

# Intentional Wealth

How Families Build Legacies of  
Stewardship and Financial Health

Courtney Pullen

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## ENDORSEMENTS

*Too many conversations among affluent families begin and end around the money. Courtney Pullen shares a pathway, proven by the successful families he has served, which will transform the way you think and talk about stewardship and financial well-being. Intentional Wealth will inspire all who read it to purposefully create a positive and sustainable legacy.*

John A. Warnick, Founder  
Purposeful Planning Institute

*Courtney Pullen's new book, Intentional Wealth, helps families and their advisors understand the concept of stewardship as an intentional set of practices that help a family flourish. The intention to avoid the "shirt sleeves to shirt sleeves" outcome that is all too often the fate of a family, and the practice of stewardship toward bringing to life the dreams of all family members as the means of doing so, is Courtney's gift to all families. We are blessed to have this gift.*

James (Jay) E. Hughes, Jr.  
author of *Family Wealth—Keeping It in the Family*  
and *Family: The Compact Among Generations*  
and co-author of *The Cycle of the Gift*

*Courtney has done a wonderful job in providing a thoughtful, practical guide to help families understand how financial wealth can be used to fully benefit multiple generations. He blends decades of experience, common sense, and academic knowledge to provide a complete picture of the challenges and the opportunities. Every family should read this honest book.*

Katherine Lintz, CEO and Founder  
Matter Family Office

*The impact of the body of work presented in Intentional Wealth will eventually be a measurable increase in the number of legacy families and their contributions to the overall good of humanity. Courtney Pullen does not waste time searching for magic formulas, he gives us the Ten Habits of Healthy Families as the essential components families and their advisors can use to construct their own path to multi-generational well-being. This is the guidebook families of wealth have been looking for. It is a wonderful combination of old truths and fresh thinking laid out in clear steps supported by meaningful stories.*

Susan Bradley CFP®, Founder  
Sudden Money Institute®  
Institute for Certified Financial Transitionist®

## INTRODUCTION

“FROM SHIRT SLEEVES to shirt sleeves in three generations.” This is an ancient saying about the fleeting nature of wealth, and modern research has confirmed its accuracy. Approximately 90% of affluent families lose their wealth by the end of the third generation. The tragedy of this statistic isn’t the loss of the money; it’s the loss of the family that goes with it. As the wealth dissipates, so does the connective tissue of the family, whose members often end up disconnected and embroiled in conflict. To me, this is unacceptable. It is tragic not only for these families, but for the communities they live in and for our culture.

The crucial question that this book attempts to answer is: What are the other 10% doing? There are wealthy families that flourish. They are successful, not just in maintaining inherited wealth, but in passing on intentional legacies of stewardship and values. I have devoted my career to understanding what these thriving families do and to helping other families learn from them. My work is to help families go from shirt sleeves to success.

This book describes the strategies used by wealthy families who manage their wealth intentionally and successfully create family missions of stewardship and legacies of balance and well-being. It provides tools for any family, regardless of its net worth, that wishes to do the same. These tools are valuable for all families wanting to build lasting patterns of financial and emotional health on a foundation of integrity and responsibility. I use these strategies to help families who are doing well and want to do

better. I also use them to help struggling families restore themselves to health.

The typical profile of a wealthy family looks something like this: Generation One is entrepreneurial—the individual, couple, or siblings whose inventiveness, hard work, risk-taking, and success create the initial wealth. Generation Two tends to maintain the wealth while holding to the original values. Generation Three tends to consume and even squander the wealth.

In addition, every family has quirks, patterns, and tolerances that have developed over decades. Wealth exacerbates a family's preexisting fault lines. The generational time clock converts minor annoyances into brick walls of disunity. For wealthy families, it is essential to think in terms of several generations. Building healthy, productive families requires considering the needs of individual family members, the internal harmony of the family, and the impact outside of the family system and into the future.

For many families of significant means, money was the outcome, not the goal, of the generation that created the wealth. The focus of the original wealth creator was to build a business, invent a process, or develop and use a talent. Getting rich was more of a career by-product than a life goal. This person or family, then, didn't necessarily learn the skills for managing wealth, much less the skills for passing that wealth forward in healthy ways.

Over the years I have worked with many families who want to build stronger family systems and transfer wealth to succeeding generations in constructive rather than destructive ways. They face the ongoing challenge of passing on, not only the family money, but also the values that brought that wealth to the family in the first place. These families understand that wealth, just like other life-defining circumstances such as poverty, serious illness, tragedy, or fame, carries its own blessings and its own burdens.

The needs and challenges of a family with a net worth of

billions differ from those of a family worth 200 million dollars, one worth 20 or 30 million dollars, or one with a net worth of one or two million dollars. Still, every family I've worked with or interviewed has faced the following dilemma: How do we achieve success that includes financial prosperity, enjoy the fruits of that success, and yet pass on to our children and grandchildren a legacy of financial and emotional health? How do we create a family mission of stewardship and freedom, rather than one of dysfunction and self-indulgence? How do we help family members build empowered relationships with money?

Certainly, these concerns are not unique to the rich or even to modern society. The perception that younger generations "have it easier than we did" and "don't appreciate what they have" is a cliché that has been around for centuries. It might be argued, however, that today's world increasingly celebrates conspicuous consumption and fosters a sense of entitlement. In addition, what we now consider an upper-middle-class lifestyle increasingly includes elements of luxury and convenience that once were reserved for the rich.

Many families who don't live lavishly and wouldn't consider themselves rich also may create more wealth than they realize. Small business owners, farmers and ranchers who may be income poor but land rich, or couples who both have high-earning professional careers can easily retire with a net worth of several million dollars. That is more than enough to lead to concern about the legacy they want to leave to their children and grandchildren.

There is one unique aspect of great wealth, however, that can foster dysfunction: the lack of a need to say "no." This power to do anything, unrestricted by lack of money, lack of access, or people in one's life with the authority and courage to say "no," can be as corrupting as any other kind of unlimited power. The challenge for wealthy families is to create a family environment which employs that power in ways to foster emotional, physical, and financial health.



Many families are meeting that challenge with intentionality, integrity, and success. Over the past 15 years I have been privileged to work with some of them.

For close to 30 years I have been in the business of helping people. First I worked as a psychotherapist, then as a consultant for management, corporations, and family businesses. For the past 15 years I have specialized in working with affluent families. I remember distinctly the first family I worked with. I had been an advisor to a financial services firm and they described their concerns about their largest client. This was a prominent family that had been financially successful and who were embroiled in conflict. They asked me to meet with the family and see if I could help. That experience was so profound and so successful that it led me to change the focus of my career.

Among the many things I have learned in working with families is the importance of paying attention to what works. What can we learn from the 10% of the families that are being successful? How can we reach more families and increase that percentage of successful families to 20% or more?

This book is based on interviews with families that are making it. I interviewed family members who were well into the third generation from the original wealth creator and very consciously working as a family on flourishing. I interviewed family members who had made it to the fourth, fifth, and sixth generations. I also interviewed professionals such as estate attorneys and wealth advisors who were working with families that were flourishing. Several of the families mentioned in this book I have worked with. All of the names and stories have been changed to protect their confidentiality.

Most of the families I met were quite humble. They didn't want to be looked up to as a family that "had made it." One in particular said, "We are just doing more things right than wrong." Many described heartaches and challenges, and they were unwavering in their commitment that their family was worth the investment of time and energy.

Family is a paradox for many of us. Our children are our greatest source of pride and joy and our greatest challenge. We worry: “Will they be okay?” This book is written particularly for families being faced with the unique challenges of wealth. While most of the concepts and stories apply to all families, I talk specifically about what is difficult about growing up rich.

Many of my findings were initially a surprise because they weren’t found in the research. As I look back, however, they reflected common sense. One of the most important elements for thriving families was summed up by a number of business owners who said something like the following:

“I need to bring as much attention to my family as I did to my business. I didn’t run my business on making it up as I went. My success was grounded in sound business principles and being clear about mission, vision, and strategy. I need to bring the same intention to my family.”

The stories that follow are about families who brought that level of intention to making their families successful. This success was not defined by more money but by a richer family.

Essentially, the questions I asked were: “What makes a good family, one that is successful for generations and flourishes? What does it take to create a healthy family culture?” Again, many of the ideas offered by thriving families weren’t radical. Their success wasn’t because of a superior financial investment strategy, but because of investing in healthy communication based on trust. This may seem like common sense, but unfortunately it isn’t common practice for many families.

*Intentional Wealth* is about what works. It describes what you can do. Keep in mind that change occurs in the direction of your attention. As you learn more about what works, you can create more of that for you and your family.

Families who manage their wealth with attention and intention help individual family members create empowered relationships with money. They model and sustain what it means to lead a rich life—a life enhanced yet not dominated by material wealth.

## ABOUT THE AUTHOR

COURTNEY PULLEN, MA, is the President of the Pullen Consulting Group, a Denver-based firm that provides services in management consulting, business coaching, family wealth counseling, leadership development, and communication.

Courtney received his graduate degree in Psychology from the University of Northern Colorado in 1983. He taught at both the University of Denver and the University of Colorado at Denver. He has served clients for more than 25 years, first as a psychotherapist and currently as a coach and consultant for professional services firms and wealthy families.

A Professional Certified Coach, Courtney is a graduate of the Newfield coaching program. He has conducted numerous workshops and presentations in the areas of individual and organization change, behavioral finance, and family wealth counseling. He is a former contributing editor to the *Journal of Financial Planning* and *Journal of Practical Estate Planning* as well as a faculty member of the Sudden Money Institute.