

FAMILY OFFICE AWARDS

FAMILY OFFICE MAGAZINE

Winter 2022 ISSUE

ART & MUSEUM MAGAZINE INCLUDED



KATE LAURENCE
BLOCCELERATE VC

FAMILY OFFICES - WEALTH MANAGEMENT - PRIVATE EQUITY - PRIVATE CLIENT

Subscription €99 per year

www.familyofficemag.com

SUCCESSFUL WEALTH TRANSITION & FAMILY UNITY

For over 50 years, The Williams Group has been helping UHNW families answer the question, "How do I pass on this wealth so every member of the family, and the business, thrives?" The Williams Group consultants are uniquely trained experts in building and managing trust and communication so wealth can successfully pass from one generation to the next with the family unity intact. The company has served over 800 ultra-high net worth families around the world.

Many families are tranquilized by their estate plans. They think that once their plan is in place, their work is done. As a result, they avoid having the important conversations needed to be confident their plans will be implemented as intended and their relationships remain intact. The Williams Group helps families get past this common hurdle.

Every family has unique dynamics requiring a highly customized and adaptable approach. The Williams Group work is done when a family successfully navigates challenging conversations on their own; when they can have honest and open conversations on a regular basis and have embodied the skills that demonstrate high levels of trust; when families can work well together and have clarity regarding their roles and expectations in the family legacy. The process includes the entire family, including children over the age of 16, spouses and grandparents.

President and Chief Executive Officer, Amy Castoro specializes in preparing UHNW families to successfully transition wealth while keeping members unified and in control of their assets. With more than two decades of experience guiding high-performing individuals and teams that build trust quickly, coordinate effectively, and build resilient relationships, Amy is well-positioned to help family members, UHNW advisors, business leaders, executive managers, and teams from Fortune 500 companies, startups, and nonprofits innovate, lead, and work better together.

She has worked with companies such as the Walt Disney Company, Adecco Corporation, and Grant Thornton Management Consulting. Amy is an author, keynote



Amy Castoro
President of The Williams Group

speaker, and senior family coach whose clients value a compassionate approach that fosters long-term relationships and yields results.

Erin Martin, for Family Office Magazine (EM): Amy, how do you and your family coaches and consultants address one of the main questions you get – "How do I transition wealth without derailing my children's motivation?"

Amy Castoro (AC): This is very much a question of trust. The wealth creator may not trust the next generation to be responsible stewards, and the rising generation may not trust the wealth creator to transition it well. Rather than ask "how much do you give them and when," we suggest focusing on how the next generation will be a contribution to the wealth. For example, the 28-year-old son of a wealthy family had not yet found his "passion." He was as embarrassed by his situation as his father was frustrated. Feeling the pressure to be as successful as his dad, but not envisioning how to get there, he was resigned to living off the family dole. When the son did not show up for a family meeting, we found him on the golf course. We invited him to come to the meeting the next day. At the front of the room, he explained to his siblings and parents that every time he suggested a path forward, someone shot

it down. He recurrently felt like he was being treated as the youngest child and no one took him seriously. By the end of the meeting, he arranged to shadow his brother-in-law who ran a construction company. Today, he is doing real estate deals with his family. An honest conversation turned an unconstructive pattern into a launch pad of belonging and contributing.

EM: How do you know when it's time for parents to tell their children about the extent of the family's wealth?

AC: We suggest the accent in that question is on the wrong syllable. Rather than focusing on the assets, focus on the relationships. Invite the next generation to offer their thoughts on when they think they are ready? How will they know they are ready? Ready for what? Co-design observable and measurable standards that each party agrees to, and then you have a framework. For example, in one family the son who had just graduated NYU thought he was ready to run a division in the family business. When he returned home, his father told him his first job was to sweep the construction sites. Frustrated, the son stated, "Dad, I can run this company with a phone in my hand, and you want to put a broom in it?" Dad responded with "You bet I do." Dad's standards of readiness meant the son knew the operation from the ground up – quite literally. It meant the son built a reputation as being hard-working and developed a relationship with those that helped the family be successful by rubbing elbows with them. They co-designed a more structured timeline and rotational program he could complete in three years.

EM: How do you resolve conflict within families? What do you advise when generational values are out of alignment?

AC: We often say: "you can be right, or you can be in relationship." Conflict is expensive, and it is often circular and intergenerational. Learning new techniques to engage conflict productively is one of the best investments a family can make. Understanding someone else's perspective does not have to equal agreement; however, the process of understanding may

create alignment. We worked with a family where the son and daughter had very different ideas on how they wanted to run the family foundation. The son, a devout Catholic, wanted to send money to missionary causes. The daughter wanted to fund suicide prevention in the LGBTQ+ community. When they understood each other's passion and values, they could see alignment in what they both wanted to accomplish, just different paths to get there.

EM: When a family comes to you in crisis, what are the first steps you take to stabilize the family?

AC: We listen. We then conduct confidential one-on-one interviews with every family member to share their concerns, their vision, and their questions. We then teach families how to build, manage, and repair trust. In our research, a lack of trust was responsible for 60% of the reasons for family discord or lost assets. Once trust is restored, anything is possible.

EM: In the post-pandemic world, what has changed in your clients' needs? What have the families you work with realized?

AC: There are many takeaways from this unique period. One is that many people had to face their own mortality, and that not talking about this was the greatest risk to family unity. Families realized that relationships are all they have, and when those relationships are not present, they become acutely aware of the absence.

EM: What are three key messages you'd like to leave our Family Office Magazine readers to consider?

AC: First, silence is a great destroyer of relationships, wealth, and human potential. Second, the gap between intention and action is important, and action is often taken too late. Third, not talking about family wealth is being indifferent to family relationships. Bottom line, it's not about the money but about the relationships. The goal of our coaches, consultants and succession planners is to provide families with the skills they need to ensure their family wealth is a force for good.

www.thewilliamsgroup.org