

Net worth. Self worth. What values will you pass on?

A practical guide to conscious
choices that will shape your
family's relationship with
money.



We take a different perspective.
Yours.



By: Julie A. Morton , PhD.
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About Newport Private Wealth

Newport Private Wealth is among Canada's largest independent wealth management firms for high-net-worth individuals.

The firm offers professional investment management and full-service wealth management delivered through a team of multi-disciplined investment professionals averaging 24 years of experience. Based in Toronto, Newport Private Wealth is privately owned and managed by its professionals who, to ensure alignment of interests, have their own money invested alongside clients.

Newport Private Wealth's investment approach is purpose built for individuals who want to earn steady income to fund their lifestyle now or in the future, grow their wealth ahead of inflation and protect their capital from significant or permanent loss.

To achieve these objectives, Newport Private Wealth offers its clients the best of both worlds: the preferred access of an institutional investor with the personal service of a boutique.

Using its size and capabilities, Newport Private Wealth sources hard-to-access private investments, such as real estate, infrastructure, etc. to complement traditional stock and bond asset classes, so client portfolios are less dependent on the ups and downs of the stock market. For specialized expertise in these asset classes, it retains independent money managers – many of whom are unavailable to individual investors.

At the same time, the firm's style of personalized service, low turnover and high levels of client satisfaction* evoke a boutique experience for the families it serves.

Newport Private Wealth's services are best suited to individuals with a minimum of \$1 million to invest. Individuals with less than \$1 million can access Newport Private Wealth's investment management capabilities through its division, Lonsdale Portfolios.

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* 97% client satisfaction rating as measured in a 2013 third-party survey conducted by Advisor Impact.

The language you use, and the stories you tell say more about you than you may think.

Having wealth is both a blessing and a curse when it comes to our children because offspring of wealthy parents have unique opportunities and challenges. A certain level of “comfort” is the starting point. But what values are you passing on that may or may not be associated with wealth? What is your Legacy going to be?

Do you worry that your financial success may impede your children from developing into healthy adults with strong self-esteem, a willingness to take risks or to meet challenges head on? Do you worry that your trips and schools and camps and fabulous opportunities might create ungrounded kids? Do you worry that your wealth might hamper a strong sense of purpose and responsibility?

Everyone has favorite stories and sayings. The language you use, and the stories you tell say more about you than you may think. Your values ‘seep’ into your actions without you even realizing it. What you choose to tell and retell reflects: your important values; your family and business relationships; the culture you create; and your frame of mind. What is the next generation hearing? What is the next generation seeing? How closely do you ‘walk your talk’?

Sayings:

What are the sayings that you tell and retell as a family?

- With privilege comes responsibility.
- Always feed the dogs before you eat.
- That’s why there is chocolate, vanilla and strawberry.
- That should be the worst thing that ever happens to you.
- Life is not a dress rehearsal. Go for it.
- Take the time to smell the roses.

Stories:

What are the stories that your family tells and re-tells? (We all have those stories that cause everyone to roll their eyes when we begin them. They groan: “You’ve said this a hundred times before!”)

- We didn’t have a lot of money growing up. We regularly purchased our roast beef for Sunday dinner with the money we received from collecting all the beer bottles left at the old quarry from the previous week. We’d exchange them for grocery money.
- When I was little I got sick but I knew that the only way out of Hong Kong was to get good grades and pass my exams. I couldn’t let illness get in the way. I had to ask myself, “Do I have time to be sick? Do I have the ability to take time off?” I didn’t. Even when I was sick I just kept going. It is mind over matter. And here I am today.
- I used to sit against the fridge having a seizure and everyone else would continue to eat dinner...or pretend to. But that was how my mother made sure I wasn’t a sick person.

Step 1: Make a list of sayings and/or stories your family mentions:

Step 2: Discuss

What values are being expressed in your sayings/stories?

What is the purpose behind repeating this particular phrase/story?

- To whom do you say it? Why that person? Under what circumstances? What impact are you hoping it will have? What impact does it actually have? What is the emotional tenor accompanying this saying/story?
- i.e. Is it embarrassing or hurtful to a particular family member?
- i.e. Do you share sayings/tell stories because you're proud?
- i.e. Do you tell more stories about one family member than another? If so, why do you think this is?

Why are these sayings/stories important?

- What do they say about your family or family-business values?
- What can you learn from them?

What makes you proud about your list of sayings/stories? Please share why.

We 'seep' information all the time. What messages might your phrases/stories be conveying (positive or negative) of which you are unaware?

- Is it ok to pick on someone if it is done in love?
- There always has to be a family scapegoat.
- All of the stories you tell are about Johnny; of course he is your favourite!

How closely are you walking your values talk?

- How would significant others in your life answer this question?
- If you are not perceived to walk your values talk, what values are you teaching?

How are you ensuring that future generations will also walk the same values talk?

**What might you want to change and/or add when you look at your sayings/stories?
Why?**

Values-based Effective Decision Making

Think about it:

Have you ever had to make a decision and not known what to do? Have you ever thought about a problem, vacillated on the outcome, made lists, or asked people you know and respect for their input? Have you ever made a decision you regretted? Do you ever get that 'pit-in-the-middle-of-your-stomach' when you are making the wrong decision, or a solid 'knowing' when you recognize the decision is right?

Each person has between 5-12 Fundamental Values in his/her life.

Types of decision strategies:

A values-based decision-making approach has been proven to be more effective, and to produce greater levels of associated satisfaction than other forms of common decision-making strategies like: fear, social pressures, financial causes, selection criteria, opportunities or threats, weighted choice, alternative appraisal, and chance-based formulas like pulling a number out of a hat. Values based decision-making does not compromise ROI.

Fundamental values:

Each person has between 5-12 Fundamental Values in his/her life. However, depending on your life-stage and personal, family or business circumstances, you may reprioritize your values or choose to express them differently. You might also find that your values are in conflict. Nevertheless, your Fundamental Values rarely change. When you hone into these values, you can use them to:

- Assess the decisions you are making in your personal and professional life.
- Make better decisions.
- Resolve miscommunication.
- Help others to make better decisions.
- Have a mechanism to reveal values and assess trade-offs.

Three Step Process to Making Better Decisions

1. Identify your Fundamental Values.
2. Complete your Value String. Keep it somewhere handy for easy reference. (It takes about 20 minutes to complete your Value String.)
3. Employ your Fundamental Values/Value String for decision making.

Step 1: Identify Your Fundamental Values

Circle the Fundamental Values representing how you currently live your life. You may also choose to add any aspirational value(s) that you seek to more fully live by in the future. Select a minimum of five and maximum of 12 values in total.

Adventure	Independence	Pride
Balanced life	Innovation	Recognition
Belonging	Integrity	Responsibility
Comfort	Justice	Risk
Community	Knowledge	Self
Compassion	Leadership	Sharing knowledge/time
Competence	Love	Security
Courage	Obligation	Spiritual growth
Equality	Opportunity	Spirituality
Family	Optimism	Success
Freedom	Personal growth	Tradition
Friendship	Philanthropy	Tolerance
Health	Pleasure	Trust
Helping	Power	Winning
		OTHER _____

Step 2: Complete Your Value String

Value strings start with a Fundamental Value and are followed by a string of words that describe this Value. While your Fundamental Value remains stable, the Value String is a living entity and may change over time.

The strings can be as long or as short as feels right to you; the terms in the string (which should be separated by a slash or arrow for easy reading) can be adjectives, nouns, verbs, adverbs, expressions, other values or onomatopoeias. Words can be reused in multiple strings. If you are constantly repeating a word it might be an indication that it is really a Fundamental Value for you and should be treated as such by creating an independent Value String.

Value String Examples

- **Integrity**/Honesty/Walk-the-talk/Responsibility/Commitment
- **Integrity**/Whole/Congruent/Harmony of talk-action/Effectiveness
- **Leadership**/Empower/Collaborative/Fun/Freedom
- **Leadership**/Decisive/Powerful/Achievement/Recognition

Once the Value Strings are established, assign a rating that reflects the degree to which you are satisfied with the way you are currently living that value. (1 = not at all, 10 = very satisfied.) (If you are not very satisfied with how this value shows up in your life, what do you want to do about this?)

If you are constantly repeating a word it might be an indication that it is really a Fundamental Value for you.

Value String 1. Satisfaction _____

Value String 2. Satisfaction _____

Value String 3. Satisfaction _____

Value String 4. Satisfaction _____

Value String 5. Satisfaction _____

Value String 6. Satisfaction _____

Value String 7. Satisfaction _____

Value String 8. Satisfaction _____

Value String 9. Satisfaction _____

Value String 10. Satisfaction _____

Value String 11. Satisfaction _____

Step 3: Utilizing Value Strings

Decision effectiveness and satisfaction are increased with Value Strings. You can easily ask yourself: “Does this decision fit within my list of Fundamental Values?” If yes: take action. If no: don’t take action, or find a way to make the action consistent with your values.

Value Strings are easy to use with others. If someone else is grappling with a decision, identify his/her Fundamental Values. Ask him/her to share what some of those terms actually mean (the Value Strings). Ask: “How does this decision reconcile with your Fundamental Value?” If it reconciles, it has a higher likelihood of being the correct decision; if it doesn’t – ask, “What other action can be taken?” How else can you help that person find a way to make his/her desired action more consistent with his/her values?

Value Strings can be used to help reduce miscommunication. They are especially useful for complex or emotional situations. When Value Strings are shared you will know when talking with another that when s/he metaphorically says: “apples”, you are both talking “apples” and one of you is not thinking “fruit” or “snack product”. Disagreements often occur not because values are different, but because the strings attached to them have not been surfaced. Sharing your strings can help to avoid increased mistrust or hurt arising from issues of perceived unreliability, insincerity, lack of capability or caring.

Conscious use of your Value Strings is not necessary for small, routine or low cost decisions or outcomes (emotion/time/resources). However, they are especially useful when you have a complex or emotional decision to make, or when you have a disagreement with another person.

Have a mechanism to reveal values and assess trade-offs. You are always making values-based decisions but you may not be aware of it at a conscious level. For instance, if you were to cheat on your taxes, you may experience a clash of values where the values of Self, Success or Risk are prioritized over the values of Obligation or Integrity. The ability to recognize and understand your values, and which value you are prioritizing at any given moment, helps you understand the trade-offs you may be making – and why.

Notes:



Julie A. Morton, PhD. is a consultant to high net worth families and their advisors. Her firm, Conscious Legacy Coaching is based in Toronto, Canada.

Conscious Legacy Coaching are family communication consultants helping executives and high net worth family business owners with complex interrelated problems in their business, family or personal lives. We help you to actively live the Life you want, so that you will leave the Legacy you choose.

jmorton@CLCoaching.com • www.CLCoaching.com • tel: 416.446.1733

Newport Private Wealth

469 King Street West, 4th Floor
Toronto, Ontario Canada M5V 1K4
Main: 416.867.7555
Toll-free: 1.866.534.5402
www.newportprivatewealth.ca

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