

UBS's Charles Day: How I Quadrupled Assets in 7 Years

BARRON'S

By [Andrew Welsch](#)

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There's growth and then there's *growth*. In the seven years since advisor Charles Day joined UBS, his assets under management have quadrupled to approximately \$1.1 billion. The New York-based advisor attributes that success to several factors, including hard work and a bit of luck, but also to a key tip from his wife that helped him hone his soft skills: enroll in divorce and mediation training. "A big part of mediation training is to stop talking and listen to what the other person is saying," Day explains. "Don't just pretend to listen and prepare your rejoinder."

A 24-year industry veteran who ranks among [Barron's top 1,200 advisors](#), Day also discusses pivoting to a wealth management career after having served as a prosecutor, the difference between serving high-net-worth and ultrahigh-net-worth investors, and how a former boss became one of his first clients.

You worked as an appellate prosecutor in the Brooklyn District Attorney's office before becoming an advisor. What was that like?

It's kind of like being a gladiator because there are no witnesses or juries. It's your adversary, you, the transcripts of the trial, and three to five state or federal appellate judges. Every time I got up and said, I'm "Charles Day for the People, Your Honor," a chill would go down my spine. I did that for over three years and I loved every minute of it. That was actually some of the best training for being a financial advisor. Partly because of the competitive aspect of it but also because you had to persuade appellate judges of the rightness of your position.

How do you persuade people?

You can just bulldoze your way through it, but that's rarely effective. You might have the better of the argument, but what you need to do is to see other people's point of view and to help them see your point of view.

After I became a financial advisor, my wife [who is a family and divorce mediator] suggested I go through mediation training. A big part of mediation training is to stop talking and listen to what the other person is saying. Don't just pretend to listen and prepare your rejoinder. Hear what they're saying. And before you give your answer, repeat back what they said. That's called looping.

If you have to repeat what they said, there's no way to do that without actually listening and paying attention. And it shows them that you heard what they said, you care about what they thought, and what you're going to say next is going to relate to what they just said.

It's not just a very valuable skill to have as an advisor, but for life. If you loop with somebody who you have a disagreement with, it brings you closer together and maybe you reach a resolution without having an argument.



Charles Day, private wealth advisor at UBS
Illustration by Kate Copeland

How did you get your first clients as an advisor?

[As a new advisor] I did seminars in hospitals for the residents [doctors in training]. I'd go in there and buy them sandwiches and talk to them for about 10 minutes, then answer their questions for the remainder of the hour. I showed two slides: the benefits of being in the market full time and the benefits of starting at an early age.

Some of the clients I got in those seminars are my clients today. One of them runs a major hospital in New York. For another, I not only manage his money but his extended family's money. Some of my [other early] clients were divorced women. That became a pretty important niche in my practice.

How would you describe your service model to clients?

Basically, anything with a dollar sign, we try to help. Private jets, estate plans, mortgages. We'll help with a budget for your kids, credit card debt, rent, having a car. If we can't do it, we know who can do it.

If you were a divorced woman, and you felt disrespected or otherwise by the car dealer, well I've had clients ask me to help them. I've negotiated the buying or leasing of cars for my clients on several occasions. There was one year when I bought three cars from the same dealership in Westchester County, N.Y. By the third time I walked in, the dealer was like, "What is going on here? Who are you?" It was actually kind of a funny moment, but it got me into a high-service model where we will do anything for our clients.

Why did you move to UBS from Morgan Stanley in 2014?

Morgan Stanley was a great firm, and it's grown dramatically. That means that there are a lot of different advisors clamoring for attention. I liked the feeling of a smaller firm like UBS. It [also] orients itself more toward higher-net-worth clients, which is where my practice was going. It's easier to get help. I'm on a first-name basis with all the senior people at UBS. I'm able to get things done at UBS that I can't do at any other firm on the Street, and that's been a huge help and a part of why my practice has grown so rapidly.

What was your AUM when you moved, and what is it today?

When I joined in 2014, my assets were at \$240 million, and they just crossed \$1.1 billion. It's been a remarkable run. A lot of different factors went into it.

A lot of your wirehouse peers have left to open their own registered investment advisory firms (RIAs). Do you think you would have grown as fast if you had been an independent advisor?

I definitely would not have grown as fast if I was independent.

My growth has been a confluence of a lot of things. I'm at the peak of my career. Part of it is a little luck. I had a few clients sell their businesses, and I had been trained to handle bigger accounts. Part of it is UBS's platform, and my skill to navigate that platform. And part of it is if you can handle bigger accounts, you do that well, then you get more referrals. It snowballs.

If we get a \$50 million account, we don't know how the client wants to handle it, but we know what they may need. I don't have to guess what the issues are: trusts, financing of properties, estate planning. The question is what they want to do.

You've committed to staying at UBS for your entire career, right?

I've been here seven years. I signed the ALFA deal [a retention/retirement deal] with the firm. My deal takes me through to age 70 because I think this is a great place to be and I want to finish my career here. That's also kind of a statement about how great I think this firm, you know. I'm putting my money where my mouth is. Obviously it would be more lucrative to move [and take a recruiting deal], but it was better for me and for my clients to stay.

You're a senior portfolio manager at UBS. How do you think about portfolio management?

I run three different equity portfolios: an index fund portfolio; a growth portfolio that is about half technology and half other high-growth stocks; and a dividend portfolio that is 20 dividend-paying stocks, equal weighted (20 stocks, 5% each).

It used to be that asset allocation was easy but stock picking was hard because the indexes weren't doing so great. Now I would argue that it's easy to pick stocks, but the asset allocation part is harder.

On larger accounts, it won't be 60/40. They'll allocate to alternative investments. The more interesting and harder question: How much do we want in alternatives? How much do we want to stretch for growth? Does the client say, "I want the biggest amount of money that I can have?" Or does the client say, "I'm approaching \$200 million, I don't need massive growth. I just want steady growth and to keep what I have."

It's rare [that clients] talk about a given stock and what it has done. It's more about the overall asset allocation. Are you comfortable with what we have here? If we have another meltdown because of a pandemic or whatever, are we OK? Those are the kinds of things we talk about. For private wealth advisors, we help [clients] make good decisions in general with regard to their wealth and match their investments to what their needs and inclinations are. Which stock I pick—that's a much smaller and a less interesting part of what is important to them.

How is it different working with clients or different levels of wealth?

This is kind of a weird thing to say, but if you have \$80 million, it's easier to manage that kind of money than \$800,000. A misstep for somebody who has less than \$5 million can change their life dramatically.

If you have a \$4 million client, a key question is: Are you tilting the portfolio toward growth or toward value? At \$25 million, it's: What percentage are you putting into public markets

versus private markets? What are you doing in hedge assets and structured products? It is a very different conversation.

As an outsider, I would have thought it would be harder to manage large assets rather than small ones.

You feel just as responsible for a \$3 million client as you do for a \$30 million client. When somebody trusts you with their assets and their well-being, that's a moral obligation to do a good job and to pay close attention. I've got clients under \$10 million and clients over \$50 million. Their needs and investments are different. What isn't different is that they all deserve your attention and care. You have to make sure that you're doing the best job you can for them.

Do you remember the first client that you landed?

My first big client was actually my boss when I was a prosecutor. She was one of the senior prosecutors in the office. When I joined Smith Barney [in 1997], and we had kept in touch, she pointed out that even when I was a prosecutor, I was always reading The Wall Street Journal. So she wasn't surprised I went to Wall Street. She's still my client today and one of my closest friends.

How do you start your day and how do you end it?

I wake up at six every morning. I start my day working out or I walk along the beach. I try to do something physical every day. I'm normally done working between six and seven. We'll have dinner, we'll do something around the house. Maybe watch a show. I try to get to bed by 11, and sometimes I actually make it.

When you're competing to get a client, what helps you clinch that deal?

UBS is the largest wealth manager in the world. Half the world's billionaires do business with us. So our capabilities are all geared toward ultrahigh-net-worth clients. When I talk to prospects, I show what we can do across the board. We're also open architecture. The firm

never comes to me and says, "You need to do this fund or that manager." They literally couldn't care less. I'm a senior portfolio manager myself, and that's just fine with the firm. So all those things help clients know that they'd be well taken care of and the firm is looking at whatever tools I need to do a great job for people. It's hard, by the way. Most firms don't have those capabilities.

What's the most important part about being an advisor?

It's important that you care about people. And if you do a good job for them and they know that you care about them, that will rebound onto you as well. I've had clients refer me to their parents.

Clients have referred you to their parents?

Yeah. One of the clients I met when I was a rookie and he was a [medical] resident, his wife referred me to her parents. Seriously, what bigger compliment is there, right? She wanted her parents taken care of. I've had a few clients who have done that.

Thanks, Charles.