Your 7-step plan for creating chaos in your famil

By **William Lentine** - June 11, 2021

Most business owners know that proper succession planning can help keep their business running strong understand the importance of creating a plan to prepare heirs and key employees to run the business wh owners are busy and fail to plan for the future of their business in a timely manner.

Executing an unplanned transition when the family business leader becomes incapacitated or passes can already difficult time) and potentially damaging for the business.

We think it makes sense to offer some lessons learned by these families as a resource for current busine typical "best practices" list, we took a different approach. Here are some "worst practices" that will surely business after you pass — from families who have experienced an unplanned business transition:

1. **Don't document your good intentions**. Think about succession planning for years, but don't docum planning ideas for the family. Or, to make it really interesting: keep jotting down ideas on various note the years, creating obvious contradictions between the ideas.
2. **Leave business ownership to your family but without a skilled operator in charge of it**. This possible range after your death, affecting family members, employees, customers, suppliers and profe lines are drawn between children and possibly your spouse as they wrestle for control of the company
3. **Pick one winner.** Leave both the business equity and control to one child who seems reasonably res "right" thing for their siblings and remaining parent. For maximum family strife, the "responsible" chil who is greedy or difficult to deal with.
4. **Don't do any estate or tax planning.** This way your heirs will not only struggle with the above issu bill they were not expecting and will have to cover by taking out loans or by selling the business.
5. **Micro-manage future leaders.** Allowing your children or other key employees to manage portions o group of leaders to naturally emerge, whereas micro-managing those heirs and other key employees i they won't learn how to lead, make decisions or accept responsibility.
6. **Don't discuss the future of the family business.** Avoiding these conversations ensures you won't managers actually want to run the business and allows you to create a pressing sense of obligation fo run the business. Even better, this sense of obligation can create next generation business leaders wh passion that you brought to running the business.
7. **Keep your professional advisers under wraps.** Failure to introduce your professional team to your business because neither of these groups will be prepared to handle the inevitable difficult discussions Plus, your children will not know and may not trust your attorney, CPA, investment adviser or other pr more obstacles to this transition.

Having no plan

Naturally, we wouldn't expect you to do any of the things on this list on purpose to cause disruption and sometimes, not planning for the future can have the same impact on your family as if you had intentiona loved ones in a less than desirable position down the road should something happen to you.

Many of the steps involved in successfully transitioning a family business can take years, even decades t planning sooner rather than later.

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