



# Resource Guide

## *The Next Generation of High Net Worth Families*

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# The Next Generation of High Net Worth Families

*This guide was compiled to provide an inventory of resources including articles, books, websites and professional organizations that can help enhance family communication, legacy planning, and financial education for the next generation. The notations were provided by Dr. James Grubman, who has successfully used many of these resources in his work with affluent families and financial advisors. Dr. Grubman is a psychologist and consultant to families of wealth, family businesses, and the advisors who serve them.*

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# Family Communication and Legacy Planning

*There are several good resources for understanding and communicating about the family side of estate planning:*

**Beyond the Grave: The Right Way and the Wrong Way of Leaving Money to Your Children (and Others), Revised Edition.** Gerald M. Condon and Jeffrey L. Condon. New York, NY: HarperCollins, 2001.

A classic in the field of family-oriented estate planning, *Beyond the Grave* is still a valuable resource that provides in-depth discussion of various inheritance issues from the family side.

**Best Intentions: Ensuring Your Estate Plan Delivers Both Wealth and Wisdom.**

Colleen Barney and Victoria Collins. Chicago, IL: Dearborn Trade Publishing, Kaplan Business, 2002.

This is a very readable book on avoiding common errors in estate planning, written with illustrative case examples.

**Closing the Generation Gap.** Nancy Opiela, *CFA Magazine*, July-August 2009, 22-24.

## Ethical Wills

*Some experts in creating ethical will documents or audio-visual histories include the following:*

**The Wealth of Your Life: A Step-by-Step Guide for Creating Your Ethical Will (Second Edition).**

Susan Turnbull. Wenham, MA: Benedict Press, 2007.

Susan Turnbull of Personal Legacy Advisors ([www.personallegacyadvisors.com](http://www.personallegacyadvisors.com)) has crafted one of the best resources for clients to develop their own ethical wills, documenting their thoughts about their legacy. She also provides direct consultation services to affluent clients wanting a more detailed or extensive legacy project for heirs.

**Ethical Wills: Putting Your Values on Paper (Second Edition).** Barry Baines. DeCapo Press, 2006.

Another good resource for self-developed ethical wills, with personal consultation available at Celebrations of Life ([www.celebrationsoflife.com](http://www.celebrationsoflife.com)).

# Understanding Legacy and Life Planning

*Good family communication requires understanding how to talk about personal subjects and honing skills for broaching these areas effectively.*

*Here are some articles that explain more:*

Jim Stovall. **The Ultimate Gift**. RiverOak Publishers, 2000 (book) and **The Ultimate Gift**, 2006 (DVD). This short book (with the motion picture it generated) is a touching story of how passing on an inheritance is truly about values, not just money. Advisors or families can use the book and/or DVD to generate discussion across generations about what it means to be prepared for wealth.

Mark Colgan. **Get Practical and Personal with Estate Planning – It is Not Just the Money That Matters**. *Journal of Practical Estate Planning*, December 2008-January 2009, 51-56.

David Lansky. **Client Retention – It’s not Always About Money**. *Journal of Practical Estate Planning*, February-March, 2002, 11-15.

C. Anderson and D. Sharpe. **Communication Issues in Life Planning: Defining Key Factors in Developing Successful Planner-Client Relationships**. FPA White Paper, 2008.

Neal Van Zutphen. **Interpersonal Communication Skills Matter More than Technical Expertise**. FPA Journal/ Between the Issues ([www.fpajournal.org/betweentheissues](http://www.fpajournal.org/betweentheissues)), June, 2007.

George Kinder and Susan Galvan. **Psychology and Life Planning**. FPA Journal, March, 2007.

## Working and Collaborating with Therapists About Money and Family Issues

*Articles on collaboration between financial advisors and therapists include the following:*

Bob Veres. **The Therapy Alliance**. *Inside Information*, July, 2007.

Terra D. Taylor, Kerry B. Bernes, Thelma Gunn, and Gary Nixon. **How Financial Planners Can Collaborate with Professional Counselors**. *FPA Journal/Between the Issues* ([www.fpajournal.org/betweentheissues](http://www.fpajournal.org/betweentheissues)), April, 2005.

James Grubman and Keith Whitaker. **A Two-Axis Model of Financial Advising**. *FFI Practitioner* ([www.ffi.org](http://www.ffi.org)) November/December, 2008.

# Ways to Find a Therapist for Family Communication and Money Issues

*For more expert help, you may need to do some research in your local community to find appropriate counselors. Here are some methods for finding therapists who may be experienced in money and finance:*

→ Contact a member of the Financial Therapy Forum at [www.financialtherapist.org](http://www.financialtherapist.org) (see link about Members). This is a recent website with a network of financial advisors and therapists who are knowledgeable about collaboration between advisors and counselors. Either they or someone they know may be in a community where an expert is needed.

→ Using an online search engine (Google, Yahoo, etc.), use keywords for:

- The local state or geographic area
- Plus: therapist or counselor or psychologist or mental health or therapy
- Plus: money or finance or wealth

This will derive website listings of therapists who list issues of money/finance/wealth among their areas of specialization, within a defined geographic area.

Review the web information of therapists shown. It will become clear whether handling money issues is a major or minor area of expertise.

→ For affluent/HNW clients, a skilled therapist or consultant is needed who is familiar with issues of wealth and who may have experience in facilitating family meetings. Access the directory area of the Family Firm Institute ([www.ffi.org](http://www.ffi.org)) for consultants skilled in the behavioral sciences. Also, use search engines to find consultants using keywords such as:

- Psychologist or therapist or consultant
- Plus: family business or family enterprise or wealth or family dynamics
- For complex issues in larger families of wealth, also use terms like governance or family council

→ Mental health professionals trained in family therapy are often adept at handling money stresses in couples and families. Access the directory websites of the professional organizations for licensed marriage and family therapists (LMFTs) to find those listing money issues as areas of experience. See also members listed in your local area at:

- APA Division 43: Family Therapy
- American Association for Marriage and Family Therapy, including [www.therapistlocator.net](http://www.therapistlocator.net).

# Financial Literacy and Education

*There are many written and online resources for adults about personal finance, ranging from explanations of credit and debt management to saving for a house, planning for retirement, or avoiding identity theft. These are meant to teach adults about finance or remediate problems that have led to excess debt or ineffective planning. However, most of these resources are not very useful for parents who want to lay the foundation for good financial literacy with their children from the beginning.*

*Here are some good-quality articles, books, websites, and professionals available to help guide parents and advisors in the area of financial literacy education. Use these as a basis for beginning a good financial education program:*

## → *Books on Financial Literacy for All Economic Levels*

**Raising Financially Fit Kids.** Joline Godfrey. Berkeley, CA: Ten Speed Press, 2004.

Joline Godfrey’s book is a well-regarded resource for parents at all economic levels. Each chapter gives practical advice linked to each stage of childhood development, including many real-world examples and charts explaining tasks and skills for each age range.

**The Financially Intelligent Parent: 8 Steps to Raising Successful, Generous, Responsible Children.** Eileen Gallo and Jon Gallo. New York: New American Library, 2005.

Written by a noted husband-and-wife team of a lawyer and a psychologist (and authors of *Silver Spoon Kids*, see below), *The Financially Intelligent Parent* explains not only the how-to of financial literacy but also the mindset parents should have in approaching the financial education of their children.

**Raising Money Smart Kids.** Janet Budnar. Chicago: Dearborn Trade Publishing, 2005.

This book from the deputy editor of *Kiplinger’s Personal Finance* goes into detail on a wide spectrum of ideas and skills about creating “money smart kids.” The ins-and-outs of teaching good credit and debt management to today’s kids are emphasized.

**The First National Bank of Dad: The Best Way to Teach Kids About Money.** David Owen. New York, NY: Simon and Schuster, 2003.

Written by a contributor for *The New Yorker*, this is presented as a father’s first-hand account of teaching his children to have strong values for saving and good money management. The latter section of the book goes into a variety of basics about finance and money.

## Financial Literacy and Education *(continued)*

**Neale S. Godfrey's Ultimate Kids' Money Book.** Neale S. Godfrey. Columbus, OH: Aladdin, 2002.

Written in an animated style with many illustrations, the *Ultimate Kids' Money Book* explains many basic and advanced concepts to kids in a fun format. It is a good resource for those children who show an aptitude or interest in the area of money and finance or for those who think money is boring to learn about.

**The Kids' Allowance Book.** Amy Nathan with Debbie Palen. Backinprint.com, 2006.

This book is targeted to elementary school children and reflects ideas on the use of allowances and techniques for staying on track with them. It does not advocate for the allowance as a learning tool (as in *Raising Financially Fit Kids* by Joline Godfrey) but takes a broader approach as to why kids can or should have an allowance.

**TeenVestor. The Practical Investment Guide for Teens and their Parents.** Emmanuel Modu and Andrea Walker. Perigee Trade, 2002.

For adolescents who are intrigued by investing or for parents who want to do more than just encourage their teen to save and invest, *TeenVestor* is a good resource about the fundamentals and how-to of investing. It also has a section on philanthropy, which is good for the socially-conscious teen. See the companion website at [www.teenvestor.com](http://www.teenvestor.com).

### **Talking Money with Your Kids**

#### **Teach Your Kids Financial Skills Early and the Lessons Can Last a Lifetime.**

Available from [www.SmartAboutMoney.org](http://www.SmartAboutMoney.org).

These are two easily-read articles that you can download from the resource library at [www.SmartAboutMoney.org](http://www.SmartAboutMoney.org), a financial literacy website associated with the National Endowment for Financial Education ([www.nefe.org](http://www.nefe.org)). Both contain information for parents on basics of financial literacy training.

## → *Books on Financial Literacy for Affluent Families*

**Silver Spoon Kids: How Successful Parents Raise Responsible Children.** Eileen Gallo and Jon Gallo. New York, NY: Contemporary Books, 2002.

This is a classic book written for affluent families by the renowned husband-and-wife team of Jon Gallo (attorney) and Eileen Gallo (psychologist). It goes into clear detail about the psychological stages of childhood development and how to follow through with financial education at each stage.

**Children of Paradise: Successful Parenting for Prosperous Families (Second Edition).**

Lee Hausner. Irvine, CA: Plaza Press, 2005.

The 2005 edition is an update of an earlier book written for high-net-worth families about the difficulties, hidden stresses, and opportunities inherent in raising responsible children with wealth. *Children of Paradise* is especially good for those parents who want an in-depth discussion of the emotional and psychological aspects of affluent parenting.

**Wealth in Families (Second Edition).** Charles Collier. Cambridge, MA: Harvard University Press, 2006.

*Wealth in Families* is a small and very readable book written by a prominent wealth consultant for high-net-worth families. Written in an interview format with other leaders in the field, it provides advice on preserving good money skills across generations. Note the chapter on “Financial Parenting: Managing Money,” which discusses the importance of financial education for all high-net-worth family members.

**Mommy, Are We Rich? Talking to Children About Family Money.** Susan Peterfreund and Barbara Hauser. Rochester, MN: Mesatop Press, 2001.

A useful book for handling common questions that affluent children have for their parents. Many parents find these questions awkward to handle, and so they avoid family communication. Knowing how to approach these natural questions can often make the difference in establishing healthy money attitudes and skills with affluence.

**Navigating the Dark Side of Wealth.** Thayer Willis. Portland, OR: New Concord Press, 2005.

Written by an inheritor and a therapist, this book discusses personal, spiritual, and professional perspectives on how healthy parenting and financial training are crucial for children raised with affluence. Thayer Willis advocates that parents need to take responsibility for their own money management in order to be good models for their children, and that taking an active approach is best in raising responsible children with wealth.

## Websites

### **The Inheritance Project/Trio Press: [www.inheritance-project.com](http://www.inheritance-project.com)**

Since 1992, the Inheritance Project (also known as Trio Press) has provided a variety of resources for inheritors about personal, family, and social aspects of wealth. See their resource list for their books and other publications.

### **National Endowment for Financial Education: [www.nefe.org](http://www.nefe.org)**

NEFE is one of the best sites for financial literacy not only for children but for adults. It contains many excellent articles and resources for understanding finance at all stages of life. See the section for teens at [www.hsfpp.nefe.org](http://www.hsfpp.nefe.org) and the resource library at [www.SmartAboutMoney.org](http://www.SmartAboutMoney.org).

### **The Financially Intelligent Parent: [www.fiparent.com](http://www.fiparent.com)**

This companion site to Jon and Eileen Gallo's book, *The Financially Intelligent Parent* provides tips and techniques for financial literacy training such as understanding allowances and how to set up a household chore list for different ages.

### **Practical Money Skills for Life: [www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)**

This site offers many games, educational tools, and tips on investing basics for children, young adults, and adults. It teaches financial education in an engaging and solid format with sections written by personal finance authors Jean Chatzky and Jason Alderman.

### **Jump\$tart Coalition for Personal Financial Literacy: [www.jumpstart.org](http://www.jumpstart.org)**

Jump\$tart is a well-researched clearinghouse for financial literacy materials with standards for high-quality resources using the Educational Materials Review Checklist. Visitors can browse the Clearinghouse section for age- or topic-specific materials used for financial education.

### **The Mint: [www.themint.org](http://www.themint.org)**

Supported by the National Council on Economic Education and the Northwestern Mutual Foundation, this is a financial education site primarily for teenagers though it does have resources for younger children.

### **TeenVestor: [www.teenvestor.com](http://www.teenvestor.com)**

This is a companion site to the book, *TeenVestor*, with many good resources for adolescents and young adults.

### **Celebrations of Life: [www.celebrationsoflife.com](http://www.celebrationsoflife.com)**

This is a good resource for self-developed ethical wills. Personal consultation is also available.



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The views expressed in this guide are those of Dr. James Grubman and the authors of the reference publications and websites, and are subject to change at any time. These views do not necessarily reflect the views of Pioneer or others in the Pioneer organization.

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