

The Pillars for Building a Better Family

By Roey Diefendorf
and Shawn T. Barberis, J.D.

“There is nothing that can’t be fixed by throwing more money at it.”

Really? In fact, I have come to believe that everything can be broken by throwing more money at it – and especially one’s family.

The surveys say...

Nearly every family faces a daunting challenge to protect all assets of value. Please consider the following data:

- **91%** of all wealth transfers fail by the time the assets reach the wealth creators' grandchildren.
For Love and Money
- **61%** rate legacy development as a top financial need.
Mindscape Study
- **77%** of families say it is important to leave values and life lessons as inheritance
Morning Star

In addition, only **25%** of families receive all the advice/services they want from their advisors. As a result, families are seeking solutions to fulfill these needs and mitigate significant risks.

To overcome these statistics, we have determined that there are five distinct elements that will help:



Values

Why are your values important?

Knowing what is important to you, what drives you, and what your ultimate objective is...provides an invaluable insight and a useful planning tool. Only when you purposefully think through your values can you do purposeful, “values-based” planning.

Values-based planning evolves from an understanding of what is most important to you, allowing clear objectives and comprehensive planning, which informs and empowers you and your family.



Gratitude

A longitudinal study indicated that in 1936, during in the depression, people were happier, and the research went on to report that happiness has been flat from 1950's to present despite the massive increase in material wealth. Bottom line: money doesn't make people happy!

To help our children and grandchildren be happier, it is critical to help them develop an attitude of gratitude and become outwardly focused.

Functional MRI studies revealed that making a donation (giving not just monetarily but in all ways, including volunteering) activated the mesolimbic pathway, and increased dopamine levels.

- 89% of volunteers agreed that “volunteering has improved my sense of well-being”
- 73% “lowered my stress levels”
- 92% “enriched sense of purpose in life”
- 68% “made me physically healthier”
- 50% of helpers report a "high" feeling
- 43% felt stronger and more energetic
- 28% felt warm
- 22% felt calmer and less depressed
- 21% experienced greater feelings of self-worth
- 13% experienced fewer aches and pains

A family that can establish deep roots in gratitude will grow a rich (more than money) family tree. This does not happen by chance. Hence, it is the role of the family patriarch and matriarch to lead proactively in this aspect of the family's health and wellbeing.



Legacy

While instinctively we know that money is not the end all and be all, isn't it true that in all of your dealings with your advisors they spend all of their time (and yours) focused on your money? Yet when speaking with families, the consensus is that what worries them most is the damage that their money might do to their heirs.

A legacy of money alone is a shallow plan at best and doomed for failure (and the statistics prove this to be true.)

A meaningful legacy includes your personal wealth (who you are) and your social wealth (how to make a difference), along with your financial wealth (what you possess).

The goal isn't to live forever, it is to create something that will. What will your family legacy be?

Family Legacy:
*It's not what you leave
TO your children,
it's what you leave
IN your children.*

THE 3 DIMENSIONS OF WEALTH



Governance

Building a firm foundation is the key to a structure that will endure for generations.

The ultimate goal of Family Governance is to create a high-performance, multi-generational team in which the succeeding generations are participating in decision-making, leadership, and hands-on "total" wealth management long before their parents pass on.

This will include the establishment of your family advisory board, your family bank, your family constitution, in addition to your annual family forum.

The Family Forum

Many families have "family reunions," and while they are a great tool for keeping relationships going, they lack a few essential elements to prepare heirs for their future roles within the family.

THE SIGNIFICANCE OF INTEGRATION



Achieving maximum
significance with your legacy

The Pillars for Building a Better Family

Why not convert your family reunion into a “family forum” and get the maximum bang for your buck? Here’s what it might look like:

- **Family Fun**
 - Spending time together (common experiences)
- **Family Development**
 - Cooperation as a family
 - Mentorship to inspire children/grandchildren
 - Participatory education (show/do)
 - Enrichment from learning from others
 - Development of a multi-generational mindset
- **Business of the Family**
 - Family participation
 - Ownership structure
 - Strategic planning
 - Planning a program
 - Adapting as “things” arise
 - Management development
 - Succession planning

Connecting the dots

How can a family in today’s fast paced, global environment attempt to grow a better family? By using digital connectivity among family members.

“More Than Money® 360” (MTM360SM) is the tool that families have at their fingertips to begin to prepare their heirs for their “total” wealth.

Decades of experience, research and data clearly demonstrate that many successful families seek to define, protect, communicate and perpetuate core values, family unity, traditions, philanthropy, valuable life experiences and develop shared stewardship.

This all makes sense, but...

“We are really busy and travel a lot”:

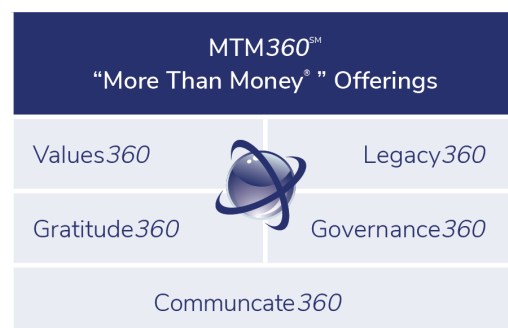
MTM360SM is completed in monthly 30-minute meetings, that’s it: 30 minutes per month.

“It’s really difficult to get us all in the same place”:

The 30-minute meetings are done online, not in person, thus supporting geographically diverse and on the go families.

“It’s all intangible, is there a deliverable?”:

Yes, every step of the process will be protected in your centralized, organized and customized MTM360SM digital system.



Build and Preserve “More Than Money[®]” Family Legacy with



The Digital Tool for Addressing the Pillars for Building a Better Family

For more information, call or e-mail:

Shawn T. Barberis, J.D.

410-928-7420

Shawn@MTM-360.com