

FULL DOCUMENT ARCHITECTURE



Questions to Consider

- › What are the short, medium, and long goals for your family business?
- › How can that best be written down and documented?
- › How can this document be relevant to the entire family?

Guidance

Most good strategies are clearly articulated, documented, consistent, and capable of being implemented. Family legacy strategy needs to be understood by the family and implemented by experts and family members. It is important to create the correct document architecture when preparing to implement strategies.

When preparing legacy strategies, it is useful to break them up into three categories:

- › **Short-term (current year)**
 - › Annual plan
 - › Strategic targets by month
 - › Financial / family / philanthropic objectives
 - › Operating budget
 - › Investment policy statement
 - › Asset allocation
 - › Distribution objectives
 - › Tactics and tactical changes
 - › Manager priorities
 - › Succession plan (Short Term)
 - › Day one, week one, month one, year one
 - › How to replace family members
 - › Effective succession planning
- › **Medium-term (three to five-year perspective)**
 - › Strategic plan
 - › Vision led
 - › All elements addressed
 - › Implementation schedule
 - › Education and development plan
 - › Family
 - › Family office staff
 - › Educating family members in business affairs
 - › Investor profile and objectives
 - › Long term uses of money
 - › Asset allocation principles
 - › Residence and domicile plans
 - › Expected distributions
 - › Philanthropic activities

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- › Long-term (multigenerational)
 - › Family history
 - › Statement of Family Purpose
 - › Business ownership objectives
 - › Family Constitution (to be revised periodically)
 - › Family member rights and responsibilities
 - › Trust Deeds / letters of wishes
 - › Corporate articles / memoranda
 - › Shareholder agreements
 - › Voting pool arrangements
 - › Wills, estate plans and ethical will
 - › Philanthropic policies
 - › Individual development plans
 - › Long term succession plans
 - › Educate people on how to run a family business

None of these documents need to be excessively long, but do need to be meaningful, easily understood, and shared across the family.