

Wealth Reflections

Insights on building, preserving and passing wealth
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What Exceptional Families Do

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While reading a report about exceptional companies and what they are doing to stay on top, it made me think about successful families of wealth and consider what some do to stay ahead. “What are exceptional families doing to continue to grow and stay strong?”

With 30 years of working with some very progressive and prosperous families the following would be my observations about what successful families “do”:

- 1. Communicate Regularly** - A system is in place for the family members to learn, ask questions and understand the affairs of the family. For most this translates into regular meetings (Quarterly or more frequently) where an Agenda and content has been thoughtfully prepared and pre-circulated. The benefits of defined times for communication include a deadline for gathering information on a topic, confidence that all is being addressed and freedom between meetings to do other things!
- 2. Consult Specialists** – There is recognition that expertise keeps a family safe and progressing. Professionals, consultants and coaches are seen as assets and not expenses. The strategies and advice more than pay for their time, and the family gains the added benefit of a circle of wisdom and objectivity to assist with the family dynamics in the room.
- 3. Have a Decision Making Process** – Frequently there are complex decisions to be made. Some family members who understand the variables will be inclined to move faster towards a decision than those still learning the facts and alternatives. This can create tension and misunderstandings. Having a defined process where all facts and alternatives are

gathered and presented, given time to be considered and then acted upon, will inevitably allow a smoother and more congenial joint progression from idea to implementation.

- 4. Mentor** – Successful families, like successful business leaders, understand that one of their most important roles is to train their successor. Diligence around creating tailored Wealth Stewardship Policies and Next Generation Plans are key. This philosophy is embraced, developed and implemented.
- 5. Have an Organizational “Hub”** – With wealth comes choice. With choice comes complexity. Without a well-functioning organizational “hub”, mistakes can happen, opportunities are missed and tensions can rise within families. Single or Multi-Family offices offer the family a structure to gather, explore and keep information, and to pro-act on putting points #1, 2, 3 & 4 in place, as mentioned above.

It goes without saying that exceptional families also have strong elements of good character present. It is likely that fact, that draws them to looking ahead, and putting practices in place to help grow both the people and the wealth. One could argue that inevitably it is the investment in one’s “people” that ensures families continue to prosper, stay strong and thereby continue to be exceptional.

We can tailor specific programs and processes for your family. Please call to arrange an appointment if this would be helpful.