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BRINGING TOGETHER BOOMERS, GEN-X, AND MILLENNIALS ON MONEY ISSUES



THREE GENERATIONS, ONE HOUSEHOLD.

When Boomers, Gen X-ers and Millennials come together under one roof, differing experiences and opinions about money can lead to family friction.

Each generation has a different perception of risk, which typically comes from their early money experiences, says Scott Plaskett, a CERTIFIED FINANCIAL PLANNER® professional and chief executive officer at Ironshield Financial Planning in Toronto.

“Many Boomers grew up at a time when money was scarce, which makes them resistant to spending even if they can afford it. Their emotional response to a five percent loss in their portfolio

is far greater than the emotional high from a five percent gain,” he says. “Gen X-ers want freedom from that kind of denial but worry about making ends meet, paying down debt, and taking care of aging parents. Millennials meanwhile are freer with money, less concerned about debt, jump from one job to the next and want to fully enjoy the lifestyle experience rather than worry about a retirement date. These are all things that scare the generations that came before.”

How can harmony reign when the money mantras of grandma, parents and kids are in conflict? Communication is the key, says Mr. Plaskett.

“The older generation’s biggest fear is the transfer of hard-earned wealth to younger generations who are not properly prepared to receive it,” he says. “Every generation must be brought into the conversation about estate planning, major purchases and household expenditures.”

Regular discussions will help ensure that all three generations feel understood.

- Boomers are comfortable that their legacy will be valued, rather than spent irresponsibly.
- Gen X-ers are not overwhelmed by the weight of bills, careers and being sandwiched between two generations
- Millennials are not constantly criticized and marginalized.

A financial planner can help get the ball rolling, adds Mr. Plaskett. With an unbiased third-party on-side, logic rather than emotion will drive the discussion between the parties and result in a

multi-generation plan that works at all levels.

Once all the ducks are in order, he says, a solid plan offers benefits to the entire family.

- Boomers with resources the permission to stop denying themselves and take that first class trip of a lifetime that they've earned.
- Gen X-ers knowledge of how much they need to put aside for the future and the go-ahead to use the balance guilt-free.
- Millennials direction, with options, so they can live life to the fullest now while building wealth for the future.

If you need a qualified professional to help put your household on a sound financial footing, FPSC's [Find a Planner or Certificant tool](#) can help put you in touch with someone in your area. [Access additional resources.](#)



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Suzanne Petryshyn 2 months ago

Thank you for this article. As I was reading it, a picture of my own family around the table came to mind. My father, born in 1930, our children in 1990-2000's and my husband and I in the 1970's. We all have very different perspectives about money. Although my dad has passed away in 2009, I can still hear his voice when making a purchase or spending money in any way. "Suzannah, you spend money like it's water.". Our oldest daughter is in her 20's and I can also hear my dad's voice when I am talking about money with her because I had learned about the consequences of needing to have a brand new car while I was still in university.

Having spent money like I was still in my 20's....well into my 30's, I now have a relationship with a financial planner and a healthier relationship with money. She has taught me what putting away for the future means beyond knowing I will have enough to support myself in the future. Looking back, as a 20 year old, I was not ready for these difficult conversations about planning for the future, including death and what I would leave behind for our family. And risk? What risk?

Creating value for clients when talking about money can be challenging. I appreciate Jessica for her patience and persistence in getting to my core beliefs about money, saving and spending. She helped me to learn about planning and building personal wealth through the logical strategies, rather than through emotional decision making.

My field of work is conflict management and helping people manage the difficult, and sometimes awkward, conversations. Knowing how challenging it was for me to start conversations about money, it goes without saying that many others may have similar feelings when discussing finances.

Money is so connected to our identity. Research shows that conflict about identity is the most difficult to identify and resolve. When financial professionals have discussions about the link between identity needs and the logic of money, it helps people to see their own connections. This clarity helps with decision making. In my case, decision making started with my deciding to have a new relationship with money. I no longer have the belief that I spend money like water. Money flows, but the logic is simple. The flow is set up with

strategic plans for where it settles. By having a plan in place, when I choose to spend, there is a budget in place that removes the consequence of feeling guilt or shame because the purchase is not 'right' or 'needed'. This, in essence, is financial freedom.


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