

Family Employment and Career Guidance: One Size Does Not Fit All

By: Amy Schuman

The Family Business Consulting Group

The next generation in your family probably ranges broadly in age. There likely are (or will soon be) teens, recent college graduates and perhaps even those in their 30's having worked elsewhere, all seeking the ideal work environment and optimal salary opportunities. How do you create a family employment approach that addresses the diverse needs of a diverse next generation? How do you create conditions for maximum success for a variety of interests, talents and capacities?

We've found it helps to think about family employment in three stages: **Experimentation, Entry, Expansion**

Stage 1

Experimentation: Part-time jobs and internships

For high school and college age family members, the business needs to provide carefully constructed, shortterm learning opportunities. These assignments, projects or tasks might last one week or 10 days over a school break, or extend over an entire summer. These "experiments" allow the young family member to learn the basics of the business with minimal exposure and risk to the individual and the business.

Maximize the successful impact of these internships by clearly establishing performance expectations at the beginning of the internship. Exactly how long will it last? What hours are expected? How much deviation

is allowable? What will be the consequences if there's non-compliance? Which performance factors will be evaluated? When? By whom?

Have young family members report to excellent managers who will nurture their strengths, praise their accomplishments and give constructive feedback on their missteps. Honest feedback on family members' performance is essential to their future success.

Stage 2

Entry: The first "real" job in the family business

We encourage family members to complete a college degree and several years of work experience outside the family business before coming on board. Once that's accomplished, many come back to the family business for their first "real" job. Alternatively, a family member might enjoy great success in their chosen field and, for various reasons, decide to return and apply their skills in service of the family business.

Too often the next generation's fulltime entry into the family business is mishandled. The young person is thrown into a job with minimal definition, unclear reporting relationships and nonexistent performance appraisals. It's a "sink or swim" proposition. Unfortunately, many talented young people drown

in these circumstances. What's the alternative? How can you integrate these family members and set them up for many years of successful contribution to the business?

Think carefully about the best entry point for this person. Every situation will be different, but we can offer some "Do's" and "Don'ts" regarding that first, all-important job in the family business:

DON'T...start her too high, too fast. No matter how brilliant you think she is, she's just starting off her career. Hiring a family member right into a title of "VP;" or putting her immediately on the Management Committee does nothing to build her credibility with others in the company, and it leaves no room for growth.

DON'T...start him too low to prove "family is no better than anyone else at this company." If he's a college graduate, he's not going to last long stocking shelves.

DON'T...start her career with an extremely challenging, high visibility project that no one else has been able to get to, with crucial implications for the future of the company. This could very well be a formula for public embarrassment of a fairly green family member who is still learning the ropes.

DON'T...start him at a remote location, away from the central functions and challenges of the business, with minimal supervision. The growth and education of this family member is of utmost importance at this point in his career. He needs to be close to the center in order to absorb the corporate culture.

DO...find a job that matches the young person's skills and interests. Find a position with genuine importance for the company, providing a view of the most important functions of the business. Name as a supervisor, a non-family manager that knows how to nurture talent and encourage the best in others.

Stage 3

Expansion: Proactive career and personal development

Leading public companies are often known for the excellent learning and development opportunities they offer their people. Unfortunately, many family

businesses we know pay little attention to the careers of family members who seriously commit their work lives to the family business. This can lead to stagnation, discouragement and depression as family members receive their 10th, 15th and 20th year pins. We think it's essential to pay attention to the continued growth and development of family members working in the business.

Someone needs to keep watch over family members' careers. Are they getting a mix of operational and staff experience? Are they getting exposure to all the most important aspects of the company? If problems arise, are they getting timely, honest feedback and support to turn them around? Are they communicating well with all stakeholders: management, family and board? In family business, giving young leaders constructive feedback is a real challenge.

There are many tools to apply in support of family members' careers:

Mentors or coaches: Experienced, skilled businessmen and women can spend time with the next generation leader on a regular basis. They provide a mix of support and challenge to help the individual reach his or her full potential. (see "Mentoring Successors in Family Firms - An Interview with Jack Pycik" by Steve McClure. *The Family Business Advisor*, January 2002)

360 degree feedback: These computerized reports provide feedback from all directions. Bosses, peers and subordinates all complete questionnaires about the young leaders' performance. Based on the feedback, the individual completes a learning plan that specifies how he or she will strengthen weaknesses, and capitalize on strengths.

Individual learning plans: Written goals and timetables for personal development help ensure that the individual really follows through.

Peer support groups: YPO, PAGs, TEC groups all provide the successor with groups of peers in similar situations to learn from. Many next generation leaders report that peer groups provided the most important learning vehicles as they moved up in their organizations.

In making the final, all-important decision regarding promotion of a family member into the top leadership post, it's helpful to have outside, objective input from non-family sources. This is where a board of directors can show its full value. Alternatively, a continuity committee composed of a mix of impartial family members and non-family advisors can make the ultimate succession

decisions. This relieves family members from having to make judgements about the careers of their own sons, daughters, nieces or nephews. Experimentation, entry and expansion — thoughtfully planned, carefully monitored and objectively implemented is perhaps the best prescription for assuring capable family business leadership in future generations.



Amy Schuman is a Principal Consultant with The Family Business Consulting Group, Inc., and can be reached at schuman@thefbcg.com or 847.329.9880.

To learn more about The Family Business Consulting Group and how we serve families like yours, call us at (773) 604-5005 or email us at info@thefbcg.com. There is absolutely no obligation.

The copyright on this article is held by Family Business Consulting Group Publications®. All rights reserved. All forms of reproduction are prohibited. For reprint permission, contact editor@thefbcg.com.

THE FAMILY BUSINESS CONSULTING GROUP, INC. and FBCG are registered trademarks and the FBCG logo is a trademark of The Family Business Consulting Group, Inc.

Reprinted from The Family Business Advisor®,
A Family Business Consulting Group, Inc.® Publication

**The
Family Business
Advisor**