5 INTANGIBLE ASSETS YOU GET

By Working With A Wealth Management Firm

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1. Time
2. Family
3. Legacy
4. Education
5. Peace of Mind

While no strangers to hard work, high-net-worth individuals may find that their time and talent are caught up managing a complex portfolio instead of being able to lean into the passions that helped them grow wealth in the first place.

That's why many high-net-worth individuals find it invaluable to work with a private wealth management firm rather than a DIY approach of multiple lawyers, accountants, financial advisors, and portfolio managers. A private wealth management firm acts "as a quarterback," serving as the center on which decisions can be made. It doesn't mean that you need to sever ties with your current advisory team — but it does allow you to take a step back and allow someone else capable and competent to ensure that your wishes are carried out, and your plans are created, executed, and consistently reviewed.

Here are the five intangible assets that you can reclaim when working with a wealth management firm.

1. Time

"People we work with may be working twelve hours a day and flying all over the place, and they can't seem to get enough time," says Brian Bissell, Senior Vice President at Whittier Trust. Working with a wealth management firm allows a high-net-worth individual to partner with a like-minded professional —while still employing as much or as little oversight as they desire.

"We want the left hand and the right hand to work together," Bissell adds, "so we'll make sure a CPA is in sync with the attorney who's in sync with the portfolio manager and all are working toward the goals you've set for yourself. It builds a lot more efficiency into your professional team."

2. Family

"Portions of estate plans can put a strain on families," notes Bissell, alluding to trust structures that may require unanimous approval of all beneficiaries before any money is allocated. “We can identify these potential pitfalls and put plans in place that will benefit everyone.”

But even a well-thought-out trust can create minefields for beneficiaries who may not have experience managing money.

“Gifting money to someone brings us to the adage: Give a man a fish, and he eats for a day. Teach a man to fish, and he eats for a lifetime,” says Bissell. “Our objective is to position your wealth to create opportunities for growth.” This can help provide you peace of mind that your beneficiaries will be good stewards of your wealth.

3. Legacy

It’s also important to realize that these goals may be separate from finances. “People don’t often think about what they want their legacy to be, especially when they’re in wealth accumulation mode,” says Bissell. Taking a step back and determining what matters to you now is crucial in framing the foundation of a comprehensive wealth strategy that will allow you to impact what truly matters the most.

You may already give to certain causes, but working with a wealth management advisor can help you create a process for gifting — now and in the future. This could mean taking a holistic view at your portfolio to earmark assets that might be especially smart to give from a tax perspective. This could include well-appreciated stocks or real estate, where you may want to consider creating a charitable trust or Donor-Advised Fund to maximize the benefits.

You also may be assessing how to balance your gifting wishes with your heirs’ expectations. Having a neutral third party can assist in these conversations. For example, Whittier offers philanthropic consulting and advising—using a holistic approach that includes “bridging the communication gap with the next generation,” says Bissell. “It’s important that the next generation knows what your charitable goals are and what you may be passionate about,” he adds.

4. Education

Navigating taxes and strategizing to preserve wealth can take time, and failure to do so can result in a large tax bill.

“When there’s a lot of wealth, there’s a lot of estate tax,” says Bissell. “Clients may not be aware of all the wealth preservation strategies available to them, especially when they’re still in growth mode and retirement is years on the horizon. But planning for the future well before retirement, the transition of a family business or the sale of highly-appreciated assets gives clients maximum flexibility,” says Bissell.

One tactic, for example, is an irrevocable life insurance trust to pay an estate tax bill. But getting a policy may be challenging if you wait until your retirement years to begin to set up an estate plan. That’s why working with a wealth management firm today can help you set up smart estate planning strategies well before you need them.

5. Peace Of Mind

The right advisor can provide you with a full picture of your wealth, empowering you with greater confidence that your plan reflects your intentions and not a mismatched lineup of poorly planned investments, says Bissell.

“We all know the headache of gathering information for your CPA at tax time—the litany of hoops you have to jump through to secure the right documents. Your

W-2, brokerage statements, charitable deductions, 1099's from this place and that place. It's maddening," he says. These same issues happen when you have a large team of advisors who aren't communicating. Inevitably this leads to investments at cross-purposes. We have often seen the inadvertent breaking of wash sale rules, or worst, over-allocating to Wall Street darlings, exposing you to unnecessary risk.

A wealth management team can also take care of administrative logistics, allowing a client to focus on the big-picture decisions. Beyond that, a wealth manager can allow your household to run more efficiently, taking care of bills and paperwork. This flexibility will enable you to collaborate as much or as little as you wish and gives you the freedom to enjoy your wealth—rather than feel your wealth is taking over your time and your to-do list.

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