

Family firm has same needs as other businesses

The Issue: A family business brings differing behavioral styles together with relatives often passing over protocols that move a business forward, simply because they are often too familiar.



The scenario: My family has a business that includes our parents, myself and a sibling, and four non-related employees. I feel that we need coaching as there are many challenges among family members, and how I think we are perceived by the other employees. Suggestions?

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Remember the TV show “All in the Family”? Opinionated Archie. Eye rolling Edith. Rebellious Mike. Whiny Gloria. Family dynamics at their worst and best, exaggerated but nonetheless, making us laugh and cry as we resonated with recognition.

A family business brings differing behavioral styles together with relatives often passing over protocols that move a business forward, simply because they are often too familiar. I’ve worked with businesses involving husband and wife, parent and child, siblings, and in-laws.

There are common themes of family businesses:

Challenges:

- No clear-cut roles and policies, or role confusion by non-family members.
- Poor communication.
- Feeling of nepotism

among non-family.

- Generational issues between family members. One of my clients jokingly refers to this as “the powdered behind” syndrome, when parents will not listen to a child whose rear they once powdered.

Advantages:

- Spending each day with people you know, trust and care about.
- Flexibility and freedom.
- Security.
- Sense of building something together.

What works:

Professionalism for family and non-family members. Remember, it’s a business first. Here are the basics:

Have a clear vision for the business with “buy in” from all members of the team. This means that there is agreement on individual and group goals with benchmarks for everyone.

Define clear roles and responsibilities. Some family members, especially if they started or grew up in the business, practice the ultimate “management by wandering around” – they walk around and provide their input on everyone’s job. Instead, create an organization chart that identifies who’s doing what and leaves nothing to assume. Management should keep people aligned.

Learn to manage conflict.

A client of mine says: “Family members know each other’s hot buttons; this causes a tendency to react rather than respond to a situation.” This also means that personal family feelings affect others working at the firm.

The answer to the conflict issue is respect. Treat your family members as you would the firm’s best clients. This includes honoring the family members who founded the business. Younger family members tend to think “they can do it better” without acknowledging what has brought the business to its current success. Learn how to play well together.

Communicate effectively. Most of us have not learned how to have critical conversations, an invaluable tool for both family and non-family employees. Many companies – family or non-

family – have never learned how to run a meeting or a project. Classes, books, journals and consultants are available to improve these critical communication tools.

Understand each family member’s strengths and tailor each person’s responsibilities to maximize his or her talents.

Bring in a third party coach or consultant for an unbiased perspective and to help the business grow. Commit to personal and professional growth for each family member – ongoing education, conferences, networking groups.

The rules of the marketplace don’t change because of company ownership. The traits of a well-tuned management and staff don’t change either. Family businesses have the same training, communication and leadership needs as regular businesses.

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