

Wealth Can be Hazardous to Future Family Business Leaders

Kimberly Eddleston (Northeastern University)

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Preparing the next generation for leadership is an important mission for family businesses. But all too often, the comfortable lifestyle that family wealth makes possible does not do the younger generation any favors. Today young people in families of all income levels are struggling with substance abuse problems, eating disorders, lack of motivation and other serious issues. And at affluent family firms, younger generations can feel less motivated because they have always lived comfortably and are far removed from the toil and sweat it took their predecessors to build the business.

Family Business Senior Editor Kimberly Eddleston recently interviewed Diana Clark, Chief of Clinical Operations at the O'Connell Professional Group, known for its behavior-based programs that have helped many business families help their troubled youth. In this frank discussion, Clark points out that affluence can actually compound the problem because it gives the families resources to shield their offspring from a much-needed reckoning. Wealth also enables the family firm to provide jobs and salaries -- with no accountability -- for young relatives whose attitudes and problems might make it tough for them to find jobs elsewhere.

Clark said that families can take several measures to "create adults who we will want to be around later." Connection and honesty matter, she points out. And while it may be difficult to change bad behavior, Clark advises that you "evaluate how you dance in response."

[Link to video](#)