

# VALUABLES

Ideas, Systems and Strategies for Managing Family Wealth to Fulfill Your Greatest Values.

## About VALUABLES

Many financial advisors focus on communicating with clients to provide complex analysis of the investment markets and economies. However, we have learned that most clients are not particularly interested in this complex analysis. Most clients hire an advisor for their knowledge of the markets, not for their ability to explain that knowledge. Most want to know what time it is, not how to build a watch.

Experience has taught us that wealthy families care most about using their wealth as a means to a desirable end, which is to achieve a more satisfying, fulfilled and impactful life, and to fulfill their most important Life Values.

**VALUABLES** is a periodic article series focused on the concepts, systems, and habits which we have observed among families who have been successful in this quest to use their wealth as a tool to live a life of significance. The most successful families share a set of habits, systems, and insights which enable them to use their wealth as a tool to fulfill their Values and what is most important to them.

We are naming this article series **VALUABLES**, because it will provide an exploration of those habits, systems, and insights. We hope it will help you to consider your assets and possessions which are most valuable to you, and how you can use your financial wealth to enhance and cultivate your true "Valuables".

## Practicing Gratitude

By Erik Strid

*"The most surprising development about the expanding world of abundance in the 21<sup>st</sup> century is that it most richly rewards those individuals who are increasingly grateful for every aspect of the extraordinary world that is being created around them. To the degree that you are grateful for what you have, you will get more of what you want."*

- Dan Sullivan,  
Founder of Strategic Coach®

### A Critical Skill for Lifetime Happiness

In our experience advising families, there is one trait that clearly stands out as critical to achieving a great quality of life and fulfillment, as well as leaving an important legacy for future generations. Families who are able to master the skill of **Gratitude** tend to be happier and enjoy a better quality of life, and also to extend their success and legacy over many generations.

Gratitude is an important skill for families of wealth, because it is the key to the *enjoyment* of the wealth you possess. It is a natural tendency for many people, especially for successful wealth creators, to be highly focused on having more, achieving more, earning more, and accumulating more. We all tend to spend most of our time thinking about our *next* conquest, that which we *want but do not have*. While it is helpful and productive to maintain an achievement mentality, we also risk losing sight of the need to enjoy, and be thankful for, all of the blessings we have now. Instead of being thankful for what we have, we fixate on what we want. Instead of thinking about what is working, we focus on what is not working. When we refine our skill of Gratitude, we can balance our desire to achieve more and accumulate more, with the enjoyment of the blessings that we already possess.

Gratitude is also a key weapon in fighting one of the primary causes of dysfunction and unhappiness among future generations: the *feeling of entitlement*. Many children and grandchildren who grow up in affluent or wealthy households have never known what it means to *want* anything. Through their lives, they have always had immediate access to anything they want, and as a result they may develop a sense of being entitled. Heirs who feel entitled do not value the family's wealth, and take no responsibility for stewardship of wealth because they take money for granted. Families who foster a feeling of gratitude teach future generations a deep respect and appreciation for the blessings in their lives, and for the hard work and sacrifice it takes to create wealth in the world.

In our view, Gratitude is the single most important skill which distinguishes families who achieve Genuine Wealth and Significance, and those who do not. However, it is also important to remember that **Gratitude is a skill** - it is a mental habit that **must be practiced** and reinforced to engrain it in the culture of your family. Like any skill, Gratitude must be

practiced and exercised, and constantly reinforced through active awareness of being thankful. In this article we hope to share some of the habits and traditions which have been used by many successful families to constantly reinforce their Gratitude.

### Mind the Gap!

Riders on London's underground subway system called the "Tube" are reminded by an omnipresent recorded voice to "Mind the Gap". This safety message is intended to warn riders of the physical dangers they face if they misstep into the gap between the train and the platform. However, there is also a dangerous mental and emotional "Gap" which is important to avoid if we hope to live a life of happiness and gratitude. Dan Sullivan, creator of The Strategic Coach® Program, as well as mentor to our team, describes a dangerous mental trap he calls "The Gap™", which is a metaphor for a negative zone of emotion and thinking that can be hazardous to your mental health and happiness. In order to explain the mental construct of "The Gap™", consider an analogy to the Horizon.

Most humans are capable of developing a comfortable and healthy understanding of the concept of the horizon. Although you may be able to see the horizon off in the distance, it is probably acceptable to you that you will never in fact reach it, no matter how far or how long you walk. Although you may see the horizon off in the distance from where you stand now, as you begin walking towards it, the horizon also continues to move away from you at the same pace at which you are walking. There is a permanent "Gap" between where you stand at any given moment, and the horizon - and you cannot close that gap no matter how fast you are.

Unfortunately, most people cannot develop this same kind of understanding about their achievements in life, because they have rigidly organized their minds so that their measurement of achievement makes it impossible for them to be happy. For all humans, happiness requires continual achievement in personal and professional life, but many people suffer from unhappiness and dissatisfaction with their progress and achievement because they measure their progress by their *ideals*. They visualize an "Ideal" future that enables them to identify bigger and better goals, and continually measure their progress forward against their ideals. As they make progress forward and achieve their goals in any area of experience, they continue to experience frustration, failure and disappointment because they continue to measure their achievements against their ideals. Unfortunately, just as one can never reach the horizon, it is equally impossible to reach the Ideal.

It is difficult to understand that our ideals are just like the horizon, your *ideal situation* is always changing, and always growing as you progress through life. Just as the horizon continues to move away from you as you walk toward it, your ideal situation is always

### Don't Worry, be Happy

1. Gratitude is a skill that must be practiced
2. Measure how far you come, not how far you have to go.
3. Make a habit of consciously and continually recognizing the positive progress you have made.
4. No matter how bad your day was, there's a "Win" in there somewhere.

growing and moving away from you. Just as there is a permanent "Gap" between you and the horizon, there is also a permanent "Gap" between you and your ideal, because your ideal is a moving target. It is an unpleasant situation to live life in this "Gap", because this mental state prevents you from ever feeling the satisfaction of accomplishment. By definition, you can never accomplish your ideal, so if you only measure your success forward against your ideal, you will persistently experience feelings of failure, frustration, and dissatisfaction.

"Staying out of the Gap" is a mental strategy and habit that makes it possible for you to derive increasing positive energy and rewards from forward progress in every area of life – by ***measuring your progress backward against your "starting point", instead of forward against your "ideal"***. Those who measure progress and achievement backward against their "Start" point always have a growing sense of success. In this mental framework, it is still important to understand and visualize an ideal future that you hope to achieve, but it is also important to identify your goals as stationary mile markers on the path to the ideal. As you are making progress forward to achieve your goals, although your ideal may be continuing to change and move forward, you can recognize the satisfaction and accomplishment of having achieved a goal on the way to the ideal. You can then measure every achievement, no matter how big or small, backward against your "Start" point, and experience a feeling of success and satisfaction from an awareness that you have indeed made progress forward. Although you have not reached your "ideal", and never will, you have at least made forward progress from where you started, which is worth celebrating and enjoying!

### Positive Focus®

The most effective way to stay out of "The Gap™", and to fill your life with a great sense of enjoyment and gratitude, is to make a habit of consciously and continually recognizing the positive progress you have made. Dan Sullivan calls this *Positive Focus®*, which simply means that it is a critical mental habit to continue to focus on what is working in our lives, and to

gratefully celebrate the progress we are actually making, instead of fixating on that which we want but do not have.

*Positive Focus*® is a way to regularly remind ourselves of the “Wins” we are achieving in our lives, by documenting and reflecting on the accomplishments we have made, as opposed to the future progress we wish we were making. By so doing, we accomplish two very important mental objectives:

1. We give ourselves a rare opportunity to celebrate our wins, and to reflect with gratitude on the actual progress we have made. We can allow ourselves the happiness and fulfillment that comes from recognizing that, although we have not yet reached our ideal, we have indeed made forward progress.
2. We also release a great sense of confidence, as we realize our own capabilities to make progress. It is very difficult to feel confident when we continue to measure ourselves and our self worth against our future ideals, because we can never make real progress against our ideal. Instead we feel powerless and useless, because the ideal is too big for us. When we recognize our actual accomplishments against where we started, we may come to the conclusion that we are indeed capable of making progress, and that we can continue to use those capabilities to achieve more in our future.

There are many ways to institute a *Positive Focus*® in your life, and to release a great abundance of gratitude and confidence in your world. The simplest way to do this is to take a moment each day to reflect on your accomplishments over the last 24 hours, and to write down the most significant accomplishments, or what went well for you in the last day. Strategic Coach calls this the “3 Wins™” exercise – the daily habit of identifying at least three accomplishments, and writing them down. This habit is an excellent way to take a short time each day to focus on identifying and celebrating your accomplishments or positive life events, and releases a great feeling of gratitude as you realize how you won today. It is also a gratifying exercise to review your list of “Wins” at the end of a month, or quarter, to reflect on the multitude of positives you actually experienced over a period of time. It is almost impossible to look back on your wins and accomplishments in this way, and not to feel a great sense of gratitude and excitement about what has actually gone well in your life.

### Gratitude as a Family Affair

As discussed above, we also believe that gratitude is a critical skill to teach to young children, as gratitude can combat the

feeling of entitlement which may affect children of wealthy or affluent families. By teaching children to be thankful for the blessings they enjoy in life, you may help them to gain a greater sense of appreciation and enjoyment of what they have in life, and avoid the sense that they are taking for granted the material blessings in their lives.

Developing a *Positive Focus*® structure and attitude as a family habit can be exceptionally gratifying as well, as it can enable your entire family to share and celebrate their accomplishments and “Wins” together. This habit may be no more complicated than taking the time to talk with your children of any age, and asking them a few simple questions:

*What went well for you yesterday? What were your “Wins” for the day? What are you most excited about?*

In my own family, I ask each of my children these questions each day when we have breakfast together, and I have noticed that it has an effective impact on their sense of satisfaction, confidence, and happiness, as they regularly reflect on the accomplishments and blessings in their lives, as well as what they can look forward to with confidence. I can sense an increase in their feeling of Gratitude and thankfulness as they reflect upon their wins from the day gone by, and gain a sense of excitement about the accomplishments of the day to come.

### Contribution

We have also observed that there is a high correlation between a family’s charitable culture, and their ability to create intergenerational wealth stewardship and gratitude.

Interestingly, it seems that the more we teach our children to give to others, the greater chance they will have of becoming wealthy themselves. This correlation may be related to an important Danger or challenge for wealthy families:

*Inherited wealth will “spoil” their children, and will stand as an obstacle in their successful development as high impact humans.*

One of the primary reasons that family wealth can become an obstacle to the successful development of future generations is that children who are raised in a world of wealth and abundance are at risk of developing an *attitude of entitlement*. They have no appreciation for the value of the abundance around them or the hard work that it took to create it, so they take wealth for granted. Families who successfully **replace entitlement with an attitude of gratitude** teach future generations a deep respect and appreciation for the many blessings in their lives, and the hard work required to create those blessings. Because philanthropy is the ultimate expression of gratitude, it may be a wonderful tool in the effort of replacing entitlement with gratitude and appreciation.

As we detailed in a recent article called *What You Pass On*, it has become more common among successful wealth creators to take a more active role in their philanthropy, and to share their time and talents as well as their treasure. Many have even become interested in the concept of “Entrepreneurial Philanthropy”, a model which demands of charitable institutions the kind of innovative, efficient and effective management that an entrepreneur would use in building and growing a successful company. In many ways, wealthy families today are taking an extremely proactive approach to their charitable commitments.

Many of these active philanthropists also understand the importance of making a meaningful effort to teach their families about charity and contribution, and to install philanthropy as a core value to their children and grandchildren. Family Philanthropy is a very common habit and tradition of families who are successful and wealthy over many generations. High Impact families know that it is important to instill charity and philanthropy as a core value in the development of their children and grandchildren, and take an active role in involving future generations in philanthropy. By training children to value contribution and philanthropy in their lives, we offer them the priceless lifetime gift of an *Attitude of Gratitude*, as we are teaching them the importance of being thankful for what they have, through the habit of sharing their blessings with others.

### Practicing Your Skills

As discussed above, it is our belief that there is one trait that clearly stands out as critical to achieving a great quality of life and fulfillment, as well as leaving an important legacy for future generations. Families who are able to master the important skill of *Gratitude* tend to be happier and enjoy a better quality of life, and also to extend their success and legacy over many generations. In order to capture the powerful impact of Gratitude in our lives, it is critical to practice the habits and skills of being grateful on a regular basis. Developing a *Positive Focus*® mindset and avoiding The Gap™ may be an excellent way to practice gratitude for you and your family, and to position your thinking to celebrate your “Wins” every day. Charitable contribution is also an excellent way to reinforce your feelings of being Thankful. Whatever your habits, we wish you all the best in your quest to remain Grateful, and to build a habit of *Positive Focus*® in your life.

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### Disclosures

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