



Breaking the Attrition Cycle

Strategies to Retain Clients Across Generations and Preserve AUM

Client relationships are among the most valuable assets for financial professionals, yet they face significant risk during wealth transfer events. Research shows that 70% of women switch financial professionals after inheriting assets,¹ severing long-standing advisory relationships. For firms reliant on a small number of high-net-worth clients, even a few of these transitions can result in millions of dollars in lost assets under management (AUM), jeopardizing long-term growth and practice value.

Preparing You and Your Clients for Wealth Transfer Events

The “great wealth transfer” is a widely discussed topic, with frequent articles highlighting the importance of maintaining client relationships. However, the challenge persists due to a lack of practical strategies for financial professionals to improve retention rates and overcome key barriers.

To safeguard AUM, traditional planning must evolve to include innovative approaches that engage entire families, foster trust across generations, and build lasting client loyalty.

This article outlines actionable strategies, including how insurance solutions can serve as an “easy button” to deepen trust, strengthen multi-generational relationships, and increase the likelihood of retaining high-net-worth clients.



Simplified Solutions for Your Clients

Many financial professionals may hesitate to include life insurance solutions due to time constraints, lack of understanding, or licensing concerns. Crump eliminates these barriers through education, innovative solutions, and an easy referral process like [Sales Assist](#) — minimizing effort while maximizing results for financial professionals.

Engage the Entire Family in Planning

Retaining assets through generational transitions requires proactively involving spouses and children in financial discussions. Female clients, in particular, often prioritize risk management and legacy planning, making them a key focus in wealth transfer conversations. To build stronger, multi-generational relationships, consider these strategies:

Host Family Meetings | Introduce life insurance and estate planning during these gatherings to educate the next generation and align their expectations with their parents' goals. Family meetings foster trust, reduce financial anxiety, and position the financial professional as a comprehensive planner.

Focus on Female Clients | Research shows women are more likely to prioritize extended care and legacy planning, making these topics essential to address. Building trust through female-centric conversations strengthens loyalty and ensures alignment with family goals.

Leverage Life Events | Milestones like marriage, the birth of a grandchild, the sale of a business, or retirement provide natural opportunities to initiate meaningful discussions about family finances, laying the groundwork for deeper engagement across generations.

Start the Conversation Today

Future-proofing your practice starts with meaningful client conversations. Use these questions to engage your clients and involve their families in the planning process:

- “What financial plans do you have in place for your spouse and children if something unexpected happens?”
- “Have you considered how extended care costs might impact your family’s financial security?”
- “Would a family meeting help align your planning with your children’s expectations?”

42% of the U.S. population is now represented by Gen Y and Gen Z. Together with Millennials, these generations inherit **\$541 billion annually** — 30% of wealth transferred each year — and are poised to receive a significant share of the **\$84 trillion in wealth transfer by 2045.**²



Incorporate Insurance Strategically

Family meetings provide an ideal opportunity to introduce insurance solutions that address both asset preservation and extended care planning. These discussions resonate with spouses and children, fostering trust and strengthening multi-generational relationships.

Extended care events can quickly deplete a portfolio, with the average cost of a private nursing home room exceeding \$100,000 annually — a figure expected to rise. Proactively addressing these costs is crucial for protecting clients' wealth and reducing financial strain on their families.

Insurance solutions, such as long term care insurance or hybrid life insurance policies with long term care riders, offer several benefits:

Protect Assets | Provide dedicated funds for care costs while preserving investments.

Provide Reassurance | Ease financial anxiety for spouses and the next generation with adequate care provisions.

Support Family Legacy Goals | Reduce financial burdens on the next generation.

Additionally, insurance strategies can help manage wealth transfer risks:

Fund Estate Taxes | Provide liquidity without depleting other assets.

Preserve Wealth | Ensure smooth asset transfers across generations.

By incorporating these solutions into planning, financial professionals can secure clients' legacies while positioning themselves as trusted advisors for multi-generational financial needs.



56% of younger investors say they could be **easily swayed to switch financial advisors** for lower fees, compared to only 9% of Baby Boomers, highlighting the importance of reinforcing the value you provide.²

Leverage Crump for Seamless Insurance Implementation

To help tackle the challenges of wealth transfer attrition, Crump offers strategic support by providing actionable solutions, a diversified portfolio of planning concepts, industry knowledge, and advanced digital tools. A standout solution is [Sales Assist](#), designed to simplify life insurance integration into financial planning.

For many financial professionals, offering life insurance feels daunting. The perceived complexity and time investment often deter financial professionals from exploring this valuable option. Sales Assist serves as an “easy button,” removing these obstacles and helping deliver comprehensive, family-focused solutions while protecting AUM.

Key Features of Sales Assist include:

- **Streamlined quoting and application processes:** Saving financial professionals valuable time.
- **Pre-screening for underwriting insights:** Ensuring suitability and ease of approval.
- **End-to-end case management:** Minimizing the financial professional’s workload and delivering a seamless client experience.

With Crump’s experience and streamlined solutions, financial professionals can integrate life insurance effortlessly, empowering them to offer holistic financial planning to their clients.

Client Showcase: The Power of Planning Ahead

Mark, a 40-year-old financial professional, manages \$50 million in AUM across 100 households. Each year, one of his clients passes away, resulting in \$350,000 in assets leaving his practice. Over 30 years, this translates to a staggering 21% loss in overall AUM.

By proactively involving families in planning and leveraging insurance solutions, Mark transforms his approach. He strengthens relationships with clients' spouses and children, retains \$6 million in assets, and secures the long-term value of his practice.*



Bottom Line

With 57% of existing client assets expected to pass to the next generation by 2025², the “great wealth transfer” and shifting demographics make attrition a pressing challenge for financial professionals. Without proactive strategies — including the use of insurance solutions — billions in assets risk walking out the door. The solution lies in engaging entire families before wealth transfer events occur.

By fostering trust and strengthening relationships with spouses and future generations, financial professionals can protect their book of business from attrition and secure the long-term success of their practice.

Don't let client attrition and extended care expenses erode your AUM. Leverage Crump's knowledge and tools like Sales Assist to confidently introduce life insurance solutions, allowing you to focus on what you do best — building lasting relationships with clients and their families. Contact Crump today to gain the tools and knowledge to strengthen client loyalty and preserve assets across generations.

Contributor

Eileen Shovlin, is a Director of Business Development at Crump Life Insurance Services. She has been in the industry for more than 25 years and with Crump since 2016. Eileen helps high-end financial and insurance professionals build a more profitable business by creating better offerings for their clients, developing stronger retention strategies, and providing additional sources of revenue.

End Notes

¹ [The Future of Wealth is Female: Working with Female Clients Through Their Various Life Journeys](#); Transamerica

² [It's Time to Change Your Mind About Young Investors \(Cerulli Report\)](#); Fidelity

Contact your Crump representative today to discuss how to incorporate insurance solutions into your practice.



*Excerpt from Prudential's "Breathe Life into Your Practice," December 2022. Case studies are used to show how insurance solutions can be useful in the marketplace. Examples shown do not guarantee similar results as individual results may vary. When case studies are based on real life situations, the personal and financial information is changed for privacy reasons.

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