Holding Awesome Family Meetings

Presented by:

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The Challenge:

70% of estates and family businesses will fail after transfer to the next generation.

The Cause:

A Williams Group study of 3,250 affluent families found the 4 main causes of estate transfer failures:

1. Lack of family mission and vision: 10%

2. Breakdown of trust and communication within the family: 60%

3. Failure to prepare heirs for roles and responsibilities: 25%

4. Planning errors: less than 5%

The Solution? Awesome and Successful Family Meetings!
Awesome Family Meetings--Components

- Know in advance what you want to accomplish.

- Meetings focus on family business, the business of the family and family fun. But that is just the top, most visible layer!

- Use a facilitator who is not part of the immediate family.

- Comfort is a key consideration.
  - Ideal Location
  - Meeting Space
  - Sustenance

- Establish and stick to ground rules for operating in meetings that everyone agrees on.
Sample Family Meeting Guidelines

❖ What we say here remains in the room unless decided otherwise.
  • Okay to talk with spouse—encouraged

❖ Listen Actively.
  • Listening is a skill to be learned
  • Read “Crucial Conversations”

❖ Keep the welfare and harmony of the family uppermost.
  • Overriding intent of the Family Council

❖ Only one family member talks at a time.
  • Talking stick

❖ Everyone will be given an opportunity to speak.
  • Cannot hide behind a vote

❖ Keep an open mind. Remember where you stand depends on where you sit.
  • “Every child grows up in a different family.” –Perry L. Cochell

❖ Make “I” Statements.
  • Don’t speak for the group

❖ Don’t blame or attack.
  • Stick to the issues

❖ Talk about how you feel and what you think.
  • Individual perceptions are the reality of life

❖ Understand the boundaries.
  • The Family Council is not meant to provide a forum to solve ‘old family conflicts’, or delve into past family dysfunctional episodes or experiences
  • The Family Council has a limited purpose
- Prepare a written agenda. Start and end on time!

- Combine different types of experiences to keep interest and participation high

- Use an Ice Breaker exercise:
  Two Truths and a Lie

*Goal is to get them relaxed, laughing and feeling like it is a safe environment.*

- Written Exercises

  Example:
  - Family Wealth
  - Awareness
  - Questionnaire

- Written Assessments:
  Usually done in advance.
  Example:
  - Strengthfinder 2.0

  Stratton Leadership
  - Style Exercise (Intro)
<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
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<tbody>
<tr>
<td>8:00-8:45 a.m.</td>
<td>Set up and Meet with Parent(s)</td>
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<td>8:45-9:00 a.m.</td>
<td>Refreshments and Gathering</td>
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<td>9:00-9:15 a.m.</td>
<td>Introductions</td>
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<td>9:15-9:25 a.m.</td>
<td>Outline Family Gathering Agenda and Purpose</td>
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<td>9:25-9:35 a.m.</td>
<td>Introduce and Review Ground Rules for Guided Discovery Questionnaires</td>
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<td>9:35-10:15 a.m.</td>
<td>Child(ren) answer Guided Discovery Questionnaires</td>
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<td>10:15-10:25 a.m.</td>
<td>Break</td>
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<td>10:25-11:00 a.m.</td>
<td>Interview Child(ren)</td>
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<td>11:00-11:30 a.m.</td>
<td>Show “Turning Point” DVD and Summarize Affluenza Concepts</td>
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<td>11:30-12:00 p.m.</td>
<td>Parental Recitation of Family Story</td>
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<td>12:00-12:30 p.m.</td>
<td>Lunch</td>
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<td>12:30-12:40 p.m.</td>
<td>Parental Summary of Ideal Family Outcomes (Vision Statement)</td>
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<td>12:40-1:15 p.m.</td>
<td>Formal Adoption and Organization of Family Council</td>
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<td>1:15-1:30 p.m.</td>
<td>Break</td>
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<td>1:30-1:45 p.m.</td>
<td>Introduction of Family Council Guidelines</td>
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<td>1:45-2:15 p.m.</td>
<td>Family Brainstorming Worksheet</td>
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<td>2:15-2:45 p.m.</td>
<td>Random Thoughts Exercise</td>
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<td>2:45-3:00 p.m.</td>
<td>Family Council Assignment Exercise</td>
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Interpersonal Leadership Styles

Spontaneous

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<tr>
<th>Persuader</th>
<th>Counselor</th>
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<tr>
<td>Director</td>
<td>Analyzer</td>
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Challenging  Supporting

Disciplined
Facilitated Family Discussion Exercises:

- Expectations Conversations

- Appreciation Exercise

- Reminiscing Exercise

- Family Random Thoughts Exercise

- Grandparents Philanthropic Challenge

- Paired Practice
Facilitator Instruction:

Team up in pairs. Partners sit down and face one another. Explain that participants will be given a topic and they are to tell a story where they felt successful. They will share for 3-4 minutes. Keep track of the time and alert participants when 30 seconds is left.

The partner listening to the story will repeat back the story and share “how they felt” about what they just heard. They will have 2 minutes to repeat back the story.

Questions for Participants:

1. Share your own story about a time that you were successful. (This story is about the person telling the story.)

2. Share a story about when your partner (family member) was successful and you were there. (This story is about your family member and a success you got to witness first hand.)

3. Share a story about when you were both successful together.

During review and wrap-up of this exercise, incorporate these additional questions:

1. From being there the lesson I learned was…

2. Share a strength related comment about what you hear…
Outside Expert Training
- Bring in family advisor (Attorney, CPA, Investment Advisor) to teach on a topic of interest within advisor’s expertise

Family Member Teaching (investments, financial literacy, personal knowledge, etc.)

Video Presentations: Short (20 minute or less) inspirational messages.

Examples:
- Turning Point
- Even Eagles Need a Push
- Celebrate What’s Right With the World

Family Council
- Created with intent to have separate organization that will survive over multiple generations
- Each generation aspires for membership upon achieving adulthood
- Provides forum to work together, learn to lead, make joint decisions that impact future of family
- Officers Run Family Meetings
Family Philanthropy Project
- Created to give G2 a project to work on together to benefit someone other than themselves

Family Bank
- Created to give G2 opportunity to manage money together
- Funds can be used to pay for annual meetings, make intra-family loans, scholarships, etc.

Working Together on Committees
- G1 Creates Family Vision Statement
- G2 Creates Family Mission Statement & Family Seal
- G2 Amends Family Charter By-laws
- G2 Manages Family Bank
- G2 Develops Philanthropy Project

G1 Interviews, Recorded for Posterity
- Parent's Guided Discovery Interview
- Parent’s Story of Wealth Accumulation and Presentation of Family Vision Statement

G2 Reports to G1
- Family Bank
- Review Plans (logistics, location, agenda and budget) for Next Family Meeting
Thank You

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