They have no money. And let’s be real – we spend time with millennials when we care needs and planning for estate taxes and reallocate the savings they’ve accumulated, not to mention addressing long-term care needs and planning for estate taxes and wealth transfer. And besides – why would we spend time with millennials when we know from experience that they are impossible to recruit, much less retain? Plus, they have no money. And let’s be real – they think their smartphone is their financial advisor!

But hold on a minute! Before we write off the generation that could revitalize, reinvent and even save our industry, we’d better be sure to choose our truth.

Let’s start with money. Or lack thereof. True, millennials are in debt. The average member of the class of 2013 graduated with more than $35,000 in college-related loans, according to a Fidelity survey. And they still live at home because they can’t afford to live on their own. According to the U.S. Census Bureau, a record-high 31 percent of millennials still live with their parents.

But how about a different truth? The sheer size of the millennial generation makes what they do with their money incredibly powerful. By 2017, their spending power will hit $200 billion. And the “great wealth transfer” from the boomers is already under way, with the expected shift to reach $30 trillion, according to consulting firm Accenture. Fewer than half of millennials expect to receive anything from Social Security, and the pensions their parents relied on are a thing of the past, according to Pew Research Center. This has made them a generation of self-reliant realists who buy into a long-term investment philosophy.

OK — so maybe their money makes millennials worth another look. But they think they don’t need us! They have the Internet to help them! And if they want advice, they’ll just jump onto their favorite social media site and see what their friends have to say. This generation goes beyond tech-savvy to tech-dependent. In fact, not only do they check their smartphones an average of 43 times a day, according to SDL research, but 83 percent actually sleep with their phones, Pew Research reports.

Here’s another truth: Millennials desperately need our help. This generation is the least financially literate across all generations. Our recent research, conducted in partnership with Texas Tech University revealed that just 5 percent of millennials are financially literate. So although they have access to every piece of information they could want — literally at their fingertips — they lack the understanding, confidence and motivation to put that knowledge to use. They need a trusted advisor who “speaks their language.” Someone who uses technology to communicate and social media to educate. The biggest shortfall of the smartphone is that it can’t persuade, influence or inspire millennials to actually do something — to take action to secure their financial futures.

Yet even with all of that, the “hype” tells us that millennials’ values don’t align with our purpose of helping clients achieve financial security. But once again, when you dig a little deeper, you find a very different reality. Some of millennials’ beliefs harken back to those of the boomers or even the silent generation before them. However, millennials are far more tolerant and open-minded. According to Pew Research, millennials place being a good parent, having a successful marriage and helping others in need above having a high-paying career. They respect their elders and value a mentor relationship. They want to work in a collaborative team environment.

All of this makes millennials not only ideal prospects, but also ideal recruits. We just need to make our message resonate, and do it in a way that ensures millennials are listening. As Joe Jordan shared in a March 2014 GAMA article: “When our industry rediscovers its true purpose, it will create an undeniable attraction for the (millennial) generation and create a new golden era for financial services.”

Cerulli’s Advisor Metrics Report tells us that the average age of financial advisors is 51, and that 43 percent of advisors are over the age of 55. They also count less than 5 percent of financial advisors in the 30-and-under age group. The bottom line: All of this adds up to our eventual extinction. If we keep ignoring millennials, it will be to our own demise.


Now is your moment of truth. Through which lens will you choose to view the millennials? Whether as a potential new client, or a potential new addition to your team — go out and meet a millennial and see them as someone with potential.