

TRUE FAMILY WEALTH



Key Takeaways:

- › True family wealth is much more than just money
- › Strategies for family wealth also looks at things like integrity, accomplishment and effort, physical security, health and fitness, knowledge, wisdom and spiritual growth, family harmony;
- › The best strategies are developed using best practices and next practice
- › Legacy strategy is multi-generational and multi-generational in nature
- › It is important to look at the role you need to play as leaders and members of wealthy families in the implementation of a multi-generational strategy

Guidance

It is important to remember that true family wealth is more than just money. True wealth is a state of well-being, not necessarily monetary wealth.

True family wealth consists of:

- › Integrity
- › Effort
- › Accomplishment
- › Physical Security
- › Health
- › Wisdom and spirituality
- › Harmony and unity
- › Monetary wealth (although not the entirety of wealth, it is still a component of true family wealth)

We are all a part of both nuclear and extended families, and every family is an heir to certain legacies regardless of how much wealth they have.

Legacies can be athletic, academic, artistic, or intellectual, but our focus is on legacy families with substantial wealth and engage in:

- › Building businesses
- › Philanthropic activities
- › Asset structuring
- › Wealth management

One key observations for wealthy families to make is that not all wealth is material. Best practice is not enough, we need to think about next practice. Since best practice is already outdated, strategies must be able to change with the times. To do this, elements of a comprehensive framework must be addressed individually and together for both the short and long-term. Legacy strategies must be multi-generational and multi-dimensional, pulling strategies from a wide framework.

70% of wealthy families do not have a strategy. Strategies must be clear and defined, since hope is not a strategy. When preparing a strategy, it is important to decide what percentage of time is spent making a fortune, vs. preparing for the future. A lot of families may be tempted to spend more time making money but addressing the “soft issues” of family wealth is crucial. Creating and implementing these strategies allows you to become an integral part of the wider family history.

One of the main advantages of joining a wealthy family is that families that have prospered over time have often addressed the issues that families face and have actualized their visions. These families often have potential for the future if their strategies focus on best practice and next practice. These values can allow for the past prosperity of the family to continue.