The Single Biggest Mistake Made In Legacy Planning

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Here is a scenario that occurs all too often: a client has a legacy (or estate) plan prepared by a lawyer, pays the lawyer's fee, and goes merrily on his way thinking, "Well, that's finally done." The client goes home or perhaps to a bank to deposit the documents in a safe or vault, and then leaves them there wanting nothing more than to move on to more pressing business. This is the single biggest mistake made by clients when it comes to estate and legacy planning—most fail to actual *implement* their plan.

A legacy plan is nothing more than a blueprint for you to proactively live the life you want to lead with intentionality and purpose. Rather than fielding opportunities as they haphazardly arise, a legacy plan helps you define your goals and choose your opportunities within a framework. Then, of course, a legacy plan provides for a structure to protect and preserve your legacy for future generations (this is where estate and legacy planning cross paths). Creating a legacy plan, however, is only the beginning. As I explain to clients all of the time, when a lawyer drafts documents creating a structure for your legacy—usually consisting of one or more trusts, corporate entities and, of course, a last will and testament—you have really only just created the start line. Now, the real work begins.

Think about it in terms of building a house. When you have plans drawn up to build a house, are you done? Do you magically all of a sudden have a house? Of course not. You only have a blueprint. The same is true of your legacy plan. Much like building a house, a legacy plan requires a team of professionals (a "legacy team") to help carry out your legacy plan and proactively build your legacy. Instead of construction workers, electricians, plumbers, etc., your legacy team will typically consist of professionals such as an attorney, financial advisor and accountant, as a starting point. That team should work together behind the scenes to propel you to your success and help you achieve the fulfilled life you desire. In addition, that same team should work to prepare the next generation to inherit your legacy and carry it forward. This is no small feat, but it can be done. It just takes the right team, and a lot of work.

One of the many responsibilities of your legacy team is to come up with a system and best practices to help you stay intentional with regard to implementing your legacy plan. The most successful families are incredibly disciplined about holding family meetings devoted to discussing the family's legacy plan. This allows for an opportunity to escape the day-to-day rigmarole and focus on higher-level legacy planning matters. Periodic meetings to review your legacy plan are crucial to ensure you are staying on the right path and that your legacy plan is still accomplishing your goals. After all, your legacy plan is an organic, living plan that will evolve over time as your life inevitably changes. Staying proactive and intentional in the implementation of your legacy plan is key to its success.

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Attorney, advisor, entrepreneur, speaker, writer, musician, artist, and innovator. I spent over 12 years navigating "Big Law" and have served as an advisor to some of the wealthiest families in the world. Now, my focus is on empowering others to proactively define and live t... MORE