

How prepared is the investment industry and the next generation to manage inherited wealth?

Glacier has pinpointed three fundamental challenges that limit wealth creation and transfer across South African communities:

- **Access to specialised financial advice:** Accessing [specialised financial advice](#) remains a critical barrier to wealth creation, with financial guidance often hinging on personal connection and shared understanding between adviser and client.
- **Technology, innovation and accessibility:** Technological transformation presents both a challenge and an opportunity in democratising wealth management.
- **Education and family governance:** The intergenerational transfer of wealth requires robust educational frameworks and family governance structures. Successful wealth preservation depends on establishing comprehensive systems for financial education that begin within the family unit.

Khanyi Nzukuma, Chief Executive at [Glacier by Sanlam](#), says tackling South Africa's wealth transfer challenges will require the financial sector to leverage psychological insights, innovative technology, and targeted education initiatives to foster a more resilient future. "We must reimagine how the financial services industry approaches wealth preservation and transfer in South Africa. This means moving beyond traditional models to create solutions that reflect our unique social fabric and generational aspirations."

Key barriers to SA's wealth creation

The world's greatest wealth transfer in history has begun. Baby boomers will pass up to [\\$100 trillion](#) to younger generations by 2045, a historic shift driven by their numbers and accumulated wealth. This phenomenon fuels the rise of "[inheritocracy](#)", where inheritance overshadows earned income. In South Africa, this trend meets a harsher reality.

Nzukuma says global trends reveal that [70%](#) of wealthy families lose their wealth within two generations, rising to 90% by the third. In South Africa, historical wealth disparities amplify this urgency. "We cannot overlook the emotional drivers behind financial choices. Through my years of experience, I've observed that emotion rather than logic drives 90% of financial decisions – a key reason the sector must focus on building relationships and understanding clients' unique backgrounds."

Glacier's response to South Africa's wealth challenge

Nzukuma says Glacier is taking concrete steps to break down these barriers. "Access to specialised financial advice is a significant hurdle. We are creating a more inclusive wealth management experience by developing diverse advisers who connect with clients more personally. Currently, 28% of Glacier's 12 000 advisers hail from previously underserved communities, laying a solid foundation to expand comprehensive wealth management services across the country's diverse population."

The company is also harnessing technology, introducing AI-driven portals and 24/7 self-service options to meet the evolving expectations of younger generations while maintaining crucial human oversight. "This digital evolution is more than just a matter of convenience. It's about creating an ecosystem where financial guidance becomes more accessible, responsive, and aligned with contemporary lifestyles."

Nzukuma adds that Glacier also recognises the importance of creating structured approaches to financial literacy that evolve with each generation. "We should foster open dialogue about wealth management across family members and empower families to implement clear decision-making frameworks that respect traditional values and modern financial realities. Professional guidance is crucial in this ecosystem, bridging technical expertise with a deep-rooted understanding of complex family dynamics."

Collaboration can bridge SA's generational wealth gap

Nzukuma says collaboration among families, communities, and stakeholders is key to addressing generational wealth transfer challenges and building a financially resilient future for all South Africans.

“By blending immediate financial security solutions with long-term preservation strategies, we can transform today’s economic gains into enduring legacies. Through these efforts, institutions like Glacier can help address South Africa’s unique wealth transfer challenges and set a foundation for a more equitable and financially secure society,” he concludes.

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