

ADVISORS

magazine



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BUSINESS GROWTH IN 2020

Creates Staff Opportunities in 2021

The U.S. Commerce Department reported in late January that real GDP decreased 3.5 percent in 2020 – the biggest annual decline since 1946 and the worst yearly plunge since 2009 and the Great Recession. The pandemic sapped demand for many services, especially food and lodgings, health care and recreation.

Financial services, however, largely fared much better. Boston-based Sconset Wealth Management, under Northwestern Mutual, was among the strong performers.

“The business has grown significantly in the past five years, and even more so throughout 2020, providing us an opportunity to have a record year,” Thomas W. Mitchell, CEO and wealth management advisor at Sconset Wealth Management told *Advisors Magazine*. The firm’s own record, according to Mitchell, is measured by servicing new assets and new net cash flow— while the whole team was working remotely.

Mitchell explained that the pandemic inadvertently helped many people understand that they need to work with a wealth management team that is going to make sure every opportunity is seized; resources are maximized, and financial risks are planning for.

“At the very beginning of



Thomas W. Mitchell CFP®, CLU®, ChFC®, CASL®, RICP®

MY MISSION

Acting in your best interest, we employ evidence-based research, tools, and best practices to solve our clients' problems.

the pandemic, even before we knew the world was going to make a seismic shift, I called every single one of my clients personally to let them know that the stock market has a correction on average one time every four years,” Mitchell said. “I reassured them this correction is something that is expected, and that their plan has a built-in strategy to help weather stock market volatility by having a safe buffer of cash reserve, earning a high fixed guaranteed rate of return to turn to when the portfolio drops in value.”

But the COVID-induced downturn compelled Mitchell to call all of those clients again about 10 days later as stock market conditions got even

worse in March 2020 and scared many clients. “A second round of proactive calls was needed to calm the nerves and make sure people were not making decisions based on emotion,” he recalled.

Pandemic or not, the heart of the current practice revolves around wealth management planning, which Mitchell views as different from financial advising.

“I’ve noticed some financial advisors are focused solely on investment services, but wealth management is an all-hands-on-deck approach to helping the clients,” he said.

Mitchell ticked off several things that a wealth management team will do to help clients:

- Create a vivid vision for what their financial future looks like.
- See the gaps and inefficiencies and realize clarity on goals.
- Walk through a rigorous well-brainstormed financial plan.
- Control clients’ natural tendencies to NOT follow through.
- Urge clients to take their medicine and do their financial pushups.

“In my wealth management practice, we often work on one-off complex financial decisions, so the clients don’t have to do it on their own,” Mitchell added. “My team has done everything from helping a divorcee buy a car to helping solve awkward family financial issues; we get involved in almost any area related to their finances.”

He maintains that wealth

management always comes back to the financial plan that is created to help clients make future financial decisions.

“If you decide to work with us, we will give you the nudge to make sure that you do all the things that you need to do, so things don’t slip between the cracks,” Mitchell said, noting that this means following up during open enrollment, selecting proper benefits, getting estate documents completed and signed off on, and more.

And, in fact, the Sconset Wealth Management team — like its book of business — is also growing. In 2020, Mitchell added to staff, in order to help existing clients and the team simultaneously by increasing its capacity to ensure all clients at the firm get the best service possible and



to service new clients.

The firm is also looking to hire CFP®/CFA-credentialed personnel in 2021, including an investment operation lead.

“In uniform, we follow a strict process, using the same general set of planning tools, the same set of pages in the financial plan, and employing the same strategies, tactics, and tools where they fit,” Mitchell added.

Employees working with different client groups are cross trained to do other team members’ jobs, which is especially helpful when turnover occurs or people are out on vacation, sick time, or maternity leave.

“When a firm is built with a good defense, no client or other team member needs to worry because we are all ultimately working for the greater good and we support one another,” Mitchell summarized.

He recognizes that bringing in new people and investing the time to train is certainly a challenge, but always worth it. And in the very long-term, Mitchell sees his top advisors as his successors that will carry the firm forward for future generations.

For more information on Sconset Wealth Management, visit:

sconsetwealth.nm.com



No investment strategy can guarantee a profit or protect against a loss.