



WORK \ FINANCE \ LIFE



Twelve Leaders in
Cybersecurity; Can
Tech Disrupt War?; The
Intrapreneurship Boom



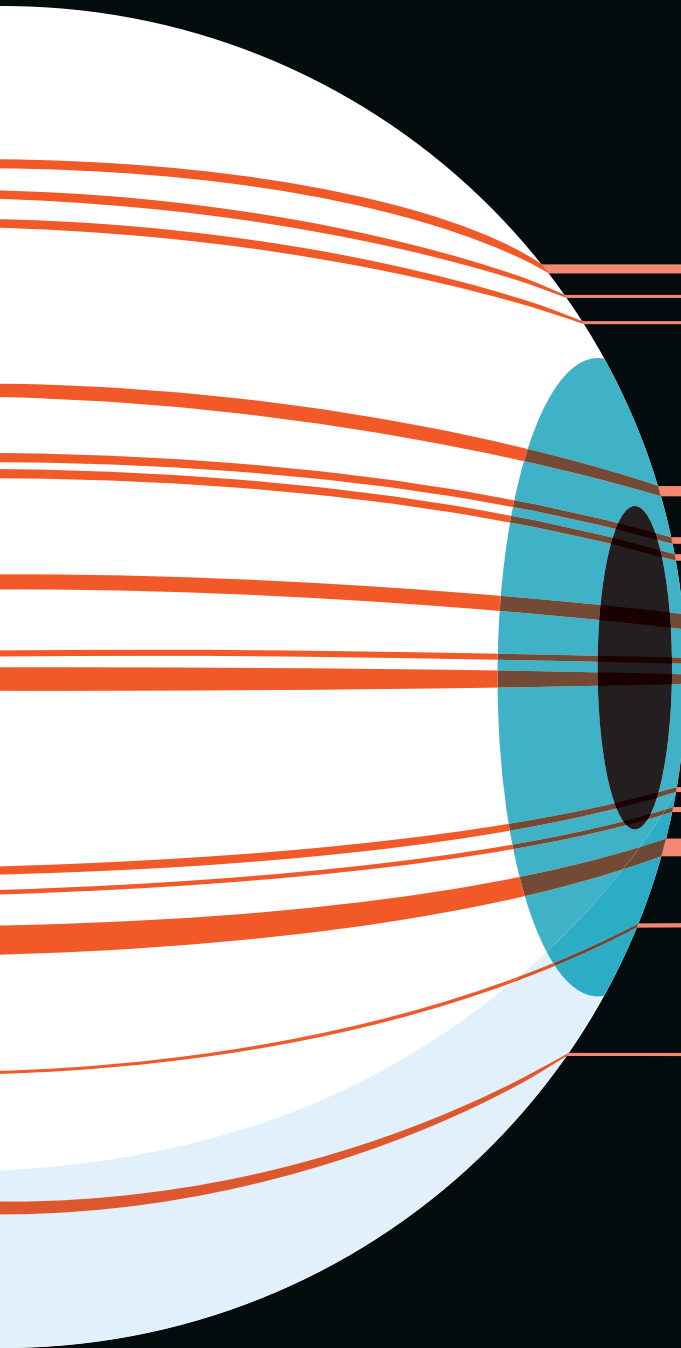
Soledad O'Brien on Smart
Guns; Essential Insurance for
the Affluent; How to Manage
Market Volatility



Defending Your Home; The
Safest Luxury Cars; New
Technologies for Protecting
Wine Collections

Worth[®]

THE EVOLUTION OF FINANCIAL INTELLIGENCE



WHO'S WATCHING YOU

AND HOW TO FIGHT BACK

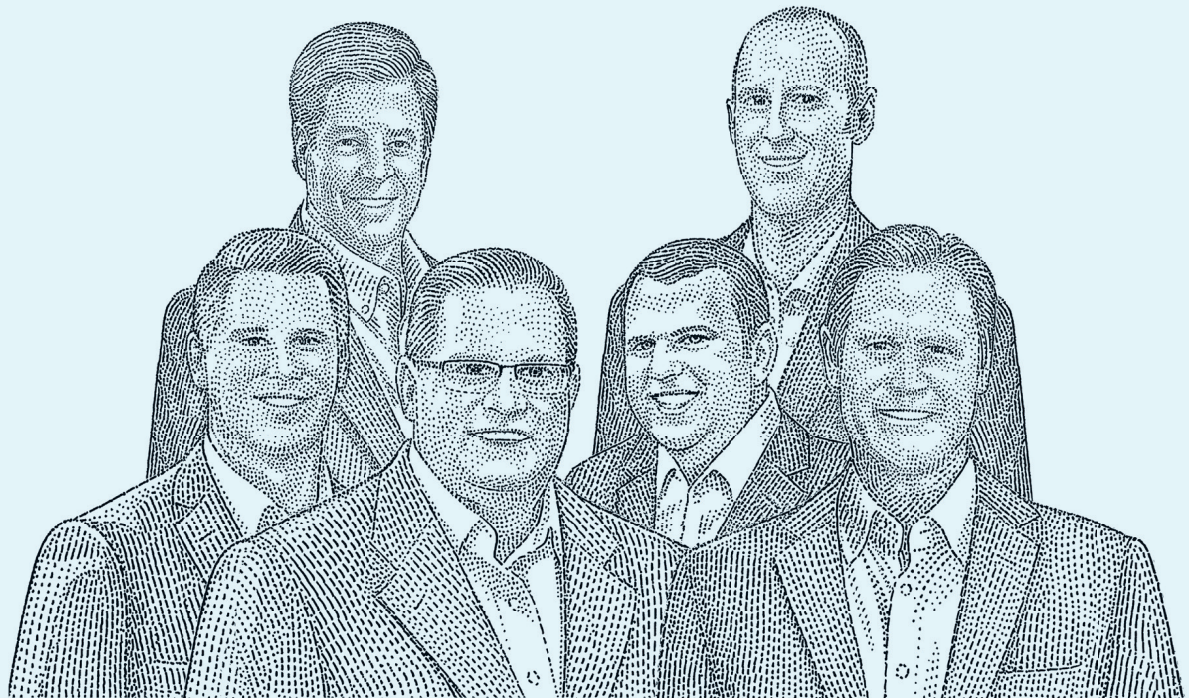
WORTH.COM



VOLUME 25 | EDITION 02

What are some formal and informal ways to engage the next generation?

BY MATTHEW A. HELFRICH



Clockwise, from top right: Matthew Helfrich, John Waldron, Benjamin Greenfeld, Chris Roe, Michael Krol, Jim Mendelson

WALDRON PRIVATE WEALTH

1150 Old Pond Road, Pittsburgh, PA 15017

412.221.1005

TEAM

John Waldron, CFP[®], Founder,
Chief Executive Officer

Matthew Helfrich, CFP[®], President

Benjamin M. Greenfeld, CFP[®],
Chief Investment Officer

Jim Mendelson, Managing Director

Michael Krol, CFP[®], CPA, Chief Financial
Officer, Chief Service Officer

Chris Roe, CPA/PFS, Managing Director

FINANCIAL SERVICES EXPERIENCE

112+ years (combined)

ASSETS UNDER MANAGEMENT

\$1.1 billion (as of 12/31/2014)

MINIMUM FEE FOR INITIAL MEETING

None required

MINIMUM NET WORTH REQUIREMENT

\$5 million

LARGEST CLIENT NET WORTH

Confidential

COMPENSATION METHOD

Asset-based (investment services),
hourly and fixed fees

PRIMARY CUSTODIANS FOR INVESTOR ASSETS

Fidelity Family Office Services and Pershing

PROFESSIONAL SERVICES PROVIDED

Planning and investment advisory services

EMAIL

jwaldron@waldronpw.com
mhelfrich@waldronpw.com
bgreenfeld@waldronpw.com
jmendelson@waldronpw.com
mkrol@waldronpw.com
croe@waldronpw.com

WEBSITE

www.waldronprivatewealth.com

W

e have all seen the number: \$30 trillion. Put it into Google and see how many hits you get; I just got 616,000.

According to an oft-cited 2012 report from Accenture, \$30 trillion is the amount of wealth the baby boomer generation will be transitioning to Generation X and millennials over the next 30 years.

Then there are **70 percent** and **90 percent**. These are the numbers cited by Roy Williams and Vic Preisser, founders of the Institute for Preparing Heirs, that represent the failure rates for wealth transfer between generations.

And those figures couldn't be more startling: 70 percent of the nation's wealthy will see their wealth disappear by the end of the second generation, and 90 percent will see it disappear by the end of the third.

As advisors, we often find ourselves at the center of engagement between parents and their children as it relates to developing a plan for successfully transferring wealth. In that context, we have found the following strategies beneficial as we work to engage multiple generations in conversations about family wealth.

BE INTENTIONAL AND PURPOSEFUL

Do not have the conversation in the

car on the way to the ball game or during a period of high emotion. Create a setting that is thought through. Put a quick agenda in place, and communicate that everyone is expected to contribute. Send the agenda in advance with a quick email. These meetings are about co-creating expectations and setting up a family vision, and the outcomes typically benefit from allowing participants the opportunity for advanced thought and preparation.

“

Giving responsibility and creating accountability conveys a sense of worth and shows your confidence in family members' decision-making.

”

BE TRANSPARENT

Withholding information creates an environment of mistrust. The information age is powerful, and we live in a search and discover world. So while your next generation probably has a good idea of your wealth, and likely do not understand the liquidity implications. Being open about these factors helps establish realistic expectations. And talking openly about your wealth and its challenges shows that you care about the success of future generations.

CREATE BOUNDARIES

Being transparent doesn't change the golden rule; whoever has the gold still makes the rules. Parameters should be set around what will be discussed and how family decisions will be made. As for younger family members, their ability to voice an opinion isn't the same as a vote. While the next generation should have a say, we work to leave the ultimate decisions in our clients' hands.

MAKE IT FUN

Allow the next generation to help plan for these conversations. This could be as informal as picking out the restaurant for the initial conversation, or as involved as researching and booking the trip for the next family-meeting getaway. Giving responsibility and creating accountability conveys a sense of worth and shows your confidence in family members' decision-making. It also creates a valuable sense

of peership between our clients and their next generation.

Creating the wealth was almost certainly not easy, and the statistics show that perpetuating it is no walk in the park either. Yet, there are practical ways to begin the discussion, and many of these tools and tips can evolve into more sophisticated conversations.

The key is to start the engagement process between our clients and their legacy. ●

Please remember that past performance may not be indicative of future results. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy or product (including the investments and/or investment strategies recommended or undertaken by Waldron Private Wealth), or any noninvestment-related content, made reference to directly or indirectly in this essay, will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this essay serves as the receipt of, or as a substitute for, personalized investment advice from Waldron Private Wealth. Please remember to contact Waldron Private Wealth, in writing, if there are any changes in your personal/ financial situation or investment objectives, for the purpose of reviewing/evaluating/ revising our previous recommendations and/or services. Waldron Private Wealth is neither a law firm nor a certified public accounting firm, and no portion of the essay content should be construed as legal or accounting advice. A copy of Waldron Private Wealth's current written disclosure statement discussing our advisory services and fees continues to remain available upon request.

ABOUT US

WALDRON PRIVATE WEALTH IS A BOUTIQUE PRIVATE WEALTH MANAGEMENT FIRM THAT ADVISES A SELECT GROUP OF HIGH NET WORTH INDIVIDUALS, FAMILIES AND FAMILY OFFICES. By limiting the number of clients it serves,

Waldron can offer greater focus on how to best simplify the complexities of significant wealth, so all clients can achieve what's important in their lives. Waldron's advisory team is prepared to serve the firm's clients across a wide range of key financial disciplines. The advisory team includes: three CPAs, ten CFPs, two CFAs, an attorney, a certified divorce financial analyst and three members holding certificates from the Institute for Preparing Heirs. ●



John Waldron, CFP®
Founder, Chief Executive Officer

Matthew Helfrich, CFP®
President

Benjamin M. Greenfeld, CFP®
Chief Investment Officer

Jim Mendelson
Managing Director

Michael Krol, CFP®, CPA
Chief Financial Officer, Chief Service Officer

Chris Roe, CPA/PFS
Managing Director

Waldron Private Wealth

1150 Old Pond Road
Pittsburgh, PA 15017
Tel. 412.221.1005

jwaldron@waldronpw.com
mhelfrich@waldronpw.com
bgreenfeld@waldronpw.com
jmendelson@waldronpw.com
mkrol@waldronpw.com
croe@waldronpw.com
www.waldronprivatewealth.com

REPRINTED FROM

Worth
THE EVOLUTION OF FINANCIAL INTELLIGENCE

Waldron Private Wealth is featured in Worth® 2016 Leading Wealth Advisors™, a special section in every edition of Worth® magazine. All persons and firms appearing in this section have completed questionnaires, have been vetted by an advisory group following submission by Worth®, and thereafter paid the standard fees to Worth® to be featured in this section. The information contained herein is for informational purposes, and although the list of advisors presented in this section is drawn from sources believed to be reliable and independently reviewed, the accuracy or completeness of this information is not guaranteed. No person or firm listed in this section should be construed as an endorsement by Worth®, and Worth® will not be responsible for the performance, acts or omissions of any such advisor. It should not be assumed that the past performance of any advisors featured in this special section will equal or be an indicator of future performance. Worth®, a publication of the Worth Group LLC, is a financial publisher and does not recommend or endorse investment, legal or tax advisors, investment strategies or particular investments. Those seeking specific investment advice should consider a qualified and licensed investment professional. Worth® is a registered trademark of the Worth Group LLC.