

The Nazrudin Project - Bending the Profession Since 1995

September 15, 2015
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The financial planning profession is only a few decades old, and is continuing to discover how it can best serve its clients. This is the story of one group and its process that has had an outsized impact for change over the last 20 years.

In the early 1990s, the profession was becoming more sophisticated. We were moving from the investment pyramid to Modern Portfolio Theory and optimizers, developing new practice and compensation systems and learning about “stretch IRAs” and Bill Bengen’s 4% withdrawal rule. We heard from attorneys, CPAs and CFAs at our conferences, though rarely from our fellow CFPs.

At the same time, a few people were asking questions about value and meaning in what planners do. During the 1994 ICFP Retreat in Colorado Springs, Dick Wagner and George Kinder led three sessions (everything was repeated in those days) titled “Money and the Human Experience.” They asked what money actually does in our society and what the role of advisors is in helping clients understand that. They asked the audience to recall their earliest memory of money and the emotions still present around that story. They asked what we felt as we watched them tear up a \$20 bill - were they destroying something of emotional or spiritual value, or was it “just money”?

They opened a line of inquiry that many wanted to pursue and augment. That fall, Dick, George and Spring Leonard sent an invitation to nearly 100 planners inviting them to Estes Parks, Colorado, the next March. The plan was uncertain, but they’d see what people wanted to talk about, where the energy was, and if this thing was important enough to carry forward.

They called it “The Nazrudin Project.”

The first meeting

About 35 people arrived in Colorado, and as people introduced themselves the first night, a common thread emerged: They were concerned about these “value issues,” but didn’t realize this was a shared concern. The group created its own agenda, with discussions including spirituality and archetypes, professional boundaries, philanthropy, encouraging money maturity without imposing our values on others and understanding the role of uncertainty in asset management strategies. Two big things came out of that meeting: the creation of the Nazrudin community as a safe place to discuss a wide variety of things and the determination to meet again.

Over the next few years the group met annually, in Santa Fe, La Conner, Asheville and Santa Cruz. At one of these meetings, Nazrudin made its most important long-term decision: It would remain a forum for discussions but not an “organization.” There would not be officers (except as needed to open a bank account), staff (except to handle mailings), official positions or publications on anything. It would continue to operate on its own version of “Open Space Technology.” Nazrudin would not become the “life planning” group or the “fee only” group; it would be a place to talk, build friendships and connections and learn. Members could come and go freely. This openness and lack of structure has allowed the group to remain a vital contributor to the growth and maturity of its members and the profession.

Why “Nazrudin”?

At the 1994 ICFP Retreat, George Kinder told several stories of the Mullah Nazrudin, a semi-mythical wise fool known from stories across the Arabic world from Morocco to Afghanistan. In one tale, Nazrudin went into a bank to cash a check. The check looked good, but the banker was not as sure about Nazrudin, so he asked for identification. Nazrudin pulled a mirror out of his pocket, studied the reflection carefully, and announced, “Yes, I’m sure it’s me.”

The conveners thought that this story summed up our situation; it is our responsibility as planners to define and claim who we are and what we do, so they decided to create The Nazrudin Project.

The name has another advantage: It is content neutral. By not limiting the group to a particular area of interest, type of member or process, it remained open to evolve as its current and future members wished. It also added an aura of mystery.

Self-definition started at the beginning. The group pronounces

The growing impact of the Nazrudin Project

The Nazrudin Project had an early impact on the wider community. Having been the ICFP President in 1993, Dick Wagner was the Dean of the 1995 retreat held in San Diego. One of the tracks included Jacob Needleman speaking on his book *Money and the Meaning of Life*, and Olivia Mellan speaking on money harmony and people's different approaches to money. At the next year's retreat in Michigan, I was in a buffet line and heard a planner from San Diego complain about all the "touchy-feely crap" at the prior year's retreat, and wishing she could give the people who organized that meeting a piece of her mind. I had been part of that committee, but felt it unnecessary to point it out at that moment. The 1996 committee had supposedly been asked to tone down the less technical topics, but the retreat's best attended session was by Dr. Bill Nixon, who spoke on psychological issues around money.

Attendance at the annual meeting of the Nazrudin Project grew in 2000 when George Kinder gave a two-day pre-meeting training on his *Seven Stages of Money Maturity*, which attracted over 100 people. Since then attendance has ranged from 30 to 120, with about one-third of attendees each year being new to the group (and often from the area where the meeting was being held). There are several international members and a number of members who are not financial planners – therapists, academics, coaches and others interested in what the group is talking about. In October 2015, Nazrudin will meet near Nashville and will gather again on the Puget Sound in 2016 and in the Black Hills of South Dakota in 2017.

What does the group talk about? As explained in the box above, there are about 15-20

Nazrudin: Process and principles

Nazrudin meetings self-organize, with an agenda created on the spot by the attendees. It sounds scary, with many bad outcomes imaginable, but it has worked repeatedly. It is loosely based on the "Open Space Technology" developed in the 1980's by Harrison Owen, but we modified it to fit our needs quite successfully.

A meeting starts on a Thursday evening with welcoming remarks and introductions. Then attention turns to creating an agenda – a blank grid is placed on a wall showing two or three concurrent sessions for each of four 90-minute time blocks on Friday and three on Saturday. Thirty-minute breaks allow for good informal exchanges, often the best parts of a conference. Anyone who has a topic they'd like to discuss comes forward, presents it quickly, and a note with title and name is taped to the wall. Topics can be a project someone would like to present, a problem they are encountering or simply something they are curious about. The convener isn't committing to being an expert, only to the willingness to participate in a conversation. The wall quickly fills up, often with 40 or more topics.

Once everyone has had their chance to offer topics (and it is OK to offer more than one), we look to see if some topics can be consolidated because they are similar. Then participants vote for their preferences. Each person gets four or five votes – it is very informal – and the numbers interested in each topic are counted. At this point, topics with the fewest votes (usually fewer than five or six) are set aside, those with the most votes are placed on the grid so they are not in conflict, other topics are spread around so each time block has different kinds of topics, deals are made and topics moved. The agenda, created in about an hour, is often the equal of those at many national conferences in terms of quality and diversity.

At the close of Saturday, the group reconvenes in a circle and reflects on what they gave, received and

its name naz-RUH-d'n, or Naz for short, while most traditional references to the mullah both spell and pronounce his name differently.

sessions each year, so there has been a wide variety of topics. By informal consensus, there are rarely, if ever, sessions involving generating alphas and betas, spreadsheet projections, references to the Internal Revenue Code or most of the items on the CFP Board's list of topics approved for CE credits. (The process does not allow for CE credits to be pre-approved in any event.)

Instead, the most common conversations are about relationships with clients: framing expectations, dealing with couples, clients in crisis, emotionally depleted clients, inheritors and "trust fund babies," helping clients reach better decisions and follow through on them, life planning and integrating money with the other parts of a client's life, how to listen better and the value and use of appreciative inquiry. Many of these sessions are prompted by specific situations that members have experienced and want to talk about, while others have provided training on how to use various techniques in practice.

The role of the planning profession (never "industry") is always a present subject. What is values-based planning? What do we really contribute to clients? How do we relate to therapists and other professionals? What are the limits of our competence and responsibility? What are our responsibilities as fiduciaries, as advisors, as friends? How much of "financial planning" is beyond the numbers or even beyond discussions of money at all? Who else does this stuff besides us?

Understanding and protecting ourselves is important. We learn to do our own work first

and have created a number of study and support groups. We talk about practice management, succession planning and staff development. We address burnout and discouragement. We engage in "shameless self-promotion" to share our projects with our colleagues. We look at how the work we do can be shaped by our own attitudes and assumptions about wealth in ways that do not help our clients or ourselves.

Dick Wagner and others have long encouraged us to understand the nature of the stuff we encounter. He coined the term "finology" to describe the relationship of people and money. Integral Finance and Spiral Dynamics, along with the monetary work (and presence) of Bernard Lietaer, discussions of Slow Money, my own Worldview Two's description of resource limits and the role of uncertainty and irrationality and

experienced at that year's gathering. A nice dinner follows, and people go home on Sunday.

There are six principles that guide us:

1. Whoever comes are the right people to be at this meeting now. This precise group will never be together again, and even those who return will have changed. We don't represent anyone else. It's just us. We have room for everyone who wants to explore issues without imposing a test or forcing agreement with any position.
2. The topics we discuss and the conversations that ensue are the right ones for us. We who attend define the program, not some committee or staff somewhere else.
3. Whenever it starts is the right time. Important listening and learning can happen during sessions, between sessions or over a glass of wine.
4. When it's over, it's over. We don't follow up, endorse, or oppose things as a group. Individuals, of course, can do what they want with these topics, but not in our name.
5. The law of two feet is part of our responsibility ethic. When a session or conversation is not working for you, it is OK to use your two feet to try something else or simply get some fresh air. We promise not to be offended if you leave quietly.
6. There are no passengers. Each person, by attending, agrees to share in the responsibility of making Nazrudin and the weekend work. This includes participating in discussions, moving chairs and showing up on time. This is not a "conference" where a staff sets things up for you.

language – all these have taken us below the surface of “business as usual” to a deeper plunge into how the world and money work and work together.

Nazrudin members quickly figured out that one weekend meeting a year would not satisfy their need to communicate, so “Naznet” was created – a Yahoo group that serves as a social media platform long predating Facebook, allowing people – even those who couldn’t attend meetings – to participate in extended conversations. Many of the Naznet threads over the years have involved seeking help about specific (though nameless) client situations: how to encourage a client to invest more appropriately, how to deal with family members who may be taking advantage of parents, how to help clients balance spending on educating their children vs. saving for their own retirement, how far to be involved in estate planning conversations or who is available in another city to help a client’s family member. Ethical problems are discussed freely, and the open exchanges frequently raise new problems or solutions that the original planner had not considered. Naznet also serves as a clearing house for professional issues, and it was the platform around which much of the successful opposition to the “CFP Lite” proposal in the late 1990’s was organized.

APViewpoint (APV) provides a similar community forum to Nazrudin’s online presence, as an avenue for new ideas. APV’s topics tend to be more investment-oriented than the Naznet conversations, but not always, and APV has a much larger membership. Being in the conversation is more productive than simply reading, and our evolving profession needs new networks and conversations.

What its members say about Nazrudin

To help in the preparation for this article, Nazrudin members were invited to share how the Project had affected them and offer ideas on its continued impact and success after 20 years, a remarkable run for an informal, unsponsored series of meetings and conversations maintained by an ever-changing group of volunteers. Here are some of the responses, reflecting the views of multiple respondents:

- Nazrudin is a safe place for ideas where there is respectful listening to everyone. New members are accorded equality with veterans, and the tone is one of openness, encouragement and unselfishness.
- Nazrudin creates a sense of community, of being in this together, where conversations and connections are precious. It is non-hierarchical, and women and men share an equality not often found in the financial services world. The friendships that result have endured.
- Nazrudin has inspired personal change and development. Several people are planners today due to their participation in the group. Others significantly modified or renewed projects or adopted new perspectives after realizing the commitment of group members to do things right and take personal risks. They thank Nazrudin’s members for the gifts of help, encouragement and permission to change their lives.
- Nazrudin’s issues and processes have spread widely across the profession. There is a different understanding about the worth of “interior,” behavioral and values discussions in the work that all planners do. One Nazrudin member famously rejected the description of “life planning,” instead simply saying that this is “financial planning done right.” The agendas of national conferences look very different than they did two decades ago.

What the Nazrudin Project has been and how it is structured -- including what it declined to be -- has changed the face of the financial planning profession in valuable ways. As one member put it, Nazrudin “left space for awesome things to happen.”

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What have Nazrudin members created?

The Nazrudin Project is a forum and does not “do” anything. Its members, however, have leveraged their participation in the group to create much and have been recognized for it.

Prior to this year, the FPA has given the P. Kemp Fain award, its highest recognition, to only three people born after 1945. Two of them, Richard Wagner, JD, CFP, and Elissa Buie, CFP, have been Nazrudin members.

Nazrudin members were instrumental in the creation of the Financial Therapy Association. Rick Kahler, CFP, is the immediate past president of that group.

Other books and projects include (not a complete list):

- Carol Anderson – *Money Quotient*
- Susan Bradley – *Sudden Money*, the Sudden Money Institute, and the Certified Financial Transitionist designation
- Stephen Brody – *What your happiest friends already know*
- Ed Jacobson – *Appreciative Moments*
- Janet Tyler Johnson – *Finding financial fulfillment*
- Nancy Langdon Jones – *So you want to be a financial planner*
- Rick Kahler, Brad Klontz, Ted

Klontz – *The financial wisdom of Ebenezer Scrooge*, and several other books

- George Kinder – *Seven Stages of Money Maturity* and other books, the Kinder Institute, and the Registered Life Planner designation
- Hugh Massie – *Financial DNA*
- Olivia Mellan – *Money Harmony* and other books and columns
- Holly Thomas – *Mindful Money Mentality*
- Richard Vodra – *Enough Money, Worldview Two*
- Richard Wagner – Many magazine columns, *Finology* book on the way
- Susan Zimmerman – *Mindful money for wealth and well-being*