

Family Engagement: Moving From Fear-Based to Wish-Based Conversations

The Head and the Heart

Since the establishment of our firm, our founding philosophy has been to focus on both *the head and the heart*. What does this mean? For us at Wellspring, it means that we strive to focus not only on the numbers (the head) involved in managing wealth, but also to focus on the emotional issues (the heart) that surround wealth management with our families. In other words, “preparing the family for the money is just as hard as preparing the money for the family”. I think many of you have heard me use this phrase in our conversations. It is one that we as a firm continue to keep at the forefront. To only concentrate on the latter would not be in the best interest of the ultra-high net worth families we serve as a firm.

We plan and facilitate family meetings with our clients with this head and the heart philosophy in mind in several ways. For example, we discuss and create proper family governance, we discuss transparency between generations, we provide educational opportunities, and we also make preparations for the next generation(s) to receive the significant wealth transfer from their parents and/or grandparents.

Facilitating Family Meetings Using Communication Tools

In our client family meetings, we use various tools to help facilitate these conversations with family members. One example is our family communication exercise. This uses a self-assessment to deeper explain the communication style differences in family members, as well as how they interact with each other and deal with conflict – and hopefully resolution. We also use values cards to explore personal and agreed upon shared family values. Finally, another example deals with the conversation on charity and family philanthropy. This is a shared experience which addresses the four resources each family member has when it comes to supporting charity – their time, talent, treasure and ties (think network). Identifying these resources and discussing ways to better engage with charity helps the family develop a more horizontal relationship with the organizations they choose to support.

These experiences are helpful in creating a healthy family dialogue, openness, and becoming better prepared. Over the years, they have created some memorable connections with our families – with each other and also with us. As a firm, we strive to continue to look for new ways to facilitate the family wealth conversation and preparation of the next generation.

Wish-Fear Exercise

Recently, we participated in a training session with [Fidelity’s Center for Family Engagement](#) about ways to engage and help our client families with money conversations. One of these “conversation cues” is around wishes and fears.

Conversation Cue	Goal
Wish	To surface and explore the wish
Fear	To engage with and move beyond the fear

A typical wish-fear example we often see in new client families is when they wish their children knew more about the family wealth. The problem lies within the truth that they are actually fearful that if their children knew too much, they would have incentives taken away from them, or simply just become spoiled. As Warren Buffet famously said, “I want to leave my children enough money so that they would feel they could do anything, but not so much that they could do nothing”.

Have you ever thought the same thing or had a similar wish-fear? We find that it’s a common feeling in successful and wealthy families, especially when the first generation is the wealth creator and they are now dealing with this money conversation for the first time with their children and/or grandchildren. We typically start by asking some questions to our clients:

How do we move from a fear mindset to a wish?

What is the fear behind our thinking and decision making?

What is the wish behind that fear?

The guiding principle behind the wish-fear exercise is for us to seek the wish behind the fear. This can benefit families by:

- Moving them from the focus on fear-based to the focus of wish-based
- Creating shared understandings
- Facilitating planning outcomes
- Engaging each family member in authentic conversations

When we help families move from the feeling of fear to the hope gained from their wishes, they can have a different conversation. Rather than be guided by fear, they can connect in a more intimate way, guided by their wishes, and explore a shared family vision for the future.

We appreciate the confidence you have placed in Wellspring to be your trusted advisor. Please feel free to contact us at any time to discuss changes to your financial situation.

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Information as of July 18, 2024

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