

BEST PRACTICE AND NEXT PRACTICE



Questions to Consider:

- › Why run your business as a family?
- › How can you learn to create your own solutions to future issues?
- › How can you design a far-reaching strategy involving all family members?

INTRODUCTION:

Legacy Strategy is an exercise that takes into account the past, present, and future of the family and understands how they are connected in the development of a family's future legacy.

Thinking actively about all of the elements if important but defining the right future vision and supporting values may be the most important step you take as a family leader. The past is also important for the future, both for the family's plans and for individual members' motivation; thinking about one's past may create a high degree of motivation and energy- what psychologists call "the ancestor effect".

While not easy, the rewards of turning a financial fortune into an enduring family legacy can be great:

- › Preservation of financial wealth and family stature
- › Greater family unity and harmony
- › A memorable personal legacy

Guidance:

As you consider the right way to apply best practices to your business, it is important to consider the following:

- › You need to begin by defining family purpose
 - › Why are you staying together? What are your goals?
 - › It is important to remember that true family wealth is more than just money
- › Design and implement a thoughtful strategy which considers individual elements and the integrated whole
 - › Once you have your structured strategies, consider the framework as a holistic combination of different ventures and investments, rather than distinct categories
- › Be creative- think about best practices from the past and next practices for the future
 - › To find solutions to new problems, new practices must be conceived
- › Think long term
 - › Successful legacy families think on the scale of generations
- › Consider soft elements alongside hard elements.
 - › address relationships and family culture in a positive way to create family unity and harmony
 - › Make sure the right people and resources are in place to achieve success

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How can you design a far-reaching strategy involving all family members?

- › Engage the family to gain their support for strategy implementation
- › Although more complicated, this approach leads to stronger results
- › Clear, unambiguous, enthusiastic leadership is key
- › Remember to consider the three phases: diagnostic, design, and implementation
- › Communicate, communicate, communicate