



WORK FROM HOME

What's next for the advisor's office

By Ryan W. Neal June 03, 2021, 4:04 p.m. EDT 7 Min Read



On the morning of May 11, Paul Saganey met with a client in-person for the first time in more than a year.

Saganey — CEO of Integrated Partners, a hybrid RIA headquartered in Waltham, Massachusetts — closed his firm's office in the spring of 2020 as part of nationwide lockdown measures meant to contain the COVID-19 pandemic. The firm also eliminated face-to-face meetings with clients, allowing most of his staff to work safely from home.

Today, 88% of wealth management professionals are still working at least occasionally from home, according to new research from *Financial Planning* parent company Arizent. Two-thirds say it is where they spend either most or all of their work week, and six in 10 want to continue working from home after the pandemic is over.

But as coronavirus vaccines become more accessible with the passing of spring, attitudes on returning to the office are thawing. Saganey's calendar is filling with client requests for in-person meetings.

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Work from home trends



56% WFH Before
Pandemic



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88% WFH Today

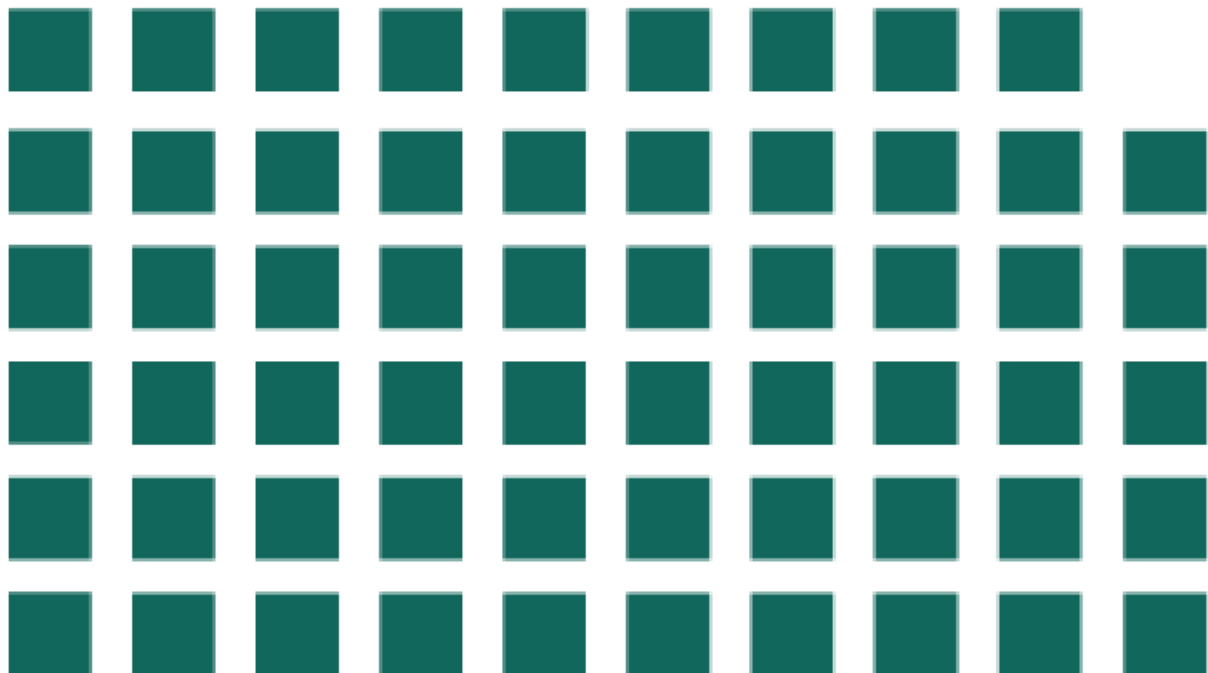
■ 35% working from all of the time

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■ 20% work from

home most of
the time

■ 25% working from
occasionally



Financial Planning 59% WFH in the future

Source: Arizent Future of Work Survey - April 2021

“It was amazing and reminded me of the personal nature of what we do for people,” Saganey says. “We spent a lot more time talking about our personal lives and what took place over the last year. It was a great experience.”

Even with advisors embracing permanent remote working — firms expect 25% of their workforce will stay home full-time, while 34% will only come into an office a few days per week — it appears the traditional, physical workplace still has a role to play in the future of the wealth management industry. About half of advisors have no plans to change their office footprint, while 4% are actually looking to expand.

Stone Wealth Management, an Austin, Texas-based RIA, took advantage of low interest rates and commercial real estate pricing to double its physical footprint and accommodate the firm’s growth,

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Stone Wealth Management has made a smooth transition to remote work thanks to previous investments in technology, but working from home never matched the experience of working together in person, Stone says.

One of the biggest challenges was training new employees. Video conferences don't allow for the same kind of quick, off-the-cuff questions from newbies that make learning easier, he adds.

"We were able to serve clients and perform the functions of managing investments and creating financial plans. However, not being able to interact personally with other employees or other advisors, that was definitely lacking," he says. "I think clients want that interpersonal relationship with the advisors. Not being able to do that in person is a downfall of trying to work remote exclusively."

For Kashif Ahmed, president of Bedford, Massachusetts-based American Private Wealth, having a work address is key to developing trust with a new client. Having to go to a stranger's home doesn't exactly give a good first impression to a prospect deciding whether or not to entrust you with their life's savings, he says.

"People are not comfortable handing over their financial affairs to someone who doesn't even have an office," Ahmed says. "How professional is it to have a financial planning discussion in, God forbid, a coffee shop?"

'Completely in the cloud'

More than a quarter of advisors disagree: 27% say they are downsizing their physical spaces and locations while another 2% are eliminating the physical office altogether, according to Arizent's research.

Jim Gladney, CEO of Portfolio Solutions, was heading towards a virtual work environment even before the COVID-19 hit. With clients across 45 states, advisors already relied on video conferencing

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Instead of the 12,000 square foot “palatial” office in Troy, Michigan he inherited after acquiring the firm in 2015, Portfolio Solutions will instead rent three private offices in a Regus co-working space. Employees are welcome to come into the office or work remotely as they see fit, Gladney says



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Half of Facet Wealth’s employees haven’t met face-to-face. Here is how the fintech is working to strengthen community.

By [Jessica Mathews](#)

March 31

“We were already completely in the cloud; now we’re eliminating our dependence on physical space,” Gladney says. “We were making the shift anyway; what the pandemic did for us was just make it easier. Any resistance from clients and teammates just went away.”

The cost savings will be reallocated towards hiring a more sophisticated, experienced and credentialed team of client-facing employees, he adds.

The pandemic is also changing the calculus for breakaway advisors, says Craig Stuvland, CEO of tru Independence, a firm that helps wirehouse advisors go independent. Teams that were forced to work remotely are now rethinking just how much real estate they really need.

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appreciates the desire to get back to normal, advisors need to think about childcare costs, commute times and other variables that could be contributing to some employees wanting to work from home: “If companies aren’t sensitive to that, they could actually lose employees that want that hybrid approach.”

Support for ongoing remote work can also have hiring benefits. Integrated Partners found that compliance, trading and back-office support staff have worked great from home, Saganey says. By keeping these positions remote, the firm can expand its talent pool beyond the Boston metropolitan area as it expands.

Evolution of the office

The number one reason wealth management firms use a physical office is to engage clients, according to Arizent’s research. But even advisors who value a traditional workspace are changing how they use their offices to forge a closer connection with clients.

One year from now, roughly what percent of your company’s workforce do you think is likely to fall into the following work scenarios?



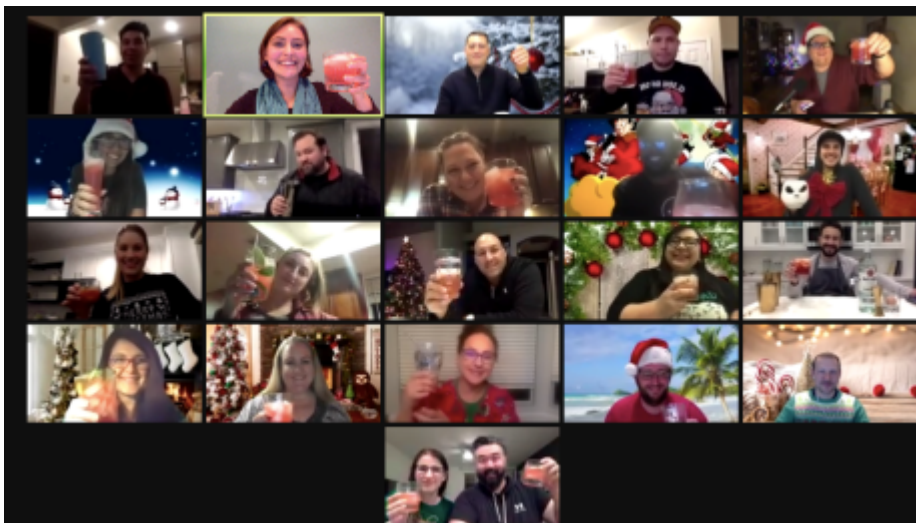
Source: Arizent Future of Work Survey - April 2021

Instead of conference rooms, advisors are looking for less formal “meeting places” that create a relaxed feel for clients, Stuvland says. While only 7% of advisors are considering “hot desk” capabilities, where staff members take turns using a physical desk or office at different times, Stuvland says some firms are discussing it.

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Opening a new office during the pandemic allowed Stone Wealth Management to rethink its approach to how it built and designed the space, says Kacie Swartz, a senior wealth manager with the firm.

Technology that was once a "nice to have" is now mandatory, such as making sure each advisor has a dedicated webcam and equipping conference rooms to support a virtual meeting as easily as if the client walked through the door.



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How Brian McLaughlin keeps Redtail's spirit alive while working from home

Without its funhouse office, annual trips or volunteering events, the executive found ways to engage his staff virtually.

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The firm also reconsidered the location of the office relative to clients, Swartz says.

"We focused on where people lived, rather than where they worked, and did a heat map of the most concentrated zip codes of our clients," she adds. "When we were looking for space, we looked for those neighborhoods."

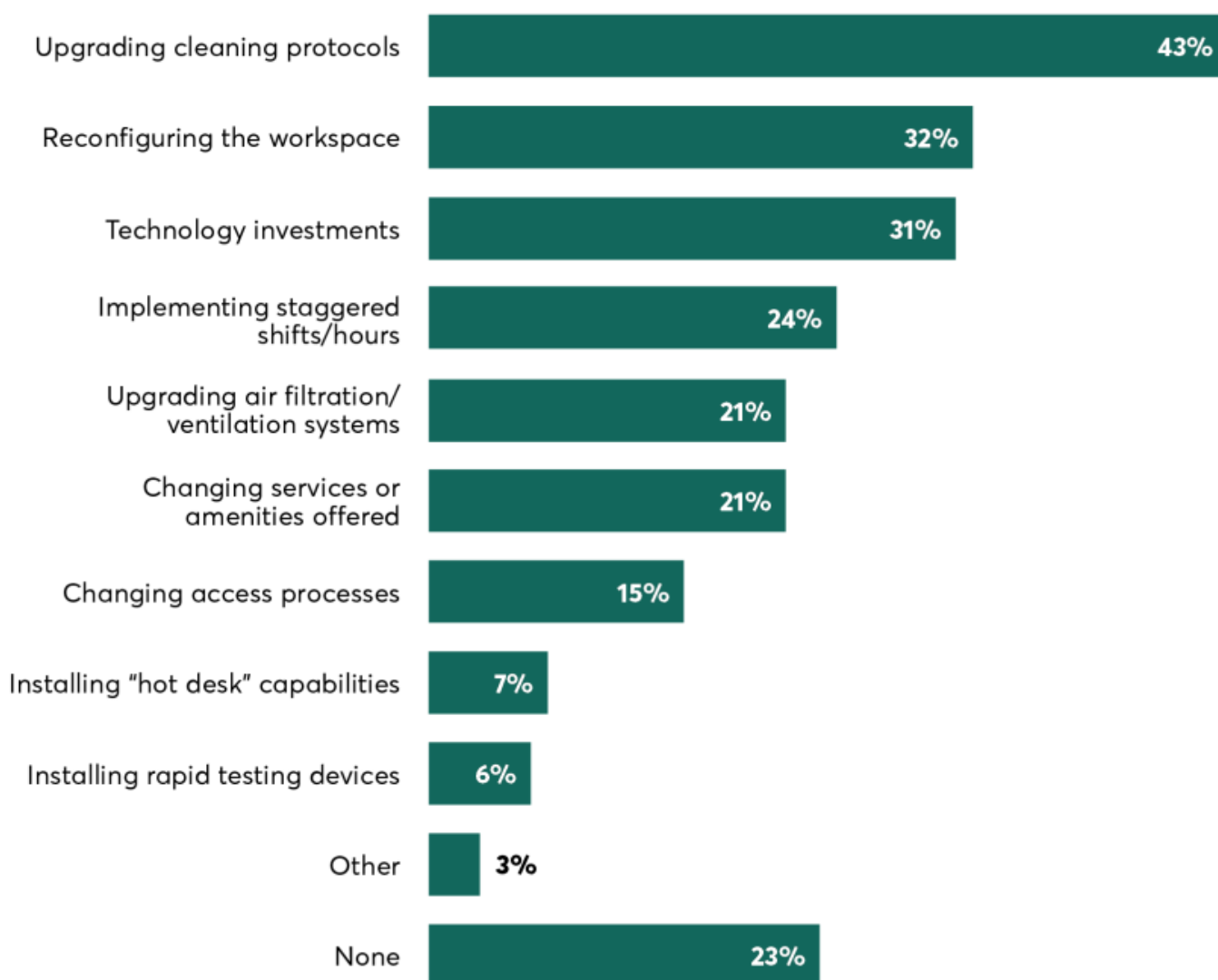
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work in close proximity in “huddle spaces” — to create separated, defined spaces where a virus can’t spread as easily, says Jonathan Foster, CEO and co-founder of Angeles Wealth Management.

About a third of wealth management firms are reconfiguring their workspace, while 47% are updating sanitation protocols. To open his Manhattan office, Foster has placed arrows on the floor to enforce social distancing, installed hand washing stations and reconfigured common spaces like the kitchen, he says.

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likely to make to your offices/worksites going forward as a result of the pandemic?



Source: Arizent Future of Work Survey - April 2021

One area where few advisors are treading, at least not yet, is requiring employees to get vaccinated. Only 13% of wealth management professionals say their firm has a vaccination mandate, though another 4% plan to institute one over the next 12 months. Nineteen percent are considering it.

Ahmed, who in [April 2020 was in the emergency room fighting COVID-19](#), isn't mandating any of his staff get vaccinated. He also won't require anyone to come into the office who doesn't feel safe, though an advisor shouldn't decline an in-person meeting from a client, he says.

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“I know the people that we have are smart enough that they’re not going to be anti-vaxxers,” he added.

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