

The use of intuition in corporate decision making and management has been widely explored, but very little research has been conducted on the application of intuition in the wealthy family setting. Though few in number, the studies done in the area have consistently affirmed the usefulness of intuition in the context of family business.

Intuition and Family Business

Kakkonen (2006) conducted a phenomenological study of intuition in managerial work of family business in Finland.¹ In family businesses where family relationships are “deeper and more personal” and family functions “informal”; the business culture might create and offer more opportunities for using intuition than non-family firms do. The findings of the study indicated that the essence of family entrepreneurs’ managerial intuition experiences consists of three aspects, namely, social intuition, opportunity intuition and action intuition.

Bloemen-Bekx et al. (2021) used the focus group approach to explore how and when intuitive forms of planning can be used in a family firm’s succession process, defined to mean the transfer of leadership and/or ownership from one family business generation to another, in the Netherlands.² The results of the study showed that both formal logics and intuitive logics are used situationally and flexibly. Intuition is used to deal with unique and unpredictable situations and moderate family dilemmas at difficult times where formal logics are applied to guide the systematic process.

Internal Data for Family Governance

Since intuition has been useful in family business, especially in situations where “personal and informal functions” play an important role, how it can be used by families to enhance governance is worth exploring. In the family governance context, a framework is usually developed and formalized to regulate the relationship between the family and the business. The most popular form of such framework is the family constitution (González-Cruz et al, 2021).³

Well-written family constitution should explain the rationale behind the tangible arrangements and help family members understand one another and communicate so that the family has a roadmap to prevent and resolve conflicts. Unfortunately, most family constitutions document only the external aspects of the family, providing usually a summary of the trust arrangements, family council membership and functions and mechanism for family meetings without addressing the internal aspects that embed and affect the family system.

The external and internal aspects of families respectively correspond with the formal logic and intuitive logic referred to by Bloemen-Bekx et al. (2021). The essential question to ask is how data related to the internal aspects (i.e., internal data) that are inherently hard to collect and document can be drawn out and combined with data related to the external aspect (i.e. external data) to reflect a fuller picture of the reality faced by the family and its members.

Intuitive Inquiry

Internal data, representing the intangible aspects of the family that are usually unspoken and perhaps involve the most inexplicable aspects of human experiences, might be extracted by way of Intuitive Inquiry, a hermeneutical research method that “uses transpersonal skills, such as intuition and alternative states of consciousness as core methods of inquiry.” The purpose is to expand the range of “multiple intelligence” to include both personal intuitive experience and also specific religious/spiritual intelligence (Braud & Anderson, 1998).⁴

The five broad types of intuition under the Intuitive Inquiry method include:

- (1) unconscious symbolic and imaginal process;
- (2) psychic or parapsychological experiences;
- (3) sensory modes of intuition;
- (4) empathic identification; and
- (5) the wounds.

Intuitive Inquiry can be useful in family governance because the method offers a systematic approach for the lawyer and the family members and others involved in the process to draw on both intellect and intuition/psyche to collect data on the family and its members (whether living or not), identify the intangible past, current and future issues the family and its family office should address, and understand how the family office should be structured and behave to take the family to a better, brighter future.

1 Kakkonen, M. L. (2006). *Intuition and Entrepreneurs. A Phenomenological Study of Managerial Intuition of Finnish Family Entrepreneurs* Jyväskylä. University of Jyväskylä.

2 Bloemen-Bekx, M., Lambrechts, F. & Gils, A. (2021). An exploration of the role of intuitive forms of planning in the succession process: the explanatory power of effectuation theory. *Journal of Family Business Management*. ahead-of-print.

3 González-Cruz, T, Clemente-Almendros, J. A. & Puig-Denia, A. (2021) Family governance systems: the complementary role of constitutions and councils, *Economic Research-Ekonomska Istraživanja*. 34(1), 3139-3165.

4 Anderson, R. (1998). *Intuitive inquiry: A transpersonal approach*. In Braud, W. & Anderson, R. (Eds.), *Transpersonal research methods for the social sciences: Honoring human experience* (pp. 69-94). Thousand Oaks, CA: Sage Publications

Application In Family Constitution

Intuitive Inquiry was applied in one of my client projects helping a family write the family constitution. I suggested that the document should cover not only a description of the legal structure and committees but also intangible values that matter to the patriarch and qualities that he wanted to pass on to the future generations.

For the patriarch, the most important purpose of the family constitution is to encourage self-awareness, a fundamental quality that helps the family members understand themselves and one another. Only with the willingness to become self-aware, they are able to pause, examine themselves, learn how not to just react, give themselves space to process life events, change and eventually transform.

The method of Intuitive Inquiry was used with two senior executives of the family office in a one-hour session and then the patriarch in another one-hour session. I gave them brief information about Intuitive Inquiry and the purpose of the session before the meeting. At the meeting, I asked them to quickly look at a list of 30 family values that were not shown to them before and choose three values that catch their attention. They were asked to pay particular attention to the personal experience (however subtle and perhaps unusual) reacting to each of these values.

The process lasted for around 10 minutes. Then they were asked to share the three chosen family values and we went through the interpretation/analysis process one by one, drawing out more details and new elements from the experience. If the response was limited or if they hesitated, I probed further by asking them to elaborate on the experience. Then they were asked to pick the fourth value from the same list.

Core Emerging Themes

A number of core themes emerged during the exercise with examples below.

(a) Everyone managed to complete without prior knowledge and experience.

Before the exercise started, though having received an introductory briefing and reading material in advance, they were concerned that Intuitive Inquiry was too new for them. However, once they started to choose from the list of 30 family values, all of them were able to use their intuitive senses (with the help of some occasional promptings) to pick the family values and give detailed descriptions and the exercises were successfully completed.

(b) Each person displayed an initial dominant intuitive sense.

The descriptions each person gave displayed consistent references to a dominant intuitive sense. Some showed a tendency to use visual expression such as colors and shapes and they both were able to see and describe the surrounding environment through the mind's eyes. Some referred substantively to body sensations.

(c) They were able to expand the senses engaged after observing the others.

Although they initially used a dominant sense, they were able to engage other senses after observing the other persons, showing that intuitive process is a skill that can be acquired. When they were asked to pick a fourth value, they were clearly capable of using a wider spectrum of intuitive senses since they had more experience and observed another person.

(d) They discovered an unexpected side of themselves and others.

All of them had known one another for a few years but were surprised by each other in the session. Intuitive Inquiry drew out unseen facets of oneself and others. They found that after the session they had developed a deepened understanding of one another.

Insights and Future Research

Intuitive Inquiry, which emphasizes "the importance of particularity (the researcher's voice and the participant's voice especially)" (Braud & Anderson, 1998), could be valuable in helping the family find the true voice that should be reflected in the family constitution and family processes. Using Intuitive Inquiry in the process helps the family and family office executives to explore their authentic selves and cultivate genuine self and mutual understandings.

"Uniquely suited to exploring experiences considered complex and subtle" (Braud & Anderson, 1998), Intuitive Inquiry gives the family a chance to be listened to and extract "internal data." The deliverable will be a family constitution that is a more realistic reflection of what the family truly represents and touches the hearts of the future generations of the family.

Those involved stressed repeatedly that Intuitive Inquiry plays a key role in cultivating understanding of oneself and others, which is essential in family harmony. Besides collecting information, Intuitive Inquiry also facilitates transformation. Such transformative capability of Intuitive Inquiry is in line with what a successful family office should achieve for the family as a whole and its members the long run.

It was observed that conflict detention and resolution may be an important area for future research and could lead to an important breakthrough in how internal conflicts of families (most of which never reached the stage of legal proceedings and therefore kept out of the eyes of the public) can be dealt with and even better prevented. Schuman (2017) explored how Intuitive Inquiry can be used in problem solving but her discussion focused on the individual level rather than the group or family context.⁵ Future research could be conducted exploring the application in a group setting.

5 Schuman, M. (2017, October 26). How to use Intuitive Inquiry to Deal with and Help Solve Problems.

To "expand or deepen" the understanding of a problem. <https://brewminate.com/how-to-use-intuitive-inquiry-to-deal-with-and-help-solve-problems/>

About the Author



Patricia Woo

Partner, Hong Kong

T +852 2103 0322

E patricia.woo@squirepb.com

Patricia Woo is Partner of Squire, Patton Boggs, and co-head of the Firm's Family Office cross-practice team. She is a fund, trust and tax lawyer noted for her practice in helping global ultra-high-net-worth families set up, restructure and operate family offices.

Patricia publishes widely, and is a frequent speaker and press interviewee on the topic of "family office." She is recognized in *Who's Who Legal: Thought Leaders – Private Client* (1st Edition) 2020 and is a recipient of the 2021 Global Law Experts Annual Awards (Private Client Lawyer of the Year in Hong Kong 2021, Trust Lawyer of the Year in Hong Kong 2021 and Tax Lawyer of the Year in Hong Kong 2021), the Corporate INTL Magazine 2021 Global Awards (Private Client Lawyer of the Year in Hong Kong and Trust Lawyer of the Year in Hong Kong) and the High Net Worth Award Winner in Hong Kong of the 2020 International Advisory Experts Award.

She is listed in the *Euromoney Women in Business Law Expert Guide 2020*, *CityWealth Leaders List Top 10 China & Hong Kong 2019*, *The Legal 500 Asia Pacific 2021*, *Who's Who Legal: Private Client Global Leader 2020* and *CityWealth Leaders List 2020*. She is also ranked in *Chambers HNW 2021* and recognized in *CityWealth 2019 International Powerwomen Top 100* and *CityWealth 2017 IFC Powerwomen Top 200*.

For further information, visit: www.squirepattonboggs.com/en/professionals/w/woo-patricia