



## The Gresham Company

---

### This is Us

Financial wellness is coming of age – and we’re all on the journey together

Investment News Magazine  
February 5, 2020  
Steve Gresham

Mention “financial wellness” to 10 attendees of a FinTech conference and you might get 15 definitions. Ask 10 clients and you might have the same result.

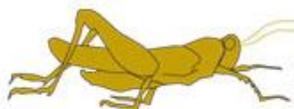
The label is intriguing and appealing, but there’s an onion here that needs peeling. Leave out the “financial” angle for a moment and consider that wellness can be evaluated through the different dimensions of:

- Physical wellness
- Emotional wellness
- Social wellness
- Intellectual wellness
- Spiritual wellness
- Environmental wellness
- Occupational wellness

“Wellness” is a noun – but also a verb. Webster says that wellness is “the state of being in good health, especially as an **actively pursued goal** (emphasis mine), ... as in.. “measures of a patient’s progress toward wellness”. So wellness is also a **process** in pursuit of the goal of wellness.

When we combine these perspectives, “financial” wellness is easier to define, but harder to accomplish. Money is relevant to all seven of the dimensions listed above. Having money can help fund solutions and opportunities to improve most aspects of wellness. In addition, wellness is dynamic – changing as we age, rising and falling in importance. What jumps out to me is the complexity of achieving “wellness” – and the opportunity to employ both digital and human support to finance wellness.

At the recent Future of Financial Advice event in New York, Envestnet interim CEO, Bill Crager shared his vision of financial wellness and how the company continues to build support for the industry. Bill’s message – and his business plan – are timely but not well understood by much of the advice world. Such is the role of the visionary.



## The Gresham Company

---

Many top advisors – and clients -- characterize financial wellness as “peace of mind”. And when you unpack the headline you locate the dimensions listed above, as well as the process of ongoing contact, review and reinforcement that describes the best advisor/client working relationships in wealth management. At minimum, the industry needs to support a holistic approach to clients’ new found longevity to help them discover and address their growing and changing needs for “peace of mind”. It is critical to appreciate that we are all traveling together on a journey none of us has completed before – growing awareness of our own longevity and how our world view is changing. “Aging” clients and advisors are not abstract population cohorts – they’re us!

So the key to “financial wellness” is the entirely subjective definition of “personal peace of mind”, as well as the recognition that it’s also a process that will evolve as the different dimensions listed above present themselves at different times. A more broadly aging society led by the massive Baby Boomer cohort is discovering the importance of life balance as the median hits 64 this year – and the oldest are 74. At those ages, our clients (and some of our advisors!) have growing awareness and appreciation for the value of emotional, spiritual and intellectual wellness. Their need for mobility supports physical wellness. Being relevant and engaged keeps many working for occupational wellness. And perhaps most important in later ages is the importance of social and environmental wellness – to be with others and to live safely and independently. If we are paying attention, financial wellness is already teed up for us to hit head on.

And that’s the real point of financial wellness. Financial industry leaders that talk about financial wellness are declaring the path forward for the industry -- the objective of the advisor/client/digital working relationship. They are challenging us to align in support of the clients’ personal peace of mind and the growing, shifting aspects of wellness as they discover more perspective. And it’s the moment of truth for financial advisors, many of whom are challenged to muster the empathy and insight needed to fully support the clients, as well as the flexibility and interest to engage effective technology to help them deliver more effectively across their entire clientele.

Financial wellness is becoming the True North of the wealth management industry, and it’s a journey we are all taking. Together.