

# Family Business Meetings: Proper Planning for Effective Results

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One of the most common concerns I hear from enterprising families is: “We have family meetings, but I don’t feel like they are very effective.” I assure them that they are not alone.

From shareholder assemblies to family gatherings, when family members feel that the meetings are not a good investment of their time, they are less engaged and the outcome is often unproductive. The good news is that with thoughtful planning and orchestration before the meeting, the family can participate in effective dialogue together and produce meaningful results. The frameworks outlined below can be applied to a range of meetings from more business-oriented to more family-oriented.

## Set the stage with goals in mind

A good friend of mine who is a family business member often says: “The end is the beginning.” By being clear about what you intend to accomplish, you can achieve that goal or at least move purposefully in that direction. Whoever is leading the meeting should solicit input from all meeting members about the topics they want to address in addition to the regular agenda items. This input helps set the stage by engaging family members and gets people thinking in advance about the topics most important to them. Then you can set the intention of what you want to accomplish and address in the meeting.

## Get permission to lead

Effective leadership of a family meeting is a vital way of ensuring a good outcome. A clearly designated leader helps keep track of time, monitors content and process, oversees fairness and creates credibility. Of course,

this may be a tall task for a family member who is also part of the process. Some families choose to have an outside facilitator or advisor simply because this neutrality can help shift the group’s dynamic in a new way to produce a different result. Once the leader is designated, all present should grant explicit permission to the leader to lead. This includes helping to set ground rules at the start of the meeting about terms of conduct and sharing the talking space. With everyone in agreement upfront, the leader can effectively run the meeting and has permission to appropriately interject to ensure fairness, keep tangents to a minimum and encourage participation.

## Structure and improvisation

The agenda provides a backbone to the meeting by outlining the structure and approximate timing of each section. Sticking to the structure is a good approach, but doing so slavishly won’t allow for the crucial moments when the family needs to explore topics in a more improvisational manner. Good structure allows for a measure of flexibility to permit explorations when new topics emerge. Leaders can use the family agreements and structure to help bring the family back to the original agenda. Structure can also mean having good boundaries of topics that are not discussed at the meeting for various agreed upon reasons. However, don’t use this avenue as an excuse to avoid talking about difficult subjects!

## Content and process

Leaders have to consider what parts of the meeting are for *content* and what parts are for *process*. Content is for sharing and conveying information. Process

is interactional and exploratory. The two are highly complementary and good discussions have intentional pieces of both: reviewing the company financials is content oriented; discussing how to include spouses in family meetings is process oriented. Family leaders should consider how to incorporate both content and process into discussions, and know when you are moving between one and the other. Good questions engage people and encourage deeper thinking. Questions mean that something is unresolved, so they require the family to be engaged and present to work with the question. Don't be afraid if the questions

don't have clear answers — you are there as a group to figure out the path forward together. Closed-ended yes/no questions don't tend to produce engagement, so ask open-ended questions that start with *what, how and why*.

Know the difference between problems to solve (more content oriented) and situations to manage (more process oriented). Problems have solutions, but much of what we encounter in family businesses requires managing situations and paradoxes across time. (See *Family Business as Paradox* by Schuman, Stutz, and Ward for a great exploration of this topic).

## Working with challenges

Every family encounters challenges and avoids major topics that will not go away on their own. Effective leaders can manage this process by being intentional and appropriately bold in confronting these topics. Rather than let the topics fester in side conversations, bring these topics into the light in a thoughtful and fair manner. Make sure family members are prepared in advance and create a specific time to work with the challenging topic. In many cases, the anticipation is

much worse than the actual conversation. Be bold and confront these matters so you can put your energy into other topics!

## Managing emotional energy

As humans, we are emotional beings and the multiple roles inherent in being both family members and business associates means that emotional energy is always an ever-present reality. Yet for many families, emotional energy is one of the most feared aspects of family meetings. Different family cultures allow for different expressions of emotions as a group, but I have

yet to see a family in which they did not play a part. If the emotional energy is deeply problematic, this may be another case in which a nonfamily facilitator can be a valued resource.

## Shift the setting

Sometimes it is easy for families to fall into patterns of how they meet together. If a family only finds itself interacting around a board table, it may be time to shake things up. Sometimes this is as simple as moving outside and having a segment of the meeting in a more informal atmosphere with fresh air. Take breaks and go on a walk together to talk about topics in mixed groups. I always encourage families to have fun together before the meeting — have dinner,

go bowling, or do an easy field trip together that encourages the social connections so vital to long term family health. Change locations, keep things fresh and avoid stagnation due to location.

## Develop new ways of thinking together

Encouraging new ways of thinking together can also freshen up family meetings. Families can fall into communication patterns and roles that may become monotonous. Some voices are heard regularly, some

### Sample Gordon Family Shareholder Meeting Agenda

- |            |   |
|------------|---|
| 7:30 a.m.  | Hot breakfast buffet  |
| 8:30 a.m.  | Gathering and family check-in: What is new both personally and professionally in your life? [process] |
| 9:00 a.m.  | Hot topics: On boarding spouses, social media conduct policy [process]                                |
| 10:00 a.m. | Review of company financials [content]  |
| 10:45 a.m. | Break   |
| 11:00 a.m. | Review shareholder agreement and adjustment to dividend policy [content/process]                      |
| 12:00 p.m. | Lunch   |
| 1:00 p.m.  | Discuss family development road map and educational curriculum [content/process]                      |
| 2:30 p.m.  | Review tax notes and estate planning [content]  |
| 4:00 p.m.  | Review parking lot items and conclude meeting   |
| 5:30 p.m.  | Cocktails and social hour   |
| 6:30 p.m.  | Dinner and a Movie: Family fun time   |

not at all. The conversations may follow a similar course that may not include everyone. People think differently according to multiple intelligences, and exercises that get people communicating and thinking in unconventional ways can be very powerful for expanding and harnessing the full range of perspectives in the room. Get people out of their seats and talking while standing up in groups of two, then merge groups into fours, then eights before coming back together as a big group. See how the discussion evolves when you have large pieces of paper for people to write ideas onto. What about drawing a family road map together instead of just talking about it? Once you begin to expand the ways in which you think together, you'll be impressed how new ideas can begin to flow forth from all family members.

## Closing well

Bringing the meeting to a good conclusion is just as important as all the preparation. In fact, bringing the meeting to a close is just the first step in preparing for the next family meeting. Take note of what matters have

been brought to a close and also have a list of items to consider for the next meeting. What is left undone? What have you put in the "parking lot" for future consideration? Make sure to follow up on these matters to build continuity and ensure that important things do not get dropped.

Family business meetings should be events that people look forward to because they are fun, engaging and productive. A well-framed meeting begins with goals in mind, utilizes good structure and has a little something new to help shake up the patterns of interaction. Leading these meetings takes work, so make sure to account for the amount of energy needed into the planning stages. With the right frameworks in place, family meetings can be productive, engaging and most importantly: a valuable investment of everyone's time.

Schuman, A., Stutz, S., & Ward, J. (2010). *Family Business as Paradox*. New York: Palgrave Macmillan.



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