



NATHAN LINDSTROM

MONEY TALKS

FOCUSED ON GROWTH AND MOMENTUM

Sentinel Trust increased assets following last year's dip



BY JONATHAN ADAMS
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Since taking over as CEO of Sentinel Trust in January, Lissa Gangjee said she has increased assets under management by 20 percent and assets per client by 23 percent as of June.

Gradual increases in each are typical for Sentinel Trust; however, the company saw a slight decrease between 2017 and 2018, when the company reported a 5 percent decrease in assets per client, from \$112 million to \$106 million, and a 2.7 percent decrease in assets under management, from \$3.7 billion to \$3.6 billion.

Gangjee spoke with the Houston Business Journal to explain that change, how the industry works and the firm's future plans.

► CLOSER LOOK

LISSA GANGJEE

CEO of Sentinel Trust

Age: 44

Family: Married, two children

Hometown: Portland, Oregon

Education: BA in Comparative Literature from Smith College, JD from Fordham Law School

Hobbies: Traveling, cooking, biking the bayou

Favorite thing about Houston: "The inclusive and expansive business culture."

First, can you explain how the wealth management industry works? The wealth management industry provides investment and planning advice to individuals across the wealth spectrum, from those first starting out to those with multi-generational wealth. Delivery models, service offering, investment platforms and compensation schemes vary widely. Interestingly, there are very few providers poised to serve the unique needs of the ultrawealthy, who may have operating businesses, concentrated assets, complex trusts, and/or decisions to make about transferring wealth to the next generation. At Sentinel Trust, that's all we do, every day.

What do you enjoy about your new role as CEO? According to Gallup StrengthsFinder's Assessment, I most enjoy rendering value. It's true. Some days that means second-seating a client entrepreneur on business succession issues. Some days that means working with teams internally to automate processes, ensuring more timely information flow. Some days that means structuring a job around an employee's true gifts in order to provide them with career path and opportunity for professional growth. I love this industry. I love building this business. I love rendering value to our clients, our shareholders and our colleagues.

Since becoming CEO at Sentinel, what changes have you made? For several years prior to taking the reins, I worked closely with D. Fort

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SPECIAL REPORT

Flowers Jr., Sentinel Trust's founder, executive chairman and former CEO, to prepare the firm for the transition. Among other changes, we brought new talent to our board: Walter J. Muller, retired CIO of Bank of America, and Mark J. Sparano, former Chief Audit Executive of U.S. Bank and Bank of New York Mellon. But overall, my tenure has been a period of continuity and growth for Sentinel Trust clients; assets under management are up 20 percent since year-end 2018.

What has been one of the greatest challenges in your career? I searched a long time for the right platform to serve the ultrahigh net worth market – with institutional-quality investment solutions and uber talented professionals capable of rendering sophisticated tax/estate planning and family office services, delivered by people who feel like family. It's hard to find. I have worked in this industry on all three coasts, starting in New York, to Portland and now in Houston. I joined Sentinel Trust during an exciting phase of its life, which gave me the opportunity to help shape a unique business model, increasing growth and momentum for the firm and our clients.

I noticed last year Sentinel reported \$112 million in assets per client, but this year it reported \$106 million. Why is that? In previous years, many clients of Sentinel Trust enjoyed hefty portfolio gains, which were realized in large part before the 2018 year-end market correction. Taxes and the year-end correction are largely responsible for the relatively small move. That said, Sentinel Trust clients are again well ahead in 2019 – as of June 30, Sentinel Trust reports \$4.31 billion AUM and \$130.6 million in assets per client.

What are some of your goals for the company? Sentinel Trust is uniquely focused on managing the financial and non-financial affairs of a select group of wealthy families – providing investment, tax, and estate planning strategies, trustee services, and lifestyle services with personal touch. There are only about two dozen multi-family offices nationally, which serve a similarly homogenous set of ultrawealthy clients – our median client has \$40 million invested with Sentinel Trust. Our goal is to serve as many qualified client families as practicable while flawlessly executing on our commitment to them, becoming the most respected multifamily office in the country.

What advice would you give to someone interested in a career in wealth management? Get as much education as possible early – CFA, JD, CPA or CFP. Understand how the

person or company you are working for is compensated in order to understand how they are motivated. Ultimately, no technical skill can replace true care and concern for your client.

What is your greatest achievement? I live life with no alarm clock.

This interview has been edited for length and clarity.

“My tenure has been a period of continuity and growth for Sentinel Trust clients.”

LISSA GANGJEE,
CEO of Sentinel Trust



From left: Sheltha Smodic, Maureen Phillips, Tom Wilkama, Leah Bennett, Donnie Roberts, Susan Wedelich, Katie Slater

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