



INSTITUTE *for* PREPARING HEIRS®

YOUR ACTION PLAN

# Trusted Family Advisor®

## 5 Steps to Building & Keeping a Multigenerational Clientele



# CHECKLIST

## Trusted Family Advisor®



1.	I am aware that the <b>greatest wealth transfer in history</b> is underway and that a substantial majority of heirs change advisors upon receiving their inheritances.	
2.	I define my clients by <b>their entire families</b> : grandparents, parents, children, grandchildren and spouses.	
3.	I am aware that <b>70% of family wealth transfers result in loss of control of assets and family unity</b> , and I know the reasons why.	
4.	I am aware that <b>women will control 70% of U.S. wealth</b> by the end of this decade.	
5.	I am aware that successful families are more concerned about the <b>impact of wealth on their children</b> than the <b>amount</b> of wealth that will be inherited.	
6.	I understand why <b>family meetings are important</b> and how they help align families for a successful wealth transfer.	
7.	I can suggest <b>conversations all families can have</b> that build trust and improve communication and family unity – all necessary for a successful wealth transfer.	
8.	I offer <b>generational wealth planning for the entire client family</b> that includes addressing the future success of the children.	
9.	I offer generational wealth planning to <b>clearly differentiate my business</b> with prospective client families and influencers in my community.	
10.	I have a competitive advantage by using new tools and resources that <b>prepare families to prosper and thrive</b> across generations.	

# Setting The Stage: The Great Wealth Transfer

Today's new reality in wealth management has largely been brought about by what we refer to as The Great Wealth Transfer®. Over the next several decades, trillions of dollars worth of family assets will transfer, from spouse to spouse, parent to children and grandchildren, and others held dear, bringing about one of the most exciting business growth and client retention opportunities in the history of wealth management.

## **The Estate Plan Is Set, But Are Families Prepared?**

For many families, the management of the estate by the beneficiaries does not go well. Assets are lost and family unity is disrupted, sometimes permanently. The estate plan may be set, but families are not prepared!

Today family estate planning is more than maximizing returns and minimizing taxes. With increased longevity, many grandparents and parents want to experience in their lifetimes, the joy of seeing their beneficiaries benefit and learn from the family's wealth. We call this trend in estate planning, *giving while living*.

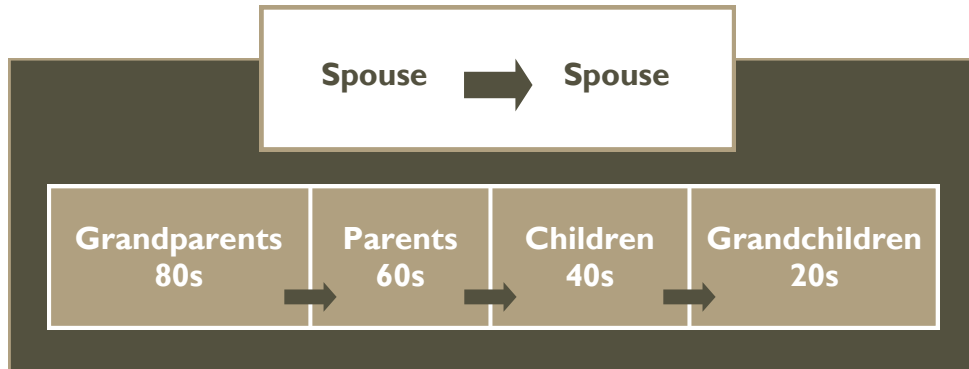
All families can benefit from a well-planned wealth transfer — whether they have \$1 million, \$10 million or \$100 million in assets.

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*Preparing families to prosper and thrive  
across generations will not only grow  
your business, but show your clients that  
you care about the future success of their children.*



# A Lot of Money in Motion!



Why it's so important for you to connect with the entire family

## ***New Opportunities for Advisors:***

- We are experiencing one of the most exciting business opportunities in the history of wealth management
- \$84.4 trillion in assets will change hands over the next 25 years – the largest inter-generational wealth transfer in history<sup>1</sup>
- Women will inherit 70% of wealth being transferred over the next decade<sup>2</sup>

## ***New Challenge for Advisors***

70% of women leave their advisor in the first year of widowhood<sup>3</sup>

## ***New Challenge for Families***

70% of wealth transfers are not successful; loss of family cohesion and control of assets are the most likely outcomes<sup>4</sup>

## **A Successful Wealth Transfer *for* Advisors**

*When advisors build a relationship with the entire client family and retain the beneficiaries as clients.*

– INSTITUTE *for* PREPARING HEIRS®

<sup>1</sup> Cerulli Associates, 2022

<sup>2</sup> McKinsey 2020

<sup>3</sup> McKinsey 2020

<sup>4</sup> The Williams Group

# How Needs of Affluent Families Are Changing

**Today, wealth advisors prepare assets for heirs . . . going forward, advisors will also prepare heirs for assets.**

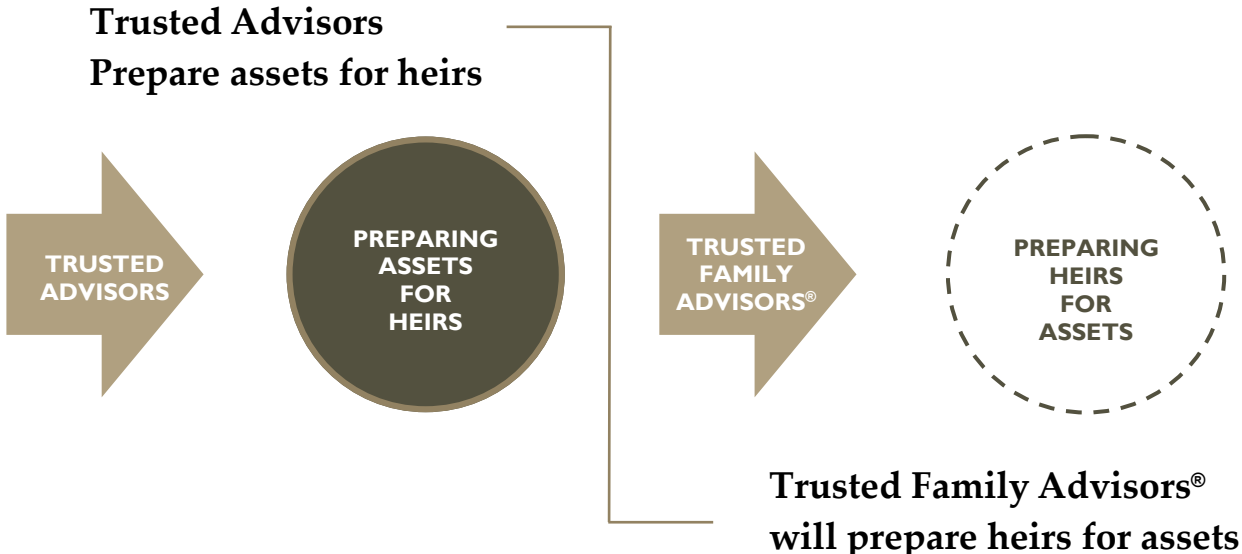
Typically, parents in their 60s, 70s, and older are most concerned about a smooth and successful transfer of assets to their heirs.

When problems arise, they are seldom the result of estate planning technicalities. Unresolved issues among family members are most often the cause of the failure of estates following a successful transfer.

Managing their money and doing it well will no longer be the differentiator it has been in the past.

Today families are seeking a Trusted Family Advisor® to not only manage assets, but also help them prepare their heirs for a successful wealth transfer . . . beyond money management.

**A Successful Wealth Transfer for Families**  
*When the beneficiaries receive and manage assets in a manner to foster happy, healthy and fulfilling lives.*  
— INSTITUTE for PREPARING HEIRS®





# Going Beyond The Money

## Becoming The Trusted Family Advisor®

### What is Family Wealth?

Family wealth includes a family's resources and assets in all forms – cash, bonds, equities, ownership interests, and real property, as well as family name, knowledge, health, spirituality, family unity, and support of community.

Family wealth is a reflection of more than the money. It's a sum of the values that form the foundation of the family.



### What is a Trusted Family Advisor®?

Institute for Preparing Heirs® defines a Trusted Family Advisor® as one who looks beyond the money to develop many different relationships with the entire family and addresses the family's need to be prepared for the successful transition of wealth.

When asked in a Boston College Family Wealth Impact Study\*, clients clearly want much more than financial advising. According to the study, the central theme from clients was, *"It's not just about the money."*

### What Differentiates Certain Trusted Family Advisors®:

**100% – Much more than financial advising**

163% – Broaden clients' concept of wealth

117% – Strong portfolio performance

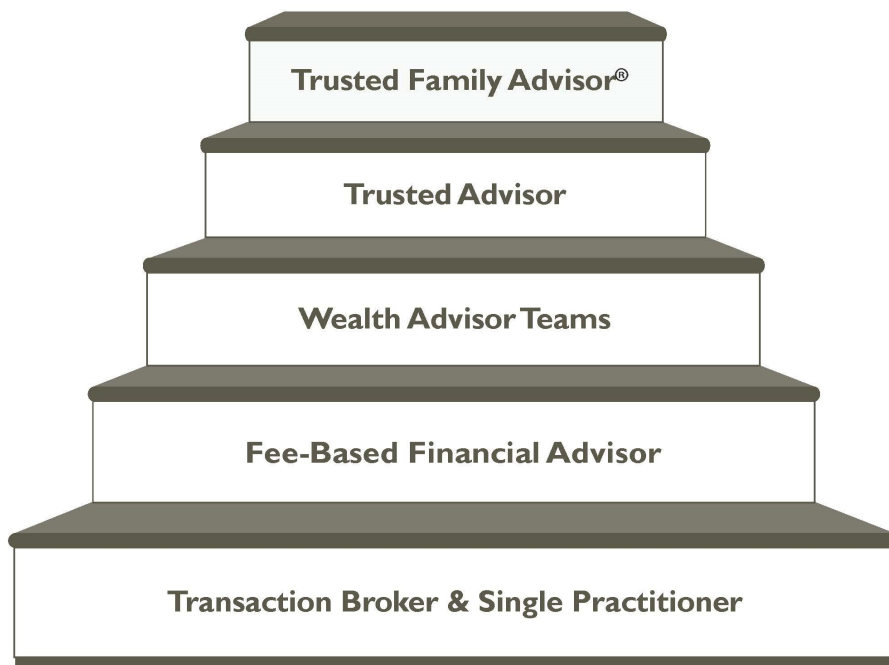
Clients also want advisors to bring a broader definition of wealth to the client/advisor relationship and to be able to address the family topics that are critical to a successful wealth transfer.

\* Wise Council Research Associates, Wisdom & Wealth Advisory Study, 2009

# Taking The Next Step

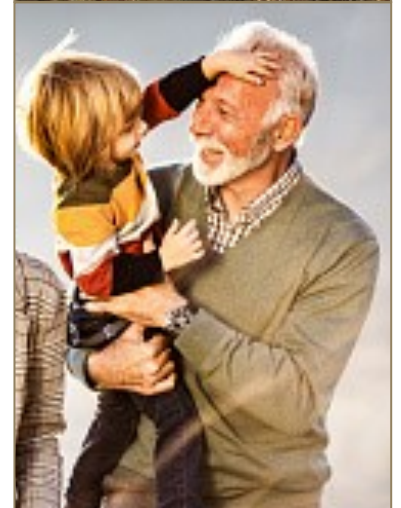
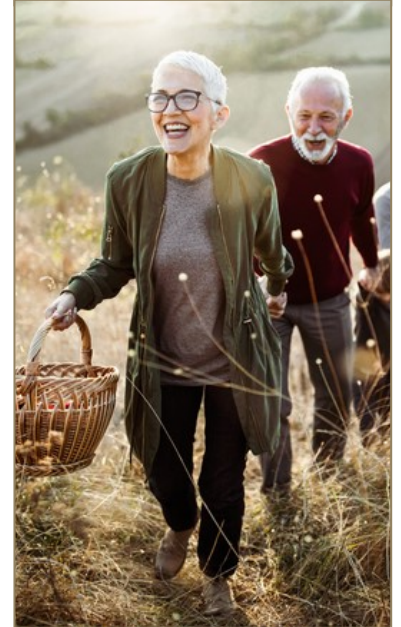
## The Evolution of Advice

**Becoming the Trusted Family Advisor<sup>®</sup>** is the new paradigm for financial advisors. In the 1990s, the broker stepped up to financial advisor who gave asset allocation advice for a fee, and then in the 2000s, stepped up to become the wealth advisor who built a team to provide comprehensive wealth management advice. And the wealth advisor became the trusted advisor. Now, to meet the evolving needs of families, the trusted advisor steps up to become the **Trusted Family Advisor<sup>®</sup>**.



### The Trusted Family Advisor<sup>®</sup> Mission

To thoroughly understand you, your family and your assets, and then craft a plan to manage all assets you entrust to us – with the long-term goal of preparing your family to prosper and thrive across generations.



# Building Competitive Advantage

We define Building Competitive Advantage as offering advice, services and tools your peers are not offering to UHNW an HNW clients and their families. You can also think of this in terms of “building your peer advantage.”

Using the Institute’s new or proprietary learning and tools will position you to:

- Stand apart from your competitors by engaging clients and their families in conversations that they have not had before with you, their trusted advisor. We know from experience that these are conversations that families have not yet had with their children . . . but they can be transformational to a family.
- Bring “family” into the wealth transfer conversation is your new role as the Trusted Family Advisor®.

Remember the study that found being a good parent is the greatest aspiration of affluent families. Expanding your offerings beyond asset management to include generational wealth planning and the future success of your client’s children will set you apart from your peers.





## 5 STEPS:

# Building & Keeping a Multigenerational Clientele

STEP 1: Expand your value-add services

STEP 2: Bridge relationships between generations

STEP 3: Provide a menu of offerings tailored for the children

STEP 4: Offer practical usable tools to engage the parents

STEP 5: Differentiate your business from your peers as  
the Trusted Family Advisor®

We've learned at the Institute that if you implement these important steps in your practice you will be successful in building and keeping a multigenerational clientele.



STEP

1

## Expand Your Value-Add Services to Include Generational Wealth Planning

### What is Generational Wealth Planning?

When the Trusted Family Advisor® **engages the entire client family in the financial and estate planning process**, and provides advice and resources to prepare the inheriting generations to receive and manage wealth in a manner that fosters happy, healthy and fulfilled lives.

#### “SAMPLE” TEAM MEETING AGENDA

### Expanding Our Value-Add Services to Include Generational Wealth Planning

1. **Review The “Why” of Generational Wealth Planning:**
  - Have team members take the Trusted Family Advisor® Checklist (page 2)
  - Define The Great Wealth Transfer® and its opportunities (and impacts) on your practice
  - Discuss what becoming the Trusted Family Advisor® means and how you define your relationship with client families
2. **Explore how The 5 Steps to Building a Multigenerational Clientele can benefit your practice** (page 8)
3. **Introduce Family Conversations Booklets and tools** included (Client Family Tree, Trusted Advisor Tree, Family Document Locator and Family Estate Roles Worksheet)
4. **Discuss how team members can help support this new initiative**

STEP

2

**Bridge relationships between generations – grandparents, parents, children, grandchildren and their spouses, before the estate transfers**

## Segment Your Book by Generations

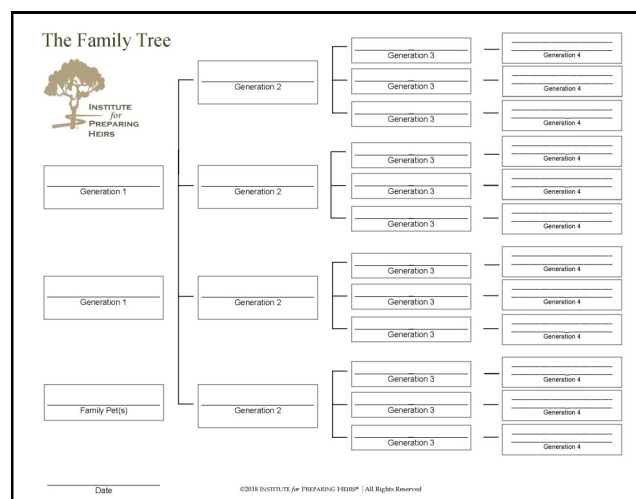
Segment your book by generations: grandparents, parents, children grandchildren and spouses. This goes beyond the gold, silver, platinum or A, B, C segments that are typically based on assets and revenue.

To bridge relationships between generations, you need to know who the family members are in each generation:

- Who are the parents of your clients? Are they your clients now?
- Which clients are parents? Do you know who their children are? Are they clients now?

When completing a family tree for your clients, always ask about parents...baby boomer clients might be interested in sharing with their parents the family records organizer and select Family Conversation Booklets to open the conversation about estate planning that might not have been discussed.

Creating and maintaining a database of your client’s children is good place to begin. How many client’s children do you currently have as clients? Once you have this database, what menu of services can you offer them?



## STEP

## 3

## Provide a menu of offerings tailored for the children/potential heirs of HNW and UHNW families

Build relationships with your entire client family by offering services to their children/potential heirs:

- **Offer to set up a meeting for the family with you** — to learn more about what you do for the family now and what you can do for the entire family going forward will be most appreciated. The vast majority of parents have not introduced their children to their family's professional advisors.
- **Offer financial planning for each generation** — focus on the planning most appropriate for their age group (20's and 30's) For example: cash flow: income and expenses, saving for a first home, building and understanding credit, paying off student loans, Roth contributions, first will and trust, travel budget, favorite charities and causes, inheritance.
- **Offer beneficiary education plan** — which include investment accounts. This could be their first experience learning about the investment process and working with a financial advisor.
- **Provide the technology to support their preferences** — find out how your clients prefer to communicate with you...by text and not a phone call, meetings by Zoom and not in person.
- **Host educational events** — that grandparents, parents and children can attend together and host events specifically focused on Investment and financial planning for younger investors.
- **Add younger advisors to your team** — Not only for succession planning for your practice, but to be available to serve some of the needs of the younger clientele. Although the children of HNW clients want to know their advisors and work with their advisors, there will be opportunities for the younger advisors to build a relationship with them for the long-term.



STEP

4

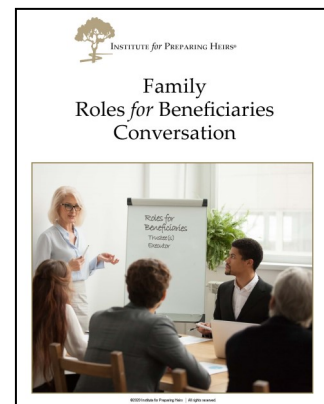
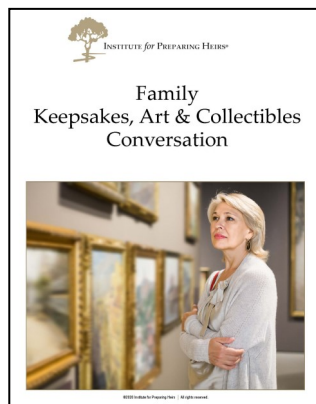
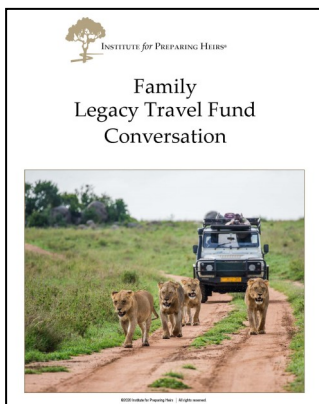
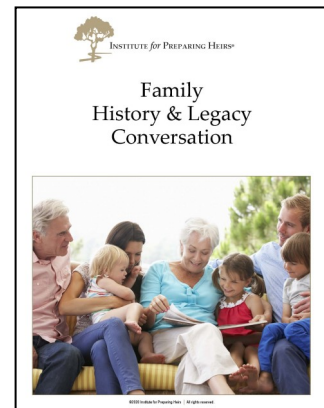
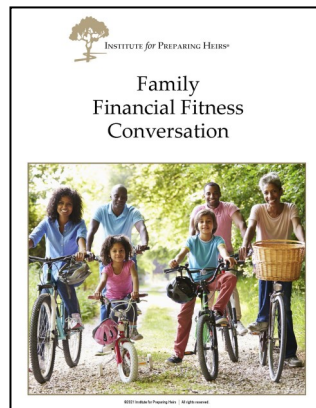
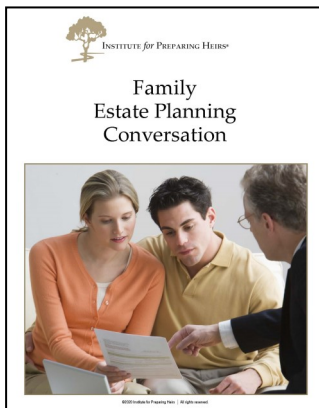
**Offer practical usable tools to engage the parents in conversations they have never had with their advisors or with their children to prepare for the transition of wealth**

## Offer Practical Usable Tools to Engage Parents

### IPH Collection of Family Conversation Booklets

You will receive a total of 7 different Family Conversation Booklets from the IPH Collection. These can be printed and given to select clients, emailed to clients or you can order these in hard copy booklet form with your group name on the cover.

Start offering these tools to those clients, prospective clients, affluent women and COI's you have identified that will benefit most. These are exclusive conversation starters and will facilitate conversations you can't even imagine. We frequently hear success stories of how relationships have moved to a deeper level just by brining up these topics that include their children.

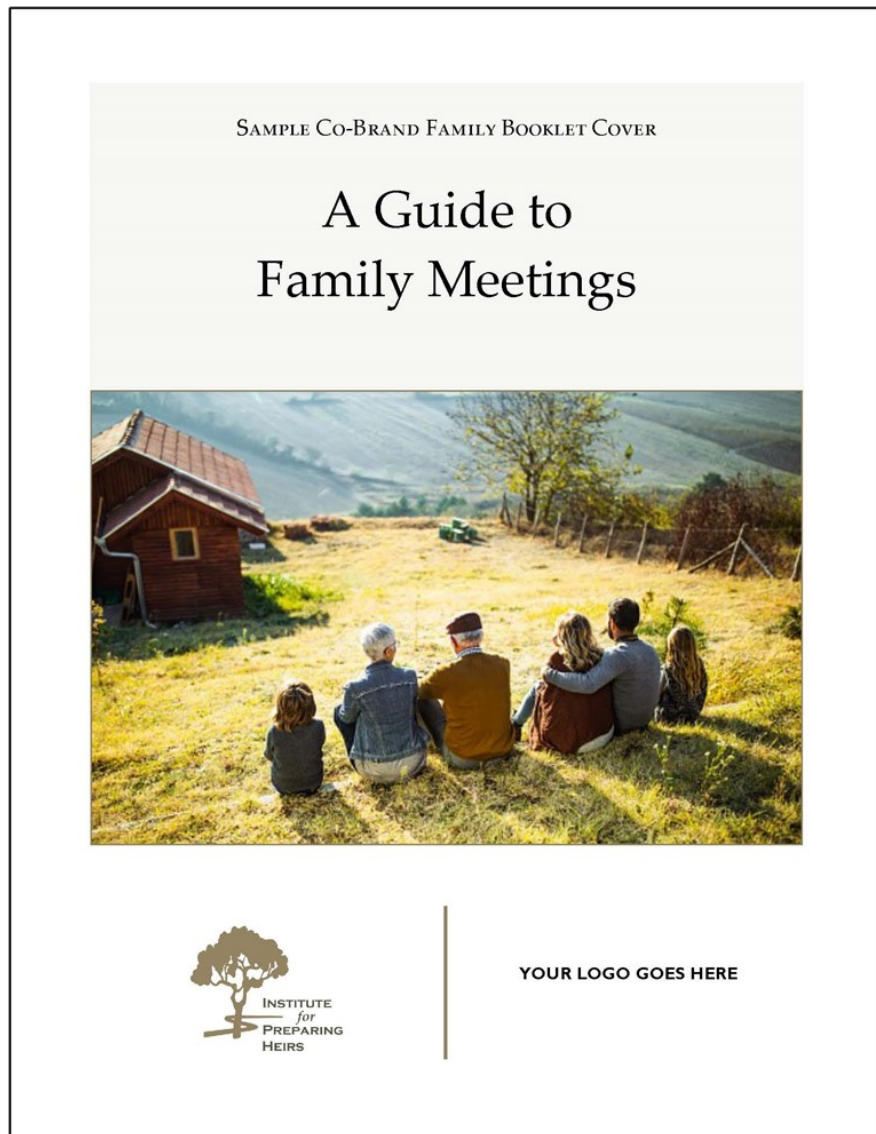


# Offer Practical Usable Tools to Engage Parents

## Guide to Family Meetings

If your plan is to share Family Conversations with your clients and encourage them to have the conversations with their families, also share the Guide to Family Meetings to help them create a positive experience for their loved ones.

Use the Guide to increase your own expertise on family meetings.



### Sample of a Co-Branded Family Conversation Booklet

Theses are hard copy, folded booklets printed on heavy paper stock with your team or firm name. Pricing will be provided upon request.

STEP

5

**Differentiate your business from your peers as the Trusted Family Advisor<sup>®</sup> with multigenerational families and the professional advisors who serve them.**

## Adapt Your Branding & Messaging to Reflect Your Evolution to Trusted Family Advisor<sup>®</sup>

### Trusted Family Advisor<sup>®</sup> Mission

To thoroughly understand you, your family and your assets, then build a plan to manage all assets you entrust to us – with the long-term goal of helping your family prosper and thrive across generations.

- Examine your messaging for your practice, including any brochure, website or social media profile. Revisit your business mission statement. Does it include “family”?
- **Frame and display** your IPH certificate.
- **Choose your favorite publication** – an organization you belong to, a community publication or an advertising opportunity in a publication for your niche market. (i.e. business owners) and submit an article. The message is being a resource for generational wealth planning.
- **Send a branded newsletter** from your group to send to Clients, Prospective Clients, Affluent Women and COI’s. The message is about being a resource for generational wealth planning.
- **Start a blog** to post on your website. The message is about being a resource for generational wealth planning.
- **Plan a client appreciation event** and bring in a guest speaker on the topic of preparing heirs for the responsibilities of wealth. Ask a COI to co-sponsor the event and invite his/her priority client families. You may even ask your favorite wholesaler to sponsor the event! These events are being held virtually now.



	Branding & Messaging	Strategy & Actions	✓
1	Does your business <b>mission</b> include a genuine concern for your client’s entire family and the prosperity and unity of future generations?	<p><b>Sample Trusted Family Advisor® Mission:</b></p> <p><i>To thoroughly understand you, your family and your assets, then craft a plan to competently manage all assets you entrust to us – with the long-term goal of helping your family prosper and thrive across generations.</i></p>	
2	Do you have a <b>website</b> that you can customize?	<ul style="list-style-type: none"> <li>• Add new content that talks about the “preparing heirs” topic</li> <li>• Update your “story”</li> </ul>	
3	Do you have a <b>brochure</b> for your firm?	Add content to reflect new generational wealth planning	
4	Do you send <b>newsletters</b> ?	<ul style="list-style-type: none"> <li>• Offer a book on generational wealth planning or an IPH Family Conversation tool</li> <li>• Start a column on this topic</li> <li>• Create a newsletter announcement for your new services</li> </ul>	
5	Do you have branded <b>articles</b> published and are you posting Blogs?	Be sure and add your name/firm to the byline. See the Blog written by the Institute.	
6	Do you host client families/prospective families at <b>events</b> on the topic of generational wealth planning?	Engage a speaker who is an expert on this topic.	
7	Are you on <b>LinkedIn</b> ?	Add your Institute training to your profile and <b>follow Institute for Preparing Heirs on LinkedIn.</b>	





# Sample Newsletter Announcement

## <Your Name> Among Top Financial Advisors Attending Program on Preparing Families for Successful Wealth Transfer

<YOUR NAME> recently completed an exclusive program offered by the Institute for Preparing Heirs® on the topic of *“The Great Wealth Transfer: Becoming The Most Trusted Advisor to HNW Families.”*

“One of the single biggest challenges facing successful families today is ensuring that the inheriting generation—the children and grandchildren—maintain control of the family assets and unity after wealth transfer. Comprehensive wealth planning encompasses more than excellent investment, tax and estate planning; it’s also important to ensure your beneficiaries are prepared to receive and manage family assets in a manner to foster their development and lifetime goals,” said <YOUR NAME>.

The Institute for Preparing Heirs® program focused on:

- The changing needs and expectations of successful families
- How family dynamics play a far greater role in successful wealth transfer than previously understood
- The important role for women as the family’s financial leader
- Practical tools families can use to prepare beneficiaries for the opportunities and responsibilities of wealth
- The benefits of family meetings, including conversation topics and tools that build and inspire trust and honest communication by finding common ground through a shared sense of purpose

As your trusted advisor, I understand the importance of being well versed in how your family successfully navigates through generational wealth transfer, whether you’re transferring assets over time or when the estate transitions.

Contact us today to find out how we can help prepare your family to prosper and thrive today and in future generations.

# Sample Article for Local Publication

## BEYOND THE MONEY

### Is Your Family as Well Prepared as Your Estate?

By <ADVISOR'S NAME HERE?>

Many financial advisors focus solely on investment management and estate planning — growing and preparing the assets for the eventual transfer to the next generation. At <YOUR BUSINESS NAME>, we go one step further. We also prepare the family. Why is this important?

Many families don't realize that having a solid estate plan is only part of the equation necessary to ensure a successful transfer of wealth — a transfer that benefits those who receive it. Wealth holders want their children and those they leave their estate to, to thrive. Unfortunately, even the best financial strategy cannot shield a family (or its assets) from issues within the family, such as conflict among family members, that often escalate after the passing of wealth to those unprepared for all that inheritance encompasses. Left unaddressed, issues of family dynamics, not technicalities in the estate plan documents, are more likely to wreak havoc on family harmony and erode the money successfully stewarded to the next generation.

What can a family do to prepare? Families need a new conversation about wealth that fosters a smooth and successful wealth transfer. Families who communicate well, trust each other, share a vision of the purpose (and mission) of their wealth, and have clearly defined roles for the heirs are more likely to avoid the pitfalls experienced by unprepared families. In short, it's not all about the money. It's also about the family's preparation.

How can a family begin a new conversation? Conversations can begin informally, perhaps around the dinner table with all family members, including spouses, present. Start with a topic of interest to everyone — the story behind the family wealth, for example. Another great topic is charitable giving. Talk about opportunities to involve the younger family members in a giving program. Giving as a family is a great way for children to learn financial responsibility. Don't let family dynamics get in the way.

Disagreement among family members is natural and will occur. Be sure to allow all voices to be heard without judgment or disruption. Listening is as important as speaking. Over time, conversations will evolve and deepen as the family becomes more practiced, and comfortable, at open communication. Further opportunities for family conversations may include future family roles for beneficiaries.

Through conversations beyond the money, channels of communication are opened, trust is strengthened and families are better prepared for the responsibilities that come with inheriting wealth.

To find out how we can help your family prepare for a successful wealth transfer, give us a call <YOUR PHONE NUMBER>.

# I commit to the following actions:

**ACTION:**  
Action to be Taken


Activities Needed  
(how, who, where)


Results to Achieve  
(how to measure, e.g. metric)




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Action to be Taken


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