Beyond the White Coat – A Review

I recently had the opportunity to exchange a few emails with Jeff Hall, CFP, CIMA, a DFA-approved financial advisor who advises a number of physicians in Tennessee. Some of you from that part of the country might recognize him as a particularly excellent football player who played on the 1998 National Championship University of Tennessee football team. He started a career in the financial services industry while simultaneously trying to get an NFL career launched. Three years later he found himself humbled by having to borrow $500 from his parents to pay his bills and resolved to not only find financial success himself, but to help others to do so as well.

The Email Conversation

The conversation we had by email was interesting. He wrote me asking if I would like to review his new book, Beyond the White Coat- Wealth Management for Physicians in Turbulent Times. I told him I was pretty busy (I’d just received several other books in the mail to review, was leaving on a speaking trip to St. Louis, was between two family trips, had 15 shifts to work in the ED, and was still trying to keep this blog limping along) and that I really didn’t like books written by financial advisors whose main message was “Hire me as your advisor!” He was quick to point out what the book was and wasn’t, and it was pretty obvious to me even then that it wasn’t going to be a book I was going to be able to recommend highly to you, my loyal readers.
He emphasized in his email that it was NOT a book for “Do-it-yourselfers” (like me and many of you.) He said:

“There’s a saying that some people want to know how the watch works; others just want to know what time it is. This book is for the latter...they want help and advice and aren’t overly-concerned with the technical side of money.”

However, in my experience, the “latter” doesn’t read financial books. I mean, if I’m going to pay somebody $5-30K a year to take care of my financial stuff, I sure as heck don’t want to have to read a book about it, even if it is only 60 pages (takes about an hour to read) and sells for just $9.00 on Amazon. Since only those who are “concerned with the technical side of money” are interested in reading books about it, there seems to be little sense in writing a book for those who are not concerned.

People write books for many reasons. Sometimes it is to fulfill a life long goal. It may be to establish oneself as an expert in a field. It might be because of a burning passion to teach and share information with others. It could be to make money. Often times for financial advisors, it seems to be to recruit clients. I don’t know how many of those reasons motivated Mr. Hall to write his book, but I’m confident the last one was at least one of them.

The Book Arrives

Like most doctors, I’m also a fan of “high-yield” books. Robbin’s Pathology is a great book, but I didn’t read it and neither did you. Instead, you read BRS Pathology or the appropriately named High-Yield Pathology. The authors of those books recognized what many authors (including Robbins) do not, that the yield of useful information per time invested is the difference between a good non-fiction book and a bad one.
Beyond the White Coat is reasonably well-written and well-edited, but despite its brevity, it is not high-yield. When you get to the end of it, the only actionable information is “Hire Mr. Hall (or somebody like him) to manage your money.” That said, the book does have a number of redeeming qualities that made it worth my time, even if I won’t be placing it into my bookstore to recommend to readers.

Per the introduction, the book has three goals:

1. To sketch out an up to date “macro” picture of the difficulties facing physicians
2. To review why doctors find their financial lives unsettled
3. To provide a general and a specific solution to their financial issues

It certainly does succeed at these three goals. However, it is difficult to find a connection between the three goals. Perhaps individually they would have made three nice pamphlets, but as a book, it just doesn’t work. Let’s examine each of these goals in turn.

**The Macro Forces**

The first section sketches out three “macro forces” affecting doctors. The first is The Pull of Institutionalized Medicine. I think we all know and see that organizations in medicine are getting bigger and bigger. Doctors are being employed by hospitals and ACOs or at least large single or multi-specialty groups of physicians. I think the statistics demonstrating this trend, his analysis and his explanation are spot on. However, at the end of the section I was left with “so what?” This trend certainly wasn’t news to me, I can see it every day around me at work. Any doctor who can’t see this has his head buried in the sand. Perhaps those who advise physicians are unaware of it, and perhaps would do well to read Hall’s clear and concise explanation of the trend.

The second section basically says that Generation Y (the Millenials) is filled with lazy bums. Just kidding. But it is well-known that compared to those who came before (and in particular the Baby Boomers) that Millenials
value leisure and family life much more highly than career success. They are willing to give up ownership, autonomy, and income to get it. Again, no surprise there to me. As a late generation Xer, I side with the Millenials when it comes to the Work/Life balance. However, I’m also well aware that maintaining autonomy and ownership not only provides a higher income, but also provides more control over my life than being an employee of a large organization.

The third section emphasizes that healthcare feels so much more uncertain these last few years than ever before. I agree, but again, this isn’t exactly an earth-shattering revelation to anyone in the trenches of medicine.

**The Five Challenges**

The next chapter of the book deals with “Five Challenges Affecting Nearly Every Physician.” I agree that they are challenges and that they affect every physician. They are:

1. Government regulation
2. Rising costs and reduced income
3. Taxes
4. EMRs
5. Not enough time

I think we all agree that these are challenges and that many of us have seen a reduced real income (although this trend is hardly unique to medicine.)

**The General Solution**

Here’s where the book really broke down in my view. Up until this point, the book hasn’t been particularly high-yield, but it was reasonably interesting and had some fun statistics. Guess what the solution is to the “Three Macro Forces” and the “Five Challenges?” You guessed it- hire a “wealth manager” aka financial advisor. Say what? Sure, I agree that can help with the time issue. I sure hope it can help with the tax issue. It might even be able to help with the loss of income issue. But hiring a financial advisor isn’t going to help me deal with my crappy EMR, or overcome the government regulation that annoys me at work. It also isn’t going to do much for medicine getting bigger, lazy millenial syndrome, or uncertainty about how healthcare is going to work 5 or 10 years from now.

That said, Jeff wrote a great chapter on how to choose a financial advisor. Regular readers of WCI won’t find anything new here- hire a fee-only “consultative” guy rather than a salesman and make sure he has a real designation-CFA, CFP, ChFC, CPA, and CIMA (I don’t usually include CIMA in my list, but since Jeff has that designation, I wasn’t surprised to see him include it.) He also gives a great list of what a good advisor can do for you, including financial planning, estate planning, asset protection, and debt management. I thought it was funny that he didn’t mention investment management, but he was certainly careful not to claim hiring an advisor would
beat the market (which I see as a good thing.) He also lists out “6 Cs” – character, chemistry, caring, competent, cost-effective, and consultative. Heck, I’d settle for competent and cost-effective, but the other things are nice too I suppose.

**The Specific Solution**

So if Jeff’s recommended “general solution” is hire a wealth manager (like him) his recommended “specific solution” is to get a second opinion. I actually think that’s a GREAT IDEA for anyone using a financial advisor. In fact, I don’t even think going to see Jeff to get a second opinion is a bad idea. I obviously didn’t think too highly of his book, but I bet he’s probably a pretty good advisor. The nice thing about DFA-approved advisors is DFA screens out the worst of them.

Since 95% of the “financial advisors” would be better classified as undereducated salesmen, the chances of you having a good one aren’t very high unless you really knew what you were doing when you picked him. If you’re like most docs, you didn’t. So please, if you’re using an advisor, go get a second opinion from a good advisor. Unfortunately, picking a competent advisor to give you a second opinion is just as difficult as finding a good advisor in the first place! But hopefully, after reading this site and perhaps even Mr. Hall’s book, you’re a little more educated on what a good advisor looks like.

Bottom line, this book is a well-written, but low-yield description of the well-known problems physicians face combined with a brief essay on how to pick a financial advisor. If you’d like to check it out, it’s only 9 bucks and an hour of your time. But if you’re looking for a high-yield personal finance and investing book to read for some continuing financial education, I think you’d be better served with some of the books listed in my bookstore.

**Check Out Beyond The White Coat on Amazon!**

Mr. Hall provided 3 copies of his book for me to give away to you. I’ll select random commenters to this post to receive them.

Have you read the book? What did you think? Which of Mr. Hall’s five challenges are you most concerned about? Comment below!