ArchBridge Family Office

How to Conduct Family Meetings That Don't Turn Into an Episode of 'Succession'

Anyone who's watched the Roy family spar in the HBO series Succession would be tempted to run 100 miles in the opposite direction of a family meeting. Despite the tranquil backdrops for these gatherings — such as a sprawling ranch in New Mexico —they are anything but relaxing.

The Roy family, a media dynasty loosely modeled after the Murdochs (Fox) and Redstones (Viacom), spends its quality time together bitterly debating who will succeed the patriarch, Logan Roy.

Although Succession reflects some of the worst realities of family and power dynamics, conversations about wealth and inheritance do not have to be contentious. In fact, family meetings are one of the best ways wealthy families can avoid the misunderstandings and false assumptions that often lead to conflict.

Communication can alleviate the problem of assumptions the younger generations might have about the family wealth. I've seen the next generation scrimp and save to fund savings, retirement, and college accounts unaware that there were trusts already in existence and expected inheritance that made such scrimping and saving unnecessary. On the flip side, a common scenario is for the younger generation to assume they will receive assets that will allow them to live like their parents and grandparents unaware of the need to support most, or all, of their living expenses until they are in their mid-to-late middle age.

Family meetings are a key communication tool to avoid these kinds of misunderstandings. Yet few wealthy families have them, either because they are apprehensive about broaching a sensitive topic, or because they're unsure of what to talk about. The following six tips will help you overcome these challenges.

1. Use a Facilitator

An outside facilitator such as your financial advisor, family office staff or lawyer establishes a sense of formality and professionalism. The facilitator can help develop the agenda, take minutes, and keep track of follow-up items. A good facilitator will also keep the meeting on schedule and on topic. And if the meeting starts to get contentious, she can help keep the discussion productive. It is common for family discussions to head down rabbit holes, stray off-topic or to become overly personal. While such discussion can be productive, a facilitator can lead the discussion back to the main topic and help the family move forward.

Besides the facilitator, you should designate a family champion to chair the meeting. The chair is often a senior family member, but sometimes a junior member, who takes the lead in setting the agenda and coordinating meeting logistics.

2. Have a Primary Purpose

The most successful family meetings have a well-defined goal, such as relaying information about a major transaction that affects the family fortune, educating younger generations about estate planning, developing a family mission statement, making investment decisions, or creating a philanthropic strategy.

For example, I've been involved in numerous family meetings focused on charitable giving. These meetings usually include reports to the family about past charitable giving and providing a breakdown of family donations by charity and amount so the younger family members can see the types of causes funded by the family. Often, this leads to discussions between the generations about what issues are important to the family and allows the younger family members to begin to have input about charitable giving.

Note that meeting to discuss a family business and its related affairs is not the same as a true family meeting and such meetings have different dynamics and goals.

3. Get Everyone's Input

The best family meetings are not just one-way streets where the senior generation lectures the junior generations about topics they think they should know about. A better strategy is to seek input from family members of different generations about what they want to discuss. This fosters a sense of inclusion, makes everyone feel more engaged and excited to participate, and also can uncover worthwhile topics for discussion of which the senior generation was not aware.

When the senior members of one family I worked with asked the younger generation what they would like to discuss at their upcoming family meeting, the younger members said they wanted to talk about impact investments (those that have a social or environmental benefit as well as a financial one). Before reaching out, the senior generation had no idea that the younger ones cared about this and after learning more the senior generation enthusiastically agreed to begin a process of looking at impact investing.

4. Bring In an Outside Speaker

Bringing in an external speaker to present on an interesting topic can make a family meeting more dynamic and spark meaningful conversations. Potential speakers include:

- Current advisors such as family lawyers, accountants, insurance consultants, investment managers, and family office staff.
- Charitable consultants or executives from charities to which the family gives to explain how their gifts have benefited the organization.
- Psychologists who specialize in working with wealthy families on issues surrounding wealth.

At the family meetings I've facilitated, I've seen some great presentations on topics including how to evaluate direct investments in private companies, the opportunities and challenges of investing in trends, and how to meditate to relieve stress. These presentations led to great family discussions.

5. Pick a Great Location

Finding a convenient time and place to host a family meeting can be difficult, especially when family members are spread out across the country. To encourage high attendance, have the meeting at a travel destination such as a ski resort or family beach house to make it feel more like a vacation. It can be hard to sit in a family meeting when the powder's fresh or the wind is just right for kite-surfing, but if the agenda is flexible, you can make time for both.

6. Recap and Assign Follow-up

At the end of a family meeting, it's important to summarize what you discussed, note the decisions you made, and make a list of action items. During this recap you should specify who's responsible for each action item and establish deadlines for their completion. This will help avoid having family members leave the meeting thinking, "That was a great, but what did we accomplish?" and make them more motivated to attend the next one.

Practice Makes Perfect

Another thing I do after facilitating a family meeting is to reach out to attendees for feedback and ideas for future meeting locations and topics. This helps keep future family meetings fresh, relevant, and enjoyable — the exact opposite of a Roy family gathering.

ArchBridge Family Office is an independent, multi-family office and trust company that advises 65 clients on more than $13 billion of investment assets and more than $16 billion of total wealth. Founded in 2002, ArchBridge Family Office provides holistic, high-touch client service including customized, independent investment management and a full range of family office and fiduciary services. The firm serves a limited number of clients with substantial wealth in order to maintain very low client-to-employee ratios. Visit archbridge.com to explore how the firm manages complexity with unmatched expertise and a Family, Forward focus.