

A Note from the Editor-in-Chief

I extend my best wishes for the New Year. Although there is always reason for hope and optimism, there is no question that as we enter 2009, we are facing challenging economic times. The crisis of the U.S. and global markets, the worldwide credit situation, greed and corruption within U.S. and international financial institutions, and the continuation of housing foreclosures in the United States indicate that there is much to think about. One important consideration is the increased amount of stress our clients are experiencing. If they are not feeling financial pressures themselves, someone they know and care about is and this will contribute to stress levels. Therefore, I turned to Kristin Wehner Keffeler, MSM, for suggestions about how we can turn stress into an asset in our lives and the importance of cultivating daily practices that support overall well-being. Kristin is the founder of Kinetic Enterprise LLC, a company that supports financial services professionals and their clients in using health as an individual, family and business asset. She is one of the most progressive thinkers in the area of wealth transfer.

For example, when helping clients plan their legacy, Kristin suggests that there are actually five asset classes or types of capital that professional advisors must include and plan for when working with their clients.

- Physical and material: the asset class of stuff that is always included in wealth transfer planning and design.
- Human capital: the value of rich and lasting relationships.
- Intellectual capital: the collective ability of a family to think, dream, imagine and create its future.
- Spiritual capital: the belief and relationship with a spiritual power.
- Health capital: the ability to move and live healthy, full lives as our clients seek to achieve their life purpose and build sound intergenerational family relationships. The individual and collective health of a family is the foundation upon which the other asset classes stand.

Kristin points out that elements of both nature and nurturing impact a family's ability to accomplish their mission. While genetics play a role in the length and quality of life of each family member, Kristin suggests that, for families to truly flourish, they need to create an environment where each member can be present physically as well as emotionally and spiritually. She also teaches that it is not only families who must cultivate their health in order to flourish. Trusted family advisors have an opportunity to model the possibility of energy and vibrant health and this can build client trust and present a valuable business asset.



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Kristin states: "When we can help advisors expand their client relationships from the technical paradigm and guide clients to build plans around their health, human, intellectual and spiritual capital by discussing and planning for this broad spectrum of family assets, the advisor is rewarded with incredible trust." Of course, she recommends, that as we expand the planning horizon for our clients, we also need to expand our team to include professionals that are masters in each of the areas.

Kristin suggests that, for her ideas to work most effectively, the advisor must ask himself some key questions:

- How do I currently present myself for my clients?
- Are their ways in which I sabotage my health now?
- How well do I handle stress?
- What are my current sleep patterns?
- Am I using food as a tool to fuel my body and mind?
- How can I better support myself to think more clearly with my clients?
- How can I better support myself to think more creatively with my clients?
- How can I better support myself to create deeper relationships with my clients?
- How do I want to work?
- When are my peak energy and thinking times?
- How much do I want to work?
- How do I best use my gifts to work?
- How do I want to contribute?
- What difference do I want to make?

After we answer these questions for ourselves, they are equally valuable when used with clients. Kristin actually works these questions into a five-step process:

- **Discovery:** What do I want for myself, my life, my family as far as physical health is concerned?
- **Assessment:** Compared to what I want, where am I now and what do I need to do to encourage my family to reach these goals?
- **Investigation:** What are my existing values and beliefs that will support me in this quest?
- **Aligned action:** What is the most powerful action I can take to create synergy between the current status of my life and the goals I would like to achieve?
- **Evaluate Results:** Where am I now? Where is my family? What progress have we made? What

is working and what is not working? What are the next steps?

Just as the collective health of a family can support or sabotage the ability of the family to accomplish its mission and realize its vision, the same is true for business organizations. As Kristin points out, this process is effective in supporting business enterprises to increase employee engagement and productivity by giving employees the support and resources to improve their health status. The practice of assessing and improving the aggregate health status of an organization's employees is called health and productivity management (HPM). It is an "emerging business strategy focused on improving the total value of human resource investments. It is based on the recognition that individual health strongly influences the productivity of individuals and their organizations."¹ This is essential to understand when the family material wealth includes the family business and the individuals who comprise it.

As we work to help our clients and client families dream their biggest dreams and match their purpose and passion with the use of their wealth, let us remember to include the fifth asset class, health, as part of our planning strategy.

We hope you will find this issue of the Journal helpful to you in your practice. Our Editor's Choice article is by **Randall J. Ottinger** and **Philip F. Strassler** and explains an integrated approach to family wealth transfers designed to yield unprecedented value for families and advisors.

Joy Gibney Berus discusses preparing estate tax returns where the estate contains personal property items such as art, antiques and collections.

David E. Libman explains the structure and function of a subtrust plan within a joint revocable living trust and tax saving strategies that can be implemented through the use of these entities.

Mark Colgan explores legacy planning and outlines a strategy for introducing your clients to this historic and meaningful planning opportunity.

I welcome your thoughts on these and other topics of interest to estate planners.

ENDNOTES

¹ R.Z. Goetzel, Ozminkowski, R.J., and Yuhasz, L.S. *Becoming an Internal Champion for Health and Productivity Management*. Wellness Councils of America Special Report, 2001. Available online at www.welcoa.com/freeresources/index.php?category=8.