is an area you are weak in, they are going to be quick to point it out.”

Most of all, working with Advisor Legacy has “helped us get in a stronger position to buy.” McKinley makes sure to note that, **“We are in a strong position and are definitely in the market and actively looking for firms with whom to partner or expand.”**





# About McKinley Carter

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## Empowering Financial Futures

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McKinley Carter Wealth Services is an SEC-registered independent wealth management firm that provides Wealth Management and Trust Services for individuals and families committed to growing and protecting their wealth across multiple generations; Retirement Plan Services for businesses focused on the long-term financial success of their owners and employees; and Nonprofit Advisory Services for organizations seeking long-term financial security and sustainability. To learn more visit <http://mckinleycarter.com>.



Advisor Legacy can help you through every stage of an acquisition, from the first step to a successful outcome.



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SUCCESSION  
PLANNING

**Your future is our only priority.**

You wouldn't leave your client's legacy to chance. Why leave yours?



## CONTACT US

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