

Family Flourishing: Giving Voice to Silent Generations

Jay Hughes, Susan Massenzio, and Keith Whitaker

Finding their Voice

Where are the books that speak to the situation faced by the second generation and beyond in families of wealth? There are plenty of writings about the “problems” of inheritors and ways to fix them. There are various programs to educate the “next gen.” But these books or programs are often aimed at first generation parents, in conformity with their fears, desires, and needs.

About the true situation of rising generations there is largely silence. To our ears, this silence speaks volumes. It reflects the fears of the first generation about future generations’ possible entitlement and dependency. It also helps to explain the lack of purpose from which many second generation family members suffer. This silence explains why, despite the efforts of many advisors, few families successfully overcome the proverb of “shirtsleeves to shirtsleeves in three generations.” A silent second generation gives birth to a third generation that cannot sustain the family’s human or financial capital.

In our view, the most pressing task facing families today is to break the silence and help each generation find its voice. This is a task not only for families with wealth but also for any affluent family, in which material means and parental hyper-vigilance can stifle initiative just as effectively as a large trust fund can. In what follows we sketch out some of the steps to help future generations find their voice.

Dreams

What do we mean by “finding their voice”? In a word, we mean dreams—identifying and

pursuing them. Our friend and colleague Charlie Collier captured the challenge well in a question that he recommended parents ask their adult children: “How can I invest in your dreams?”

The last two decades have seen many families come to recognize the importance of human capital. Most still give their main attention to the preservation and growth of financial capital, but at least that attention is not exclusive of all else. Yet creating family vision or mission statements; composing family balance sheets; and educating family members in financial skills, legal responsibilities, or even good communication practices are not, by themselves, enough to help people find their dreams.

The silence of rising generations is a sign of diminishing human capital. Creating a “family” mission statement or history will not help if it is really the first generation’s mission or history. Family philanthropy will not help if the founders’ voice guides all deliberations. Financial literacy has limited effects if the teacher’s voice is really that of one’s parents or grandparents. If the founders’ voice drowns out all others, these activities may deepen rather than lift future generations’ silence.

Families who have succeeded over time illustrate this lesson. “Junior” Rockefeller had a strict allowance and learned financial skills at the hands of his frugal father, John D. Rockefeller, Sr. But his father also gave him great latitude in his philanthropic efforts and in his decisions in raising his own children.

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Similarly, Meyer Rothschild taught his sons many financial skills, as they did their children. He also instituted novel ways of family communication. But he gave his sons the space (literally, entire countries) to establish their own businesses and families.

What may silence future generations is, paradoxically enough, the great dream of the founder. We say “paradoxically” because such a dream is a paramount example of human capital. The dream of the founder takes material form in the family’s financial wealth. It projects itself into the family’s business arrangements and into the legal structures that surround family members. It is like a sun that shines upon the family and makes them visible to the world.

Unfortunately, in many cases, over time, this “sun” becomes a black hole. The founder’s dream may draw everything in its orbit. Each “next” generation views itself as little or nothing compared to the “great man” (or the great couple). The first generation’s material success becomes the unattainable standard for all future generations. Rather than developing themselves, these generations are encouraged to become stewards of the founding dream—whether in business or philanthropy, or in just preserving the stories of the founder when all else is gone. They become curators. They feel the burden of the fear of failing to keep the dream alive.

Conventional usage reinforces this dim view. The most common way to refer to these family members is as “next gen”—even if they are in

their 60s or 70s. Individuals of vastly different ages or developmental stages are lumped together. They are thought of only in reference to the “founding gen” or “first gen,” the wealth-creators. They are what happened “next.” Growing up next to the black hole, it is not surprising that they are so often silent.

Individual Flourishing

What can families do? Let’s return for a moment to the founders. Founders often dream of their families continuing for generations. But they often also fear that all they have built will fall apart as soon as they pass away. This dream combined with this fear often contributes to a need for control, for example through legal structures such as trusts.

Nothing lasts forever. But no one knows when the end must come. While every family will fade, there is no law that says that it must fade with this generation. Too few families see that they have a choice. Perhaps the first step in flourishing as a family is to decide, regarding decline, “Not yet.”

The next step is to focus on individual flourishing. This advice may sound odd: aren’t we aiming at family flourishing? In truth, the goal is and must be both. The basis for any organization’s flourishing (whether a family, company, or other group) is the flourishing of the individuals in the group. Exclusive focus on “the family” is often a sign of the black hole at work.

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Fostering individual flourishing means nurturing each member of the second generation and beyond so that they can identify and pursue their dreams. One way to begin this work is to compare the space occupied by each individual's dream versus the dream of the founder: which looms larger?

Once this process of reflection has begun, self-understanding is a necessity. For members of the founding generation, this self-understanding involves honestly assessing where you are in life and what your dreams are for yourself and other members of the family. It also involves considering where and to what degree you are seeking control and what those control needs are about.

Self-knowledge in the founding generation provides the basis to allow other family members to come to know themselves. The work here begins with each member of the potentially silent generations coming to know his or her place in life. Doing so involves becoming aware of one's developmental stage of life (e.g., adolescence, "Odyssey Years," middle age, older adult), recognizing the dilemmas inherent in each stage, and locating oneself amid them. It also involves identifying one's demographic group (e.g., "Greatest Generation," "Silent Generation," "Baby Boomers," "Gen X," or "Millennial"). Such learning can come through reading, workshops, or individual reflection.

This initial self-understanding by members of potentially silent generations prepares the ground for deeper self-development. This

development may take the form of learning a particular discipline or gaining specific skills. It may express itself in a job, career, or philanthropic commitment. Whatever its exact form, we have found that this self-development inevitably involves "work." This work may not necessarily aim at financial rewards. But as with any work, it requires that the individual seek to do something useful for others, which others evaluate, and that places demands upon the doer. It must also involve the possibility of success or failure.

Work helps build something that is crucial to all members of potentially silent generations: resilience, the capacity to bounce back from the inevitable challenges that life sends our way. Wealth has the capacity to rob children of the "natural education" in "hard knocks." It can make the path too smooth. The founder's material success may make one's own striving seem trivial or pointless. The absence of necessity may make work seem tiresome. And yet individuals do not magically envision their dream and apply those dreams with resilience. It is often through struggle that one finds a purpose that gives meaning to one's efforts.

Family Flourishing

Such individual flourishing is the basis of family flourishing. And our experience has taught us that it is often not what family leaders do but what they let happen that makes the difference for family flourishing. If you try to pry open the bud of a flower rather than letting it unfold naturally, you will ruin the plant. Helping open a chrysalis keeps the butterfly from developing the strength in its wings needed to fly.

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We often see family leaders try to use a business, foundation, or trusts to “keep the family together.” Such efforts easily backfire and produce resistance. Even when they “succeed,” they often silence the future generations.

What can family leaders do instead? As we describe in *The Cycle of the Gift*, family leaders can give rising generations not the money that so often serves as a “meteor” to drive them off course but rather the experiences and opportunities to develop their own skills and purpose. Some families have found that an educational curriculum can help future generations “get to the beginning” by learning about and developing themselves, their experiences, and their character.

Different types of leadership also help. The maxim of “lead from behind” and the lessons of Taoist leadership are crucial. In many families we have known, the qualities that women bring to leadership have proven decisive. Women leaders often show an aptitude for fostering others’ dreams rather than imposing their own. Elders also play an important part in family flourishing. We have seen families reverse the traditional, “black hole”-inspired efforts to educate the “next generation”: instead they focus their educational efforts on their older members, to help them become mentors to the rising generation and eventually elders to the family as a whole.

Family leaders also need to choose wisely in their advisors. Many advisors serve within the orbit of the “black hole.” They may even see this

position—as close to the source of wealth and control—as crucial to their success. But this position ultimately undermines effectiveness. Wise family leaders will seek out advisors who recognize the danger that the usual forms pose to individual and family flourishing and who are committed to doing things differently in order to help each generation find its voice.

Human capital is our most precious resource. If demographic projections of lower-birth rates are correct, then it is becoming more precious all the time. It is important to foster what human capital a family does have. The key is to remember that the “voice” is the dream. Every generation faces the risk of falling silent. Every generation has the potential to come to know, speak, and live its dream.

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