

Spiritual capital has been used as a general term to describe the work of family office with respect to the ethical aspects of the family. A better way to explain the term is to perhaps divide it into three distinct, narrowly-defined concepts, namely, moral capital, religious capital and spiritual capital.

Moral capital is reflected in family constitutions, which describes the family's core value, mission and beliefs, usually closely tied to the family's entrepreneurial history and how the patriarch created the wealth and wanted to give to the society.

Religious capital represents the family's belief in an organised form of religion such as Christianity, Buddhism, Hinduism and how the family embraces the values particular to such religion's tradition and faith system.

Spiritual capital is different from religious capital in a sense that it derives from the family members' belief or mystical experience in direct connections with Source, which could be totally independent from and does not require the participation in any organised form of religion.

How are these capitals useful in bringing the family together? They help give the family an identity to which its members can relate.

How really can a particular family be defined? Its net worth? Ranking on the rich list? How much political and social influence it has? How many magazine covers the family members have graced?

All these are about looking outward for recognition. They are not the true identity of a family, which can only be found by looking inward.

Looking Inward

Religious and spiritual practices provide the best opportunity to look inward. Many ultra-high-net-worth families recognise the importance of the transpersonal element of such practices and that they are part of an order that transcends or reaches beyond the personal level.

Spiritual capital encompasses religious, culture, economic variations. It might have the highest potential in achieving the objective of bringing people together.

I have been advocating education as one of the most important functions of a family office. Family members should acquire financial literacy and understand succession planning, tax, how to run family office, how to deal with private bankers, corporate finance and family business.

Increasingly, I realise that real education happens when one gets to know oneself. This is a lot more fundamental as the ultimate role a family office can be to help family members learn about love and unlearn fear.

Resolving Conflict

Take meetings of the family council as an example. In those meetings, what is usually brought to the table? Self-interest. It is inevitable, because in most family office procedures design, the representative on the family council attending the family meetings represents the interest of the respective family branches.

Conflicts of interest are expected. For this reason, family offices have in place well drafted set of constitutions, code of conduct, trust documentations to clarify how conflicts can be resolved.

Conflict resolution is important, but the understanding of a few concept of spirituality might be helpful in bringing real peace to these situations.

Family offices can help family members become aware of the "ego". Our ego makes assumptions about others (and their egos). More likely or not, these assumptions are a source of fear.

The real root of conflicts is the fear of lacking, competition and an inherent sense of insecurity. The ego and fear are the veils that block the family members from the inner peace and security that they are born with.

Forgiveness and acceptance are another set of spiritual notions a family office should instil.

Unspoken tension, so commonly experienced in a family setting, can accelerate if not dealt with. It can come from "unfairness" in distribution of trust funds, appointments in family business and even fights between the family members when they are kids or favouritism shown by parents.

Only forgiveness and acceptance (of others and one-self) can free the family members from the burden which keep them from walking the path of life freely.

Family members can easily feel that they are born with the wealth and status. Works will have to be done to remind them that they should be thankful not just for the luxury they have but the little things in life and appreciative of the lessons learnt from the seemingly bad in life sometimes.

The concepts of oneness and togetherness seem to be very abstract but they are extremely important in a family context (though in spiritual belief we are inextricably linked with everyone whether family or not).

There is no real separation. When one person is better off, all are better off, and vice versa. It is the key to reduce competitive mentality among family members and to truly bring the family together.

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