PART 1.
Most parents would give anything for their children. Since they’re priceless, one could call them our greatest wealth.

Clearly they’re not the usual sort of wealth. They’re ours, but they’re not really ours. Francis Bacon called children “hostages to fortune.” Anyone who’s worried over a sick child knows what he means. They quickly develop their own attitudes and opinions and leave us sooner than we expect. In our more reflective moods, we admit that we wouldn’t want them to do differently. And they sure cost a lot.

A new study, entitled *The Joys and Dilemmas of Wealth*, by the Center on Wealth and Philanthropy at Boston College, confirms the importance of parenting to wealthy families. This study captures the words of about 130 leaders of 70 households, each with over $25 million in assets. About 90% of the people surveyed had children.

The study’s main question was, "What is the ultimate goal or deepest aspiration of your life?" The top response by far? Not to be Bill Gates or cure cancer. It was, "To be a good parent." What did respondents mean by being a good parent? Some of them said,

- My ultimate goal in life is that my children and grandchildren live successful, meaningful lives and are able to deal with all the vicissitudes of life that come their way...I am acutely aware that my ideals and ideas do not necessarily coincide with theirs and it is necessary to let go and let them develop in their own ways, and at the same time maintain loving relationships with them all...
- It is especially important to me to raise well-grounded, good kids.
- My aspirations are such that -- My children and grandchildren will have developed into loving, caring, considerate, human beings.
- To raise my three children and enable them to live full, secure and meaningful lives. To leave them with a sense of responsibility to make the lives of people they encounter more fulfilled and complete. In other words, these parents express the ultimate goals of helping their children lead meaningful, happy lives while also enjoying good relationships. As two other respondents expressed it,
- My ultimate goal for my children is that they grow up to be self-confident, engaged, citizens, leading meaningful lives.
- My ultimate goal for my children is to be wonderful, loving people who are as fulfilled as possible by their lives and who live out their lives according deeply held values. These values include deep concern for others, service to others, and tolerance.

The study also asked these parents, "How does your wealth help you reach your ultimate goals?" and, "How does it get in the way?" Respondents presented nuanced answers. As a positive, wealth can broaden children’s worlds, through travel and philanthropy. On the negative side, these parents know that wealth also easily gets in the way of their ultimate goal. They cite the usual concerns of laziness, dependency, and others’ perceptions. But even in the face of such challenges, they sound like a hopeful group. After all, even though children are our hostages to fortune, having children is an expression of hope.

These parents confirm what many of us who have been working for years with families already know: that above all else parents want their wealth to better rather than harm their children, and that good
parenting with wealth starts with good parenting itself. In our next post, we’ll share some of those core principles of good parenting and apply them to the world of wealth, to help parents such as those in the study and among our readers reach this ultimate goal.

But in the meantime, what would you call your deepest aspiration? If it’s being a good parent, how is your wealth helping or hindering in that pursuit?

PART 2.
In Part 1, we observed that for many people with significant wealth, their greatest aspiration is not to increase their assets or expand their philanthropy but to be good parents, who help launch their children into happy, productive lives with solid relationships. We also saw that such parents feel their wealth can help them reach that goal—by making it possible to broaden their children’s experiences—but it can also hinder them, by setting up their children for possible entitlement, dependency, unfulfilled lives, and negative perceptions by others.

What then are some core practices that parents with wealth can use to increase the likelihood that their children will lead “successful, meaningful lives,” as one respondent in a recent study put it? We like to say that good parenting amidst wealth begins with good parenting. For example, when children are young (say, under 10 years old), they need security, affirmation, and love, whether or not their parents are wealthy. The laws of physics hold even in the space shuttle. The physics of good parenting hold even for families in the economic stratosphere.

When it comes to older children, we encourage parents to reflect on three topics:

• Who are you?
• Who is each of your children?
• What support do you want from other family members in your parenting?

Who Are You?
When it comes to that first topic, we ask parents to consider their own age and personal development. Are you still in the process of separating from your family of origin and developing a sense of identity? Are you at a stage of building and accomplishing things in the world? Are you at the stage of giving back? Are you wondering where you are? Where are you in relationship to your children? And to your wealth? And perhaps most importantly, are you leading a fulfilled life?

In understanding yourself as a parent, it helps too to reflect on stories or experiences that have meant a great deal to you. It might be a special day you had with one of your parents. Or the loss of a family member or friend. Or the story of an especially successful ancestor. We encourage parents to think too of especially powerful stories they heard or experiences they had around money. For example, did Grandpa always say, “Never touch the principal”? Did you grow up hearing about “hard times”? These too will shape your parenting in the context of wealth.

Who Are Your Children?
In turning to your children, it is crucial to consider them as children, seeing the world through their eyes and as individuals. Many people will tell you that children of various ages need to learn this or that about money. On average, these developmental recommendations can be very helpful. But you may have a precocious 10-year old—or your 20-year-old may be “younger” than her age. Be true to who your children are as individuals.

To this end, we encourage parents to reflect on a set of questions about each child:
• What makes him or her unique?
• What are his or her strengths and challenges
• What are his or her dreams?
• What are his or her concerns?
• What is his or her style around money?
It is amazing how different the answers can be even about siblings close in age and brought up together in the same household!

**What Support Do You Want?**

Once parents have reflected about themselves and each of their children in these ways, we invite them to think about what kind of support, as parents, they would like from other members of their family. Naturally, the first members to consider would be their spouses. It is so important for spouses to make the time to talk regularly about who their children are, what they are learning, and what concerns or aspirations each spouse has about them.

But since wealth can create so many connections among an extended family, we also encourage siblings to discuss their parenting with each other and with their parents. Such conversations quickly go beyond the money to the values they want to promote. They also tend to be positive conversations, because the focus is not on the past (on perceived grievances or the like) but on the future, on the nieces and nephews and grandchildren of the family.

It is striking the power that such discussions can have. For example, we worked with one family in which a grandfather had the option to exercise a power of appointment in a trust that could send tens of millions of dollars “downstream” to his grandchildren, the oldest of whom were 9 and 10. The patriarch had agonized over this decision, largely in isolation. We then encouraged a family discussion with him, his wife, and his three children and their spouses about parenting. His realized that he had never asked his children and their spouses—the parents of his grandchildren—what they thought about their children possibly receiving these assets from his trust. When he posed the question it led to an amazing discussion, which resulted in his amending his estate plan and in the family members feeling much greater trust with each other.

Parents with wealth are like parents everywhere: They want to do well by their children, in ways that go far beyond material support. The practices to do so are also common to all parents: Know yourself, know your children, and get support from your larger family. Good parents are both teachers and learners. Don’t let the money take your eye off your real assets: your children, your family, and the wisdom you have to share with each other.

**About the authors…**

**Dr. Susan Massenzio, Ph.D.**

Susan has extensive experience consulting to senior executives and leadership teams of Fortune 100 financial services firms. She helps firms design effective organizations, develop high potential executives, plan leadership succession, and integrate key leaders into new roles. Firms leverage her knowledge of psychology and organizational dynamics to optimize performance within financial services divisions. As an executive consultant, she enables leaders to gain greater insight into their leadership and management styles and to maximize their influence and impact.

Susan has also consulted extensively with family businesses. She helps families make a positive impact through enhanced communication, decision making, cultivation of next generation leaders, and philanthropy.

Susan served as the Senior Psychologist for John Hancock Financial Services, Senior Vice President for Wells Fargo Bank, and Professor and Program Director at Northeastern University.

Susan holds a Ph.D. in Psychology from Northwestern University and a BA in Sociology and Education from Simmons College.

**Dr. Keith Whitaker, Ph.D.**

Keith has over fifteen years of experience consulting with leaders of enterprising families. He helps families plan succession, develop next generation talent, and communicate around estate planning. With a background in education and philanthropy, he enables family leaders to better understand their values and goals as well as to have a positive impact on the world around them.

Keith has served as a Managing Director at Wells Fargo Family Wealth, a philosophy professor at Boston College, a trustee, and a director of a private foundation. He was also a special assistant to the President of Boston University. Keith’s writings and commentary have appeared in The Wall Street Journal, The New York Times, The Financial Times, and Philanthropy Magazine. His Wealth and the Will of God appeared in 2010 from Indiana University Press.

Keith holds a Ph.D. in Social Thought from the University of Chicago and a BA and MA in Classics and Philosophy from Boston University.