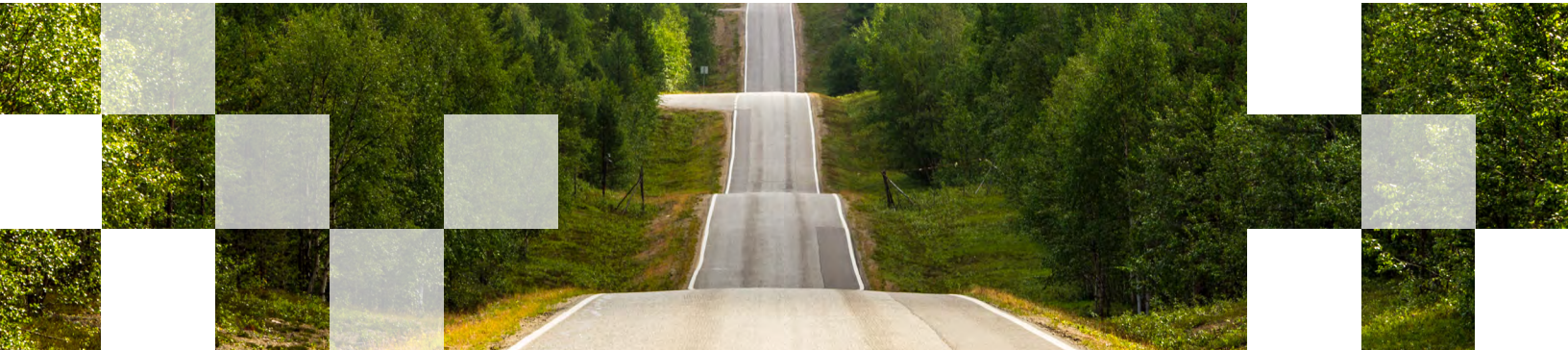


PLANNING & STRATEGIC ADVISORY

The Family Mission Statement and Strategic Plan

Authored by the Strategic Advisory Team



theAdvisory

Investment Insights and Thoughts from Brown Advisory

We believe a **family mission statement** – and a strategic plan to implement that mission – allows a family to filter out the “background noise” of day-to-day challenges and focus on long-term goals and objectives. Developing these documents provides a process for reaching agreement on the family’s core values and creates a shared vision amongst all family members.

Many of our clients tell us it’s helpful to think of the family as a type of “business” whose success depends on a common purpose and culture. And, which has a broad set of constituencies extending beyond the immediate family members.

As with many projects, the first step – starting the conversation – is often the hardest. To maintain long-term perspectives, we believe it is important to have a multi-generational engagement and allow for all voices to be heard. While financial matters will ultimately be a critical part of the conversation, we believe that other issues like leadership, stewardship and character must also be included. An inclusive planning process seeks to address all the forms that a family’s *capital* takes: human capital, intellectual capital, social capital and financial capital.

Ultimately, we find the process is often more important than the product and requires time and commitment. For families who are interested we can help facilitate and guide this important conversation.

A **family mission statement** is a succinct statement of the family’s purpose and core values. The three primary components are personal, financial and philanthropic. We believe that some questions to consider are:

▪ **Personal**

- What is our family’s purpose and identity?
- What kind of relationships do we want to have with one another?
- How do we want to resolve our differences?
- Which traditions do we want to carry forward and preserve?
- How will our family’s story be re-told?
- What issues and values are most important to the family?
- What are our responsibilities as family members?

▪ **Financial**

- How will our family’s wealth be preserved, grown and deployed?
- If there is a family business should it be extended to the next generation? How should ownership and management be handled in the future?
- How should we fund things like education? Buying a home? Starting a business?
- How should our family’s values impact our approach to investing?

▪ **Philanthropic**

- How do we want to be remembered as a family?
- What philanthropic missions do we care about?
- Where can we have an impact by devoting our time?
- What should be our financial goal for giving?
- What talents do we have that can be put to use in our communities?

A **strategic plan** communicates to family members the family’s goals and the actions needed to achieve those goals. We believe that the five key elements that should be addressed with the plan are:

- **Empowerment:** How will family members be empowered to advance the family mission?
- **Family governance and connectedness:** How will the family communicate about their shared mission while maintaining personal relationships and individual responsibility?
- **Legacy preservation:** How will the family pass on their values, preserve “legacy assets”, and safeguard the family history, stories, and overall ethos?
- **Management and oversight of family financial capital:** How will the family work with outside partners to ensure their financial capital is managed properly?
- **Accountability:** How will family members be held accountable to each other, their overall mission and strategic plan?

A family mission statement, simple or complex, helps ensure your family's big picture goals and objectives are articulated. Your family's strategic plan helps ensure that your capital is deployed in a way that is meaningful to you. For a list of tools to help execute your strategic plan, and a more comprehensive look at how to create a family mission statement and strategic plan, don't hesitate to contact us.

Next Check Out box:

When constructing your family's mission statement and strategic plan it is also important to determine if your family wants to incorporate their values into their investment philosophy. Between the "traditional" poles of investing and philanthropy lies a spectrum of options that may allow the family to pursue investment goals and express values – which is known as "Sustainable Investing." [Learn More.](#)

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