

Millennials In Search Of Advisors

KAREN DEMASTERS

Millennials need assistance planning for retirement, but many advisors do not want to work with young people who have few assets. The solution may be for the young people to reach out to their parents' advisors for help, said Len Hayduchok, president and CEO of Dedicated Financial Services LLC in Hamilton, NJ.

“Millennials face a different set of challenges than older clients,” said Hayduchok, who works with retirees and pre-retirees and is connecting with their children. “The world is more complicated and more global. They do not know if Social Security will be there for them; they have no pensions, and they probably have student debt to pay off.

“They may have to work far past 65, and some of them feel there is no point of planning for an uncertain future,” he added. “So they live in the present. This is a tremendous challenge for millennials.”

They also have to deal with market volatility returning without being able to turn to the safer route of bonds because the returns are so low, he said. Nevertheless, Hayduchok said, millennials need to plan for both the short and long term.



“Most things in life that breed big results start with small gains, whether that is athletics, musicianship or finances,” he said.

Young people should start cutting tiny expenses for things they can give up and instead save that money. They should look into finding some way to bring in a little more money and save it. A big challenge for advisors is to persuade them to do this.

“Financial services professionals have ignored millennials for too long,” he said, “but these are their future clients. They should leverage the relationship their parents already have with an advisor, and the advisor should see them as the next clients.”