The world of investing has changed over the first 30 years of my career. Perhaps the biggest surprise has been the gradual shift from traditional alpha chasing to what is best described as "*Organizational Alpha*."

Today, I want to share some examples how this evolution has manifested itself at our firm, *Ritholtz Wealth Management*.

From Portfolio Management to Full-Service Wealth Planning

In the early days, the core offering was portfolio management — globally diversified, low-cost, disciplined. That hasn't changed. What has changed is everything we built around it.

Investors need more than just a good portfolio. They need someone to coordinate their entire financial landscape — investments, taxes, estate plans, insurance, equity compensation, retirement plans, and charitable giving.

This comprehensive approach has resulted from a deep understanding of client goals. We focus on achieving desired client outcomes. Maximizing investment returns is only one part of that journey.

Orchestrating Tax Planning and Wealth Management

Many advisors treat tax planning as an afterthought. We witness so many errors, oversights, and missed opportunities from CPAs who fail to orchestrate investments and tax planning. after reviewing thousands of client tax filings, we realized we needed to make this a central function, and Ritholtz Tax was born.

Tax planning and preparation are now critical parts of our service model and among the most meaningful ways we can improve client outcomes.

It's not just about preparing taxes. It's understanding the entirety of a client's tax situation which informs how we deploy tax loss harvesting, estate planning, and gifting strategies. Every Ritholtz Tax client gets a pro-forma tax analysis completed during the tax year so our tax focused investment strategies have the time they need to deliver results to manage tax bills. Waiting until the tax year is over is simply too late.

Behavioral Management

I stumbled down the behavioral finance rabbit hole in the 1990s on a trading desk. It has been the single most important insight I have learned regarding investors' success in markets. We became known as one of the earliest adopters of combining BeFi with a data-based approach to managing client wealth.

Avoiding mistakes is so much more important than stock-picking or market-timing for your long-term success. Whether it's "Liberation day" market jitters or volatility caused by spiking oil prices, our clients depend on us to help process current events and understand the impact they may have on a long-term financial plan.

Corporate Retirement Plans

Our dedicated 401(k) team works with business owners and executives on plan development, design, and deployment. A well-structured retirement plan is one of the most powerful tools a company has — for recruiting, retention, and the long-term financial health of its employees.

Reach out to the team to learn about the impact of the "mega backdoor Roth" on your long-term savings.

Concentrated Positions

When clients come to us with large, concentrated stock positions, they need more than just advice to "Diversify!" They need a thoughtful, long-term, tax-aware plan to reduce risk without causing an unnecessary tax event. Our team of advisors and tax pros work together to develop a custom strategy that balances diversification with the real-world tax consequences of unwinding those positions.

Diversifying concentrated positions without subjecting clients to substantial tax hits has become significantly easier with the introduction of long/short equity strategies.

Custom Indexing Through Canvas (Equity)

We were among the first adopters of O'Shaughnessy Asset Management's direct indexing platform, Canvas (now part of Franklin Templeton). Today, we have over a billion dollars on the platform. Why? Because the results speak for themselves — clients on Canvas have experienced an average after-tax boost of ~80 basis points since inception, driven primarily by systematic tax-loss harvesting. We have a meaningful level of client assets in direct indexing strategies, and we expect that number to grow significantly in the years ahead.

Bespoke Fixed Income Strategies

The investment management industry has historically allocated to fixed income categories without much regard to the clients' individual situations.

The relative attractiveness of municipal bonds, treasuries, and corporate bonds varies dramatically based on your specific circumstances. One investor's optimal ***max after tax yield*** will be different than another's.

We leverage portfolio management software through *Canopy Capital* to maintain a consistent exposure to a client's *individually optimized bond allocation*, with the additional benefit of tax loss harvesting. It is a custom solution driven by your income, federal tax bracket, and state and city tax levels.

Long/Short Portfolios

For clients looking to offset substantial capital gains taxes, we manage leveraged long-short equity portfolios through AQR and OSAM. These are systematic, tax-aware strategies designed to harvest ongoing, usable tax losses while deferring taxable gains. These maintain moderate net market exposure, allowing the investor to compound more pre-tax gains and pay less tax along the way — especially after a taxable liquidity event (selling a business, building, a highly appreciated home, or concentrated stock holding).

Employee Stock Option Plan Management

We work with many clients whose wealth has come from company stock: not only founders' shares and employee stock options, but RSAs, RSUs, NSOs, and

ISOs. The key to successfully navigating this alphabet soup of equity is to approach it from both a diversification and tax planning perspective.[1]

Trust & Estate Planning

Estate planning is one of those things we all know we need, but nobody wants to do. Our in-house estate planning attorney and team work to make sure your documents reflect your intent, your family is protected, and nothing gets overlooked.

Whether it's straightforward succession planning or complex multi-generational wealth transfer, we view it as a vital part of the ongoing advisory relationship — not just a one-time discussion.

Private Investments

More and more people come to us with private investments – that's why we added a full-time dedicated analyst to cover alts, including private debt, credit, hedge funds, and venture capital.

As our client base has grown in both size and sophistication, so did the demand for access to private markets. But as I noted earlier this month in Ill-Liquidity Premium, the median alternative fund is not worth the fees, illiquidity, and complexity.

We approach privates the same way we approach everything else — with a well-founded focus on what actually adds value after fees.

Non-Profit and Institutional Management

We partner with nonprofit organizations to navigate the unique complexities of institutional management. Our team serves as both a governing and managing fiduciary, handling investment policy development, design, and deployment. We also assist with major giving strategies, leveraging our in-house tax and estate planning professionals to help organizations facilitate planned giving and complex charitable contributions.

Financial Literacy — It's in Our DNA

Education has been part of this firm's identity since before the firm existed. Between The Big Picture, A Wealth of Common Sense, The Compound, Animal Spirits, Masters in Business, At the Money, and the dozens of other media channels our team contributes to, we reach millions of people every week. We believe that informed clients make better decisions, and better decisions lead to better outcomes. Financial literacy isn't a marketing strategy for us — it's a core value.

The Evolution of Ritholtz Wealth Management

When we started Ritholtz Wealth Management in 2013, the vision was straightforward: build a firm grounded in evidence-based investing, behavioral finance, and radical transparency. Two partners, $60 million in assets, and a shared conviction that Wall Street's traditional model was broken.

Thirteen years later, we manage over $7.6 billion in client assets for 1000s of families. But growth in AUM only tells part of the story. The real evolution has been in what we do for the people who trust us with their finances.

What Comes Next

The evolution of RWM has always been driven by one question: *What else do our clients need?* Every capability we've added — tax, estate, privates, direct indexing, retirement plans, non-profit services — started with that question. We expect the next decade to bring just as much change as the last, and we plan to keep building.

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Speak With Us

Do you need a financial QB to manage all aspects of your financial life? If so, reach out. To learn about how RWMworks with clients, reach out to us at Info AT RitholtzWealth.com, with the subject line "QB."

If you live anywhere near the Bay Area, come speak to us at our upcoming event in San Francisco during the week 0of April 14-17th. Email us: Info AT RitholtzWealth.com, with the subject line "San Francisco."
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Previously: