



**CREATING A FAMILY VISION WHILE
SUPPORTING DELAWARE ART MUSEUM**





The Delaware Art Museum connects people to art, offering an inclusive and essential community resource that through its collections, exhibitions, and programs generates creative energy that sustains, enriches, empowers, and inspires.

The innovation and distinctiveness that have marked our work from the start continue to anchor us today and will in the future. Many of our friends would like to add to that legacy but want to do so in a thoughtful and meaningful way that also invests in the future of their families.

The Family Wealth “Problem”

Over the years, the Museum has worked with many high net worth families. These families frequently mention how difficult it is to manage the family and its resources—and that family wealth can be as much a burden as a blessing. William K. Vanderbilt once said, “Inherited wealth is a big handicap to happiness. It is a certain death to ambition as cocaine is to morality.”

In fact, Rod Zeeb and Perry Cochell, co-founders of the Heritage Institute, have noted that nine out of ten affluent families lose their financial wealth in three generations because traditional estate and financial planning focus on passing financial assets instead of passing on the values, faith,

traditions, and work ethic that built the wealth. This concept, known as “shirt sleeves to shirt sleeves in three generations” is mirrored in every society around the world—it is human nature. Their work follows that of Charlie Collier, author of *Wealth in Families*, who identified that “Successful families manage themselves deliberately...If you and your family can define ‘what’s important’ before deciding ‘what to do,’ then your children will thrive, your family will flourish and society will benefit.”

Avoiding Shirt Sleeves to Shirt Sleeves in Three Generations

Since hard work and financial success lead to difficulty for nine out of ten families, what steps can you take to help your family overcome these odds? The first step is to explore a series of questions that help you to identify the foundational values, objectives, and dreams that have meaning to your family. Books such as *Wealth in Families* by Charlie Collier; *Family Wealth, Keeping it In the Family* by James Hughes, Jr.; *Beating the Midas Curse* by Perry Cochell and Rodney Zeeb; *Raising Charitable Children* by Carol Weisman; and *Inspired Philanthropy* by Tracy Gary all provide questionnaires and guidance for understanding what you and your family hold most dear.

Collier offers five core questions to guide a family through this process:

- What is really important to your family? What core values does the family agree on?
- What are your family’s true assets?
- What should you do to guide and support the life journey of each family member over time?
- How wealthy do you want your children to be?
- Do you feel you have a responsibility to society?

As you explore these questions, you will delve into what is truly important. For example, if your family’s true assets are made up of more than financial wealth and also include human, intellectual and social capital, how you decide on a course of action will be shaped by this. Your financial and estate planning will have different objectives than simply passing the greatest amount of wealth to the next generation.

Developing a Plan

Once you identify your values, it is then possible to develop a comprehensive, long-term plan for your family. In effect, create a plan for your family like you would for a business. Cochell and Zeeb suggest starting with a family vision statement, a meaningful and compelling statement of your story and values, coupled with your vision for sharing those values with future generations.

Implementing the Vision Statement

With a vision statement in place, you can begin to build an infrastructure around it, including a family leadership succession plan, structures for family decision making, and estate and financial planning documents to support the family vision statement and values. Include regular family meetings or retreats to ensure that the plan stays on track. Together these written documents and procedures will form the foundation for passing the values, faith, traditions, and work ethic that built the wealth to future generations so that they might flourish as well. The families that have maintained their values over time—Rockefeller, Vanderbilt, Getty, and more—have used this type of approach.

The Role of the Museum

You may wonder how the Museum fits into this process and why we are suggesting it to our families. Put simply, your success is our success. Families committed to this process often discover that the Museum and the other charities they support are an important part of their vision. These families become the philanthropists that can have a profound impact on our ability to carry our Mission forward.

For your Information

If your family would like to enhance your wealth across generations and desires guidance on the process, contact us at 302.351.8526 or via email at legacy@delart.org. Additional information can also be found at our website, delart.org.

The Delaware Art Museum is dedicated to a donor-centered philanthropic planning approach. This means that we work with you and your advisors to ensure that your personal planning objectives for yourself and your family, both today and tomorrow, integrate with your support for your favorite charities, like the Delaware Art Museum. Only by looking at your philanthropy through this lens can we ensure that your gifts fit with your tax, estate, and financial planning. We look forward to working with you and your advisors.