

FAMILY MEETINGS THAT WORK:

Conducting Successful Discussions About Money and Other Sensitive Subjects

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Max Curwin had spent the first forty years of his adult life building his business. Three years ago, his company was acquired by a larger firm, and its previously quiet stock suddenly skyrocketed. Without much warning, the Curwins, in their early sixties, had become multi-millionaires.

Recently, Max and his wife, Evelyn, planned a day-long family meeting to discuss the sensitive subject of annual financial distributions to the sons. Their sons reluctantly agreed to participate.

Alan, the eldest, is a 35-year-old businessman who runs a dot.com company. He is married, with two young children, and lives out of state. His younger brother, Michael, a 31-year-old, single student, has never fully achieved independence. He moves from job to job, coming home when he is in financial trouble. He has been working sporadically to earn his masters degree in art history for the past six years.

The parents had called in professional facilitators to keep the meeting on track. Each family member was given ample time to say what they wanted, feared, desired, and dreaded about the family meeting.

The facilitators asked Evelyn and Max to explain why annual distributions were so important to them and why they wanted their children to take part in the planning process. They challenged the family's taboos about money communication, encouraging everyone to express their individual attitudes and beliefs about money.

Alan said, "While appreciating my parents' generosity, I don't want the strings attached to taking this money. I value my independence, and I don't want my career motivations to be undermined. I'd like them to keep all their money for the rest of their lives. I just don't want any part of this."

Michael said, "My parents help me out already. I've really appreciated the financial support and certainly don't mind having more of it. With the distributions, I won't need to keep asking for money for every little thing, and then I can avoid my mother's questions and comments about my life."

Talking About Money

At their family meeting, the Curwins were attempting to deal with the most combustible mixture we know of — money and family. In every family, and particularly in wealthy ones, money becomes linked to all sorts of meanings: who is loved more; who deserves more; and how people feel about each other. Inevitably, the more money there is, the more potential for conflict.

To add to the difficulty, families often deal with money in very self-defeating ways. People make assumptions, blame others, and are not open to the idea that other people see the world differently. The possibility of misunderstanding is high. If family members have unrealistic expectations about each other that they don't explore, the stage is set for major difficulties and even potential disaster.

Midway through their family meeting, the Curwins were on the brink of such major difficulties. But by the end of day, they managed to resolve most of them, as we'll show you later.

The Reasons for a Family Meeting

In order to deal with the unique challenges that face wealthy families, we propose that all family members get together periodically for inter-generational family meetings. These gatherings could cover such topics as wealth, personal matters, allocation, inheritance, values, philanthropy and the future. A meeting can also provide the setting for discussion of that most difficult of all subjects, a family conflict or crisis.

A family meeting is a gathering of all family members in a quiet and comfortable place — for instance, a vacation home — with the specific aim of talking openly and honestly to each other about their feelings, issues and desires.

The meetings need not lead to votes or decisions. But they provide opportunities to unearth and explore differences and discover ways to be fair to everyone. Thus, better decisions can be made — in such areas as inheritance and generational transition — and people will better understand the intentions behind those decisions.

The highest value of such conversations is the sharing and passing on of legacy — the values that one generation honors and lives by and wants to transmit to future generations. These values concern the importance of family connection and the family's ways of doing business, giving back to the community and raising children. Legacy is an implicit contract and responsibility that goes along with inheritance.

The Major Purposes of a Family meeting

- To foster healthy communication among all family members
- To pass on family values, such as work, education, community, integrity, respect and loyalty
- To communicate core money values and their relationship to wealth management
- To communicate with the younger generation, opening up a dialog about their ideas and intentions and assessing their developmental readiness to handle money
- To deal with a change or transition in family circumstances, such as the sale or acquisition of a business or the death of a family member
- To achieve an emotionally healthy transfer of wealth
- To overcome a conflict

Holding a Family meeting

There are many formats for a family meeting, but they have some elements in common. They should be held in *comfortable* places, where there is no disruption. Phones and other intrusions should be kept out. There should be sufficient time to keep the meeting somewhat open-ended. It should be as *inclusive* as possible, with all family members invited.

A meeting sets up a *process* of communication. In many cases, families open up issues that offer no clear and easy resolution. Or there are more issues than can possibly be covered in one evening. Sometimes a meeting is extended into a one or two-day event. Some families have regular meetings, once or several times a year. Continuity is important.

Each meeting should have a facilitator, a person who agrees to keep the proceedings on track, and make sure that everyone participates. In some families, this role is rotated.

At the first meeting, the family should agree on a set of guidelines for how to listen to each other, how to maintain order and what sort of behavior is expected during the meeting.

The meeting needs careful and clear preparation and follow-up. To guide the meeting, there should be some sort of agenda of issues and concerns. These topics should be known in advance. If the meeting leads to decisions or other outcomes, these should be recorded and distributed to family members. If someone agrees to do something, that also should be recorded.

Retaining a professional facilitator

There are two major categories in which a facilitator can help:

- Fostering a pro-active dialogue about money issues and values and their role in preserving family unity
- Helping families when they are confronted with a difficult choice or conflict about money.

A facilitator can structure and monitor family communication to help achieve a positive outcome. The facilitator is also a mentor, offering guidance and insight into how the family can create a money plan that is aligned with their core values and goals.

Professional facilitation is also useful during times of stress and strain. The general rule is that an outside advisor is helpful if some family members are very upset or concerned, if the family feels that members will have difficulty talking to each other, or if there is a lot of pressure or conflict. The choice of whether to have a professional should be made by the family together.

Ground Rules

Here are some ideas for achieving successful family meetings

1. Create an environment where people feel respected.

The family can't just call people together. Family members need to feel that they can talk about emotionally charged and difficult issues without recrimination. The convenor needs to make clear what will happen and how it will take place. A good way to create a firm foundation is to pledge that confidences will be respected, and that everyone will try to maintain a positive perspective. [Another form of respect is avoiding non-essential discussions that create discomfort from some family members. In one family meeting, for example, it was agreed that an issue would be dropped if even just one hand was raised.

2. Set your mindset for "open" when you begin.

If you enter a conversation with the primary intention of making your points and convincing others you are right, you won't get far. One of the treasures of a family conversation is discovering something about someone you have known and loved for many years that you didn't know or, more likely, didn't hear before. [In one family gathering, the discussion of career and family dreams helped the patriarch see that his children had very different ideas for their future than he did for them.]

3. Conversations are about discovery, not making decisions.

Yes, a decision must be made. But a conversation is not a debate, and there will be plenty of time to come to a decision later on. The purpose is to explore what people think and to devise ways to turn those thoughts into reality. [In one situation where

parents were setting up a complex estate plan, they were open to listening to the fears and concerns of their children after it was established that the purpose of the exchange was to share ideas, not talk the parents out of any choice they wanted to make.]

4. Talk about your history.

Initiate a conversation about legacy. For a business founder, this would be a place to talk about how the firm was created, what it means and what makes him or her proud and satisfied. The founder might talk about struggles, choices and what he or she knows and how it was learned. Legacy conversations are important. They are a living will and should be recorded, even videotaped. The family's job is to appreciate, and listen. Ask questions, request more details, but under no circumstances should you disagree or add your own ideas. This is about understanding where you have come from, and what you are heir to. [Once they begin to share stories about their history, many families will have talks lasting late in into the evening.]

5. Begin with what you agree on.

When family members see how many important things they agree on, it may be easier to place the differences in context. [For example, a family divided about the future fate of a family business began the discussion by articulating the many values they agreed upon and discussing how much they had in common. This exchange enabled them to be more flexible in their difficult decision.]

6. Take enough time, and stay in the room.

Avoid expectations that people will change, that conflict will end, or that one conversation will do the trick. These hopes are unrealistic. Agree to meet for at least a set amount of time. Get people to pledge that they won't walk out, or if they do, they will come back when they cool down. We have seen several families get over major differences when upset family members could come back and voice their feelings in a constructive manner.

7. Don't interrupt.

Some families love to interrupt each other. This is a sign that people are not listening; they think they know what the other person is saying. There needs to be a ground rule that people can talk until they are finished, and that the others will hold their comments until they are done. [We have used a "talking stick" effectively in family meetings. You can only speak if holding the stick, and it is passed from speaker to speaker. This technique almost always slows down conversation and gives many voices a chance to be heard without interruption.]

8. Slow it down.

Sometimes, a single phrase can upset a large number of participants. When tempers begin to boil, the coolest person in the room should step up and say, "Let's slow down." Ask each person to take a break, sit quietly, and then discuss slowly, without interruption, why they are upset. Silence can give people a chance to reflect, and reconsider. Agree to disagree, and listen to what the others have to say, *even when you find this very painful.*

9. Put the toughest issues aside.

If this is your first family meeting, don't discuss how the inheritance should be allocated. Talk about simpler issues before working up to the tough ones. [The feelings of a generation can't be resolved in one meeting. We have found that after working on some less contentious issues, a family develops some ways to move into the more difficult ones, and also has more commitment to doing that.]

10. Speak for yourself, not others.

Use the word "I," not "we." Take responsibility for what you feel, and share those feelings. Don't presume to speak for others, or attempt to express what they feel or want. They are there to tell you themselves. [One family matriarch who routinely talked about how "we" feel, was able to see that these were her own preferences, and should not be imposed on others. She was finally able to hear that some of her children had very different ideas and feelings.]

11. Encourage everyone to talk.

It is helpful to start a meeting by going around the room and asking all family members to say what is on their minds. [If someone is silent, or one or two people are dominating the discussion, it is helpful for the facilitator to ask others to speak up.]

12. Avoid criticism or blame.

There may be strong feelings about past events. People may be angry and hurt, and they want to blame others. This is inevitable, but not productive. Try instead to focus on what they want to do now. [One family repeats the following whenever one family member begins to use past behavior to blame others: "lets not look at who is responsible, let's solve the problem."]

13. Get to the concrete level.

Family conflict builds up over many small events and misunderstandings. Over time, these misunderstandings develop into huge and hurtful areas of disagreement. When you unearth such a problem, take time for each person to talk about what happened to make them feel that way. Resist the tendency to interrupt and say what you really intended, or what you think you meant.

14. Write down what is important.

Some things that are said — perhaps stories, values, or even understandings — are important enough to record. A useful aid is a large sheet of paper on the wall, where people can record what they want to remember. [If you don't write down minutes, decisions and understandings from a meeting, you will lose valuable information, and not have something to refer to when inevitably, people's memories are less than reliable.]

15. Follow up with individual conversations.

You can't always say everything you want to in the group. Sometimes, you need to have one-to-one talks. Agree at the meeting to hold some individual conversations among people who have the most difficulty talking to each other. [One family uses the following plan: When two people say they will have lunch together or arrange for

another joint activity, one family member writes down that agreement, and a third party makes a phone call to make sure the meeting happened. While some felt at first that this was too intrusive, in time they began to see the value. As one family member said, "Sometimes it's hard to pick up the phone even though you agreed to do it at a meeting."]

Common Difficulties With Family Meetings

The family must remember that it spent many years avoiding issues, and they should allow some time to un-learn that harmful practice. There are some common challenges that come up repeatedly when a family tries to set up meetings:

People who don't want to participate.

Family members should be encouraged to come to the meeting. However, a meeting can be held even if one member is not willing to participate. In fact, we have found that when a family forges ahead, the reluctant member sees the cost of not participating, and often decides that the family is really willing to listen to long-held grievances or concerns.

Deep-seated attitudes that inhibit money communication need to be challenged. Fears of retaliation for expressing one's point of view must be neutralized. Family members who are more comfortable with disclosure can demonstrate the benefits of communication, if the conditions are safe and the outcome of their communication would not be disastrous. Those who hold both emotional and financial power need to be heard by the family and recognized for their authority, and then they need to be contained in the overall process.

People who can't get beyond their own opinions.

There are always family members who seem to feel they hold a monopoly on morality. If conditions are safe, a facilitator can challenge some of the assumptions that underscore a person's rigid point of view. This can lead to a more constructive dialogue, opening the door to conflict resolution, or to the recognition that further communication would be fruitless. In the worst cases, there are people who are so self-involved that they are psychologically unable to empathize with or understand the validity of the ideas and opinions of other family members. This degree of narcissistic self-involvement is a dead end for family communication.

People who are highly impaired.

There are some family members who are too disruptive, whose personal problems are too great, or whose views are so upsetting, angry or rigid, that they cannot follow the ground rules for participating in a family discussion. They often erupt or storm out, or make impossible demands. When this happens, the family leaders should have individual conversations with these members. This often requires professional help. The emotional issues are deep, difficult and painful.

Not wanting to upset people.

Because money has been for most Americans a difficult, conflict-laden topic, some family members may passively drift toward the view that they do not want to upset people. The facilitator should directly clarify these concerns, pointing out that they are a normal response, based upon taboos about money communication. And then he or she should *encourage involvement*.

Keeping people to their agreements, follow up.

In a meeting everybody has good intentions and lots of energy. Then they go home, and nothing happens. The family needs to appoint someone to keep things moving ahead.

And the family should schedule a next meeting to make certain that progress is being made. However, they need to be gentle with each other when things don't happen as quickly and easily as expected.

The Results of the Curwin Family Meeting

This chapter opened with a story about the Curwin family and the meeting they held to discuss the possibility of the two adult sons receiving regular money distributions from their newly-wealthy parents. Here's how the meeting turned out.

After the sons expressed their very differing feelings about the subject, the parents clarified their reasons for introducing this possibility. They made it clear that they didn't want either of their sons to see these distributions as a form of parental control. They didn't want to undermine Michael's education, nor did they want to harm Alan's self-esteem and work motivation. Michael expressed his pleasure in getting the money, as well as his guilt about not having earned it. Alan voiced his concern that Michael's needs would result in his receiving an unfairly large portion of the estate. While Alan didn't want the money at this stage in his life, he didn't want to be financially punished for his success.

These points of view were stated and restated throughout the afternoon. Although certain differences were irresolvable — notably Alan and Michael's views about receiving financial assistance from their parents — the family, with the assistance of the facilitators, was able to arrive at a workable consensus on core money values:

- *Money distributions will empower, not disempower the receiver*
- *We will separate money matters from emotional matters*
- *We expect family members to learn money management skills*
- *We value a work ethic, so distributions will be given only when family members demonstrate that they are serious and responsible about work*
- *We will commit time and money to starting and running a family foundation*
- *The parents will not interfere, so long as Michael and Alan follow these guidelines.*

The family agreed that the open discussion helped them to raise issues that had been simmering for many years. They felt they had developed a new understanding about dealing with their sudden acquisition of wealth and its relationship to long-standing family values.

How to Get Started

The first step is to call on your family members individually to consider the value of a meeting. It may be most difficult if you are an heir and want to initiate the discussion with your parents, who of course have the control. But we find that if the proposal is made tactfully and acknowledges the real source of power, the patriarch or matriarch is often willing to consider a discussion.

You may want to talk to a professional advisor as a sounding board before you approach other family members. Then, get a commitment from each person, and set up a time for a first meeting. A few conversations to set the guidelines and agenda may be helpful.

Setting up regular family conversations about money will open the door to a better way to deal with this issue. As children grow up and move away, a meeting provides a tool for dealing with all sorts of issues. A meeting can also be a wonderful way to share as a family, and build upon your legacy for future generations.

Steps for Facilitating a Family Meeting

These are guidelines for a facilitator, who can be an outside advisor or a member of the family, to help run a family meeting. They include suggestions for what to do and say at each point in the meeting:

Task	What to do	What to say
Define purpose of meeting	<ul style="list-style-type: none"> · Advisor leads the meeting by defining the main agenda (you may or may not elect to go around the room) 	<ul style="list-style-type: none"> • We are here to talk about x and later I will be asking you to talk about your understanding
Set the tone	<ul style="list-style-type: none"> · Create safety, respect, honesty · People talk one at a time · Engaged listening 	<ul style="list-style-type: none"> · It is important that this be a process that feels safe for every member · Everyone will agree that what is said here today will be kept in this room and that we agree to no later reprisals · Please hear each other out without interruption · If you start to feel too uncomfortable, like in the dentist's office, raise your hand and say "ouch." · Let's stay open minded about what others say today
Gain agreement on the purpose and agenda of the meeting	Leader again states what he/she believes the purpose to be and then asks each member for their viewpoint and buy in .	<ul style="list-style-type: none"> · I'd like to hear from each of you as to why you are here today · Can we all agree that this meeting will focus on X?
Deal with reluctant or resistant family members	<ul style="list-style-type: none"> · Get specific members to clarify their position · Empathize with their concerns · Reframe if possible and get a limited buy in . 	<ul style="list-style-type: none"> · I hear that you don't want to be here; please tell me more about that · I can see how what you feel makes sense · I think given your feelings it is great you are here and I will keep your concerns in mind, as we move forward today.
Raise issues and encourage participation	<ul style="list-style-type: none"> · Encourage family members to speak 	<ul style="list-style-type: none"> · Let's hear from everyone about this issue

	<p>members to speak openly</p> <ul style="list-style-type: none"> · Ask them to take responsibility for what they say , feel and want · Take the time to really hear each other. 	<p>about this issue</p> <ul style="list-style-type: none"> · You've been quiet, I wonder what you are thinking · This is difficult. Why don't we slow things down so we can hear from everyone?
Facilitate dialogue	<ul style="list-style-type: none"> · Encourage clarity · Keep discussion focused · Monitor safety · Enforce ground rules · Encourage people to build on others ideas 	<ul style="list-style-type: none"> · I'd like to clarify; Could you repeat in a different way ? · Let's return to the main point that you are saying · Is everyone o.k. so far, are there any concerns or questions? · Sally said "x" and Joe said "Y" perhaps we can see how these fit together
Deal with conflict and obstacles	<ul style="list-style-type: none"> · Attend to the obstacle /conflict · Use communication skills for conflict resolution · Set limits to ensure safety and constructive outcomes · Compromise and collaborate 	<ul style="list-style-type: none"> · I see that your tone changed; is something troubling you? · I need to interrupt for a moment and ask you to take a time out, quiet down · You are stuck in-all-or-nothing thinking. Can we find the middle ground?
Concluding the meeting	<ul style="list-style-type: none"> · Summarize what has occurred · Talk about what has been agreed upon or not ● Action steps for future 	<ul style="list-style-type: none"> ● Let's stop today by reviewing what we have discussed ● Let me summarize what we have agreed upon and what remains undecided ● Let's come to agreement on the next steps we take together: when, how and with whom

Family Meetings That Work: Words to the Wise

- A family meeting is a gathering of all family members in a quiet and comfortable place to talk openly about their feelings, issues and desires
- It offers a way to pass your family values on to the next generation.
- A family meeting should be a discussion, not an argument. The atmosphere should be friendly and open, providing each person with ample opportunities to express his or her opinions.
- A family meeting provides an excellent opportunity to discuss *legacy*, where the family has come from and the values that each member is heir to.
- A family meeting may be the best way to overcome a serious conflict or to deal with a difficult subject such as inheritance or a change in family leadership..
- A professional facilitator can help the family to foster a pro-active dialogue, to make difficult choices and to deal with reluctant or resistant members.
- The decisions made at each meeting should be implemented and followed up.

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