

Wealthcare

The Future of Financial Advising

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We have a vision for the future of financial advising. (Notice that we use the term “advising,” which connotes an always-evolving financial strategy, instead of “advice,” which represents a static or set way of getting things done). We see a future where investors can confidently live their life as they hope...and dream. We see a future where investors’ most important goals are not at the mercy of random market events. In our vision of the future, we see financial advisors counseling their clients about choices they can make today (and tomorrow) that will put them on track to live the one life they have, as they want to live it. Our process makes this vision a reality. We call the process wealthcare.

OUR VISION: WEALTHCARE

The Wealthcare process is a holistic and ongoing view of an investor’s entire financial life. Wealthcare is focused on achieving an investor’s most important financial goals. It results in an investment strategy that significantly increases the likelihood of meeting those goals. Wealthcare recognizes the reality that many things are uncertain; it allows advisors to help control uncertainty by planning for and understanding those things that are uncertain, thereby minimizing the risk of an adverse result. The Wealthcare process is customized and unique to each investor and offers investors the choices they have to increase their confidence that they will achieve the things that are most important in their financial lives.

Wealthcare is based on a strong foundation of some very fundamental premises. Everything about the Wealthcare process is consistent with the following premises on risk, return, and monitoring:

WEALTHCARE Premises About Risk:

Investors should only take as much risk as is necessary to achieve their financial goals and should not take unnecessary risks simply because higher risks are “tolerable.”

WEALTHCARE Premises About Return:

There is only one measure of investment success that matters, and that is investors achieving their most important financial goals.

WEALTHCARE Premises About Monitoring:

Past performance already happened, cannot be changed, and isn’t an indication of future results. Therefore, monitoring progress means looking forward to understanding whether goals are likely to be met.

THIS IS THE FUTURE OF FINANCIAL ADVISING.

CHANGING AN INDUSTRY

Recently, a long-time and respected friend of mine gave me some advice after taking the time to read through our philosophies. He understands the rationale behind our philosophies...and they make sense to him. He understands and can see our vision for the future. He sees a totally new approach, a path not taken before that should be the foundation for all investors and advisors. He is respected in the industry, he has consulted around the world for many of the largest firms, and when he said, “This is really big...You are changing the entire financial advice industry,” it meant a lot to me.

It isn’t often that I run into people that understand and share our vision, so I shared with him my frustrations over the last several years. I told him how difficult it has been to get advisors and investors to understand the vision. I told him how it feels to have this sense that we have discovered the earth is round, and yet with a few rare exceptions, most still see the world as flat. His years of wisdom and understanding of

our industry caused him to give a simple, brilliant response. He said, “Stop criticizing what the industry has done. When you have a really big thing—something that is so dramatic and meaningful—explain it as a vision rather than explaining the rationale of what is currently wrong with the industry.”

He continued, “When you make incremental improvements to things—a tweak here, an enhancement there—you need to communicate the modification to the status quo. But, when you have something really big, something that is such a dramatic improvement, something that fundamentally shakes the foundation of the status quo, then hold it as a vision. People can see visions.”

In the future, I will do my best to heed his advice. When I see a problem, I want to solve it. Our process solves many problems. I have been guilty of explaining our value by saying we solve problems...and that is indeed what we do. Unfortunately, the fact that we solve so many problems, that we expose so many mistakes that are affecting people’s lives, and that we have solutions to these problems has resulted in a message about Financeware that defines us not by what we do, but instead by what we don’t do. So, we are redefining ourselves. Our vision explains what we do.