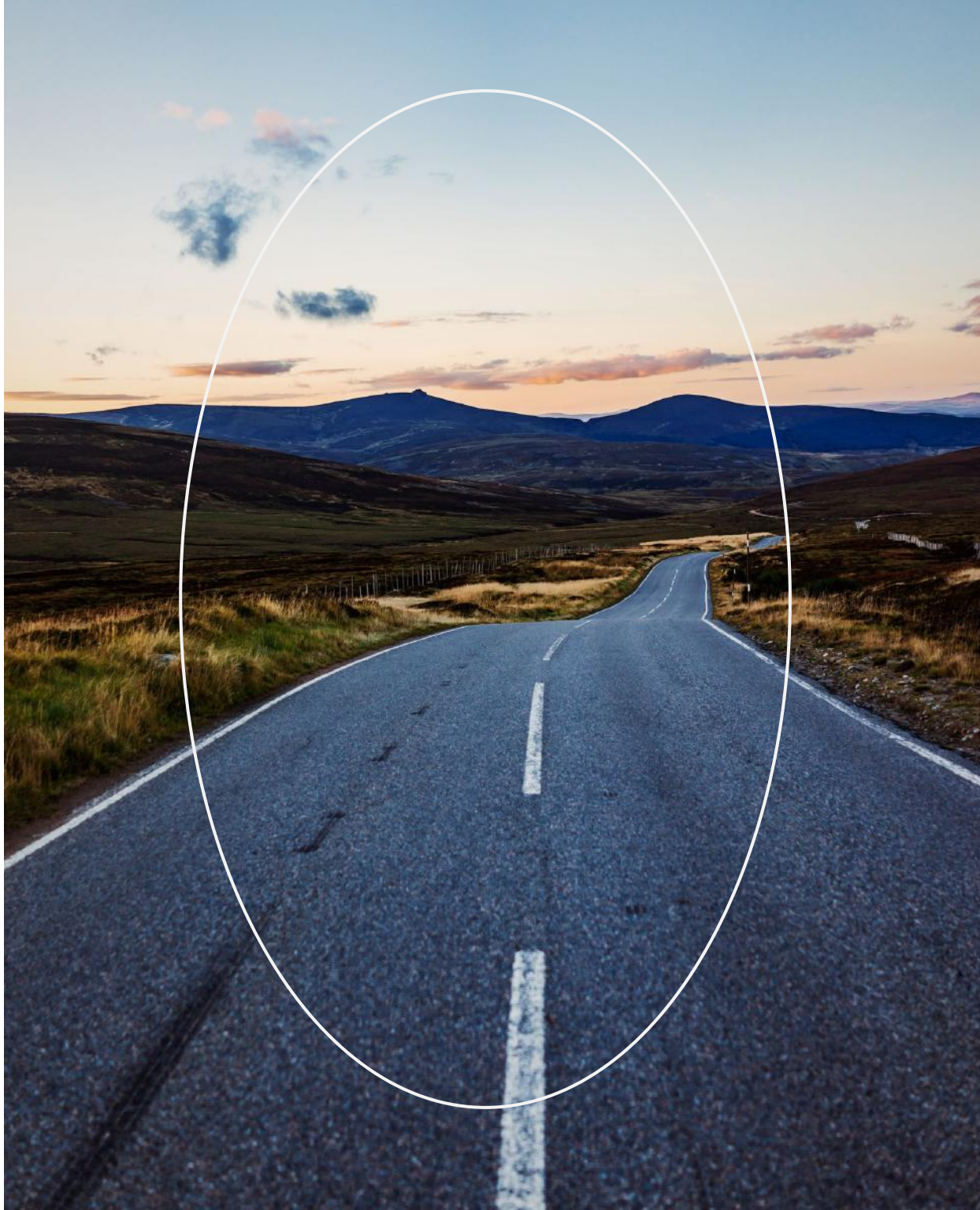


PRESENTATION

# The Truth About The Future of The Financial Advisor





# Our Journey


WHAT WE WILL COVER TODAY:

 **PB&J**  
Group Interaction

 **Understand** our clients emotions

 **Business-zation** of our firms

 **Action** with tools for all advisors

 **Why** the human will never leave

 **Future** of tech in our space



# About Me:



## PROFESSIONAL:

- Managing partner with 3 RIA firms
- Founded Wealthtech company, benjamin
- Fun Fact: Published 3 books

## PERSONAL:

- 2 kids (4 & 2), 1 dog (13), Married (8 yrs)
- Graduated from ASU, but HUGE UGA fan
- Recovering perfectionist

## SUPPERLATIVES:

- Hobby of choice: Golf
- Book I'm Reading Today: Fans First
- A Favorite Quote: "We will be relentless in our pursuit for perfection. We won't ever be perfect - but in the process we will achieve greatness." Vince Lombardi

# Making a PB&J Sandwich

Who wants to provide a breakdown of the steps to make a PB&J sandwich?

FUTURE OF FINANCIAL ADVISOR  
(PB&J)



# Matt Making a PB&J Sandwich

\*Steps written down in a 2-minute exercise

## Making A PB&J Sandwich

- open Pantry
- Grab Bread
- Grab Peanut Butter
- Put bread and Peanut Butter on Counter near sink.
- open Fridge
- Grab Strawberry Jelly.
- Put Strawberry Jelly on Counter next To Peanut Butter + Bread
- Open Silverware drawer

- Grab a dinner knife by the handle side.
- Close drawer
- Put knife on counter
- Pull one paper towel from roll near sink.
- Lay paper towel flat on counter top next to sink.



# Actual Steps for PB&J

1. Open cabinet
2. Get plate
3. Put plate on counter
4. Open silverware drawer
5. Get a knife
6. Set knife on counter perpendicular to plate
7. Walk to pantry
8. Open pantry
9. Grab the loaf of bread while still in bag with one hand
10. Grab the peanut butter with the other hand
11. Take bread to the counter
12. Open bag with bread by taking off tie that is on bag
13. Put bag tie next to bread bag
14. Take the second and third pieces of bread from the top out of the bag
15. Put two pieces of bread on plate
16. Separate pieces of bread with one piece on top of the plate to your left and the other on top of the plate to your right
17. Walk to the fridge
18. Open the fridge
19. Grab the jar of jelly and pull out of fridge

20. Close fridge
21. Put jar of jelly on the counter next to the peanut butter
22. Grab the knife by the handle (which is opposite of the sharp edge)
23. Open the peanut butter by unscrewing the cap at the top and lay the cap next to the peanut butter
24. Put knife in peanut butter jar and scoop out some peanut butter
25. Spread the peanut butter on the piece of bread to your right. Spread it on the flat part of the bread that you currently see.
26. Make sure the entire piece of bread that you see has peanut butter on it.
27. Put knife back down perpendicular to the plate on the counter
28. Screw top that you took off of peanut butter jar that is next to the peanut butter jar back on to the opening of the peanut butter jar.
29. Clean knife where peanut butter is with a napkin
30. Repeat steps 22 – 28 for jelly (replace Peanut Butter with Jelly)
31. Put pieces of bread together with peanut butter side and jelly side touching each other in the middle
32. Place piece of bread with peanut butter facing down on top of the piece of bread with Jelly facing up.
33. Clean knife with a napkin
34. Cut bread from the top left corner down to the bottom right corner



# Why does this matter?

## Curse of knowledge

We have an inability to break things down into the simplest of steps, because we've done it so long

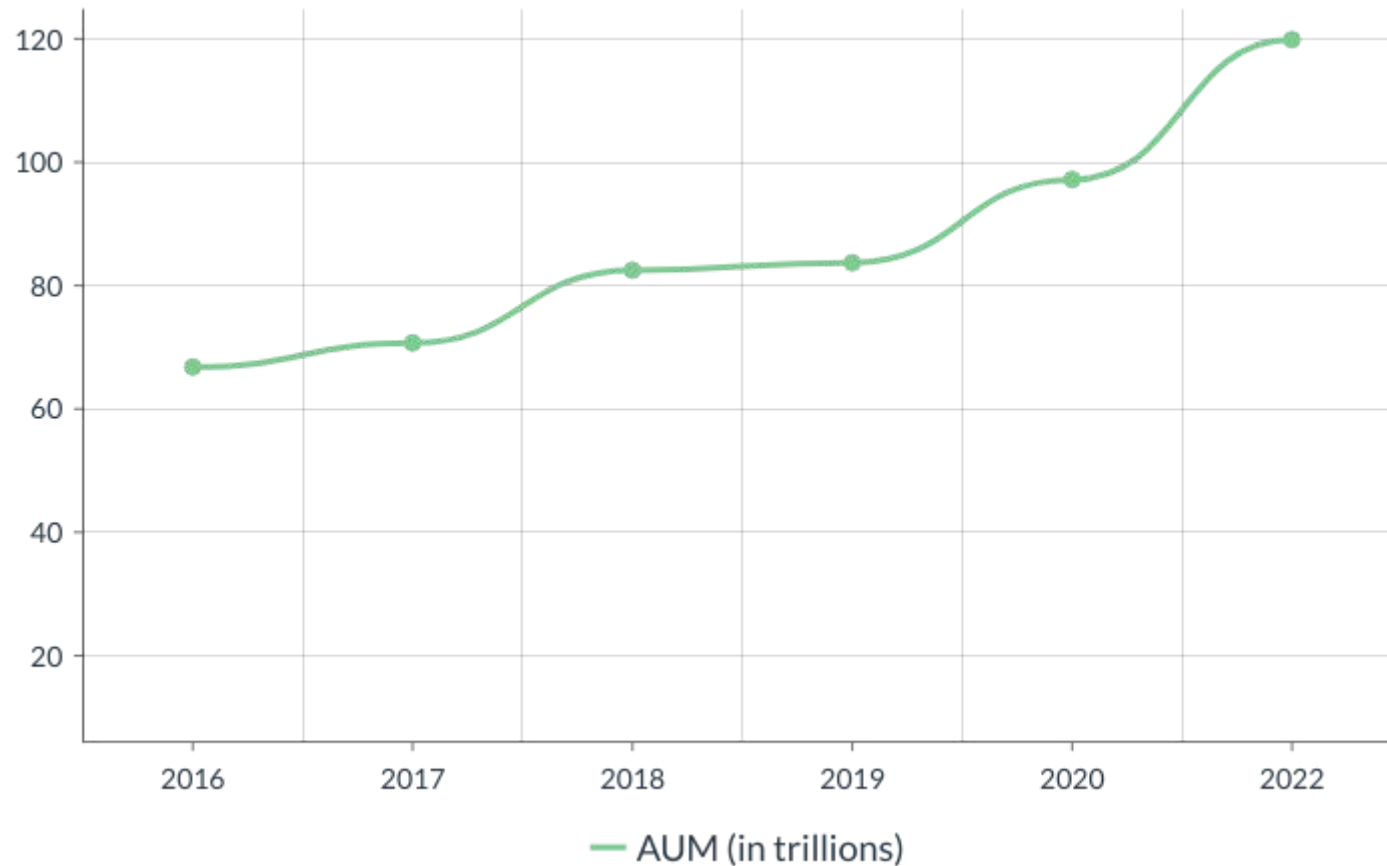
## Standardization

It's an example of our challenges to create consistency with our processes. And shows the need for standardization to ensure consistent client experience





# Industry growth...



**\$120  
Trillion**

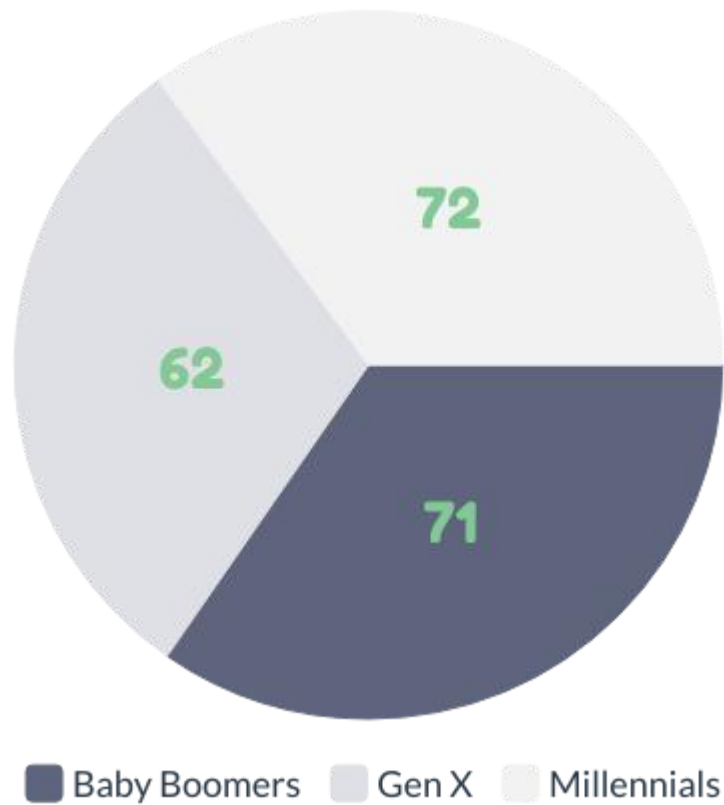
**79%**  
Rise in AUM  
managed in  
**7** years



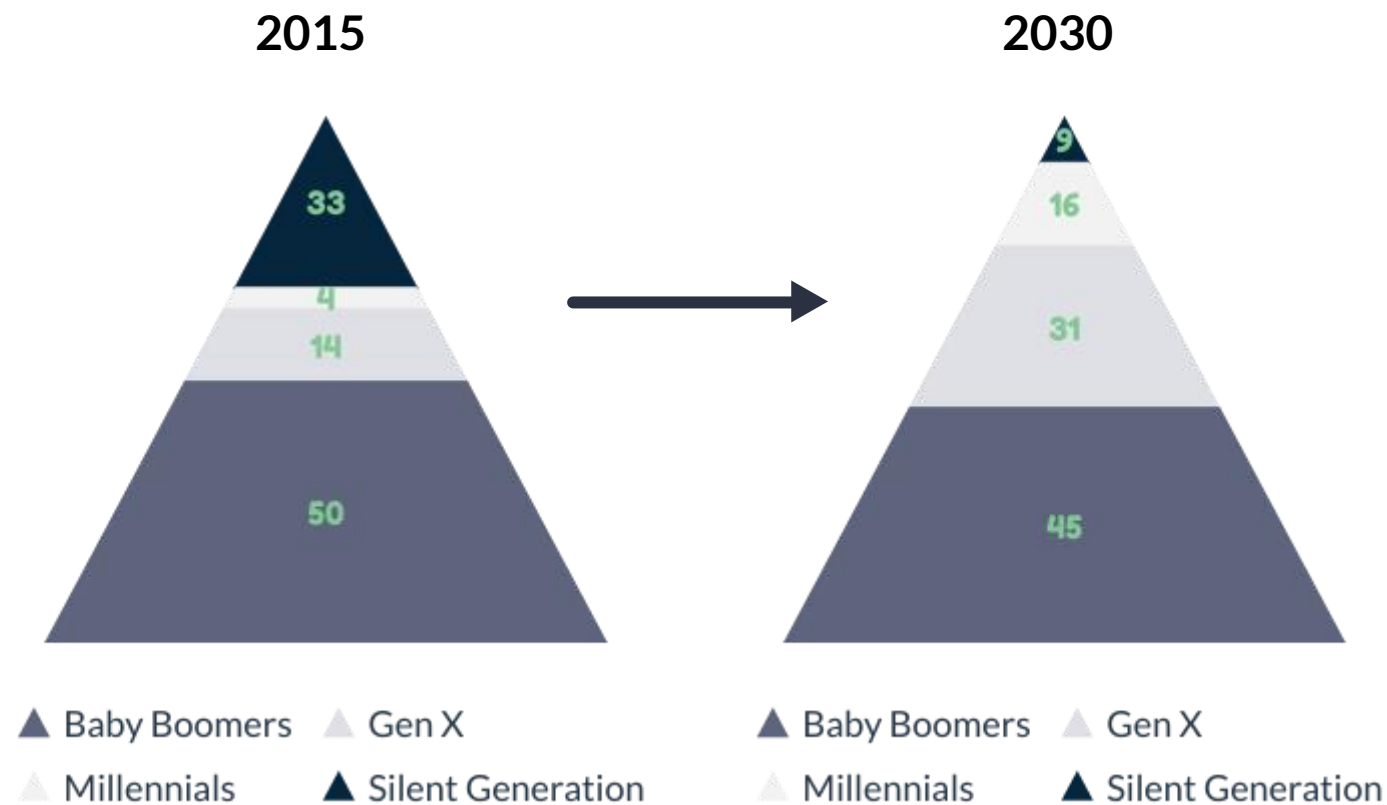
# Growth Tailwinds

*Revenue growth opportunities will continue as more households will need our services*

Population Breakdown (in millions)

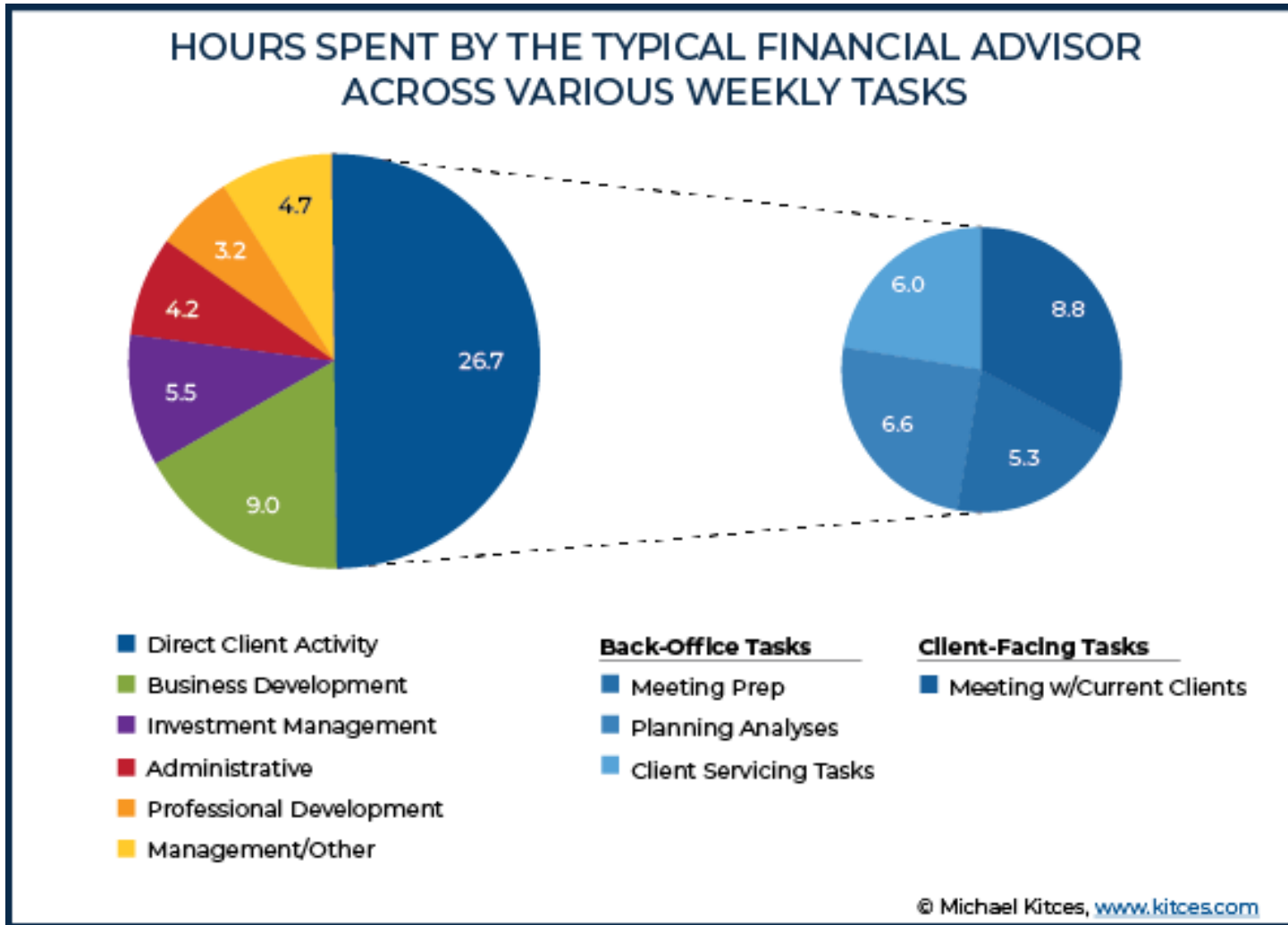


Share of Net Household Wealth



# The Opportunity

FUTURE OF FINANCIAL ADVISOR  
(BUSINESS'ZATION)

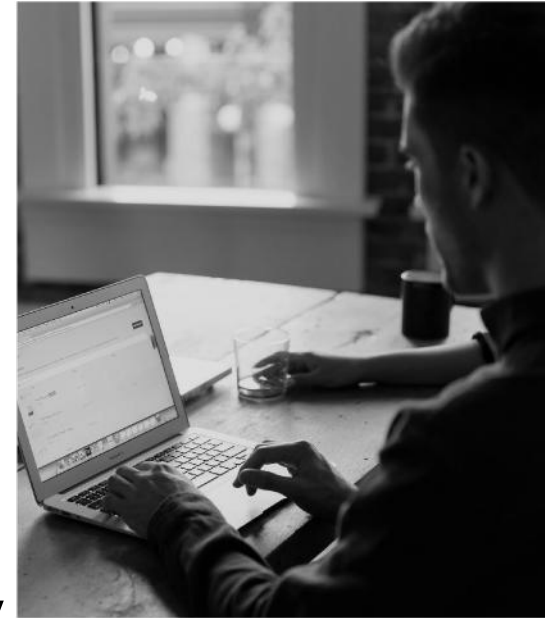


# 41%

of each week is spent doing parts of **'AUTOMATABLE'** tasks

- Meeting Prep
- Planning analyses
- Client servicing tasks
- Administrative

In essence, machines are doing what they do best: **performing repetitive tasks, analyzing huge data sets, and handling routine cases**



And humans are doing what they do best: resolving ambiguous information, exercising judgment in difficult cases, and dealing with dissatisfied customers

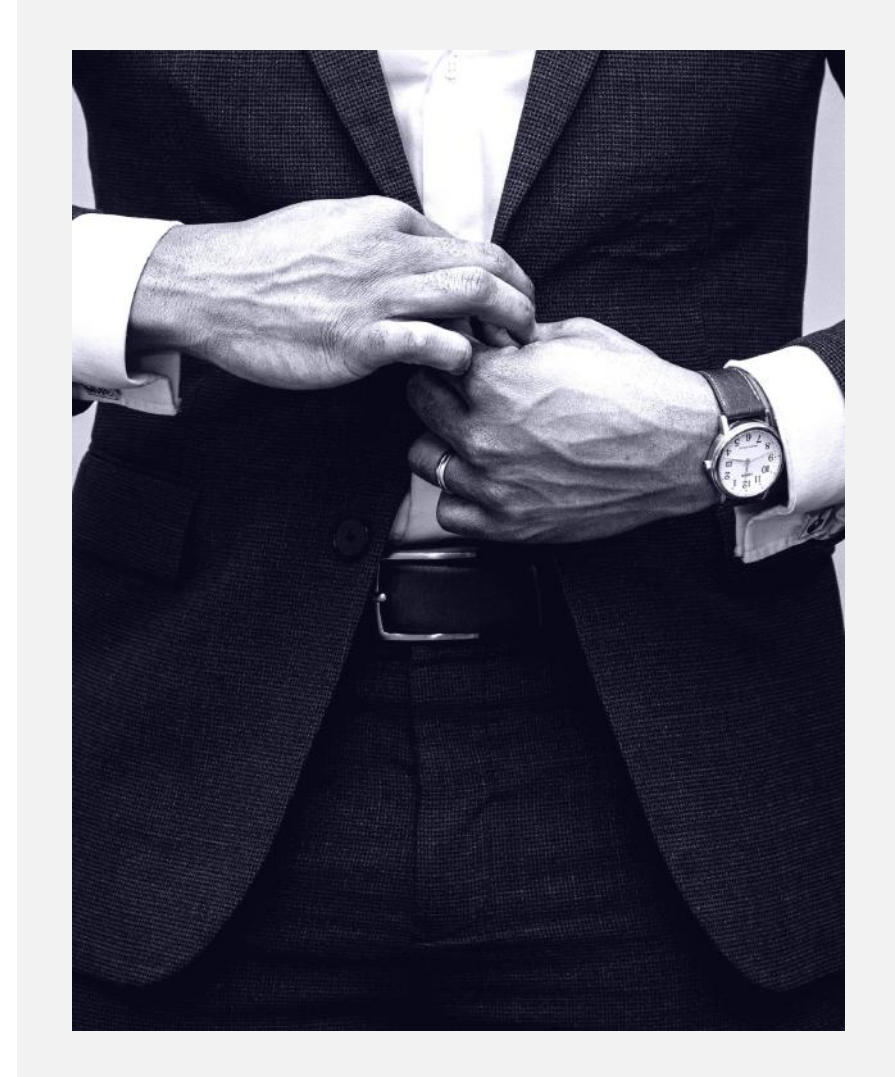
# Study:



## PEN & SUIT

Humans are irrational.

Different scenarios lead to different decisions, despite same outcome.



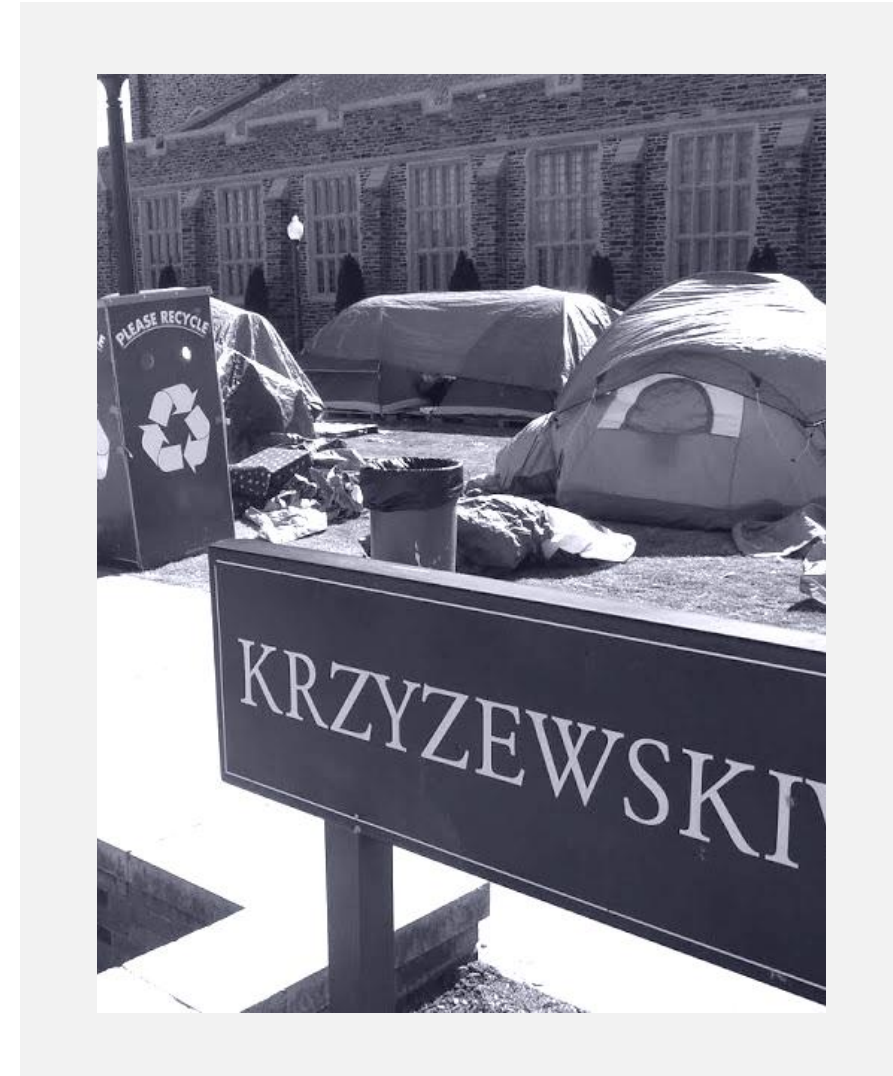


# Study:



## Endowment Effect

Giving higher value to what we already own.





Headlines

**Crisis on Wall Street as Lehman Totters, Merrill Is Sold, AIG Seeks to Raise Cash**

**BREAKING NEWS** | **INITIAL JOBLESS CLAIMS 6.64M VS. 3.1M ESTIMATE**

**Mounting Fears Shake World Markets As Banking Giants Rush to Raise Capital**

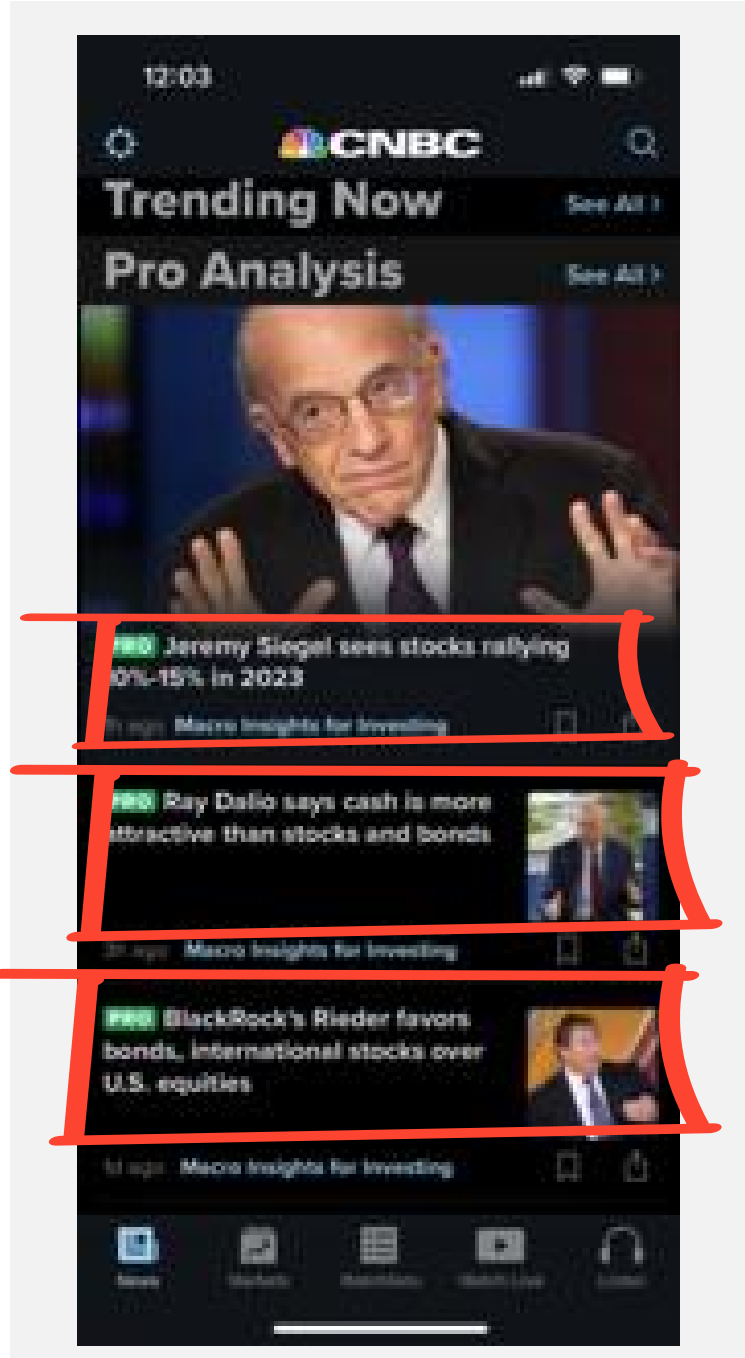
**All of California Under Lockdown**

**TERROR HITS HOME**

Hijackers ram 2 airliners into World Trade Center, 3rd plane slams into Pentagon, 4th crashes near Pittsburgh; hundreds die

**CLOSING BELL** | **U.S. DAILY COVID-19 CASES HIT RECORD HIGH**

# Confusion?!



# The Emotions Driving Decisions

FUTURE OF FINANCIAL ADVISOR (UNDERSTAND)



Fear

- Not having enough money
- Looking stupid - asking stupid questions, stupid for starting late, too much debt, etc.
- Being exposed or humiliated



Guilt

- Having more than your friends
- Having not been particularly charitable
- Money came to you easily



Shame

- I don't have enough money
- Avoiding thinking about finances
- I spend too much



Envy

- Trying to keep up with the "Jonse's"
- Deplete ourselves the opportunity to be smart with our money





# The Emotional Rollercoaster

## Investing \$100,000



Source: Monevator.com, <https://monevator.com/visualizing-investors-emotions/>  
S&P Data from Yahoo! Finance

Scenario A - Nervous Nelly

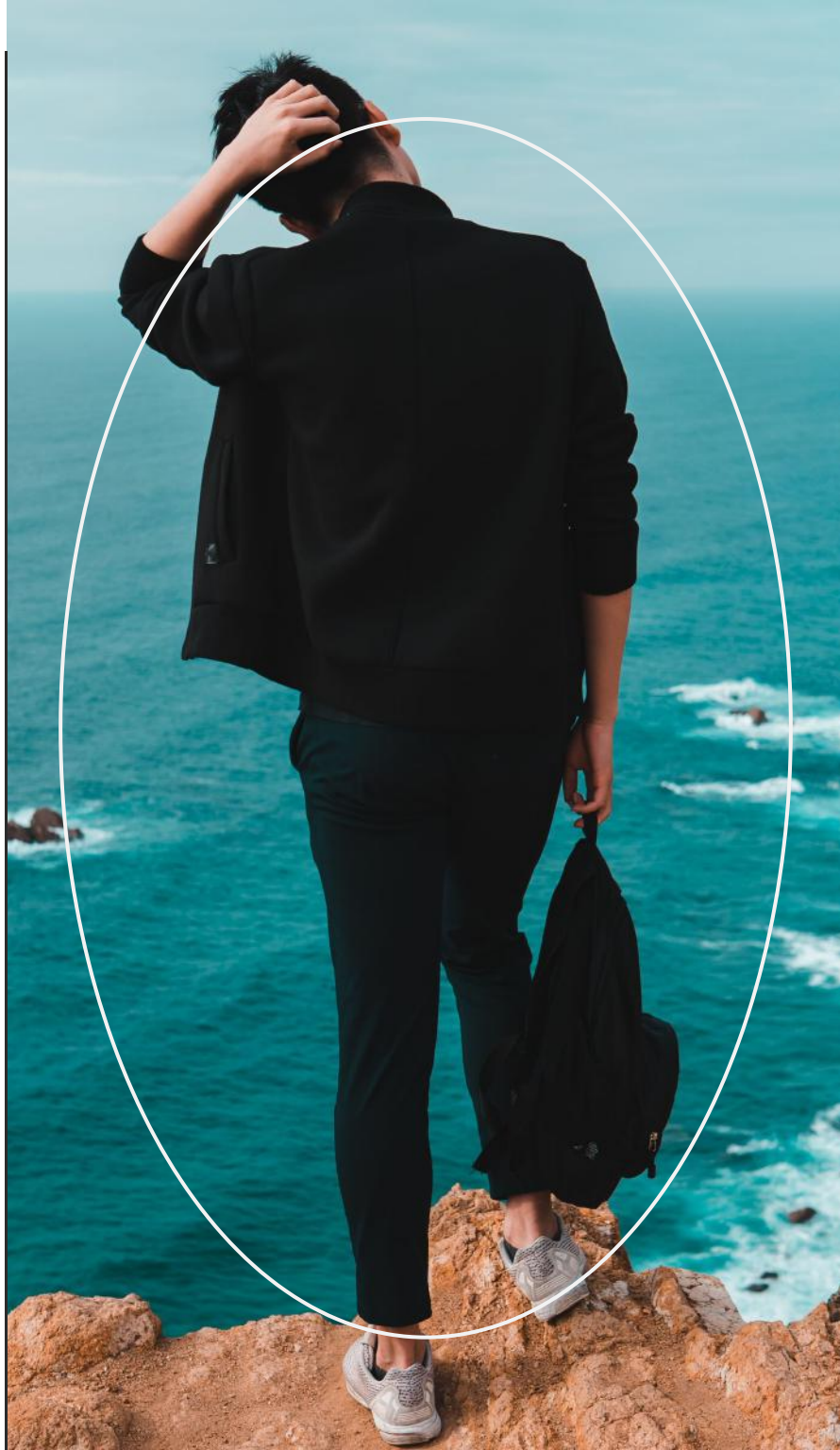
**\$86,500**

Scenario B - Support System Sally

**\$130,000**

**Nearly \$45,000 in value over an 18 month period... seems worth the 1%**

FUTURE OF FINANCIAL ADVISOR (UNDERSTAND)



# Overcoming Irrationality



## Create an environment that encourages openness

- Fully transparent
- Set right expectations
- Follow through on your word
- Joint ownership of ideas



## Act as a psychologist, not an analyst

- Ask questions
- Listen, listen, listen
- Share about yourself
- Find ways to relate



## Invest more in clients than the markets

- Help them understand the Why
- Be their navigator
- Relate to them
- Set experiential goals



## Be clients negotiator with their emotions and fears

- Give and take
- Always have client in mind
- Avoid because "I say so"
- Help them visualize the future



## Leverage your technology to get your time back

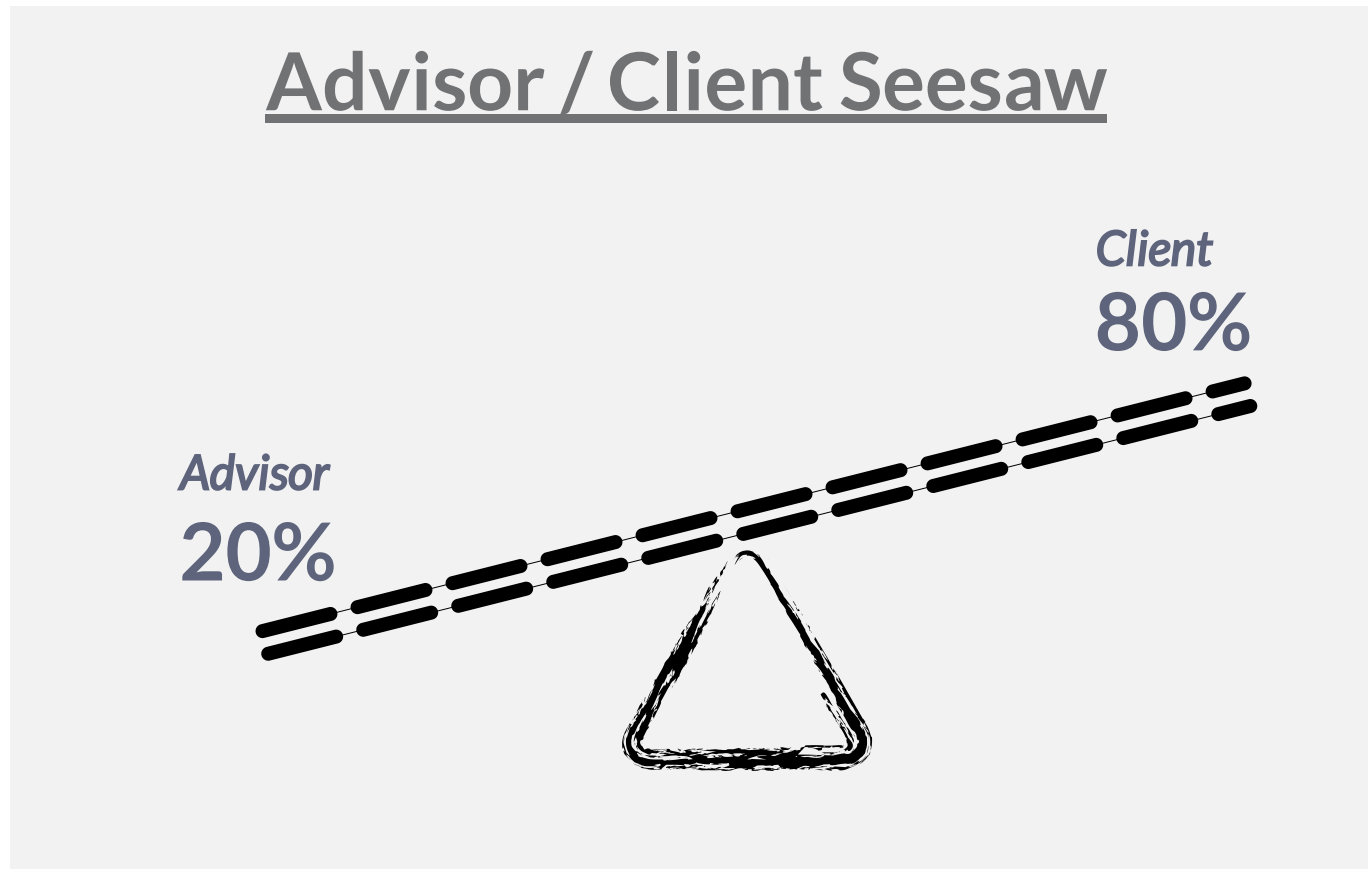
- Get tech stack right
- Flip to proactive
- Measure ROI of tech
- Find more time to "be" with clients

# Act as a psychologist, not an analyst

## The Strategy

- Ask questions
- Listen
- Share about yourself
- Find ways to relate with the client
- Listen, listen, listen

## Give the gift of going 2nd





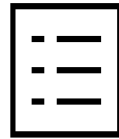
# Leverage Your Technology to Get Your Time Back



## DEFINE

Break processes into 3 buckets:

- Meeting
- Onboarding
- Servicing



## DOCUMENT

Be precise!

Don't Assume

Make these easily accessible

Continuously review



## AUTOMATE

Be flexible

Have an iterative mindset

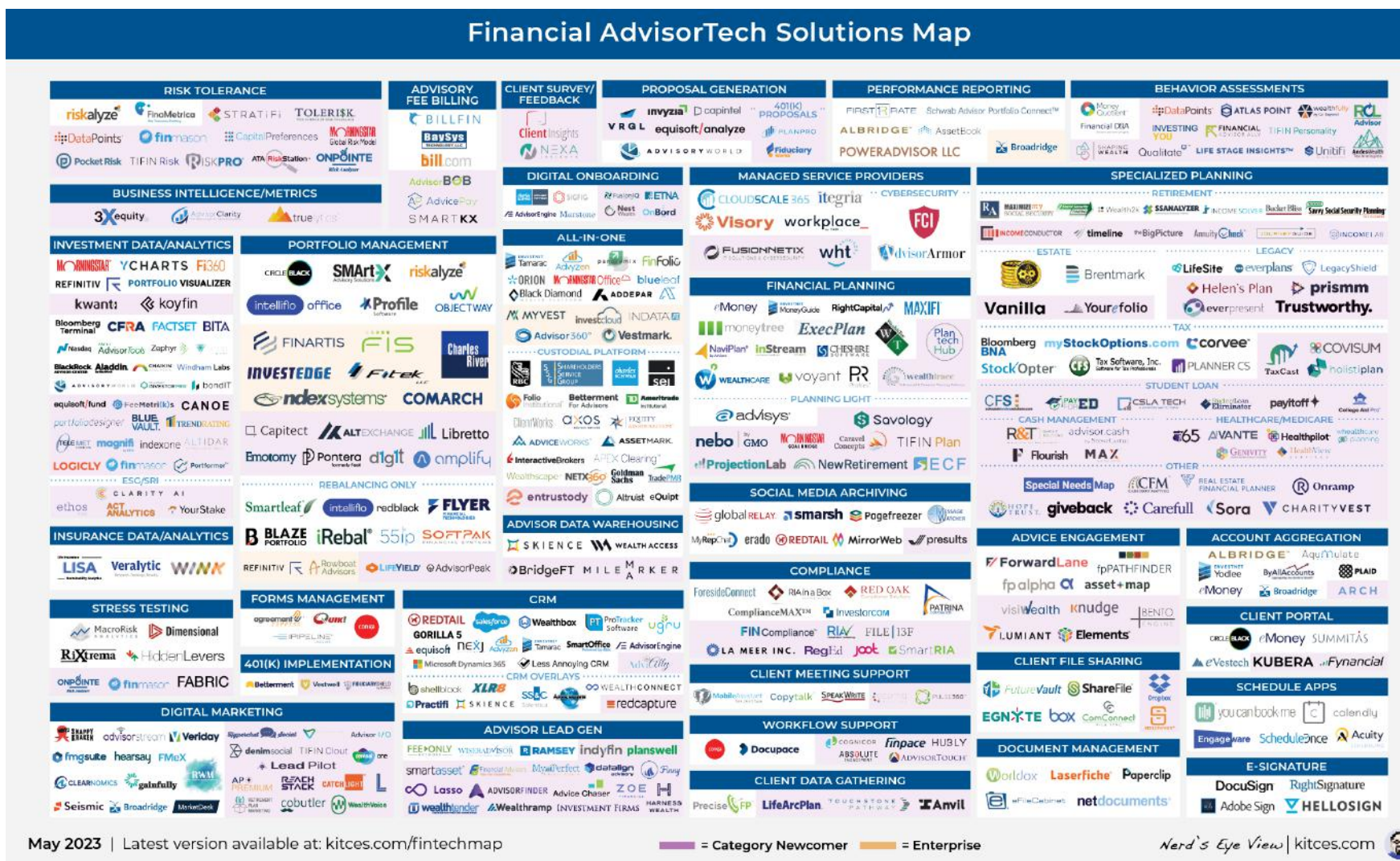
Simple versus advanced

Continuously improve

# Technology landscape is overwhelming

*But options create opportunity when used appropriately*

FUTURE OF FINANCIAL ADVISOR (ACTION)





# Approach tech with the right mindset

## The Process

Identify a problem / Opportunity  
(what are you looking to improve / solve)

Narrow focus to just that area

Talk to options to learn more

Select & Implement

**WORKFLOW SUPPORT**

Logos included: Conga, Docupace, COGNICOR, ABSOLUTE ENGAGEMENT, finpace, HUBLY, ADVISORTOUCH

**\*\* AVOID selecting a technology and then finding the opportunity / problem\*\***



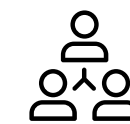
# Takeaways

## FINAL TAKEAWAYS



### **You are safe**

The human advisor is NEVER going away



### **Manage Emotions**

Fear, guilt, shame, envy



### **The gift & the approach**

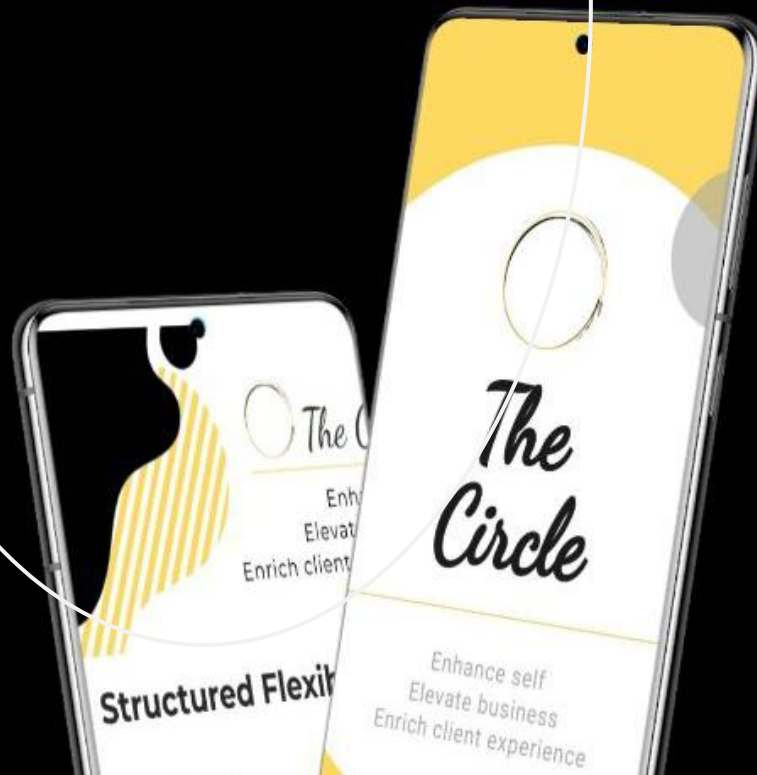
Gift of going 2nd & approach to tech



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# Continue the conversation!

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