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In his role at The Summa Group, Robert Dalie is in charge of wealth planning capabilities, one of the core pillars the group is founded on. Dalie's specific expertise and experience lend themselves to entrepreneurs, senior executives, fiduciaries, and founders who have recently experienced or are about to experience a life-changing financial event. This proficiency has allowed him to play an integral role within the core advisory teams that deal with pre- and post-liquidity events. He has developed a reputation for specialized work with sudden wealth from inheritance, divorce, stock sales, estate planning, and closely held business sales. To effectively offer this depth of service and experience, his practice is limited to a select group of individuals and families for whom he can have the maximum impact. *Forbes*, *Barron's*, and *Research Magazine* have recognized The Summa Group in their annual advisor rankings as a top wealth management team. Dalie has been a central part of The Summa Group since its founding in 2003..

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DEMYSTIFYING WEALTH MANAGEMENT AS PLANNING BECOMES ULTRA-PERSONALIZED AND FINANCIAL TECHNOLOGY DISRUPTS OLD PARADIGMS**THE PAST,
PRESENT,
AND
FUTURE OF
PLANNING**

Within the world of wealth management, few things are more coveted than the depth and versatility of a team's planning process. Throughout this article we will demystify the planning process and share our thoughts on current trends that can be extracted from the past and present to provide insights about the future of planning and how elite teams approach this important subject matter.

Unfortunately, there is a long history in our industry of using financial and estate planning to create some sense of urgency to buy a particular product or strategy. High-pressure salespeople were very skilled (and still are) at using rudimentary illustrations and simple charts in an effort to justify the sale of a product that often served to enhance the advisor's bank account more than the client who was buying the product. Maybe you have some recollection of going through this exercise many years back. If so, you likely recall how most of these plans pointed you to a particular product with high fees, a lot of complexity, and a story that always sounded too good to be true. Whether an annuity, proprietary fund, or some insurance policy, the commission the "salesperson" earned was often more important than the benefits delivered to the client. This dynamic is still present today, unfortunately, but regulators have made it more difficult for advisors and their companies to engage in such tactics.

Many financial plans presented in the past were nothing more than slick presentations telling a story that always led to a product sale. The starting point was typically a future goal (often unattainable) and a simple scenario: how much money you needed to invest, and how much insurance you needed to back it up. This was usually combined with an overly simplified suitability determination questionnaire that "pigeonholed" you into a specific allocation or firm-owned product.

While the intentions of these advisors and financial institutions may have initially been honorable, the path toward selling a product to complete the process took center stage. So why did this happen? Part of the problem resulted from a lack of coordination and collaboration between clients' trusted tax, legal, and investment professionals. The higher the levels of wealth and complexity, the more typical it is for multiple advisors to be involved. The coordination of all parties involved often becomes disconnected and polluted with conflicting agendas. Inadequate

QUOTE:

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planning in one silo could potentially negate sound and highly effective work done elsewhere. In addition, the culture at many firms was driven by an intense push to sell proprietary products from the top down. These bottomline initiatives encouraged advisors to push proprietary products, which generated higher profit margins to their firms.

Here's the good news: More and more advisors and their respective firms are starting to realize the flawed nature of their planning practice, and are having healthy discussions to improve their processes. Today, having a plan with the flexibility to deal with changes and real-life issues is often more critical than the actual strategies implemented. These strategies are based on cash flows and tax impact, rather than insurance and investments, and can effectively deal with multiple scenarios. This process integrates and coordinates all forms of planning. Planning based on cash flow addresses fairly simple questions: Are you able to live your preferred lifestyle? Pay your bills and obligations or go on that bucket-list trip? The size of your balance sheet isn't as important as living the life you want to live. It all boils down to planning for multiple scenarios and objectives that may come into play today and into the future.

Life is in fact very unpredictable, but the more thought and strategy given to the likely real-life events, the more prepared everyone will be for the future, and this of course creates peace of mind that you cannot put a price tag on. The goal of this approach is to address potential scenarios now, and down the road, to prepare for all of life's "consistent inconsistencies." It endeavors to quantify freedoms—the sole focus should not be on saving as much as you can, but on determining the specific freedoms you consider priorities, allowing you to enjoy guiltlessly what you have sacrificed and worked so hard for. The core of planning should be focused on the process, not the plan. It really boils down to two simple questions: What is your money for, and when do you need it?

A misconception in the marketplace is that you need to hire a certified financial planner (CFP) to create a complex plan, which may cost thousands of dollars. The reality is that you don't need an expensive, 100-page financial plan that shows your net worth, a bunch of graphs and charts, and how much money you are going to have when you are 95 years old. This is not to suggest that planning should be oversimpli-

fied and lack the depth necessary to execute at a high level, but many are on the other end of the spectrum of complexity and think it's a one-time exercise that doesn't require ongoing supervision and revision. Elite teams working with families that have some complexity in their lives understand the very fluid nature of life and therefore take a proactive approach in their communication in order to always understand the mission-critical factors of executing the short-, medium-, and long-term components of the plan.

As for the future, we believe that technology and innovation are both profoundly disruptive forces within finance. The rate of creation, adoption, and use of new fintech has and will continue to evolve within the wealth management industry. There is an enormous gap between what a human advisor can do versus the most sophisticated current technology. One simple example would be the technology for data aggregation and screen sharing. We know that most people would like a written plan but they increasingly want it to be interactive and collaborative, and not a static document. Forward-thinking advisors have started to explore using cutting-edge tools to collaborate on documents remotely, while adapting them to various scenarios on the fly. No longer does geography prohibit us from doing business with anyone, anywhere. It's not just remote access, but advanced data analytics, aggregation, artificial intelligence, and algorithms that will continue to push the planning envelope. In the not-too-distant future we will have sophisticated software that can connect an advisor to a client when his family members are getting married, kids are getting engaged, or there is a death. We will be proactively connected at the right time to the right people with the right information, to coach and provide impactful guidance during very specific life events. This is very exciting and is the future of planning in our industry.

On a positive note, conflicting agendas and self-serving sales practices are rapidly being replaced with thoughtful planning and coordination that puts the family's interest's front and center. Elite advisory teams understand the mission-critical nature of working closely with a client's most trusted advisors in order to deliver a plan that speaks to myriad qualitative and quantitative aspects of their lives. Technology, regulation, and transparency are helping pave the way for a much more robust and ethical planning environment today and into the future.