

How Financial Institution Leaders Can Prepare for the Largest Generational Wealth Transfer

With Michael Wilson, Managing Director of Wealth Management of First Citizens Bank; Tori Phillips, Vice President of Digital Products & Strategies of BOK Financial; and David Benskin, Founder and CEO of Wealth Access



A recent report from [Coldwell Banker](#) forecasts Gen Xers and Millennials will receive more than \$68 trillion in inheritance passed down from Baby Boomers. This indicates the largest inter-generational wealth transfer in history, yet financial leaders remain unprepared to serve this younger, digital-first demographic. As new beneficiaries emerge, FI leaders must position themselves to retain and attract their business. Intuitive digital tools set up to manage accounts and implement relationship strategies will become paramount for financial institutions aiming to win business with the rising generations.

First Citizens Bank Managing Director of Wealth Management Michael Wilson, BOK Financial Vice President of Digital Products & Strategies Tori Phillips and Wealth Access Founder and CEO David Benskin spoke with us to share deeper insight on how FI leaders can prepare for this transformative financial landscape shift.

How can financial institutions strengthen their position during this generational shift?



Michael Wilson

Wilson: FI leaders must develop deeper relationships with the families they serve well ahead of wealth transfers. We can begin establishing trust and familiarity by investing interest and time into our clients' children. We must strengthen our ties within the families currently served to ensure we have strong relationships in place with the soon-to-be primary account holders. FI's that work to proactively understand the financial habits and outlooks of Millennials and Gen X will experience the most success in building connections with rising generations.



Tori Phillips

Phillips: The wave of generational wealth transfer signifies a change in the demographics and outlook of a financial institution's targeted audience. The rising generations think differently and approach their financial management in a distinct way as well, which sets them apart from their parents or grandparents. FI's hoping to retain and attract rising account holders must pivot their current strategies to better connect and communicate using the methods preferred by incoming generations. Millennials and Gen Xers often like to communicate at their convenience and appreciate having the ability to connect as they see fit through in-person, mobile and digital channels.



David Benskin

Benskin: FI's will likely see a significant increase in requests from clients and prospects. However, FI's must keep in mind that they will not win all the new business, especially if they fail to deliver the digital services younger generations expect. Adopting a tech-first approach will enable FI's to better demonstrate to new account holders that they can evolve to meet their financial needs.

What separates receiving generations (Gen X, Millennials,) from their predecessors (Boomers) and how can financial institutions meet them where they are?

Wilson: Baby Boomers and the generations prior prized themselves on the relationships they formed with their advisors and FI's. While Gen X and Millennials also value the importance of relationship building, they look for FI's that can also meet their digital needs. They often encounter digital lifestyle conveniences and hyper-personalization in many areas of their lives. They expect the same from their financial experience – if not better – than those of retail for example. They aim to identify the best financial provider for their needs and may recognize that their expectations do not align with the FI's used by their parents or grandparents. Thus, FI leaders must prove they can shift and expand their institution's service capabilities to meet the evolving needs of these generations.

Phillips: Gen X and Millennials do not need constant communication with their FI's, unlike their elders. They can receive their information from practically anywhere today. Their independent nature means they often turn to technology to answer their questions rather than speaking with representatives. The only element the technology they use cannot provide is a human touch. Advisors aiming to build trust with this generation must go beyond providing answers to offering personal connections that make the relationship feel valuable.

Benskin: Gen Xers and Millennials demand more tailored banking experiences. They want to know their FI can anticipate their needs and deliver customized services and interactions. FI leaders must have the ability to offer digital opportunities to proactively manage their financial wellness. FI's need to understand the customer profiles they serve and prepare to execute personalized strategies that solidify account holders' trust and drive the relationships further.

How can financial institutions harness data to create a better digital experience that addresses these evolving needs of the incoming generations?

Wilson: FI's must strive to access all client information as needed in an optimized structure without facing friction. Ideally, customers should also need access to personalized information to engage with your FI. FI's with disconnected solutions stick out as outdated and often experience account holder dissatisfaction and reduced interactions. Leveraging data unlocks greater opportunities for FI leaders to establish a smooth omnichannel experience for both their team and customers. FI's that connect their data in one interface can eliminate friction for the end consumer, which will lead to stronger engagement and more accounts retained and gained.

Phillips: FI leaders need to recognize the complex relationship between data, technology and the next generation. Data holds a great deal of power and enables better understandings of each account holder. Gen Xers and Millennials want tailored interactions, albeit experiences that also ensure personal privacy and data protection.

Benskin: Data plays a critical role in revealing clear and consistent stories about the customers each FI serves. FI's leveraging data effectively can go beyond traditional customer engagement to deliver custom banking experiences suited to the needs and goals of each account holder, while also strengthening the account holder's relationship with the institution. Prioritizing data assets empowers FI leaders to build a clear understanding of each customer, gain insights into their financial journey, as well as capitalize on opportunities to extend the relationship through other relevant services.

What strategies can financial institution leaders leverage to better connect and build trust with the receiving generations?

Wilson: FI leaders can better position their institutions for future success by consistently investing in technology that enables streamlined digital services. Today's younger generations lean toward tech-focused companies that can provide hyper-personalization, especially in their digital banking experience. Rather than talking through all their financial needs with an FI, account holders want a system that allows seamless independent navigation for easier self-service.

Phillips: Meeting rising account holders where they are requires an open-minded approach to evolving the organization and its technological capabilities as opportunities arise. For example, Gen X and Millennial account holders may not always need to speak with an FI, but this does not mean FI's should de-prioritize providing easy outreach options. Ensuring customers have convenient ways to reach their institution when needed – both digital and in-person – helps build necessary trust and greater confidence in the relationship. FI leaders who encourage their teams to adapt to the shifting communication preferences of the incoming generations and offer meaningful support are bound to experience greater success in connecting with Millennials and Gen Xers.

Benskin: Having a full, 360-degree view of every client relationship will bolster stronger customer connections with the rising generations. FI leaders that can capture all customer data in a single, living dashboard can also cultivate insightful financial discussions with a full understanding of the touchpoints each account holder has with the institution. Leveraging unified data enables FI's to improve user experiences and ultimately form the trusting relationships account holders need to feel confident housing their inherited wealth with your institution.

About Tori Phillips

Tori Phillips is the VP, Senior Manager, Digital Product and Strategies at BOK Financial, a \$47 billion regional financial services company headquartered in Tulsa, Oklahoma with \$92 billion in assets under management and administration. In her role, Phillips conducts strategic planning across multiple business lines and oversees Product Managers and Financial Advisors to develop new features and service various Wealth Management clients.

About Michael Wilson

Michael Wilson is the Managing Director of Wealth Management at First Citizens Bank. Founded in 1898 and headquartered in Raleigh, N.C., First Citizens is the largest family-controlled bank in the United States, providing a unique legacy of strength, stability and long-term thinking that has spanned generations. For nearly a decade, Wilson has overseen the growth and expansion of First Citizens Wealth.