

IAL Approach to Family and Relational Wellbeing

Families participate in a family wellbeing review to identify whether their family dynamics are helping or hindering their family and the family business. Our diagnostic approach assesses if the family dynamics optimize or diminish the family’s emotional and financial well-being.



Family wellbeing requires intentionality rather than reactivity. In our highly disrupted world, how families manage their relational dynamics is of vital importance to their financial and relational wellbeing. Too often it takes a crisis to make a family allocate its resources to familial issues, issues which could have been identified and addressed earlier for the greater good of all concerned. At Ispahani Advisory (IAL), our clients repose considerable trust in us and our judgement. Over the years we’ve found that maximizing a family’s financial and emotional wellbeing is a direct result of being intentional rather than reactive. The best returns on family capital result from family leadership having an inventory of family strengths and weaknesses and a strategic plan for moving family members individually and collectively towards higher levels of emotional and financial functioning.

Credit: Emma Nasset ¹

Families are complex and dynamic entities.

Familial relationships are complex and nuanced. As such, they cannot be fully captured through static documents such as family charters, bylaws and constitutions. While these documents are valuable in enabling families to focus on guiding values, in our experience they quickly become ineffective when underlying emotional and relational conflicts arise. Many families can easily agree on global issues such as how they should behave in certain situations, but when real life happens around issues such as a sense of cohesion and ideological disputes, lifestyle choices, identity presentations, mental health issues, addictions, second and third marriages, blended family issues, divorce and death these families can quickly devolve into unhealthy and costly conflict.

At IAL we have expertise in managing family conflicts and challenges to family member’s wellbeing that occur in high performance family businesses.

In family governance parlance, “the spillover effect” refers to negative outcomes in regard to how family businesses are run, how family investment decisions are made and the societal impact created through family foundations and social enterprises. Families that operate at the highest levels of emotional and financial wellbeing avoid creating this “spillover effect” by intentionally and proactively developing skills such as:

- Ensuring that open and respectful communication occurs around points of family tension and conflict.
- Using facilitation and mediation to identify and resolve issues at an earlier stage and adopt optimal behaviours on a timely basis.

¹ Illustration sourced from “Circular Economy Principles for Family Business and Wealth Stewardship: A New Governance and Sustainability Framework” written by Philip Marcovici, Iraj Ispahani and Dr Kenneth Goh published by STEP see link: [Responsible Stewardship of Wealth | STEP](#)

- Having a vetted and trusted team of experts in their ecosystem who they can call in to negotiate family conflicts artfully and respectfully.

Family wellbeing entails mental wellbeing.

The global COVID-19 pandemic and other geopolitical disruptions have brought an elevated awareness to the interdependence of considerations such as mental and physical wellbeing with financial wellbeing amongst wealth owning families.

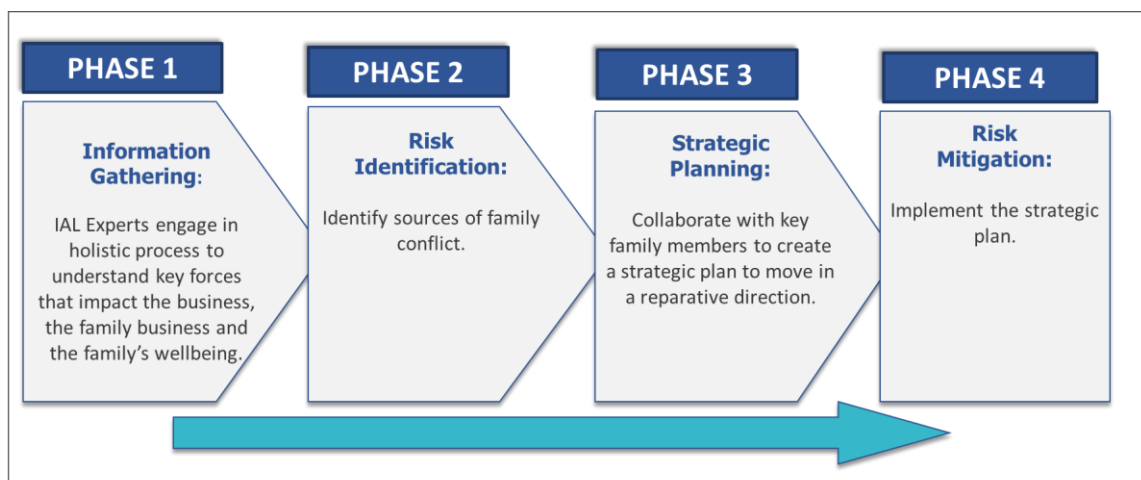
At IAL we've seen a significant uptick in mental and behavioural health issues amongst wealth owning families. In response, we've been proactive in using the best in class treatment interventions and credentialed clinicians to successfully navigate the internal and external dynamics that are unique to family business owners.

In this expanded and holistic definition of family wellbeing, successful families must consider their wellbeing as a multidimensional consideration, one that considers each of the following entities individually and collectively:

1. The business (*this often consists of private and publicly held capital*);
2. the family (*this refers to emotional and relational capital*); and,
3. the family business (*this refers to the points where the business and the family may intersect*).

Historically, traditional family governance has overemphasised the return on investment from the business side of a family enterprise with a consequent lack of clarity of how things are dealt with in the places where the family and the business intersect and the family exists independent of the family's income producing assets. At IAL we use the following strategic process to holistically address a family's wellbeing. IAL takes a long term approach and remains on hand to continue to guide and support the family over time as needed.

IAL Family and Relational Wellbeing Process



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Our diagnostic process starts with the positive, we acknowledge and respect what is working well for the family. We then help the family to define areas of improvement. Finally, we bring in the best in class professionals who make empirically based interventions to move families towards holistic health in their emotional, relational and financial wellbeing.

To learn more about our process please contact Nicolette Fourie, Chief Administrative Officer at IAL via nicolette@ispahaniadvisory.com - See Appendix 1 for case study.

Appendix 1: Case Study



Credit: Emma Nasset ²

During the pandemic we were approached by the wife of a first generation wealth creator who had concerns over her 19 year old daughter and 22 year old son. The children, while afforded the best global education and lifestyle opportunities, had become 'stuck' in what both the mother and father considered unattractive personality presentations. While both children were passionate scholars and disciplined athletes in their youth and adolescence, they had become overly obsessed with external appearances and were spending excessive amounts of time scrolling through their smartphones and on their computers. In our initial conversations, the parents used the words 'entitled', 'narcissistic' and 'lazy' to describe the human beings they loved dearly and who were terrified had become diminished.

Our work began by meeting with the family as a unit and as individuals. Through this process we obtained a holistic picture of the family, what motivated them and what values guided them. We were also able to experience first hand how they interacted with one another. We then spent time with each family member individually. In so doing we provided a safe, contained and confidential forum where they could share their personal truths without judgment.

After we gathered the families personal and relational truths we set about identifying the relational dynamics that were preventing the family as a unit and each family member from optimizing their well-being. The third step in the process was to come up with interventions that were relevant and tailored to each family member and the family as a unit and begin the process of artfully delivering the interventions into the family system. For example, we learned the daughter who was very clever and passionate about the family business, felt dismissed by her father and her father's team of advisors. In addition, the son was a passionate and talented musician who had little interest in the business, but who grudgingly participated to appease his father's and the expectations of his culture.

Through our work with the family we were able to move them as a unit into a recalibrated state of awareness that honoured both the son and the daughter and to place them in appropriate positions of authority within the family, the business and the family business.

² Illustration sourced from "Circular Economy Principles for Family Business and Wealth Stewardship: A New Governance and Sustainability Framework" written by Philip Marcovici, Iraj Ispahani and Dr Kenneth Goh published by STEP see link: [Responsible Stewardship of Wealth | STEP](#)