

2007 Best-in-Business Award Winner

Moneta Group St. Louis, Missouri

Just as a successful business has a chief financial officer to coordinate all aspects of its financial affairs, so should successful families. That's the philosophy of Moneta Group, an independent financial services firm with a clear focus on serving as Family CFO to each of its clients. That means providing not just money management services but also in-house estate planning, tax planning and preparation, retirement planning, charitable giving, business succession planning and risk management.

"As a Family CFO, we are first and foremost a client's advocate, and it's our responsibility to advise that client on how to best manage, grow and protect the family's assets," says Moneta Group Chairman Peter G. Schick.

Moneta Group targets clients with investable net worth of more than \$2 million and currently serves more than 2,000 households. In the last five years, assets under management have grown from approximately \$3 billion to more than \$6 billion today. Remarkably, the firm has achieved that growth without increasing its number of clients.

"We have raised the bar in terms of new clients we accept and the required assets under management," says Schick. "We're constantly updating the average client asset level, and that requires us periodically to refer smaller clients away from the firm." Most smaller clients appreciate the opportunity to find an advisor more suited to their needs.

Moneta's clients value the Family CFO approach so highly that more than 90 percent of the firm's new client relationships in the last five years have come from client referrals.

Giving Clients Something to Rave About

That high level of client satisfaction has a lot to do with Moneta's fierce commitment to client service. The firm adheres strictly to the philosophy made popular in a book by Ken Blanchard and Sheldon Bowles called *Raving Fans*. In fact, to protect the firm's service-oriented culture, every potential new employee is asked to read the book and explain what it means to him or her before a job offer is final. "We're not really interested in having happy clients or satisfied customers. It isn't good enough," Schick says. "We're committed to creating raving fans."

Moneta identifies three core values that permeate their culture.

- They are passionate about what they do. Therefore, they're committed to challenging the status quo because good enough is never good enough.
- They act in a client's best interest. The quality of their work and their unwavering commitment to exacting professional standards guides all decisions and practices.
- They deliver 'raving fan' service, which means they promise a lot and strive to deliver more.

A Unique Team Structure

The firm's 27 principals have diverse backgrounds, with expertise as accountants, commercial bankers, small business owners, attorneys and trust officers. The firm operates entrepreneurially, with each

principal as the CEO of his or her own team. The principals decide the size of their teams, have their own monthly P&L statements and share firm expenses.

A support staff of nearly 200 people provides the professional management necessary so that principals can focus on client service rather than operations. The support staff includes a CFA who runs the investment department and an estate-planning attorney to consult with clients. Moneta has an affiliated CPA firm to help with tax issues and a Third-Party Administrator/Pension Consultancy that provides business clients with a range of retirement plans.

Best Practices from a Best-in-Business Winner

Schick shares several best practices that have contributed to Moneta Group's success:

- **Professional management.** "Professional management is one of the first things I would recommend," Schick says. "I see many firms of all sizes where the principals get involved in issues they're not very good at. It's poor time management."
- **Entrepreneurial culture.** An entrepreneurial culture encourages healthy competition that stimulates growth. "It's very capitalistic in that each principal generates his or her own income," says Schick.
- **Client advisory group.** Moneta's client advisory board, launched in 2003, meets twice a year to recommend new services. Starting the group was "one of the very best decisions we've made," Schick says. "This is a very active board that gives us the direction we need to go forward."
- **Strategic planning.** Moneta has used strategic planning to generate new initiatives for 25 years. The process includes a SWOT analysis, gap analysis and best-in-practice analysis. The firm limits itself to two to four new initiatives annually and makes sure to get closure on those initiatives before the next strategic plan begins.

Leading into the Future

Schick predicts that independent fee-based advising will grow. "People are beginning to understand the difference between what it is that an independent advisor does and what it is the brokerage firms, trust companies and banks do," he says. "And so we're very optimistic." For its part, Moneta aims to add services strategically and increase assets under management to \$10 billion by 2012, while continuing to maintain the same number of client families.

With a steadfast focus on providing each client an experience far beyond their expectations, Moneta Group continues to innovate and redefine outstanding management in the independent advisory industry.

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