

The Divorce Agreement Newsletter

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A Business Model for Divorce Agreements

There are family businesses, but can the family itself be analogized to a business? In some ways it can. Looked at from an unromantic point of view, a modern American family has three functions. It's (1) an emotional unit, (2) a financial and property unit, and (3) a basic social unit. The family owns property, it earns and spends, usually it has some ground rules (often these are unspoken, but nevertheless important), and it has the basic goal of helping children become productive self-reliant adults.

The business of families is to support each other emotionally and financially and to maintain stability for its members in an ever-changing world. Families interact with society in many different ways. The husband-wife relationship is a defined partnership. Indeed, the law often treats a family at the time of dissolution as if it were like a business partnership. The commodities of the family unit are *money, property, and labor*. A premarital agreement is also a sort of partnership agreement. If there is no premarital agreement (there usually isn't), the legal system effectively imposes one through its laws on financial support, property, and custody.

Even where a married family doesn't run a family business as such, it may still be useful to consider the application of sound business principles in its dissolution. The dissolution of a business partnership is often focused on what each partner contributed to the responsibilities to the partnership and where the dissolution leaves him or her. So a business model for family dissolution can focus on framing and supporting the career plan of the stay-at-home partner. If the family runs an actual business, the goal of course is to keep the business sound and productive.

Dr. Ed Farber has suggested the validity of a business approach to parenting issues. If an essential business of the family is to raise the children to be self-supporting and to lead satisfying and useful lives, then we need to consider a businesslike plan to reach those goals. This involves continued parental responsibilities post-separation. Immature fights over parental control detract from the plan, so the parents must find ways to work together to support and protect the one continuing aspect of their family business. There needs to be a plan to make this work effectively.