

The Team Spirit: What Makes a Good Intergenerational Wealth Management Advisory Team?



70% of high-net-worth families lose much of their wealth by the second generation.¹



More than 60% of advisors reported that they now work in a team.²

That number rises to 90% by the third generation.¹



These teams can positively impact family financial planning across generations. But what makes a good advisory team that can address intergenerational wealth planning?

Advisory teams should listen to your family goals, not just list family assets.

When you first begin working with an advisory team, they should ask you *discovery* questions about your family goals and needs, rather than *fact-finding* questions about your family assets. Discovery questions show that the team is invested and interested in your long-term family goals—and helping you ensure your wealth lasts to reach and exceed those goals.

What are discovery questions?



- What would you say is your family mission?
- What is the legacy that you would like your family to leave?
- What issues and causes are important to you and your family?

Advisory teams should be multidisciplinary and diverse.

With younger generations increasingly involved in wealth creation and management, it's critical that advisory teams can address their specific financial needs and interests, as well as those of their parents and grandparents. Multidisciplinary teams—whose members have distinct roles and areas of expertise—are best equipped to address the financial wishes of multiple generations in the changing wealth landscape.



Over the next 30 years, \$30 trillion in assets will pass from Baby Boomers to their heirs.³



Between 2031 and 2045, 10% of wealth in the U.S. will change hands every five years.³



More than **one-third** (36%) of advisors are seeing adult children more proactively organize family wealth conversations, compared to their parents.⁴

Advisory teams should bring transparency to your family financial discussions.

Wealth management is a family activity, and the role of your advisory team is to provide not only advice, but also transparency—which is critical to raising children who understand the value of money. In fact, younger generations are increasingly asking for transparency to better understand how to preserve and protect family wealth. Advisory teams should be comfortable working with the entire family.



If you're interested in learning more about wealth management advisory teams and intergenerational financial planning, visit key.com/kpb.

¹Taylor, Chris. (2015, June 17). "70% of Rich Families Lose Their Wealth by the Second Generation." *Money*. Retrieved from: <http://time.com/money/3925308/rich-families-lose-wealth>

²Investments and Wealth Institute. "Explore the Advantages of High Performing Teams." (2017). Retrieved from: <https://investmentsandwealth.org/teams>

³Accenture. "The 'Greater' Wealth Transfer: Capitalizing on the Intergenerational Shift in Wealth." (2015). Retrieved from: www.accenture.com/gb-en/insight-capitalizing-intergenerational-shift-wealth-capital-markets-summary

⁴Key Private Bank Advisor Poll

Any opinions, projections or recommendations contained herein are subject to change without notice and are not intended as individual investment advice. Investments are:

NOT FDIC INSURED • NOT BANK GUARANTEED • MAY LOSE VALUE • NOT A DEPOSIT • NOT INSURED BY ANY STATE OR FEDERAL AGENCY

© 2018 KeyCorp. **KeyBank is Member FDIC.** E92189 180301-365261