

SOLUTION BRIEF

Financial Planning

Power Personalized Financial Planning
with Aggregated Investment Data



Within the past decade, financial planning has shifted away from an investment product-centric approach and toward a goals-based approach. As regulations (e.g., fiduciary standard) and client expectations intensify, advisors must deliver greater value more efficiently than ever before. Advisors need to be able to manage their clients' finances holistically, not just oversee a singular portfolio. Financial planning solutions need to connect goal-setting, risk assessment, and investment planning, so advisors can help clients reach their goals.

A holistic, top-down approach goes beyond assigning portfolio allocations and also looks at an investor's entire financial landscape, including:

- Investments (portfolio, brokerage accounts, exchange-traded funds (ETFs), mutual funds, etc.)
- Retirement planning (finances and lifestyle)
- Estate planning
- College funding
- Tax planning and preparation
- Cash flow management

By focusing on the unique needs of each investor, an advisor can explore the real-life questions driving the client's personalized goal plan and use the enriched data to illustrate how small changes in behavior, such as increasing savings or cutting spending can help increase their chances of success.

The Challenges of Accessing All the Relevant Data

A financial plan should not just look at investments—it should also take into consideration a client's financial health, behaviors, goals, and values. An advisor needs an efficient way to gain a comprehensive view of their client's financial life. The goal is to avoid the "shoebox" approach, a labor-intensive process where a client provides paper statements, which the advisor must then manually enter into their financial planning platform.

How Aggregated Data Paints a Full Financial Picture

Integrating financial data aggregation into your financial planning solution enables investors to easily grant permission and share their financial data with their advisor. The data will uncover patterns and trends, making it easy for advisors to glean insights and provide informed recommendations. To support detailed financial planning, your aggregated data should provide:

A Full View of a Client's Financial Situation

Arms advisors with a holistic view of their client's financial situation to unlock insights to facilitate meaningful conversations about short- and long-term financial goals, objectives, risk tolerance and personal values.

Comprehensive Investment Data

Provides reliable access to a broad set of data from financial institutions' data sources and a variety of account types.

The Morningstar® ByAllAccounts® Difference

Investor Benefits at a Glance:

- Productive advisor-client discussions
- A personalized, goals-based financial plan
- Investment tracking tools linked to financial goals

Meaningful Insights

Offers enriched investment data, enabling a system to connect to a trusted ecosystem of insights that can provide portfolio market and risk exposure, environmental, social, and governance (ESG) metrics, and other investment details.

ByAllAccounts is an investment-first data aggregation platform that enables advisors to provide personalized financial planning services. ByAllAccounts can be integrated as a white-labeled feature within your financial planning solution. It can also be leveraged through the Morningstar Goal Bridge Financial Planning Solution, which is available through the Morningstar OfficeSM Platform.

Broadest Source Coverage

ByAllAccounts connects you with the broadest investment data sources in the financial planning industry, delivering the most comprehensive data from more than 15,000 sources—including cash, investments, credit, loans, and mortgages—for visibility into investors' holdings, transactions, spending habits, and cash flow. Our differentiated long-tail approach includes an industry-leading number of retirement plan providers and 401(k) recordkeeper sources.

Data Enrichment

Our data enrichment capabilities are powered by artificial intelligence, machine learning, and more than 20 years of institutionalized knowledge. Our proprietary process unlocks access to the Morningstar ecosystem and leverages the Morningstar® Security IDs, which are used in the mapping process for seamless data integration with Morningstar solutions. Through security matching technology, holdings are consistently mapped to their accurate security identification, down to the share class.

Unlocking the Morningstar Ecosystem and Insights

Morningstar Security IDs are used in the mapping process for seamless data integration with other Morningstar solutions, which can help unlock additional insights on aggregated financial data to support:

- **Planning Based on Goals and Possibilities:** Aggregated data provides a complete picture of a client's assets, giving their advisor the insights they need to ask meaningful questions about their client's current needs and future plans. From there, the advisor and client can collaborate on goal-setting.

Advisor Benefits at a Glance:

- Faster client onboarding
- A holistic view of each client's financial net worth
- Seamless access to tools for personalized, actionable financial planning

- **Risk Profiling:** Comprehensive risk assessment must consider both the client's risk tolerance and the optimal timeline for goal achievement to assign a risk score to a client during financial planning.

By appending Security IDs to each portfolio holding, you can connect to the Morningstar Risk Ecosystem to view the risk scores associated with individual securities as well as an entire portfolio. You can then compare the portfolio risk score to the client risk profile to ensure that they're aligned. Understanding the potential impact of each risk factor and scenario can minimize threats and improve outcomes for clients

- **Investment Planning:** Security IDs appended to held and held-away investment data can unlock meaningful Morningstar data analytics. An advisor can align their client's target allocation to the best model, and then customize the securities and weights, optimizing each goal. Backed by Morningstar data, research, and analysis, the advisor can model comparative scenarios and make better decisions.

- **Portfolio Monitoring:** Having ongoing access to the investment data appended with Security IDs from Morningstar gives advisors the ability to proactively monitor their clients' portfolios against goals and rebalance as needed over the course of a financial plan.

Contact Your Local Sales Representative

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Ready to make complete investment data part of your financial planning process? See for yourself how aggregated data can enhance your financial planning.