

2009 Best-in-Business Award Winner

Wetherby Asset Management San Francisco, California

Debra Wetherby explains that she started Wetherby Asset Management in 1990 to fulfill her vision of how clients should be served. “I grew up in a large family with five kids, and my parents were very much about teamwork,” Wetherby says. “So I wanted to create a firm where there was no internal competition, where everyone comes together to serve the client and where everyone has a mission to serve. That was the idea going in. I’m happy to say those things are still true.”

Growth by Referrals

From this principled beginning, Wetherby has built the firm into a business that serves nearly 500 households and manages more than \$2.4 billion in assets. These clients have come almost exclusively from referrals, and that’s by design.

“I had done cold calling, and it struck me as the wrong way for clients to choose an advisor,” Wetherby says. “When I started the firm, two things were really important to me. One was that there would be no conflicts of interest—we would never charge a commission. And the other was that we would never cold call. Rather, people would choose us because they knew we were good and because we came to them through someone they know and trust.”

Commitment to Client Service

While the company has always enjoyed strong referrals from both existing clients and centers of influence such as attorneys and accountants, Wetherby makes a point of avoiding growth simply for growth’s sake. The first priority, she says, is to deliver the best possible client service; new clients follow naturally from that.

“We feel our ability to grow is directly related to having the right people in place to serve clients,” she says. “We have to have them in place before we add new clients. To keep this balance over time, we have done things to slow the pace at which we were bringing on new clients, such as raising our minimums. I don’t think super-high growth rates are sustainable, and they can exact a huge cost on people.”

Although the asset minimum for new clients is \$10 million, the firm has many clients with lower assets who have been with Wetherby for many years. Each type of client has unique needs. The smaller clients may require special attention to long-term asset adequacy, while the larger ones often need help making sense of the complexity of their portfolios. Wetherby’s service teams are organized around these two types of clients to provide the appropriate specialized client service.

The firm’s high-touch service model means that employee growth is as important as asset growth. “When we do our business planning, we think about what our capacity for new clients is and what we need to do to grow to the next level. We think about technology and operations, but also about training and education—how we can encourage people to grow and move up in their responsibilities. In our view, it’s all very interrelated,” Wetherby says.

Invested in the Business

The independence to act in clients' best interests is central to what makes the work so rewarding to Wetherby and her partners. "At the end of the day, we want to feel proud of what we're doing and how we're doing it. It's not just about making money; it's about doing something we believe in."

One reason Wetherby's associates are so invested in the company is that many are literal shareholders. "Firm owners often say they want their people to act like owners but don't recognize that there's an easy way to help them do so, and that is to make them owners," Wetherby says.

The firm has 13 shareholders and is committed to increasing that number. Employee ownership of the firm means, as Wetherby puts it: "People are invested in doing the right thing. The bottom line doesn't come first; the client comes first. I feel grateful to have this group of people who share those values."

A Culture of Collaboration

Wetherby credits a culture of development and inclusion as an important factor in the firm's success—particularly its ability to retain employees. This culture didn't happen by accident. "It's something you have to create and maintain," Wetherby says.

When formulating the yearly business plan, the firm solicits ideas from everyone, not just the senior management team. Frequently, ideas from different parts of the company get combined and improved along the way.

"We try not to be too hierarchical, because we believe that there is value at all levels," Wetherby says. "I think that comes from my family. I got this view early on that a big job is made smaller if everybody pitches in."

Partnering with Clients

This spirit of collaboration applies not only within the company, but to its work with clients as well. Wetherby believes the firm should act as a partner to help clients understand their wealth and their priorities.

"If we are educating and empowering our clients around money, they can do more in terms of philanthropy and more with their kids in terms of wealth transfer," Wetherby says. "That's satisfying and meaningful. It's not just about the markets, the portfolio and the return. It's about the bigger picture of what you want the money to do."

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