

ONE-TO-ONE INSIGHTS

PASSING ON YOUR FINANCIAL VALUES TO FUTURE GENERATIONS

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The way you communicate to your children about wealth will shape their financial experiences in the future. It's definitely important to have a plan for your inheritance, but to help truly pass on your legacy, it's essential you pass on your financial values. Here are some best practices to help facilitate those conversations and help your children understand the values you hold regarding your family wealth.

Take a moment to reflect

Financial values represent the motivation behind your spending, like luxury, education, travel, health, and family or relationships. To get clarity on your financial values, you need to ask yourself some big picture questions and then drill down with personal answers. Use these three steps to help you get there:

1. Take a step back from money matters to discover what you truly care about.
2. Do some soul searching—financial values are very similar to personal beliefs.
3. Write down your values and make a habit of routinely re-visiting them.

Foster communication

Families that succeed through generational transitions of their legacy have developed real trust—and that trust is built through open and candid conversation. The key to making sure conversations are meaningful is for each family member to recognize that others' communication styles may be quite different from his or her own. While it can sometimes be challenging, it's important to see that every style has its strengths and weaknesses and that they should be honored.

The four basic styles that are common to almost all people are decisive, persuasive, supportive and analytical. Knowing your family members' communication styles can help you connect on a deeper level as you'll know what motivates each of them.

Find a common purpose

Having a shared vision and purpose plays an important role in helping families maintain their legacy over generations. A common purpose is like a guiding star toward a future destination, with everyone headed in that direction together.

A fun hands-on exercise that can help you and your loved ones bring to life a common purpose is developing a family crest or mission statement. This can help all of you understand how to use the family's values to make decisions together.

And remember, engaging in these conversations with your children is not necessarily a linear exercise—it's a continuum.

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