

Financial firms prepare for changing of generational guard

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During the momentous week approaching the funeral of Queen Elizabeth II, financial firms have started to analyse the investment and family succession strategies which lead to the most seamless handover between generations.

Differing approaches

Those experts who oversee intergenerational transfers of assets and responsibilities highlight the different approaches of sometimes clashing generations, which need to be ironed out by wealth firms and family advisers. “The Queen was known for her commitment to charitable causes.



Jared Feldman, Leader of Anchin
Private Client

We see from working with high-profile, highly visible, and highly successful families that it can often be a challenge to ensure that the next generation will continue to be active in philanthropic activities,” says [Jared Feldman](#), partner and leader of [Anchin Private Client](#), a New York-based advisory firm specialising in the needs of privately held companies, investment funds and high-net-worth individuals and families.

“As we typically see values instilled by the elder generation, we can learn from the Queen’s example, and in seeing how her commitment to philanthropy has been embraced and carried on by her core family members.”

The dialogue with and within the family needs to be intensive enough to capture the values associated with investment appetite. This is demonstrated in the Royal Family, where King Charles’s investment goals involved climate change and ecologically friendly food production, while his offspring are more concerned with philanthropy and alleviating mental health problems.

“In our work with multi-generational families, we often see a disparity between the perspectives of younger and older generations, specifically when it comes to ESG (environmental, social and governance) investments,” says Mr. Feldman. “In many cases, the younger generation is passionate about the impact of their investments and seeks ways for their portfolio to mirror their values, while the older generation may have been historically focused solely on ROI (return on investment). How these dynamics ultimately fit into a family’s overall investment plan is typically sorted out over time through a dialogue, an evolution.”

Defined objectives

Regular, thoughtful discussions of differing viewpoints between generations is paramount. “This ensures, that when the time comes for a transition of power, the decisions may be more aligned because each generation has had a chance to convey the meaning and reasoning behind their priorities,” believes Mr. Feldman. “One of the best ways to ensure your legacy is preserved is to not only teach the next generation about your values and priorities, but to also be open and accepting of their views.”

Royal example

For wealth managers such as Anchin, the changing of the guard in the Royal Family could be pivotal in helping other, less high-profile families plan for both retirement and succession. “Typically, when there is a loss of a public figure and a resulting very public succession, it tends to remind us of our own mortality, says Mr. Feldman.