

Wealth Reflections

Insights on building, preserving and passing wealth – Gwen K. Harvey

Family Meetings: A powerful tool if conducted correctly

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For some established families, the idea of having a family meeting conjures up images of turning children into the proverbial silver spooned members of society. Once they are fully aware of the wealth they will someday inherit, motivation may dwindle and respect for earning things the hard way may be forever lost.

Yet, if conducted correctly, family meetings can have a wonderfully positive impact. Conversation is stimulated regarding family history, family values and the source of wealth. Camaraderie is built surrounding the group's family and intellectual capital in a way that doesn't occur naturally during social family gatherings.

The challenge at hand is how to ensure these meetings are productive, and to use them as part of process that guides current and future generations away from the corrosive effects that wealth can produce.

Suggested Subject Matter

The strategic goal of a family meeting is to preserve not just the family's financial capital but its intellectual capital as well. For many families who assemble for holidays and social purposes, these meetings offer a dedicated forum for telling the family history to younger generations while developing a joint vision for the family's future. As such, family meetings should never be purely

financial. They should begin with an overview delivered by the facilitator that outlines the path the family is taking. After this overview, the family can decide what to include. Your facilitator (your key advisor or an outside facilitator) should be able to help you shape the agenda.

Guidelines for Implementation

All members of the family bloodline should be included, as well as their spouses. We recommend conducting two family meetings each year. There are four crucial communications ground rules that all participants should follow:

1. Show up on time.
2. Never begin a sentence with "but" (it indicates that you missed about two thirds of the prior speaker's point).
3. The Ouch Rule – if someone says "ouch", the discussion of that particular topic ends immediately.
4. No one should be criticized for speaking their own truth.

If you have never conducted a family meeting, consider brainstorming with your advisors to assemble a productive and useful agenda.

If you have questions about this or other planning issues, please give us a call.