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Hey Millennials, You Need to Speak Up About Your Inheritance



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Dear Millennials,

You stand to inherit an estimated [\\$30 trillion](#) from you parents, the Baby Boomer generation. That is an extraordinary amount of wealth. The reality is, however, that most of you will never know what you stand to inherit until you actually inherit it. This is a problem for many reasons. If your parents are not willing to start the conversation about wealth and legacy transfer, then you need to broach the topic yourself. Here's why:

- 1. You Will Not Just Inherit Your Family's Wealth, But Also Your Family's Problems.** Those who fail to learn the lessons of history are doomed to repeat them. You may have heard of the old proverb, “shirtsleeves to shirtsleeves in three generations,” which is used to describe the oft-seen problem wherein wealth is made and lost by the third generation. This cycle is caused by two key factors—education and communication—or a lack thereof. A lack of communication in any wealth succession plan is a recipe for disaster. First, it leads to unnecessary trust issues, which can cause family disputes and even lead to litigation. More importantly, however, it results in the younger generation never understanding the purpose and goals of the wealth succession plan. Why a succession plan exists and how it is intended to be carried out are essential to any plan being successfully implemented. If your parents are not instigating family communication about their wealth and legacy plan, they are making a mistake and potentially causing big problems for you and the rest of the family. Do not let this problem fester and grow. You do not want to inherit this problem. It is up to you to be proactive and engage your parents in a discussion about their views and goals in terms of the family legacy. I promise, if done properly, your parents will not be offended by your genuine concern over responsibly carrying on the family legacy. In fact, your proactive efforts will overcome one of the major hurdles as to why many parents do not talk to their children about inheritance—fear that their child is not ready or mature enough, or perhaps not interested.
- 2. Preparedness Is Everything.** How can you be expected to inherit \$30 trillion with no advance notice as to how the wealth is owned, operated or controlled? Do you know how the family business or wealth is managed or understand how to manage wealth or run a business? No matter how smart or experienced you are, being suddenly forced into a position of leadership over an unfamiliar enterprise and almost always be disastrous, particularly when you are also simultaneously grieving over the loss of a loved one. It is imperative to be prepared for what's coming and not speaking with your parents about your inheritance is setting you up for failure.
- 3. You Are Entitled To Be Part Of The Conversation – It's Your Legacy Too.** Whether your name is Rockefeller, DuPont or Smith, you are part of a family legacy. Most wealthy families' legacies typically live through a family business or family office that in turn has a decision-making process (or “system of family governance”) in place. That decision-making process not only runs the family business(es), but it should also balance managing the economic and non-economic aspects of the family legacy. These processes are how a family legacy is shaped and defined. As the next generation (or “NextGen,” i.e., you) grows and matures, it is important for their views and

opinions to start being heard and incorporated into the decision-making process. After all, that next generation will someday inherit and be fully in charge of the family legacy.

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