

Transcription details:

Host: Bill Coppel, First Clearing Chief Client Growth Officer

Guest: Dennis Jaffe, Ph.D., Author, Professor, Research Associate at Wise Counsel Research

Transcription results:

Intro Welcome to The Next Frontier, where we examine what the world of the financial advisor will be in a world that's being disrupted by artificial intelligence and algorithms. Our mission is to spark new conversations that create stronger connections and build greater client confidence. Join us as we look at our industry and others through a new lens and explore the opportunities emerging at the intersection of high tech and high touch. It's time for a new conversation. Are you ready?

BILL COPPEL Hi. This is Bill Coppel. And welcome to The Next Frontier. One thing I consistently see when it comes to a family's wealth is the significant role that family dynamics play and how this uncomfortable and often taboo subject is addressed or, in many cases, ignored as though it doesn't exist. And when it's ignored or otherwise brushed over, we've seen how this story can end, even when there's a financial plan in place. Having a plan does not solve this very real issue of family dynamics. In fact, I would go so far as to say that a financial plan created in the absence of full family engagement is not a plan at all, but rather a facade that can lead us into thinking all's well and that we'll live happily ever after. I think that family dynamics are an extremely important part of a family's wealth. The question is: where does it sit on a family's balance sheet? Is it an asset or a liability? Think about it in the context of your own family.

BILL COPPEL When I looked into this further, I found that a legacy of family wealth anchored in healthy family dynamics endures over generations. What could we learn from families who have achieved this remarkable ability to not only create but sustain generations of wealth? That's what our guest will help us explore today. For over 40 years, Dr. Dennis Jaffe has been one of the leading architects of the field of family enterprise consulting. As both an organizational consultant and a clinical psychologist, he helps multi-generational families to develop governance practices that build the abilities of the next generation of leaders and ensures the ongoing capabilities of financial organizations and family offices to serve their family clients. His work with families helps inform his training of financial advisors and wealth managers about the knowledge and skills needed to serve their client families. He's an acclaimed speaker, author, and workshop leader in programs for business families and financial service firms. Dennis, welcome to The Next Frontier.

DENNIS JAFFE Well, thank you, Bill. I'm delighted to be here.

BILL COPPEL Now, you're a sociologist and a licensed psychologist. These are not areas of expertise you automatically associate with the wealth management business. So my question is: what led you down this path? And what need did you see in your encounters with the families that you were working with?

DENNIS JAFFE Well, when I get up and talk to a group of financial bankers or lawyers, it's always kind of weird to me. How is it possible that I'm saying something relevant in working with these people? They are wealth managers. But the clients and the people that they work with are families. And the families have concerns. And because they're financial planners and people's most intimate lives are around their finances, people trust their financial planners, their lawyers, their accountants as being the most trusted people

in their lives. And so inadvertently or because of that, the families bring these kind of deep issues about being a family, about not just, "How do we make more wealth?" But, "What's our wealth about? What are we going to do with our children? How do we keep from spoiling our children? How do we talk about being wealthy?"

DENNIS JAFFE

These are all personal issues. And amazingly, these people, they don't go to therapists. They don't go to a psychologist. They go to their banker, their financial planner, their lawyer, their trusted - we call them the trusted - family advisor. So what we find is that these advisors, they're not trained. They didn't go to graduate school to become family therapists. So they don't expect to have families crying in their room or talking about-- but there they are. And in order to advise them about finances, the finances are involved in who these families are and what they want. So it's just happening that the world of financial services and financial advising is coming upon family and personal issues. And so I find that the kind of work that I do and the kind of help that I give them is really relevant.

BILL COPPEL

Well, sure. Because family dynamics matter. And I imagine, when it comes to money, it even gets more challenging if you don't have a real understanding of that component of it. But what I wanted to ask you was that-- you taught for 35 years as a professor in organizational systems and psychology. So I imagine that you just didn't wake up one day and decided to go into this. So what was that path like from the classroom to the world that you're operating in today?

DENNIS JAFFE

Well, the first thing is that, when I was in college in the 60s, I was involved in social service. And in those days, kids were running away. And so I got involved in running what we called a runaway house. A place where runaways could come and stay. And what we did was we helped the runaways kind of talk to their parents, have difficult conversations, and talk about why they were dissatisfied, what they wanted, and work something out. So here I was, age 20, holding intergenerational conversations about values, about what people wanted from each other. And then I went on. And I got an MBA. And I became a management consultant and worked at that area. And it just happened that some colleagues began to say, "Well, we should be talking about family businesses." Business schools don't really mention family businesses. And yet, most businesses - all over the world - are family businesses.

DENNIS JAFFE

So I got invited to that because someone remembered, "Oh, yeah. Dennis, he used to do family counseling. Maybe he'd be interested in that." And I had never really thought about family business. Like most people in business schools, it didn't come up. Even though families owned most businesses. And I went to that meeting. And it was an incredible, life-changing event. Of course, we should be studying that. Of course, this is important. Of course, who the family is and what they want from each other and their personal relationship is a factor in the business that they run. And it's not something that we should neglect. And so that meeting actually led to the dawn of the family business field. And now, it's become global. All over the world, people are looking at family dynamics and helping families. And it really was born in a single meeting and a small group of people say, "We should be studying this."

BILL COPPEL

And that's the centerpiece of your most recent book, "Borrowed from Your Grandchildren", where you brought together years of research and real-life stories centered on 100-year-old family enterprises. So tell us about how you went about writing that book. What was the research that you did in order to form the content of your latest writing?

DENNIS JAFFE

Well, a couple things. First of all, I've always worked mostly in the United States. And when I retired as a professor, five years ago, I began to wonder if the kinds of things that we were teaching in the US were really relevant to families around the world.

And I had had some experiences. So I began to wonder, first of all, what global families were talking about. And secondly, the literature, and particularly in the early XXI century and the 90s before that-- the family business literature in media was mostly negative. They'd love to talk about family feuds and families shooting each other and fighting it out and lawsuits. And so most of the things that people were talking about in family business were negative and how family businesses are destructive. So that was what stuck in people's minds.

DENNIS JAFFE

And I began to see a different reality. I saw families that were responsible, that were looking at their social impact, that were training next generations. And so I decided to not look at the failures but to travel around and look at the most successful families all over the world. How was I going to find them? So I came up with three criteria that made up a successful long-term family enterprise. So the first is that they have been together as a business - not just the same business, a series of businesses - for more than three generations. They had a shared identity as a family. There was something about being family, other than making money that they did together. And that they were large. And these were not just a single business because about half of them had sold the business. And some became a family office or bought new businesses or became investors, philanthropists. So instead of a single family business, I call them family enterprises.

DENNIS JAFFE

So I went around the world. And I got help from a number of groups and networks. And I looked for families. Eventually, I interviewed families in 20 countries, more than a hundred families. And I spoke to family leaders, interviewed from at least two generations in these families. And I asked them, how did they evolve? What did they do to succeed over three, four, some as many as seven or eight generations? How did they do it? How did they manage all those people? How did they work as a business? And what was important to them as a family? So by interviewing a hundred families and gathering all these interviews, I was able to get a picture, not of the dysfunctional families that people love to kind of hear about but the most functional and the most successful families who by and large tend to be private. They don't share their personal stories very much. So I promised these families anonymity. So I don't identify any of the families. But these hundred families are basically families that you would all recognize. And because of the confidentiality and the fact that they trusted what I was doing, these families have opened up about not just about how they're successful but what are some of the challenges that they face on the path and how did they become successful - what I call - generative, I call them value-creating families over not just one but three or more generations.

BILL COPPEL

So when I think about what you said, which is our general perspective when we think about families often is that dysfunctional family-- but they're celebrated today in reality TV and sitcoms and so forth. But when you look back at the work you did, what were some of those surprising or interesting things you learned given our general perspective when we think about family dynamics?

DENNIS JAFFE

Well, the first one and the one that-- again, a number of the things that I found were totally counterintuitive and not what you would expect. For example, the shirt sleeves. The shirt sleeve that we all talked about. These families obviously were exceptions to that. And they were even more wealthy in the third or fourth generation because they had more people. So the other thing that I found is that-- another common myth is that wealth is created by the first generation. And then it dissipates. As there are more people, there's less money and they're spending it. But these families had created wealth not just on the first generation but they continued often creating even more wealth in the second and third generations. So they were innovative. They were entrepreneurial. They were not just running a single business

but creating new businesses and new opportunities. And in order to do that, they had created an incredibly talented group across the generations.

DENNIS JAFFE

The number one most interesting thing I think I had found about these families is that these families faced with great wealth, they looked around in the second generation or third generation and said, "Well, we have all this wealth. What do we want to do with it? What's important?" And they began to engage this question of, what is it for? And what they wanted to do was invest in themselves in creating what I call a great family. They invested in the family. They invested in family relations. They invested in the growth and development of their next generation. They invested in social enterprises. And basically, while they certainly were canny and productive and good at business, they saw themselves as social institutions based on a set of values that they considered important.

DENNIS JAFFE

For example, a number of the families in the second or third generation said, "Well, we've been very successful in this business. But I don't think the business that we're in is sustainable. I have some questions about it." And so they began to take the business and take their investments in new directions. And these new directions, amazingly, sometimes were just as profitable and more profitable than their original business. So they were entrepreneurial. But they were also socially responsible. So these families all had great investments of time, of money in their next generation and in themselves as a family. They got together as a family. They had vacations. They had foundations. They worked together to do things they considered important. They were really oriented and focused on themselves as a great family.

BILL COPPEL

Well, that's interesting. Because the points you made about the fact that often we judge family-owned businesses as being successful out of the gate and it's usually the second and third generation that drives them into the ground. But what you found was the complete opposite, that it was a gradual build over generations. And the point you make around this notion of stopping at a point and time, recognizing your success, and then begin to ask the question, "So what's next?" And then weaving their values into that. Which could certainly influence how they perhaps distributed their wealth from a philanthropic standpoint. But also, as you point out, it may lead them in a slightly different direction to even be more successful down the road. And so what's interesting is that, as an advisor to a family, this becomes very, very important, I would imagine. And what's unique about these families, I suspect, is how they interacted. So could you share with our listeners about their communication skills? How were they able to maintain what appears to be a relatively positive outlook that has been perhaps a catalyst to their ongoing generational success?

DENNIS JAFFE

Well, they did a number of things. There isn't one secret sauce, "Aha, if you do this, you'll--" but first of all, they were highly engaged. So the younger generation, as they grew up, really interacted a lot. They had family meetings. They had business meetings and educational sessions and all kinds of opportunities to get to know each other. And the older generation was really involved with the younger generation and encouraged them. The older generation wasn't paternalistically saying, "Here's what you should do. Here's what we want you to do," but saying, "Who are you? What do you believe? Let's talk." So there was a lot of engagement and a lot of opportunities to be open. So the families, over the generations, for example, they discovered that communication begins with transparency. It begins by family members saying, "We want to learn about each other. And in order to do that, we have to share what we have."

DENNIS JAFFE

Families open up. And they begin to share business, financial information. Not everything. It's not sharing huge spreadsheets. But talking about, "What do we own?"

What do we do with it? What does it mean?" And listening to the next generation. And listening to their ideas. For example, "What we do is-- we're in an area that's not sustainable." And the younger generation says, "We have questions about that. And we're not sure we should be in this business." Well, that's a pretty threatening conversation. And a lot of families, particularly older generation, would say, "Well, just shut up. This is where your money comes from and appreciate it. And I don't want to hear from you." But these families had a different approach.

DENNIS JAFFE

For example, one family was interested in sustainability. And they were in a manufacturing field. And the elder generation was known for their kind of views that climate change was not an issue and that sustainability and factories was not an issue. And the younger generation said it was. So they set up an educational session at one of their family meetings where they brought in experts and had a dialogue. And the older generation, at the end of it, said, "Well, I can see that there's something here and that you guys are the future. So we're not going to change our views. But we can understand that you want to see this as more a part of what we do as a family. And we'll respect that." So it's an exchange. It's a learning together and being open to exploring. These are all things that come up about entrepreneurship and about resilience. But these are things that these families actually do. And what this means is they have to take time together. So if the family has 30 people living all over around the country, sometimes even in different countries, they have to have regular gatherings. They have to have meetings. They have to have not just kind of a bull session but they have to get together and say, "Well, we want to talk about the future. We want to talk about new ideas. We want to create a committee, a task force for innovation. We want to look at new ideas and how we're going to use our philanthropy." And so there's a lot of engagement. And the engagement is active, leading to action rather than just talking to each other.

BILL COPPEL

So what I'm hearing here is that there's this openness - with respect, of course - between the generations and a willingness to draw the younger generation in, as opposed to keeping them at bay, i.e. threatening to cut off their inheritance or their allowance, but rather draw them into this. So here's my question. In your research, in the experience you had interviewing these folks, was this an organic thing that occurred or was there another catalyst? For example, was there an advisor that would help them get to this level of intimacy as they kind of wove their sort of family values and business together?

DENNIS JAFFE

There were trigger events. When they decide to sell the business, the legacy business, or they have to sell it because it needs new capital or it's under threat or something-- when the family sells the business, there's a point at which the family says, "Well, what do we do together? Now, we don't have this business." And the next generation, the people that are the inheritors have to say, "Well, we still want to work together. We still want to create a shared fund. We want to invest together. We want to do activities together." So there's a choice point. And the family has to redefine itself. Another challenge is simply when the second or third generation grows up. And again, the mythology is that the new generation grows up with their hands out, saying, "How much am I going to inherit?" And of course, that comes up. But looking at the first generation, the second generation, they have grown up with wealth. They've grown up comfortable. They've been educated. And all of these families, they kind of create an expectation from the time that people are young that they're going to use their education to do something important.

DENNIS JAFFE

And because they're a wealthy family, something important-- for example, they could be a musician or they could be in social service or working as a teacher. And they have the expectation not that they're going to be rich but that the family, because of their

means, will be able to support them moving in a profession that doesn't bring a lot of money. So the wealth is a benefit. But it's not a substitute. And so many family members in these families grow up, they go to business schools. They become professionals. They have very, very kind of important professional roles and skills. And the question is not whether they're going to be productive or how much they're going to get, but whether and to what degree they're going to use the skills that they have for their own new families or for the older extended family.

DENNIS JAFFE

And so families, for example, invest in each other. Families say, "Well, you have your own business. Let's say you're starting a business that you own. But you're also going to be on the board of the family business or you're going to serve on the investment committee of the family." So the families, they're not talking about inheritance so much as how the next generation is going to be in the world and to what degree they're going to be doing that with the family, with the wider family, and to what degree they're going to be doing that on their own. And it's not an either/or choice because family members can run their own businesses but also be part of the family business. And we could talk about family governance. The family has many activities that they do together. And it doesn't mean you have to be a full-time employee. There are a whole lot of other roles and leadership that you can take in the family that also allow you to work outside.

BILL COPPEL

So talk to us and our listeners a little bit about what it's like to coach a family around tough conversations. And not just to transfer of wealth but for the purpose and the values that you're speaking about, how do you help them breakthrough in perhaps uncomfortable-- or have these contentious conversations that, from a generational perspective, may pit one generation against another?

DENNIS JAFFE

Well, it's a complex question. But let me break it down. And first of all, let me talk about what I call the new century. And what I see is a resurgence of interest in family enterprise and working together as a family. And what's happened is there's been kind of a loss of community. There's also been a loss of trust in large public non-family companies. So we're seeing now that people are saying, "Well, gee, a big, giant conglomerate like GE is not maybe the best way to organize a business." And now, we're seeing that family businesses, which some of them are smaller, may be a better way of organizing. And young people that are getting educated are seeing great value in their own family businesses.

DENNIS JAFFE

But there's something very interesting that happens. And I think it makes it easier and more productive for me when I coach families. And that's that it isn't that the older generation that run the business for years, they know what they're doing and the younger generation has to just shut up and learn from them. The new generation, first of all, they've grown in a global world. They've often been educated and traveled outside of their own country. They've been to professional schools that are digital. They live in the digital world. Their parents certainly don't. And so there's kind of a credibility and a knowledgeable ability that young people have that they can teach their elders. But the elders have certain skills and wisdom that they have. So what happens in these families, particularly when the young people are educated and responsible and are doing good work, is there's more of an equality and more of a willingness to talk together about the future. So what happens in these families when I work with them is that it isn't the older generation telling the younger generation. It's more how do the two generations and also the other professionals and advisors all work together to create alignment and get the family organized.

DENNIS JAFFE

So often, for example, the third generation or the fourth generation, young people, they'll create their own network. And they'll have their own meetings. And they'll say,

"Here's the kinds of things we want to do. And here's what we want to see in the family." And the older generation then has to make room and say, "Okay. Well, we're willing to open up board positions or trust committees or a foundation membership or things that the family is doing to members of the next generation." The coaching process is not teaching people to kind of have deep encounters with each other. But it's much more focused around what we call creating governance, how to create a next generation group, how does the next generation group and the older family members talk about the business' strategic future, who's making decisions about selling businesses, buying new businesses, investments, how are the ideas of the next generation about social values, about social impact being included.

DENNIS JAFFE

So in a funny way, it's less about deep kind of personal communication, although that does come up, and more about how do we develop a fair structure, who votes, who makes decisions. Sometimes the older generation has the ownership but they really want to listen to the next generation. So even though they don't have to listen to the ideas of the next generation, they say, "Well, gee. In 10 years, these guys are going to be the owners. And we're going to be gone. So we ought to listen to them." So I think that the test that I'm finding about coaching families is not the way you'd have a first to second generation where you have to have deep communication meetings but rather creating governance, organizations, family councils, task forces, and helping the family to organize around a plan for the future, a vision. Families talk about a seven-generation vision. And that's very ambitious. But the idea of looking ahead to your grandchildren-- which is my title of the book, "Borrowed from Your Grandchildren". It comes from a phrase that says, "You don't inherit a family business. You borrow it from your grandchildren." So the older generation sees themselves as basically stewards for their grandchildren, which begins with listening to them and educating them and preparing them. Coaching is kind of an organizational challenge as much as it is a communication activity.

BILL COPPEL

So what I'm hearing is interesting because what I hear you saying, and these are my words now-- Dennis said, "By creating this framework for the conversation in thinking about the questions that need to be answered and how do we begin to think about that, diverts the focus away from sort of that emotional component that would immediately come to the surface often in a conversation." And you're kind of diverting away from that in a sense by saying, "Let's create some governance and structure on how we will continue to run and drive the business for the future." And that's really insightful because, as we often find in these kinds of very difficult conversations, it immediately gravitates to, "Well, I'm the older person. I call the shots. You're the younger person - as you said earlier - shut up and just behave." So my sense is, once you've created that structure and that blueprint, if you will, for a series of questions that need to be answered and how you're going to go about doing that, it seems to me that that's an approach that an outsider could be very instrumental in vs. bringing a couch along, having them lay down on it, and start to get into the sort of touchy-feely aspects, as you mentioned. With that, are there other tools that you've developed to help families navigate this very difficult landscape, if you will, this emotional landscape, to keep them focused on the perpetuation of the business as opposed to dealing with sort of the family dynamics?

DENNIS JAFFE

Yeah. Well, there were two. And again, the tools, I see them as ways of generating conversation. And as you mentioned, people have an emotional agenda. And when you're in a family, you feel that your position is right. And you're emotionally invested in it. It's very hard because you have this sense of, "This is what justice is. And I've been treated unjustly. So you should do this." And the challenge of advising is to get people to understand that everybody has a sense of what's fair and what's fair is going to be a discussion about, "What are the principles? What are the values we

have? And then how are we going to work out these differences in a clear way?" So sometimes dealing with emotions is best done by creating agreements. And if we have an agreement, "These are the values we have. These are the rules that we have. These are how we're going to talk to each other with respect," then you can have a conversation about these emotional things without it becoming a shouting match or just kind of everything falling apart, which is what families fear. Yeah.

BILL COPPEL

So talk to us about this tool that you've created called The Values Edge.

DENNIS JAFFE

Right. So let me talk about two tools. So The Values Edge-- what we found in the research is that families say that the core and the most important thing about who we are our values. And the values are-- first of all, people have personal values. And then the family has values. And the family's business has values. So they're different value sets. And my own values may be somewhat the values of my family, but they're also different. So 25 years ago, my wife and I were consulting actually to a large corporation. And we started talking about values. And people said, "Well, give us some examples." So we thought we'd come up with a sheet of paper with all the different values. And we started to kind of put the different values on Post-its. And then we looked at values. We said, "Well, there are different themes that we're seeing." And so we clustered them together. And then we've taken the Post-its down and we said, "Gee, why don't we just put all the values on cards?" And then we created a model of the different styles of values. So some people are interested in achievement, some people in creativity, some people in relationships, some people in tradition, some people in inner expression or lifestyle. So we created these different value styles with different colors.

DENNIS JAFFE

And we had families first start individually with the cards and lay out the cards in kind of a pyramid of their most important values. And then they'd look at the different colors. And they'd be able to see, "Well, I'm more oriented towards relationships. And you're oriented towards personal creativity." So we could look at the different styles. And so we created it. And we used stickers. And people have little cards with their values pyramids. And they can share them. So everybody does their personal values using the values, the cards, and the stickers. And then from the individual values, we then talked about what values do we think are important to us as a collective family. And again, I've had families in the room where there's 60 family members at different tables. And we have to come up with a set of values not that includes everybody's values but that includes the values that are important for this family working together. So we then-- from individual values to a family value statement. And sometimes maybe a slightly different group talks about what are the values that we have in business. And families often have a family value statement and a business value statement. And then everybody has a personal value statement.

DENNIS JAFFE

And so the values [and just simply?] the cards are the tool for having that conversation. And by having something physical, a deck of cards, people can sort out and kind of define values that they consider important. And people just like having the cards. So this is a tool that isn't just for families. I have an edition and a printing of it that's for families. But it's really for any group. This is the sociologist in me. Any group needs to have some core values that they agree on. Before they talk about their mission and purpose and how they operate, they need to agree on their values. So yes. This is a good thing for a social group. This is a good thing for a community to do. This is a good thing for a non-profit. But it's a general tool, not a tool just for families.

BILL COPPEL

So you mentioned that there was another tool that you wanted to talk about.

DENNIS JAFFE Right. When a family goes through generations, as you said earlier, it's hard to bring up the key issues, where there's areas of disagreement. And so we created-- and again, this was done also 25 or so years ago. Started working on an instrument where each person in the family-- first, we filled it out, paper and pencil, and then tabulated everything. And now, it's all online. And it's called The Family Enterprise Assessment Tool. And it's 50 questions. And everybody in the family fills it out online. And then the family, in a family meeting, gets the report. And even the advisor gets the report. The advisor can use it or the family could use it on their own. And it talks about the areas of strength that everybody agrees on. It talks about the areas where there's disagreement. It talks about the areas that family members think need to be developed. And you get a good picture of how the different groups in the family--

DENNIS JAFFE For example, we break it up by generations. And we break it up by family branches because often these families are very large. And we break it up by gender and by ownership. And so people begin to see-- [inaudible]. So people begin to see where the differences are in perception. And again, they have the report. They use the report as a starter for discussion. So some very large family-- one family used it at their 75th anniversary, 25 years ago. And they took it. And now, they're approaching their 100th anniversary. And they're going to give the same survey. And they're going to look at how much they've changed. It's a whole new generation that's grown up, a whole new focus with the family. The family's much larger now, a generation later. And they're going to look at how their findings 25 years ago and now compare with each other. So again, The Values Edge, The Family Enterprise Assessment Tool, these are all tools. Which means they're something that you can use to gather results. They aren't the result itself. And they don't do anything for you unless you use them. And if you use them well, it's helpful. It's much helpful to have a hammer or a screwdriver than to use your hands. And that's what a good tool is.

BILL COPPEL So, Dennis, let me conclude with this observation and a question. Typically, in the world of financial services, historically, we've focused largely on a client's balance sheet, their wealth, and managing that wealth. And what you've opened up today with this conversation is a whole new world. Because so many financial professionals are, in fact, working with families that own family businesses. And what you're offering us today is a whole new opportunity to add real value in the role of a financial advisor, if you will. Let me ask this. What are the one or maybe two ideas you'd like to leave our listeners with to perhaps get them started on a path to creating real value, more value than they ever have before for the families they serve?

DENNIS JAFFE Well, for an advisor, I would say-- first of all, I don't think the job of financial advisor is just the balance sheet. I think the advisor has to start by asking the families and the individuals what do they want to achieve with their wealth over one or more generations. And if they have a lot of wealth, it's a bigger question. And this gets into what they want for their children, what they want for the world, what they want to see, what they want it to do. And adding to the wealth is a completely empty task unless there's a meaning attached to it. And the second thing, and this is for families where there's a number of generations and complexity, is the advisor has to help the family not just to set their intentions and create an estate plan but really to create an ongoing way of talking to each other and engaging the issues.

DENNIS JAFFE So I think, if the family has a lot of wealth and you've helped them create an estate plan or a financial plan for say the older generation couple, what you can do is also help the family get together every year or so and have kind of a check-in temperature conversation, "How are we doing? What are we doing? What kind of issues are coming up?" And I think this could be done by lots of other professionals. But the

financial planner are the people who, I think, the family looks to. And so I think a financial planner has unique opportunity to engage families in deep conversations. And this is a challenge because it means that you, as a financial planner, need to develop skills in facilitating, building communication, bringing families together, dealing with conflict. So there's a little bit of learning for advisors. But I think it's really worth it. The advisors that develop some of those skills really make them much more effective as advisors.

BILL COPPEL

So, Dennis, as a psychologist, you understand the challenge of change, right? It's hard for people to change. Let me offer this as an idea. What you're talking about is, I guess, very new or different than what we traditionally have taught advisors in terms of what they need to be doing and saying and talking about. Perhaps, maybe an advisor ought to take this advice as an example and start with their own family because they all run small family businesses, if you will, oftentimes. And begin this process for themselves because, A, it'll help them better understand it. It'll create authenticity. I imagine authenticity is very important in this process. Does that make sense to you?

DENNIS JAFFE

Yeah. Well, I mean, as an example, the values cards and some of these tools are things I've used with my own family. And I find myself sharing things that I learned about my kids and about my family in my work. And I think when you're comfortable sharing relevant things about yourself and when you've been through it yourself, you're more able to do it with other people. So I think you really owe it to yourself to talk to your family. If your parents are alive, reach out. Talk to your parents. There are a lot of conversations you can have that are wonderfully meaningful. But also you will feel more complete and prepared as an advisor.

BILL COPPEL

Dennis, again, thank you for joining us today. We appreciate your time.

DENNIS JAFFE

Great. Well, thank you, Bill. And this has been a wonderful exploration. And you've given me great opportunity to kind of share ideas with others. And I hope they're helpful.

BILL COPPEL

For our listeners who are interested in learning more about Dennis and his work, you can find links to his information in this episode's show description. We hope you enjoyed our conversation today. Please take a moment to subscribe to our podcast. And if you like what you heard, please tell others about it. It helps people find us and ensures you never miss an episode. It's also a way to challenge you to think differently about your business and the role you play. And together, we can change the conversation. Thanks for listening and until next time. Be well.

Outro

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