



Wealth and Family Dynamics

Families who share assets join their emotional system with an economic one, tying their opportunities and their risks together. Learning how to deal with the unique challenges that come from this combination is the focus of our efforts. Money is the most intimate of subjects for families providing fertile ground for confusion and conflict. Parents worry about the impact of wealth on the next generation. Our groundbreaking work on entitlement has led to a unique “Give to Get Equation” for parents to use when thinking about raising the next generation in wealth.

CASE STUDY:

Equality vs. Equity in the Family Business

The Family's Situation

A woman began a small environmental testing company, and after just a few years, revenues were \$84 million. Her husband retired early from his firm to work full-time in her company. Immediately, they began to fight for control and management. Her husband explicitly stated that he should become the company president since he had more business experience than she did. He also wanted at least 50% of the company stock.

Our Direction

Using our Relative Solutions approach, we met regularly with the couple to develop team leadership and outline their job descriptions. The couple agreed to work as co-presidents of the company and developed a mission statement and strategic plan for the business.

The middle level employees of the company met regularly with consultants and the executive team to define their working relationships. Meetings were also held with the couple's children to help them define their executive development plans.

Through meetings with the couple, their business lawyer and accountant, ownership of the company was evenly split between wife, husband, and a trust for the children. This agreement accomplished certain estate planning objectives while assuring both husband and wife Board seats.

