

The Family Focus Retreat™— A New Kind of Fact Finder

By Jerry Nuerge

Jerry Nuerge discusses the Family Focus Retreat, a model for engaging estate planning clients in the concept of legacy planning. The focus of this plan goes beyond transferring financial assets and seeks to preserve those elements of life that are most important to the family.

The Family Focus Retreat™ is a new approach to what many of us have been doing for years. We have always believed that our success as planners depended in large part on our ability to gather all of the relevant information from the client. But if you are working with a high-net-worth client, will the old technical fact finding questions enable you to gather enough information, financial and historical, to get the job done in a way that will work for you and your client? For the last 10 years, my practice has focused exclusively on the high-net-worth (“HNW”) market. Most of our cases include portfolios with a value of \$25 million or more; however, the method I will discuss here is relevant for individuals with a net worth of \$5 million or more.

What is the difference between the traditional fact finding tools and the method I am proposing? There are no questions in the traditional method that will help the advisor link the client’s spiritual, social and financial goals. The goal of this planning helps the advisor to move the client from financial success to personal significance. It encourages a view of the world as a place of abundance and the client as someone who can integrate these three important factors into their

own estate plan. To move a client to personal significance, the advisor must bring insight, perspective and wisdom to the planning process. Coordinating these three elements is the primary focus of the Family Focus Retreat™.

In order for the advisor to gain the trust and confidence of the client, he must take the client through a process that allows the client to imagine their family legacy through a timeline that is perhaps 100 years or longer. This will require the client to think differently than they have in the past. Today’s HNW clients prefer to have their advisors bill them on a fee basis just as they are billed by other professionals. The advisors must bring value to the process, something the clients can see and appreciate, much like the blueprints an architect will deliver after making plans for the client’s dream house. The Family Focus Retreat™ will allow clients to have a unique experience that will not soon be forgotten. This will be an experience that will lift clients to a higher and better level of conducting their family affairs. Our goal, at the end of the process, is our clients’ opinion that this has been a priceless experience. The advisor’s role in the retreat is to help the family link together their value-based, social and financial goals. Most of your clients will find this experience to be unique, since they have probably never engaged in this type of visionary thinking, at least not with their personal estate planning. Getting clients to respond from the perspective of their souls takes special exercises and questioning from the advisor.

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The Family Focus Retreat™ has five steps (see Exhibit 1) that will help the advisor provide this unique experience for the client. Included within the five steps are eight special exercises that will bring insight, perspective and wisdom to the client. The first two exercises are actually done prior to the retreat, while the remaining six are done during the retreat. The first exercise allows the advisor to understand just how the client's are unique; how they respond instinctively to problems or challenges; and how to

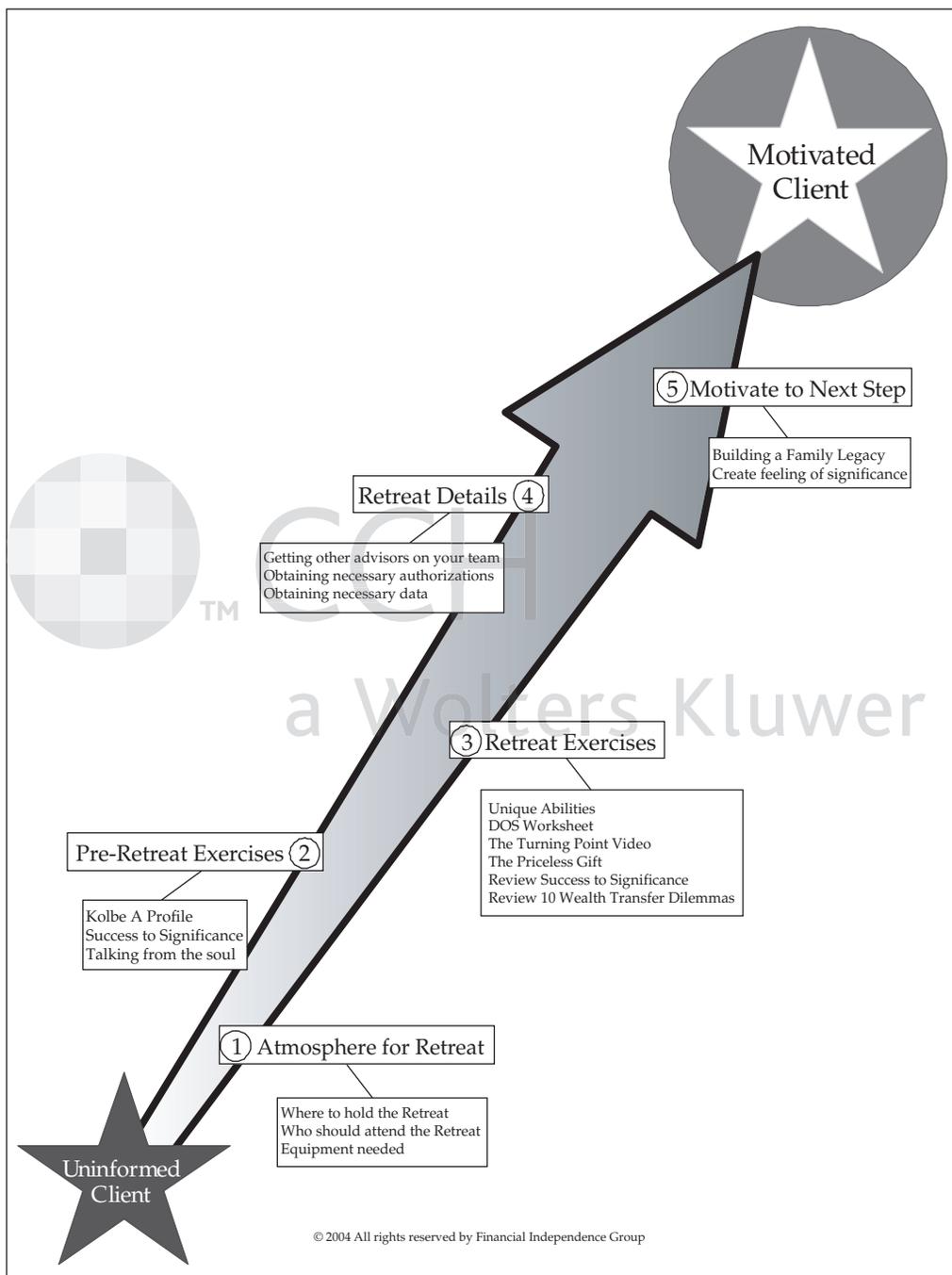
better communicate with them, and the clients with each other. The second exercise encourages the client to communicate with the advisor on a deeper level from his soul.

The third and fourth exercises bring insight to the advisor. The fifth and sixth exercises bring perspective, and the seventh and eighth exercises bring wisdom. We generally ask the client to allow one full day for the retreat and we assure them that it will be worth the investment. Once the eight exercises are

completed, the advisor will be communicating with the client on an entirely new level of trust and confidence and the client will be ready to take the next step in creating his 100-Year Family Legacy.

What are the five elements necessary to hold a successful retreat? The advisor must create an atmosphere that allows him to stay in control of the process, and the client must experience a level of comfort and relaxation that will allow him to communicate from his soul. How do you create such an atmosphere? The retreat must be held away from the client's business office or residence. Ideally, it should be held at a place where there are no distractions and where everyone feels comfortable. This may be a vacation home, a nice hotel or some other favorite place. I tell the client that the retreat will start at 8:30 AM and run until 5:00 PM. We include a 30- to 45-minute working lunch as well as a 10-minute break each hour.

Exhibit 1. The Family Focus Retreat™ Process



Who Should Generally Attend the Retreat?

If your client is married, both spouses must attend the first retreat. If there are adult children, a separate retreat will be held with the children and their spouses. The advisor will lead the retreat. The advisor will require a computer capable of showing a video. An audio recording device is also necessary. Before we start, I obtain permission from the client to record the session. I explain that how they answer certain questions and the language they use may be unique to their particular family. As an advisor, I also want to use certain unique phrases that the client uses, so that they are comfortable with the language and tone of the plan. To date, no one has refused to be recorded.

What Kind of Exercise Will the Client Use to Prepare for the Retreat?

First of all, keep in mind that these exercises are designed to allow the client to communicate better and to respond from the soul. Kathy Kolbe of the Kolbe Corporation in Phoenix, AZ (www.kolbe.com) has developed a wonderful profile called the "Kolbe A Profile." It explains how uniquely each of us is created, and how we instinctively solve problems. See my example in Exhibit 2. This tool is very helpful in showing how each client, and their adult children, are made and how they can communicate more effectively knowing the unique characteristics of each person.

Each client completes the 36-question survey and returns his answers to my firm. We then run the profiles. These profiles provide valuable revelations about how the clients solve problems and how they can effectively communicate their goals to one

another. Within an eight- to 10-page report, this profile describes the characteristics of the client along with those of their spouse or parent. The profiles are printed and reviewed during the first hour of the retreat. Each spouse reads the other spouse's profile, and I ask them to comment on whether the profile accurately describes the person. Nearly every time, the client says that the profile nails the description of the other spouse precisely. I then explain how their profiles differ, and how they each solve problems differently, but with the same purpose in mind. I also explain my own Kolbe profile. Now I am beginning to win their trust and confidence because I am providing a valuable communication tool that allows us to respect our differences and respond from a perspective of confidence.

How Do Clients Respond from the Soul?

Over the past five years, a special questionnaire called the Success to Significance Questionnaire™ ("SSQ") has been created and refined to encourage clients to respond to profound questions by letting their souls guide them (see Exhibit 3). The underlying purpose for this questionnaire is to obtain information that allows the client to discover

Exhibit 2. Jerry's Kolbe Profile

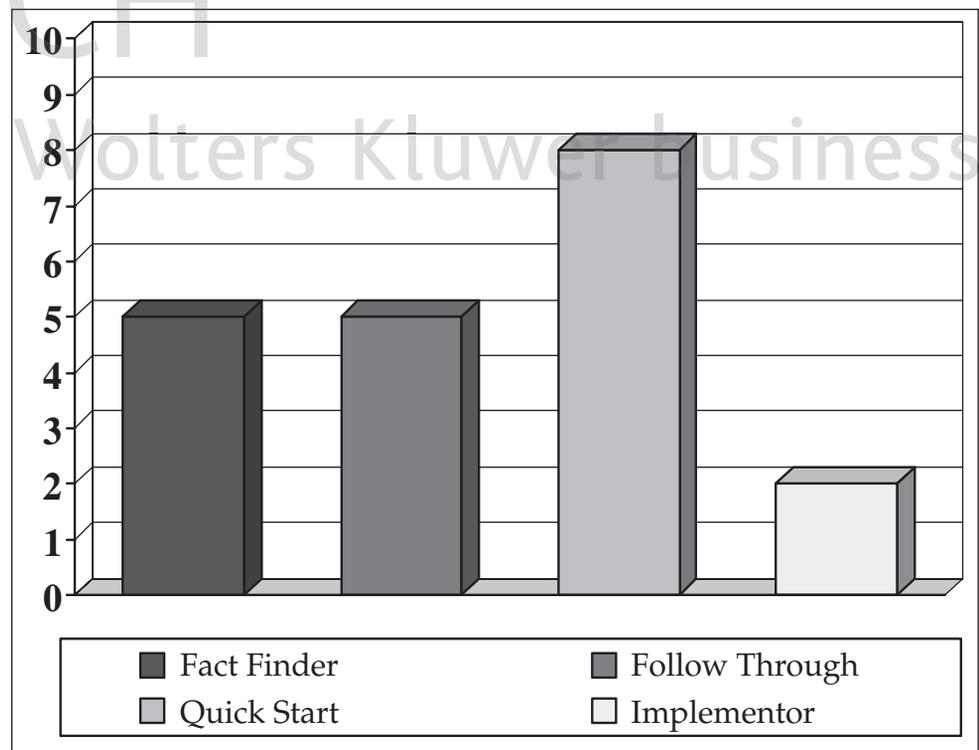
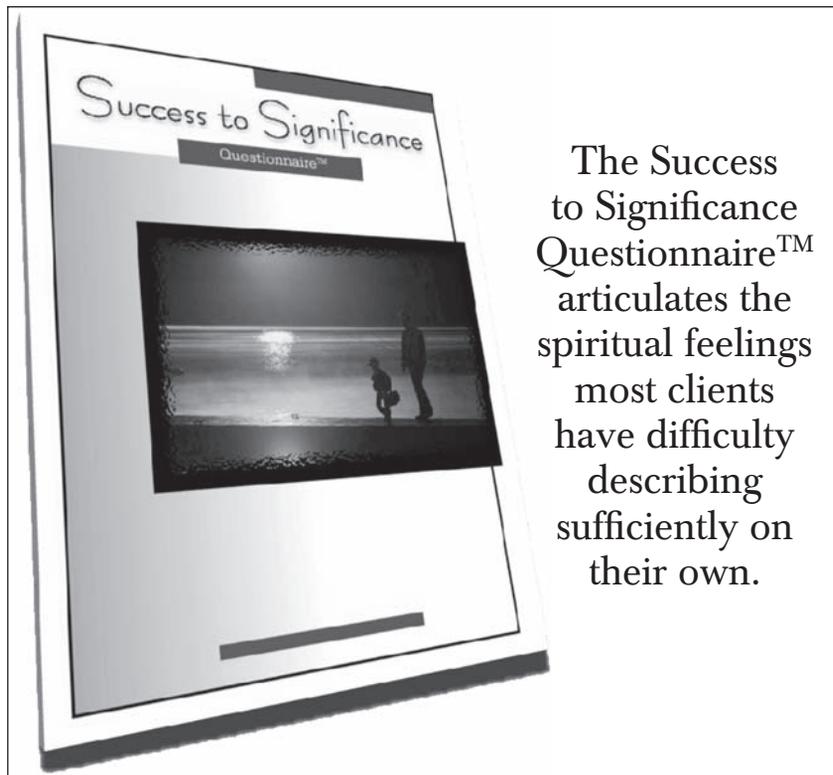


Exhibit 3. Success to Significance



the advisor can review the responses and develop further questions that will be discussed at the retreat.

The advisor must identify areas where the clients agree or disagree when responding to questions in the SSQ. It is quite common for answers to be at two extremes, because each person is looking at the world from his own personal perspective, which include his own background. The advisor must make a list of questions in areas where the spouses responded very differently so that everyone can agree on what will be included in the plan that will bring comfort to both spouses.

The Six Exercises Conducted at the Retreat

Remember, the focus of the retreat is to bring insight, perspective and wisdom into the thinking of the client.

and reveal his spiritual, social and financial goals so that he can be linked into an overall 100-Year Family Legacy. The questions are arranged so that the client responds to questions about his past, adult life, spouse, children, grandchildren, special people and special events, health, career or role in life, the passions that drive him, what he wants to leave to others and finally, about financial goals. It will usually take the client about four to six hours to complete the questionnaire.

Each spouse is asked to complete the questionnaire without talking to the other spouse. This is to obtain honest, straightforward answers that clearly reveal the respondent's position or feelings and not a "compromised" response that was negotiated by the most persuasive spouse. We have learned that this method allows the advisor to assess both spouses' needs and goals, as extremely close or different as they may be, rather than get just the most persuasive spouse's perspective, which could produce a "his" plan or a "her" plan. The best plans are those that include both parties' positions and goals. The end result is an "our" plan that both spouses own because it contains valuable insights from both of them. The clients are asked to sign the SSQ and return it to us two weeks prior to the scheduled retreat date, so that

ent. During the first hour of the retreat, the advisor reviews and discusses the individual Kolbe profiles of each spouse. The next exercise is the Unique Ability™ worksheet, which is designed to bring

Exhibit 4. Unique Ability™



Exhibit 5. DOS™

The D.O.S. Worksheet	
Name:	Date:
D Three biggest dangers to be eliminated. STD. of living for life ruin children/grandchildren enormous taxes money management non-liquid assets	1 STD. of living for life
	2 Enormous taxes
	3 Ruin children/grandchildren
O Three biggest opportunities to be focused on and captured. Provide Opportunities for heirs help charitable causes create family foundation reduce Tax burden control transfers & distributions	1 Provide opportunity for heirs
	2 Reduce tax burden
	3 Control transfers & distributions
S Three biggest strengths to be reinforced and maximized. Family virtues/values faith to overcome obstacles good education willingness to work financial base	1 Financial base
	2 Family virtues/values
	3 Willingness to work

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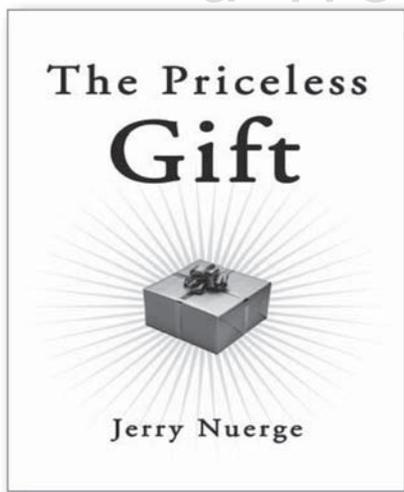
the sample shown in Exhibit 4, this worksheet has been completed. The questioning begins by asking the clients to list tasks at which they are incompetent in the bottom left corner. Then, in the bottom right corner, they are asked to list tasks at which they are competent. Next, in the upper right corner, the clients are asked to list tasks they excel at, and finally, in the upper left corner, they are asked to list tasks for which they have a unique ability. This unique ability would include tasks about which they are passionate and could do eight hours or more a day, seven days a week. The example you see in the Exhibit is from a real case.

The essence of this exercise is to point out to the clients that they should spend 80 percent to 90 percent of their time doing the tasks under their unique heading, and delegating all the tasks they listed under the other three categories. The advisor might point out that he noticed that neither spouse listed "Family Legacy Planning" as one of their unique abilities and that they should therefore feel comfortable delegating that task to the advisor. If each spouse spent 80 percent to 90 percent of his time within his unique abilities, he would take his passion for living to another level.

The next exercise is The DOS™ worksheet, which is also designed to clarify goals and increase insight. This worksheet is also available from The Strategic Coach. See Exhibit 5 for an example. Note that this example is also completed. Each spouse is asked to complete this worksheet with guidance from the advisor. The

clarity of goals and insight. This worksheet is shown in Exhibit 4 and can be obtained from The Strategic Coach (www.thestrategiccoach.com). Note that on

Exhibit 6. Jerry D. Nuerge Presents His Second Book, THE PRICELESS GIFT



- THE PRICELESS GIFT will lead to "priceless" relationships with the special people in your life, both business and personal!
- Today, we are in the era of mass communication. E-mail, cell phones, pagers—in our car, in our homes, as we walk down the street, we can be connected instantly to almost anyone we choose. But what are we saying?
- We want to be generous to those we love when looking for the "hot gift," the ideal present to give. But what are we giving?
- THE PRICELESS GIFT is an exercise for emotional and spiritual bonding between multiple generations. It shows readers how to touch someone special in their lives in a way that we all would appreciate. It is a gift that can last forever.

advisor is looking for areas in which each spouse either confirmed his response to DOS type questions found in the SSQ, or simply changed his mind—both of which are acceptable. Phrases or terminology used on this worksheet should be incorporated into the “Family Mission Statement (called the “Family Philosophy of Wealth™” in our process). On the back of this worksheet on the upper half, the advisor should ask each spouse to write his definition of happiness, then compare it to the answer he gave to the same question in the SSQ. On the back of this worksheet, on the lower half, the advisor should ask each spouse to write his definition of success, then, also compare it to the answer he gave to the same question in the SSQ. The advisor should then ask each spouse to discuss his responses and how he might produce a joint statement for each of these definitions that they are both comfortable with. The advisor can help them draft these two statements from their notes on the worksheet and their previous answers in the SSQ.

The next exercise is the Turning Point video (see Exhibit 7), which is designed to provide emotional bonding and perspective. The advisor can obtain this DVD from NuSkin Enterprises (www.nuskinenterprises.com). This 20-minute video is the best source we have found that dramatically shows how someone can leave a profound family legacy. It is well written so the client can quickly relate to the real emotional and spiritual issues that we all face in creating our own legacy. The advisor will tell the client that he should watch for five profound messages in the video. After the video has been viewed, the advisor should point out that five themes were portrayed and must be understood in order to develop their own 100-Year Family Legacy:

1. A family legacy is not solely about the financial value of gifts.
2. A written message was also given with the gift.
3. Other people outside the immediate family are touched by our gifts.
4. All families struggle with difficulties that occur in their life.
5. The Lighthouse Keeper took positive steps to continue his legacy.

The next exercise is The Priceless Gift™, which is used to develop emotional bonding and add to the perspective shared by the client and his family. I wrote the Priceless Gift to help people understand that the most important gift they can give someone is “a piece of themselves.” A summary of the book is shown in Exhibit 6. The book suggests that we should bond deeply with the special people in our lives before they are gone. I ask the spouses to choose one person to whom they would like to make a “priceless gift” and then help them draft a letter to this person telling him or her three ways they have become a better person because of knowing this special person. I ask the spouses to give a title to this gift, such as “Priceless Memories” or “Reflection of a Lifetime” or any title they choose. Next, I ask the spouses to add a few pictures, and possibly get three or four other individuals who know this person to contribute a letter or note. The combination of letters and pictures provides a powerful keepsake that lifts this person up and lets them know they are special. The advisor should suggest they put these materials in a notebook so that

Exhibit 7. Resources for Supporting Materials

Kolbe A Profiles	David Kolbe Kolbe Corporation 3421 North 44th Street Phoenix, AZ 85018 602-840-9770 E-mail: info@kolbe.com Web site: www.warewithal.com
Success to Significance Questionnaire and the book, THE PRICELESS GIFT	Financial Independence Group 4214 Flagstaff Cove Fort Wayne, IN 46815 260-426-1104 E-mail: fig@finindgroup.com
Unique Ability and DOS Worksheet	The Strategic Coach 33 Fraser Avenue Suite 201 Toronto, Ontario, Canada M6K3J9 800-387-3206 E-mail: info@strategiccoach.com
The Turning Point Video	NuSkin Enterprises, Inc. One Nu Skin Plaza 75 West Center Street Provo, UT 84601 800-487-1000 Web site: www.nuskinenterprises.com DVD cost \$8; search item no. 01101015 VHS cost \$5; search item no. 01111122
Family Incentive Trusts	The National Underwriter Company P.O. Box 14448 Cincinnati, OH 45250-9786 800-543-0874 Web site: www.nationalunderwriter.com E-mail: customerservice@nuco.com

items can be added later that continue to make this a “priceless gift” during their lifetime. It is suggested that if they do something like this, which is simple and inexpensive, they will have an experience similar to the experiences they saw on the video.

The next exercise is a review of the comments found in the Success to Significance Questionnaire™. The various responses by the clients will help remove previously existing barriers and bring wisdom to them in planning their 100-Year Family Legacy. The advisor will point out how different the spouses’ answers were to certain questions and let them know that it is okay. In fact, it is quite normal for spouses to think very differently about certain aspects of their family because of the different family histories from which they came. The challenge for the advisor is to make sure that the “non-negotiable” items from each spouse have solutions within their 100-Year Family Legacy plan.

The advisor should also discuss his additional questions that were generated when the advisor reviewed the answers to the SSQ prior to the retreat. By now, the responses are coming from the soul of the clients; therefore, greater insight and perspective can be gained in thinking through matters that will affect the family for 100 years or more. It is not necessary to review every question from the SSQ; however, those questions that seem like they would cause barriers to moving forward with the plan must be discussed. The advisor should be looking for virtues and values that the client wants to transfer to future generations, as well as the financial assets. The advisor should also be mindful of charitable opportunities that the client feels passionate about so these opportunities can be linked into the “Mission Statement” later on. It is important for the advisor to identify, with the clients, the spiritual, social and financial goals that have been clarified, so that the proper strategies can be developed to produce the desired results.

The last exercise for the retreat includes a thorough discussion of the 10 Wealth Transfer Dilemmas. This session is also designed to remove barriers and bring wisdom to the process. The 10 dilemmas will only be identified here. A future article will present a discussion of how these questions are woven into the client’s overall plan. Each of the following dilemmas must be addressed. Some will be repeated from previous discussions; however, clarity and review will help the client realize the important process that is taking place and bring greater confidence to the participants and the ultimate plan. The dilemmas of this kind of planning include the following:

1. How much is enough for each family member?
2. What’s the exit strategy, now and at death?
3. Is it lonely at the top?
4. What process will the family use to train the next generation in family values and wealth management?
5. What kind of tax coordination has already occurred?
6. How are all advisors coordinated into a “Team”?
7. When is the best time to make transfers of assets?
8. What charitable or social causes stir the client’s passions?
9. How could a Family Foundation bond future generations?
10. How are virtues taught to future generations?

At the conclusion of these steps and exercises, the advisor should be in a position to help the client draft his family “Mission Statement.” The advisor should explain that this planning is similar to asking an architect to design the client’s dream home. It usually takes several meetings, and both spouses are involved. It is impossible to create a meaningful plan, one that includes aspirations for

the future and an emphasis on what is important to the family, without this kind of open exchange of ideas and meetings free of distraction. Your clients will find great comfort in your facilitation of these crucial conversations that could never be realized without planning and guidance from an experienced advisor.

The next step is to get the proper “specifications” in writing so that all team member advisors are on the same page when implementing the family legacy plan. The advisor should be sending the “first

draft” within a couple of weeks. The client must take ownership of this document and revise it so that it becomes a true reflection of the family legacy, a clear message from the client to his immediate family and his future extended family. This process will not stop with this couple. Successive generations may chose to make this exploration again, to articulate what is important to them, to implement a plan to protect their values and their children and to grow in understanding of themselves and those they love.

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