

The Family Performance Review

The Family Performance Review provides a framework to help you identify where your Family Performance is currently at in terms of a Family Quality Life and its succession planning. Participation in the process by your family will help balance the important facets of your family life that ultimately contribute to the enhancement of your total family's wealth and the cohesiveness of its future.

Pulse Check on Your Family

Exercise: This is the first step for you to think about how content you currently are with the overall direction of your family's Quality Life and its succession planning. Use this form to rate each area, where 1 is the lowest rating and 10 is the highest rating. Your Wealth Mentor, family member or other trusted guide will then be able to help you prioritize and address the specific areas that you highlight as requiring further discussion and development of the family's performance. Be sure to also recognize the areas where your family is going well.

The Family Performance Review - continued

Family Performance Objectives

Low ← → **5** ← → **High**
1 ← → **10**

1	Cohesive Family Purpose	1	2	3	4	5	6	7	8	9	10
2	Quality Family Relationships	1	2	3	4	5	6	7	8	9	10
3	Wealth Creation Strategy	1	2	3	4	5	6	7	8	9	10
4	Wealth Transfer Strategy	1	2	3	4	5	6	7	8	9	10
5	Planned Giving Strategy	1	2	3	4	5	6	7	8	9	10
6	Family Business Stability	1	2	3	4	5	6	7	8	9	10
7	Family Governance	1	2	3	4	5	6	7	8	9	10

The Family Performance Review - continued

Family Performance Drivers

Low ←————→ **5** ←————→ *High*
1 ←————→ **5** ←————→ **10**

8	Written Family Mission Statement	1	2	3	4	5	6	7	8	9	10
9	Interactive Family Dialogue	1	2	3	4	5	6	7	8	9	10
10	Behavioral Investment Policy Statement	1	2	3	4	5	6	7	8	9	10
11	Clear Family Estate Plan	1	2	3	4	5	6	7	8	9	10
12	Family Giving Plan	1	2	3	4	5	6	7	8	9	10
13	Family Business Leadership Plan	1	2	3	4	5	6	7	8	9	10
14	Defined Conflict Management Rules	1	2	3	4	5	6	7	8	9	10
15	High Family Trust	1	2	3	4	5	6	7	8	9	10

The Family Performance Review - Glossary

<u>Glossary of Terms</u>		
Family Performance Objectives		
- Hear different family messages	<u>1. Cohesive Family Purpose</u>	
- No family purpose	1 ← → 10	- Clarity of who the family is - Family purpose
- Family feuds	<u>2. Quality Family Relationships</u>	
- Dysfunctional relationships	1 ← → 10	- Open interaction - Regular family outings/ gatherings
-Disorganized	<u>3.Wealth Creation Strategy</u>	
-No plan	1 ← → 10	- Achieving goals - Very stable
- No direction	<u>4. Wealth Transfer Strategy</u>	
- Secretive	1 ← → 10	- Clearly communicated - Clear direction
- “Our money is our money”	<u>5. Planned Giving Strategy</u>	
- Others who are wealthy can do the giving	1 ← → 10	- Generous giving - Charitable purpose
- Low growth	<u>6. Family Business Stability</u>	
- Poor cash flow	1 ← → 10	- Achieving growth plan - Very stable
- Low transparency	<u>7. Family Governance</u>	
-Serious conflicts prevail	1 10	- Framework in place - Policies and protocols followed

The Family Performance Review - Glossary

<u>Glossary of Terms</u> <u>continued</u>		
<u>Family Performance Drivers</u>		
- No action plan	<u>8. Family Mission Statement</u>	- Clear action plan to reach goals
- No framework for making decisions	1 ←————→ 10	- Rules for making decisions
<u>9. Interactive Family Dialogue</u>		
- Limited family discussion		- Open discussions
- Family members not heard	1 ←————→ 10	- Family issues addressed
<u>10. Behavioral IPS</u>		
- Emotional decision-making		- Financial direction
- Scattered investments	1 ←————→ 10	- Disciplined decisions
<u>11. Clear Family Estate Plan</u>		
- Wills not in place		- Written plan to give legal effect to intentions
- Family members not involved	1 ←————→ 10	- Family understand the plan
<u>12. Family Giving Plan</u>		
- Token giving		- Generous giving
- Others who are wealth can give	1 ←————→ 10	- Family member involvement
<u>13. Business Leadership Plan</u>		
- Lack of clarity on direction		- Accountability
- Business a drain on family	1 ←————→ 10	- Family member succession planned
<u>14. Conflict Management Rules</u>		
- Unresolved disputes		- Dispute resolution mechanisms
- Communication breakdowns	1 ←————→ 10	- Communication protocols
<u>15. High Family Trust</u>		
- Suspicious of each other		- Family members approachable
- Distrust	1 ←————→ 10	- Mutual trust