



# MACLEAN'S

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MAYBE IF Dallas's J.R. and the rest of the Ewings had crafted a family mission statement, they could have avoided some distressing rows

## Your mission: just don't blow it all

### Family mission statements help to ensure that the legacies of the wealthy are secure

**BY JOHN INTINI** • The Stenners' family mission statement is written in burgundy paint on the wall above the kitchen sink. "It's a constant reminder as to what you're trying to accomplish in life," says Thane Stenner, a father of three and the managing director of Vancouver-based Stenner Investment Partners GMP Private Client L. P., which serves the interests of super-rich Canadians and helps them facilitate family mission statements (a guiding principle on everything from wealth to religion) of their own. Some of the themes incorporated into the Stenners' statement are relationships, community and work. And, says Thane, the motto has regularly formed the basis for conversation around the family's antique oak dinner table since he hired an artist to paint it on the wall two years ago: "It acts as a filter by which we make decisions."

For a growing number of upper-crust Canadians, family mission statements, which can cost tens of thousands in consultants' fees, are also providing a way of passing down values to their kids in preparation for the millions that will ultimately come their way. For the fortunate few, this matter is of great concern. An estimated \$3 trillion will be passed between generations in the next few decades. And a study of Canadians found that nearly a quarter of those worth at least \$10 million worry that their fortune will make their children lazy. A mission statement, say experts, can help identify how a family wants to spend its money. "This way the kid doesn't grow up thinking they're going to get a Porsche when they turn 18," says Marvi Ricker, BMO's Toronto-based vice-president and managing director of philanthropic services.

Not unlike in the corporate world, where mission statements are commonplace, some

family statements are highly detailed (several-page constitutions), while others are concise (sometimes a sentence or two). In most cases, mission statements focus on a family's commitment to charity, community, business, one another and, in many cases, God. Commonly used words include "legacy," "excellence" and "stewardship." And they shouldn't require regular revision—a good thing, since professional rewrites could cost a fortune. Some ultra-rich Americans are said to have spent as much as \$100,000 for an expert's help in drafting their words to live by.

Though a family could scribble its guiding principles down while sitting together in the living room, experts recommend the use of a facilitator. That way, they argue, each family member has an equal role when drafting a document. It is, after all, a shared vision. "I enable the quiet ones to find their voice and the vocal ones to find their ears," says David C. Bentall, the Vancouver-based president of Next Step Advisors, which provides family business consulting. Bentall, along with his wife, Alison, crafted a mission statement for their family of six about 10 years ago.

Though it depends on the complexity of the issues and the size of the family, Bentall says it usually takes several months to hammer out a mission statement—including two

or three meetings with a facilitator. The average cost: somewhere between \$10,000 and \$20,000. "The money is not about the words but the process to get to that," says Bentall. Stenner's firm offers a quicker approach via a third-party consultant for \$2,500 to \$3,000 (no kids involved). He says half of his company's 42 multi-millionaire and billionaire clients—the poorest of whom has a net worth of more than \$10 million—have mission statements. "The families who have gone through the process tend to get along a lot better and tend to have fewer problems," he claims.

Though he concedes that a family mission statement may sound "airy," Stenner argues that they help families avoid many common pitfalls. "Something like 70 per cent of all divorces occur due to arguments over finances," says Stenner. "Family mission statements are there to help minimize friction."

Still, critics argue that family values are best passed down through parenting, not through a vague treatise hanging in a frame above the mantle. They also seem, to many, as another example of frivolous overspending by the wealthy. Not to mention pretentious. Ricker, however, insists that they're actually quite prudent. "Families and fortunes come apart when people don't communicate," she says. "Having a mission statement that everyone buys into can avoid the surprise and resentment that may come later, like at the time of the will." **M**

