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The Most Common Question Wealthy Families Ask

By Tom McCullough
Managing Director of Thought Leadership and Strategy, The UHNW Institute

From time to time, I am asked a version of this question.

Of the 50 questions in your book *Wealth of Wisdom: The Top 50 Questions Wealthy Families Ask (co-authored with Keith Whitaker),* which one comes up most often in conversations with families?

There are so many good questions to choose from. Families wrestle with succession, governance, purpose, philanthropy, liquidity events, identity, investments, trust structures, and keeping track of information.

But if there is one category that appears more consistently than any other, it is “kids and money.”

We recently held a dinner with clients devoted entirely to that topic. We structured the evening around questions. What worries you most? What has surprised you? When have you disclosed details of your wealth to children? When and how have you started to transfer financial capital? What has worked well in your family? What has not?

The discussion was candid and energetic. There was little appetite for simplistic or technical answers. What people wanted was perspective — and the reassurance that others were navigating the same tensions. The room was filled not with abstract debate, but lived experience: teenage resistance, young adult drift, entrepreneurial ambition, entitlement anxiety, delayed inheritance, family employment dilemmas, sibling comparison, in-laws, values divergence. Sound familiar?

In preparation for the dinner, I skimmed various sections of *Wealth of Wisdom* and found five chapters and contributing authors I thought would really represent this issue well — Patricia Angus on defining wealth, Ellen Miley Perry on transmitting values, Peter Evans on wealth transfer, Mary Duke on family meetings, and Dean Fowler on successor development.

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These essays provide thoughtful and practical input that will increase the probability of the financial capital having a chance to serve its purpose. If they are neglected, capital often becomes an accelerant for confusion rather than a platform for flourishing.

Before We Ask "How Much?" We Must Ask "What Is Wealth?"

Patricia Angus, one of our contributing authors, begins with a question that sounds philosophical but proves deeply practical: *Are You Wealthy?*

In her experience, when she asks families to define wealth, the answer is rarely "money." She hears love, health, connection, peace of mind, purpose. Even those who initially equate wealth with material resources quickly expand the definition.

The word "wealth" itself traces back to well-being, not accumulation.

When parents ask how much to leave their children, the question often carries an unspoken premise: that financial wealth is the primary inheritance. But if wealth is defined more broadly — as a state of balance, meaning, and contribution — then the conversation shifts.

Angus recounts the story of a taxi driver who described himself as wealthy not because he owned buildings, but because he had a loving family and meaningful work. His sense of wealth rested in dignity and relationship.

For affluent families, this story is not a moral lesson. It is a mirror.

If wealth is framed as responsibility, stewardship, and contribution, the next generation inherits a very different narrative.

Angus also raises a question that many prefer to avoid: can one truly be wealthy in a world marked by extreme disparity? Families today are increasingly aware that their financial position exists within a broader social context. The rising generation often brings sharper moral sensitivity to these issues.

When families do not articulate what wealth is for, children often construct their own answer — sometimes in quiet opposition to the previous generation.

Before families debate how much is enough, they must first confront what wealth means in their own lives. The rising generation absorbs that answer long before it is articulated explicitly.

Values Are Not Taught. They Are Caught.

Ellen Miley Perry addresses the next layer of the "kids and money" concern: how values are transmitted.

Families frequently ask how to ensure their children embrace the same principles they hold dear. They draft mission statements and codify family values. They host retreats. They articulate legacy intentions.

Perry's central insight is disarming but true: Values are caught, not taught.

Children are astute observers. They watch how parents spend time. They see how money is used. They notice how conflict is handled. They observe who is treated with respect and who is overlooked.

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Affluence introduces a quiet distortion risk. When children have few household responsibilities, no summer jobs, and minimal consequences for missteps, parents are often surprised when values like productivity and accountability do not naturally take root.

This was one of the most animated parts of our recent dinner discussion. Some parents described their discomfort with the fact that their children's lived experiences bear little resemblance to their own early years. Many in the room had worked through financial constraint. Their children are growing up in abundance.

The question is not whether abundance is good or bad. It is whether it is structured and discussed.

If parents value responsibility, children must experience responsibility. If parents value commitment, children must experience the discipline of sticking with something beyond the first frustration. If parents value humility, they must demonstrate humility in everyday interactions — not simply through philanthropic announcements.

The Question Beneath "How Much?"

Peter Evans addresses the question that quietly sits beneath many parental anxieties: how much should we leave to the rising generations, and when?

His answer reframes the issue entirely: *as much as they are prepared for.* Preparation precedes distribution.

Evans describes the developmental sequencing that begins early — allowances, budgeting, savings — and gradually expands toward investment literacy, philanthropic engagement, and self-awareness. He emphasizes the benefit of real work experiences, ideally outside the family enterprise. He suggests that significant inheritance be delayed until identity and work capacity are established.

This idea resonated strongly in our dinner conversation. Several parents expressed concern about the tension between wanting to help their children and wanting them to develop independence. Where is the line between support and over-support?

Evans' framework suggests that the answer lies not in fixed dollar amounts, but in developmental readiness. Money is agnostic. It amplifies what is present. If clarity, resilience, and purpose are present, wealth enhances them. If confusion, insecurity, or entitlement are present, wealth magnifies those instead.

The rising generation question, therefore, is not primarily "How much and when?" It is "Who are they becoming?" Inheritance is not simply a financial transfer. It is a transition in responsibility. Without preparation, the transfer can feel disorienting rather than empowering.

Families that see preparation as relational rather than technical are far more likely to cultivate capable adults.

Families That Do Not Meet Intentionally Can Drift Apart

Mary Duke focuses on a discipline that often appears secondary but is critical: regular family meetings.

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In a world of increasing complexity — multiple trusts, operating entities, philanthropic structures, geographic dispersion — families require structured forums to build trust and develop decision-making skill.

Duke identifies three recurring fault lines in families of wealth: erosion of trust, poor communication, and inadequate preparation of heirs. Family meetings, when thoughtfully designed, address all three.

They are not ceremonial gatherings or purely financial briefings. At their best, they are learning environments. Younger members observe how disagreement is handled constructively. They practice articulating views. They gain comfort navigating shared decision-making.

One revealing point Duke raises is budget allocation. Families invest heavily in managing financial capital. Far fewer allocate comparable resources to developing human capital. Families and their advisors typically spend a lot more time "preparing the wealth for the heirs" than "preparing the heirs for the wealth".

This imbalance surfaced during our dinner as well. Many families had spent decades building structures to manage assets. Far fewer had invested comparable energy into building structured environments for developing capability. The rising generation cannot learn ownership in isolation. It must be practiced.

Families that meet only in crisis often discover that communication muscles have weakened. Those that meet regularly, even when no urgent issue is present, build resilience before stress arrives.

Successors Are Formed Over Decades, Not Appointed Overnight

Finally, Dean Fowler's framework on successor development provides operational clarity to what is often treated emotionally.

He outlines seven habits of successful successors (whether to a family business or family wealth), progressing from independence to leadership to ownership.

Successors must establish adult independence. They must reshape family communication patterns. They must develop real competence and participate in strategy. Ultimately, they must assume financial risk.

This final point is frequently overlooked. Simply gifting shares does not create owners. Ownership requires exposure to consequence.

In our dinner discussion, several business-owning families described the tension between wanting to protect their children from risk and wanting them to grow through it. Fowler's work suggests that without exposure to real responsibility — and occasionally real failure — successors may struggle to internalize stewardship.

Succession is not a moment triggered by mortality. It is a multi-year formation process.

Formation Before Distribution

Across these five chapters, a clear progression emerged.

- First, define wealth with intellectual honesty.
- Second, live in visible alignment with your values.

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- Third, prepare heirs before transferring capital.
- Fourth, build structures that cultivate trust and decision-making skill.
- Fifth, develop successors through real responsibility and exposure to consequence.

What becomes evident, however, is that these are not five separate practices. They are one integrated discipline: the disciplined formation of the rising generation.

And that formation cannot be outsourced.

Legal structures can protect assets. Investment committees can manage risk. Tax planning can improve efficiency. But none of these mechanisms can instill judgment, humility, courage, or resilience. They can only amplify whatever character is already present.

There is a subtle but profound danger in affluence. It can allow families to delay difficult developmental work. It can cushion failure. It can soften consequence. It can even conceal incompetence for a time. In the first generation, wealth is usually forged through adversity, discipline, and sacrifice. In later generations, those formative pressures may not arrive automatically. They must be intentionally developed.

If they are not, wealth can be stabilizing in the short term, but destabilizing in the long term.

Our dinner conversation underscored this reality. How do I help my children develop judgment skills? Will they experience meaningful struggle and how important is that? How will they develop an understanding of stewardship, not just consumption? Will siblings remain connected rather than drift apart? Will the family enterprise — financial or operating —still serve a purpose beyond preserving capital?

These are not sentimental concerns. They are structural requirements. Because over time, capital flows toward competence. It does not remain indefinitely in the hands of those unprepared to manage it.

But when families focus on forming capable, grounded, ethically serious human beings — who understand both the privilege and the burden of wealth — capital becomes a tool rather than a master.

This is where the earlier question — "Are you wealthy?" — returns with sharper force. If wealth is defined narrowly as financial magnitude, then the primary objective becomes preservation or growth. If wealth is defined more broadly as the flourishing of people, relationships, and contribution, then the objective becomes formation.

Those two definitions lead to very different decisions over decades. The rising generation is not simply a beneficiary class. It is the future governing body of the family system. Its members will make decisions about capital allocation, philanthropy, enterprise risk, public engagement, and family cohesion. They will determine whether wealth remains a constructive force or gradually erodes through fragmentation.

The question, then, is not whether the next generation will receive wealth. It is whether they will be ready to manage and govern it — and themselves — when they do.

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The families who recognize this early tend to approach "kids and money" differently. The questions they are more formative than tactical. They are less focused on insulating their children from difficulty and more focused on equipping them to navigate it.

In that light, the most common question wealthy families ask — about children and money — is not just a sign of anxiety. It is a sign of wisdom. They intuit, correctly, that the real continuity question is human, not financial.

The work of wealth is not merely to transfer assets well. It is to form people well. Everything else follows from that.

For further reading: T. McCullough and K. Whitaker (2019), *Wealth of Wisdom: The Top 50 Questions Wealthy Families Ask.* John Wiley & Sons.

More information at www.wealthofwisdombook.com.

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TOM MCCULLOUGH

Tom McCullough is managing director of Thought Leadership and Strategy at the UHNW Institute, a partner at Corient, and the co-founder of Northwood Family Office. He is a frequent speaker on issues relevant to families of wealth and is the co-author of three books — *Wealth of Wisdom: The Top 50 Questions Wealthy Families Ask*, *Wealth of Wisdom: Top Practices for Wealthy Families and Their Advisors*, and *Family Wealth Management: 7 Imperatives for Successful Investing.* He is an adjunct professor and executive-in-residence at the University of Toronto's Rotman School of Management, a member of the Editorial Board of the Journal of Wealth Management, and a member of the board and faculty of the Ultra High Net Worth Institute. He was awarded 'Best Individual Contribution to Thought Leadership in the Wealth Management Industry (North America)' at the 2020 Family Wealth Report Awards.

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