

# The Secret To Family Meetings For Wealthy Enterprise Families



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The first time I attended a family meeting for a prominent American family was a big eye-opener. I was maybe 30 years old and attended in my capacity as a junior investment advisor. The setting was a fancy private club in Chicago. The room was beautiful, and the club's service was excellent.

One problem: it was an incredibly stuffy affair (suits, ties, dresses, etc.) with a table set up like a corporate board meeting, even though there were only eight family members in attendance. The family matriarch in her early 80s sat at the head of the table, and other family members were invited to speak when they were spoken to. There was no particular agenda other than to have an endless stream of advisors (including me) go through thick slide decks of numbers, charts, and graphs. Not exactly the warm, free-flowing exchange one might want for such a meeting. The result was a boring one-way street of information with no new ideas and no time for relationship building. After the meeting was over, a painful five hours later (my endless charts and graphs probably didn't help), we all filed down to the dining room at the club for dinner. As I recall, pretty much everyone ordered a stiff drink.

Successful family meetings are an essential component of managing a family-owned business, especially for wealthy families. Such gatherings are not only about ensuring the smooth operation of the

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business — as was somewhat achieved in the example above — but also about facilitating family harmony and ensuring that relationships and the family's legacy continue through generations.

So, after more than twenty years of attending various meetings across dozens of families, here are 11 tips for facilitating productive family meetings that foster unity and effectively grow wealth across generations.

## Communicate a Clear Purpose and Agenda

Before every meeting, clearly define its purpose. What are we going to talk about? Is the focus on succession planning, discussing business performance, or resolving a specific issue? An agenda sets the tone and direction, ensuring discussions remain focused and productive. Circulate the agenda ahead of time, allowing family members to prepare, contribute items for discussion, and set their expectations appropriately.

## Choose a Setting that Engages

Most family meetings are successful when people are relaxed in a neutral setting. Think about a resort that has a mix of spaces and different activities for people to interact with one another and enjoy spending together. Such a setting will be more comfortable and engaging for everyone, especially if there are some fun activities built into the schedule.

## Give Everyone a Role

People are more engaged when they have a role in a meeting. This is especially true for rising gen family members who may not know much but can build good habits of engagement early on. Such involvement can both educate family members about the business, including its history and values and help everyone prepare for future responsibilities. This involvement also acts as a training ground for future roles they may hold in the business. Educating them about budgeting, credit, investing, and the complexities of wealth management is crucial for the sustainability of family wealth.

## Balance Business and Personal

While the primary focus of family meetings might be the business, it's essential not to overlook the personal relationships within the family. Allocate time to discuss and celebrate individual achievements, milestones, or even concerns that may indirectly impact the business. This not only strengthens family bonds but also builds a supportive environment conducive to business success.



## Facilitate Open and Honest Communication

A key ingredient to successful family meetings is the ability to have open and honest conversations. Encourage a culture where everyone feels safe to express their thoughts and concerns without fear of judgment or repercussion. This might require setting ground rules for communication, such as listening without interruption and respecting differing opinions.

## Review Governance Structures

Wealthy families with business interests often benefit from formal governance structures. This can include a family council or a board of directors comprising both family and non-family members. These structures help in making objective decisions and provide a professional approach to managing family business affairs. They also can serve to mediate disputes and ensure that all voices are heard and valued.

## Hire Professional Facilitation

Sometimes, having an external facilitator can help manage the dynamics of family meetings, especially if there are complex issues to resolve or a history of conflict. A facilitator can ensure that the meeting progresses smoothly, everyone gets a chance to speak, and discussions remain constructive. They can also help clarify misunderstandings and provide impartial perspectives on business matters.

## Be Consistent with Scheduling and Follow-Ups

Consistency is key. Schedule family meetings at regular intervals — be it quarterly or annually — so everyone knows when they will occur and can plan accordingly. Additionally, follow up on action items and decisions made during the meetings. This accountability ensures that meetings lead to concrete outcomes and progress in business and family objectives.

## Plan for Conflict Resolution

Disagreements are inevitable in any family business. Planning how to handle conflicts before they arise can save a lot of trouble. Establishing a conflict resolution protocol as part of the family governance structure can help manage disputes effectively and prevent them from escalating.



## Document Decisions

Maintaining records of what is discussed and decided in meetings is crucial. This documentation helps track progress, holds members accountable, and serves as a reference for future discussions. It also aids in legal and financial planning, ensuring all decisions align with the family's business strategies and estate plans.

## Celebrate Success

Lastly, make it a point to celebrate successes together as a family. Whether it's reaching a business goal, a successful investment, or a well-managed family project, celebration reinforces positive dynamics and encourages a culture of appreciation and achievement.

Family meetings are more than just business discussions; they are pivotal in nurturing the family's unity, aligning its members towards common goals, and securing a legacy. By following these strategies, wealthy families can maximize the productivity of their family meetings, ensuring both their business and family bonds flourish.

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