

Introducing the Goals-Based Wealth Review

AN INTEGRATED APPROACH TO WEALTH MANAGEMENT

Aligning an investor's wealth objectives with an investment strategy is the foundation for successful personal wealth management. In recent years, the techniques and technology used to make planning and investment decisions have evolved dramatically. Glenmede, an independent investment management and wealth planning firm, leverages these developments through a dynamic new process, the Goals-based Wealth Review.

Unlike traditional approaches that treat wealth planning and investment management as separate processes, the Goals-based Wealth Review integrates them in a unified planning approach. Experience shows that when clients and their Relationship Managers consider wealth objectives and investment options in tandem, it yields deeper insights and empowers clients to make better, more informed choices.

Through in-depth discussions with their Relationship Managers, clients evaluate their wealth objectives and investment options—aided by data that helps to quantify and visualize their choices across multiple scenarios—until their wealth goals and investment strategy align with a high probability of success.

A Five-Step Framework

The process unfolds over a series of five steps, each of which leads to more nuanced conversations about how the client's objectives and risk tolerance affect the probability of achieving lifetime goals. As a result, clients can better visualize the complex relationship between their goals and wealth planning alternatives across

COMPONENTS OF A GOALS-BASED WEALTH REVIEW



different scenarios.

Each review begins with a personal balance sheet that establishes a clear picture of the client's current assets, liabilities and net worth. The client then determines their personal wealth objectives, which can be the most challenging part of the process. Relationship Managers help clients to think through both the passions they want to fulfill during their lifetime and the values they wish to transfer to future generations.

Next, Glenmede models the future state of the client's cash flows, taxes, assets and liabilities using two methods to assess the probability of the client achieving success. The first model assumes the client's invested assets earn "normal" future market returns. The other projects return assumptions for a wide range of market environments. A probability of 85 percent or above is a strong indicator of future success.

If the probability is too low, Glenmede helps the client evaluate alternative

planning and investment options with an eye toward arriving at a new wealth plan that raises the probability of success to at least 85 percent.

Alternatively, if the probability is too high, the focus shifts to helping the client consider bolder, more ambitious goals.

Knowledge Is Power

Glenmede recommends clients use the Goals-based Wealth Review when developing an initial investment policy statement and wealth plan, and whenever their life circumstances or wealth goals change. As a result, clients have greater confidence and peace of mind that their investment policy statement and wealth plan will support their objectives long into the future.

Glenmede is an independent trust company founded in 1956 by the Pew Family, providing investment and wealth management to families, endowments and institutions. For more information, contact Dominique DuMouchel at 302-661-4573.

