

ties that bind

MINNESOTA BUSINESS

The *Last Challenge* of Entrepreneurship – a finely tuned legacy

(Part two in a four-part series focusing on succession planning)

What, really, is “legacy?” How does one “fine tune” it? Laura Nash, in her *Harvard Business Review* article, “Success That Lasts,” defined legacy as “a way to establish your values or accomplishments so as to help others find future success.” Nash observes that we should not wait until we are 65 years old to start thinking about legacy; we should distribute our emotional and physical resources (including happiness achievement and significance, as well as legacy) throughout life.

A recent Allianz American Legacies Study noted that baby boomers and their children agree that non-financial items—family stories, family heritage, family values and religion—are 10 times more important than the financial aspects of inheritance. Yet, the study revealed that less than a third of baby boomers and their adult children are having in-depth, meaningful discussions about legacy and inheritance.

I would suggest that legacy is both financial and non-financial. I have come to look at legacy as your gift to the future to help others find their own success. This legacy model contains five interrelated aspects:

- Wealth Care** – money and property
- Business Legacy** – succession plan
- Heritage** – history and ancestry
- Family/Self** – loving and caring
- Community** – services and philanthropy.

Fine-tuning a legacy requires implementing all five aspects of the model.

For this article I want to emphasize how important it is to capture stories that relate to family and history, and to consciously voice life and family values.

One example of this is a client that always includes an agenda item in the annual meeting where the grandparents make a presentation to the whole family (including grandchildren) about some aspect of their early lives. Pictures and videos usually accompany the stories. Grandkids are on the edge of their seats, learning about grandpa and grandma’s lives. Today’s technology makes it relative easy to capture these wonderful stories that highlight family



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values and life experiences. The presentations are videotaped and a disc is made for each family member. This is a priceless gift to the future.

Another example is to create an ethical will. This old, Jewish tradition has senior generation family members share the critical values they want to pass on. Topics for an ethical will can include:

- Success as I see it**
- Mistakes I learned from**
- My happiest hours**
- Why I love you**
- What spirituality means to me**
- Stories with deep personal meaning**
- People or events that have shaped my life**
- Familial obligation**
- Favorite scripture passages**
- Actions for which I would like to ask forgiveness**

Select any or all from the list to share at future family meetings. Families enjoy wonderful, positive feelings when parents share their stories; those stories nurture bonding and often produce a few tears and smiles when people come so closely together.

I know of truly ambitious individuals who have written their life stories. You can record your story in book form or create a video to share with the entire family. Many resources are available to help you capture these family memories. If you would like a referral just email me.

Over the years, I have created two videos about my life and have shared them with my family. The first one is about my work; the second is about values and stories from my past.

One of my greatest thrills in giving to the future has been introducing my grandchildren to the arts and enrolling each of them in a book club on their first Christmas. Learning has always been a big part of my life and I want to make sure my grandkids learn to appreciate arts and culture and enjoy reading as well.

These examples emphasize the non-financial aspects of inheritance that, according to the Allianz Study, are the most important. As you fine tune your legacy take time to engage your family. Share some of the stories and meaningful events of your life. Share with them the events and people who have shaped your life. This could be your greatest—and most appreciated—gift to the future success of your family.

Hope to see you Oct. 22 at our upcoming event that will honor family businesses at the “Minnesota Family Business of the Year” awards.