



— STORY FAMILY INSTITUTE, LLC —
EMPOWERMENT FOR EVERY GENERATION

How Does A Family Survive Becoming Wealthy?

What are the general themes discovered when listening to the concerns of High Net Worth (HNW) parents when it comes to children and money?

- When presented with a list of five asset types, and only being able to select one, 77% of parents chose leaving “values and life lessons” as inheritance compared to only 12% who chose financial assets. Morningstar.
- 80% of HNW parents believe in teaching heirs that wealth is a social responsibility. (US Trust)

To avoid creating a sense of entitlement in one’s children is frequently referenced as the major concern of HNW parents. The consulting firm, CEG Worldwide concludes: HNW clients want Client-Centric assistance in addressing the entire range of their financial concerns-not just their investments; and they want this assistance in the context of a consultative, long-term relationship. Story Family Institute observes that, HNW parents desire a “Family-Centric” advisor in addition to an “Investment-Centric” advisor.

What benefits or outcomes does Story Family Institute seek with its Family Service offering?

Story Family Institute uses specific strategies to engage the entire family in unique exercises designed to successfully achieve the following outcomes. Please note: these 8 outcomes are only a representative sample of the 20+ outcomes sought in our consultative relationship:

- **Desired Outcome 1:** Bringing the family together once a year for fun and purposeful family meetings, raises awareness of and respect for the unique differences within the family that collectively can be bound together to make the family stronger.
- **Desired Outcome 2:** Develop intellectual maturity and endeavor to foster a sense of interdependence by founding a unique trust or “Family Bank” with a codified set of governance principles that can reduce resistance to intra-family loans, encourage entrepreneurship, and perhaps diversify and even grow family wealth.
- **Desired Outcome 3:** Participate in lifetime, pre-inheritance skill-development experiences with one’s children such as managing a modern directed trust, or running their own Donor Advised Fund, or organizing a mission trip for the entire family, or running a component of the family bank, or something as simple as mastering the basics of budgeting, cash flow management, and bill paying.
- **Desired Outcome 4:** Completely eradicate the age-old failures of traditional trust and estate planning which tend to create a beneficiary mindset of self-interest, resentment, dependence, and entitlement, instead of forging feelings of empowerment, appreciation, and stewardship for future generations.

- **Desired Outcome 5:** Having a clearly defined and articulated family vision makes it easy to align all family advisors around the current family vision. Once a year, Story Family Institute hosts a working session for all family advisors, meeting in one room at the same time, to be certain that the family and its advisors are working in harmony for the attainment of known family objectives and to foster shared creativity. Setting an agenda of issues to attend to in the coming year is also a collaborative objective of this meeting.
- **Desired Outcome 6:** Downplay the traditional definition of “financial” capital by discussing development and protection of the family’s “human” capital through creating structures that foster identification of shared values like life-long learning, mental and physical health care, career sabbaticals, and entrepreneurship.
- **Desired Outcome 7:** Explore and document family roots to better understand the shoulders upon which the current generations stand. Through discovery of past generational sacrifice that has blessed current generations, most families discover that honoring the past is a way to supplant an attitude of entitlement with an attitude of gratitude and a deepened sense of responsibility to supporting future generations.
- **Desired Outcome 8:** Creating both an individual and a family philanthropic vision, brings focus to the needs of others outside the immediate family. Sharing philanthropic ambitions creates a rewarding foundation for establishing common relational ground between the current generations.

These are lofty outcomes, yet each of them are fully achievable providing our client family is willing to invest quality time and money in a collaborative process of guided discovery experiences with Story Family Institute using tactics and strategies specifically designed to achieve each of the above outcomes.

As in all aspects of life, there are no guarantees of success in seeking to do something great; yet there is a far greater risk of failure by doing nothing. Rivers take the path of least resistance, and so they all terminate at their lowest point. Instead, the commonality within Story Family Institute clients is that they have each decided to “lean into” the risks and opportunities of attempting to proactively do something different, something great within their family. Taking purposeful action within the family is a bit like building a dam which interrupts the path of least resistance of the meandering river and stores energy* behind the dam, so that this reservoir may be managed or stewarded to create power and opportunity, for the entire family and its charitable inclinations for generations into the future.

Many of us relate to money as an indicator of affection. Money, while associated with love, is only an echo of affection. Interpersonal engagement, communication, building something of enduring value together within our family is hard work but rewarding work and a worthy endeavor to draw parents and adult children into fellowship at a level that matters. This work is about more than the money; it is about family survival, in spite of the money.

*Examples of stored energy: Financial Capital, Social Capital, Human Capital, Values Awareness, Heritage Awareness, Family Mission Awareness, Gratitude, and Stewardship.

This piece is intended for informational and educational purposes only and should not be seen as a recommendation.