UHNW Institute Practice Management Clinic Report:

Defining and Measuring Service

The March 2025 UHNW Institute Practice Management Clinic provided an in-depth exploration of the Service building block and business models that define the ultra-high-net-worth (UHNW) wealth management space. Facilitated by Michael Zeuner, Managing Partner of WE Family Offices, the session clarified the structural frameworks shaping how firms operate and deliver services to UHNW clients.

Clinic panelists included:

- Doug Banbury, Managing Director, KeyBank (Head of Key Family Wealth and Client Development)
- Richard Joyner, Managing Director, AlTi Tiedemann (and member of the UHNW Institute's Practice Management Committee)
- Charlie Wilhoyt, Founder, IWP Family Office

The conversation began with insights into the diversity of business models in the UHNW space. One focused on transitioning from a single-location multi-family office to a globally integrated firm, navigating multiple jurisdictions and complex regulatory landscapes. Another model emphasized running customized family offices, offering high-touch, personalized service while managing everything from bill payments to private investment advisory.

As the session progressed, the discussion explored how business models impact service delivery, client experience and operational complexity. These insights set the stage for ongoing discussions on service quality, governance and client relationships, which are crucial for long-term success in serving UHNW families.

Business Models and Value Propositions

The wealth management industry, particularly in the UHNW space, requires a clear understanding of business models to optimize service delivery. The UHNW Institute has developed a taxonomy that distinguishes between two primary firm types:

- Hub firms—acting as central advisors coordinating a broad range of services
- Spoke firms—offering specialized expertise that UHNW families incorporate into their overall wealth strategies.

Understanding these models is crucial for optimizing service delivery and ensuring that firms align with the complex and evolving needs of their clients.

Panelists shared insights into how firms operate within this framework. Some firms focus on global scalability and regulatory compliance, while others emphasize deep personalization in a boutique setting. The challenge lies in balancing operational efficiency with tailored client service.

Key Takeaways:

- UHNW families typically require both hub and spoke firms to fully address their needs.
- Structural differences between these models impact service effectiveness.
- Large-scale firms prioritize international reach and integration, while boutique firms focus on deep personalization.
- Managing multiple family offices requires structured teams for high-touch, complex services.

Definitions of Service

In the wealth management industry, service quality extends far beyond investment performance. True service excellence is rooted in trust, holistic advisory solutions and seamless integration of financial, legal and lifestyle management. Firms must establish clear definitions of service that align with the expectations of UHNW clients, who seek more than just asset management—they expect a dedicated partner who anticipates their needs and acts as a central coordinator for all aspects of their wealth.

Service in this space is often defined by three key elements:

- Trust and Relationship Depth: Wealth managers must position themselves as the primary advisor for all financial and personal matters, fostering a level of trust that encourages clients to rely on them for significant life decisions.
- Holistic Wealth Management: The most effective firms move beyond traditional investment management to include estate planning, tax strategy, business advisory, philanthropy and family governance, offering a comprehensive service model.
- Personalization and Proactivity: UHNW clients expect highly customized solutions tailored to their unique circumstances. The ability to anticipate client needs before they arise—and provide proactive, strategic guidance—is a hallmark of exceptional service.

By defining service in these terms, firms can differentiate themselves in an increasingly competitive market and build long-lasting, meaningful relationships with their clients.

Measuring Service Quality in Wealth Management

Service quality in wealth management is both an art and a science, balancing long-term relationships, proactive engagement and a deep understanding of client needs. Leaders agree that it goes beyond financial performance—it's about trust, consistency and being the first call when clients face major financial decisions.

Client retention is a key measure, with top firms maintaining relationships across generations. Referrals also signal trust, showing clients are confident enough to recommend their advisors. Proactive engagement is another crucial factor—leading firms anticipate needs and function as "head coaches," ensuring clients consult them before making financial decisions.

However, firms must avoid scope creep—expanding services too much can strain resources and compromise quality. Consistency is critical, ensuring all clients receive the same level of service, no matter the advisor. Transparent pricing and clear value communication also reinforce trust, demonstrating the firm's worth. Finally, providing forward-looking insights, especially during market volatility, helps firms stay ahead of the curve and strengthens their role as trusted partners

Key Takeaways on Measuring Service Quality:

- Retain Clients Long-Term: Decades-long relationships indicate sustained service excellence.
- Be the First Call: Clients should instinctively reach out before making financial decisions.
- Engage Proactively: Anticipating needs rather than reacting ensures a higher level of service.
- Leverage Referrals as a Benchmark: Client recommendations signal trust and satisfaction.
- Ensure Consistency Across Teams: A standardized approach ensures all clients receive equal attention.
- Manage Scope Creep: Expanding services must be managed carefully to maintain quality.
- Communicate Transparent Pricing & Value: Clear fee structures reinforce trust.

While measuring service quality can be complex, firms that prioritize engagement, consistency and proactive planning set themselves apart, ensuring long-term success and client satisfaction.

BREAKOUT SESSIONS

Business Models of Wealth Management Firms

This breakout session explored how different wealth management firms structure their business models to serve UHNW clients effectively. Participants discussed various client segmentation strategies, highlighting the differences between private banking clients, foundations and endowments. The conversation focused on integrating banking, investment management and fiduciary services to meet the needs of families with complex wealth structures, particularly those in the $50M-$500M range. Attendees examined how firms balance personalized service with scalability, ensuring that clients receive comprehensive, high-touch experience while maintaining operational efficiency.

Key Takeaways:

- Firms must align their business models with the specific needs of UHNW clients.
- Integrated service offerings (banking, investment management, fiduciary services) improve client experience.
- A balance between personalization and scalability is critical for long-term success.

Family Governance and Trust

The central theme of this session was the importance of governance in managing multi-generational wealth. Attendees explored strategies for structuring governance frameworks to support smooth transitions during business ownership changes and wealth transfers. The session emphasized the role of trust in client relationships, highlighting the need for advisors to act as long-term partners who understand the personal and financial complexities of UHNW families. Best practices included fostering open communication, creating structured decision-making processes and addressing potential conflicts proactively.

Key Takeaways:

- Strong governance structures are essential for managing wealth across generations.
- Trust is built through long-term relationships and open communication.
- Advisors should proactively help families navigate transitions and potential conflicts.

Service Quality and Client Experience

This session focused on defining and delivering exceptional service in UHNW wealth management. Participants emphasized that service quality is not just about financial returns but also about the depth of client relationships and responsiveness to their needs. Proactive, personalized service was highlighted as a key driver of long-term client satisfaction. Attendees

also discussed methods for measuring service quality, including client feedback mechanisms and Net Promoter Scores (NPS), to ensure continuous improvement.

Key Takeaways:

- Service quality extends beyond investment performance to trust and relationship depth.
- Proactive and personalized service enhances client satisfaction and retention.
- Firms should measure service quality using client feedback and structured assessment tools.

Advisory Services Beyond Investment Management

As UHNW clients increasingly seek more holistic financial guidance, this session explored how firms can expand their services beyond traditional investment management. Participants discussed the importance of offering family governance consulting, business advisory services and estate planning to meet evolving client needs. The conversation emphasized that firms positioning themselves as comprehensive advisors—rather than solely investment managers—are better equipped to deepen client relationships and provide lasting value.

Key Takeaways:

- Expanding beyond investment management strengthens client relationships.
- Offering governance and estate planning services aligns with UHNW clients' long-term goals.
- Firms should adapt their service offerings to remain competitive and relevant.

Operational and Organizational Challenges

The final breakout session addressed the complexities of scaling a wealth management firm while maintaining high-quality, personalized service. Participants discussed the challenges of balancing specialized expertise with operational efficiency and ensuring that service standards remain consistent across different geographic locations. The conversation also touched on the role of technology in enhancing service delivery without compromising the high-touch experience that UHNW clients expect.

Key Takeaways:

- Growth must be managed carefully to maintain personalized client service.
- Firms need structured teams that balance specialization with efficiency.
- Technology can enhance service delivery but should complement, not replace, personal engagement.

Lessons Learned and The Path Forward

March's Service-focused Practice Management Clinic reinforced the need for wealth management firms to evolve strategically, ensuring that their business models, governance frameworks, service quality and operational strategies align with the unique demands of UHNW clients.