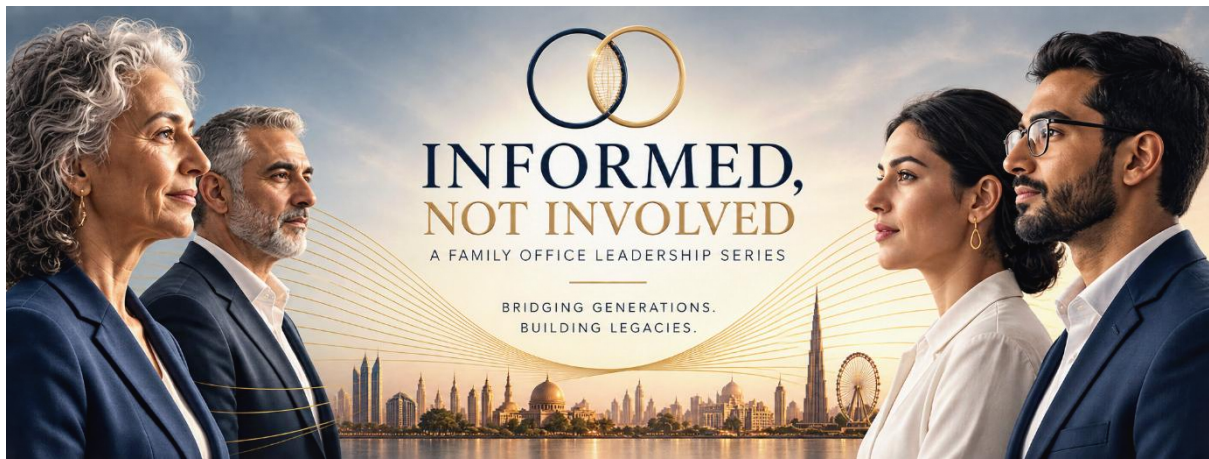




Part 3: Stop Planning Succession. Start Building the Next Version.

For many founders, succession is an intimidating word. It immediately raises questions about retirement, loss of control and the uncomfortable reality that someone else will eventually lead what took decades to build.

Perhaps that is exactly why so many families postpone the conversation.

But what if succession is the wrong conversation?

The objective of a successful Family Office should not be replacing one generation with another.

It should be building an organization capable of continuously renovating itself — protecting what created the wealth while making room for new leadership, new capabilities and new sources of value.

The question is not simply:

Who will replace me?

It is:

What are we building that can thrive beyond me?

Markets change. Technologies evolve. New generations bring different skills, networks and ways of creating value. Businesses that created extraordinary wealth twenty years ago may not be the businesses that preserve or grow it over the next twenty.

This is where renovation and innovation become part of the succession conversation.

Renovation means understanding what should be preserved: values, relationships, reputation, investment discipline and the knowledge accumulated over decades.

Innovation means creating enough room for the next generation to challenge assumptions, develop new capabilities and pursue opportunities that may look very different from those that built the original wealth.

A successful transition needs both.

Build a platform, not a replacement

One of the most interesting ways to think about this comes from Sweden's Wallenberg family.

Rather than describing succession simply as one generation replacing another, Jacob Wallenberg has spoken about creating a platform for the next generation, while the older generation gradually moves into more overriding roles.

Platform is the important word.

A platform does not assume that every family member should become the next CEO. Some may become operators. Others may lead investments, governance or philanthropy. Some may build new ventures. Others may choose not to participate operationally at all.

The purpose is not to manufacture one successor.

It is to create an environment in which different members of future generations can find the right way to contribute — while the family remains connected around a common purpose.

Successful companies develop leaders in much the same way. A great CEO does not remain deeply involved in every operational decision forever. As the organization grows, the CEO's role evolves from execution to leadership, and eventually toward governance and creating the conditions for others to succeed.

At that stage, their value is no longer measured by how many decisions they make.

It is measured by the quality of the organization they have built.

Family Offices should evolve in the same way.

The uncomfortable parallel

There is, however, an uncomfortable parallel.

In business, when a CEO hires talented executives but continues approving every meaningful decision, we call it micro-management.

Yet inside Family Offices, we sometimes call a very similar situation succession planning.

The next generation attends meetings. They receive the reports. They are invited to express opinions. They may even be given responsibility for specific projects.

But when the important decision arrives, authority returns to the founder.

That is not transition. It is participation without power.

And the consequences are remarkably similar to micro-management in any business: decisions slow down, innovation loses momentum, and capable people stop taking initiative because they know the final answer will eventually come from the same person.

This does not mean the founder should suddenly step aside.

Quite the opposite.

The transition period may be one of the most valuable periods a Family Office has: a time when decades of judgment, relationships and experience can work alongside a generation bringing different capabilities, networks and perspectives.

But that only works if leadership is allowed to evolve.

The real measure of transition

Successful transition should therefore not be measured by whether you have identified your successor or completed your succession plan.

It should be measured by whether the Family Office can continue to make good decisions, create new value and develop new leaders without every important decision eventually finding its way back to you.

That is what successful transition really looks like.

Not replacing one leader with another.

Building a platform strong enough for every generation to lead differently.

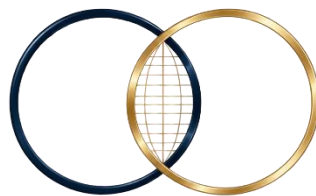


Ask yourself

If you disappeared from the Family Office for twelve months tomorrow, would the next generation simply keep things running?

Or would they have the authority, confidence and freedom to build what comes next?

The difference between those two answers may reveal the real state of your succession plan.



**INFORMED,
NOT INVOLVED**

A FAMILY OFFICE LEADERSHIP SERIES
