

Wealth Management # 8 – Relationship Management

This is the final aspect of our wealth management process. The previous documents in this series have shown the amount of work potentially required to successfully manage your family finances. In addition, some of the tasks and strategies can be complex and time consuming to perform. As no one person can be a specialist in all areas, it makes sense to use the professionals with the appropriate knowledge and skills. Not only do you need to find the right professionals, it is critical that those professionals work together effectively as a team on your behalf.

So who are the typical professionals that you should consider using?

A financial advisor is the foundation of the team as he/she should have a broad knowledge of your present financial situation, your future goals, concerns, etc. Therefore the financial advisor can help you plan the overall process, help identify the other professionals needed, and help coordinate the team on your behalf.

An accountant should be more than just someone who transcribes numbers onto your tax return. They should have a deep enough understanding of your specific tax situation to work with the financial advisor to help minimize your taxes as the tax regulations change from year to year.

A trust attorney knowledgeable in wealth protection and estate planning is needed to prepare the legal documents such as trusts and wills. They should also help ensure the documents are kept up-to-date as estate regulations change over time.

Other professionals may be needed depending on your specific situation. For example, maybe you're using a professional trustee to help you manage your elderly parents finances. Extremely wealthy families with multiple properties, live-in staff, maybe a plane or yacht, would certainly benefit from a high-end property-casualty insurance specialist. A business owner would benefit from the services of a business attorney for the preparation of employment contracts, sales contracts, etc.

Although you'll have an ongoing relationship with your team members, there are other professionals that you'll use only occasionally (or maybe only once, e.g. a valuation specialist for when you're ready to sell your business).

As was shown earlier, many of your actions are inter-related; an action in one area can have a major effect in other areas of your life. Therefore, regardless of how large or small your required team of specialists, it's worth remembering that the closer they can work together, and the more their actions are coordinated, the more you can benefit from their combined expertise.

In summary, this series provides a brief overview of the wealth management process. It enables you to proactively plan your present and future financial health by breaking it down into investment management, wealth enhancement, wealth protection, wealth transfer, and wealth sharing. The use of appropriate professionals, working as a team, can coordinate the separate areas into one cohesive whole and, when used as an ongoing process through your life, can maximize your potential of financial success.

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