

Thriving or Trapped in the Family Business?

Michael Klein

KEYWORDS: Management, Organization, Family Business.

For some individuals, working in a family business can be an incredible gift. For others, it's a prison without any chance of parole. For those who are feeling trapped in the family business, ownership of the business is more burden than pleasure. The freedom that their family business allows is overshadowed by a lack of business process and clear structure. Having their name on the door is not worth being "on call" 24/7, or never being able to really take a vacation.

Sometimes it is easy to know that we are trapped...we feel it. Other times it might not be clear. Perhaps we have a vague sense of something that's just not quite right. So, we hunt for clues. Answering the following questions can help shine a light on some of these clues:

- If I wanted, could I leave the business without destroying family relationships?
- Have I developed skills in the family business that are transferable?
- Do I know what I have to offer to a career outside of the business?
- Would the family business go on without me?
- Do my parents (or other relatives) have financial means beyond family business income?
- Do I have clear professional goals or ambitions?
- Have I ever worked outside of the family business as an adult?
- Have I outgrown any need to prove myself to my relatives through my work in the family business?

The more you answer "no" to these questions, the more likely you are to be trapped. Individuals who are trapped need help and support, but most importantly, *the ability to separate themselves and their individual goals and development from the family business*. For those who grow up in family-owned enterprises, and have only worked in that business, it can become difficult to differentiate one's own needs from those of the family. These firms often have an "all-hands-on-deck" approach to business operations, leaving little

opportunity for individual exploration of alternative career paths. Those in these types of situations might go years without challenging themselves to pursue less comfortable and challenging paths. I've worked with many individuals in their 30s and 40s who have had such experiences and found themselves unsure of their strengths, interests and career goals because they spent their adulthood simply focused on keeping their family's business successful. They become strangers to themselves and fail to fully explore their own capabilities and interests.

Be Careful What You Wish For

One of the many case studies in my book, "Trapped in the Family Business," highlights "Debbie," who with her brother "John" had worked in the family business since they were teenagers. Her father's retail chain was a tremendous success, and both Debbie and John continued to work there during breaks from college.

After four years of working full time in various parts of the business, John left to follow his dream of a career in engineering. Debbie did not have clear career interests, so she stayed. Though she had been able to work successfully with her father during her eight years in the business, Debbie yearned for complete control.

One spring day, her father asked her into his office to meet three people who had agreed to buy the business. Debbie was caught completely off guard. She and her father had never discussed his retirement, but she thought at the very least that her father would explore the possibility of a family purchase or partial gifting of the business.

Debbie felt horrible. She believed that her father ultimately did not have faith in her and that he didn't think she could run the business. Debbie had spent much of her childhood trying to get her father's attention, as he was most often tied up with the business and her brother's athletics. She thought this sudden sale was another example of her father's ignoring her and her capabilities.

A friend suggested that, if she was serious, she should



approach her father directly about buying the business. Debbie thought this would show her father she was serious and could actually be a success. So she found a business consultant, put a plan together, and approached her father. It took convincing, but after they worked out key issues, Debbie convinced her father and got her wish.

End of story? Unfortunately, while Debbie and her consultant had done a great job creating a business plan, she failed to ask herself if this was what she truly wanted or if other factors were at play. After just 18 months, Debbie lost her spirit and energy and realized that she had pursued this venture primarily because of her need to prove herself to her father, not because she wanted to be a small-business owner.

Questions to Ask Yourself

If Debbie had been able to take a step back and look at the following questions, she would have been better equipped to consider her own professional development and make short-term (and long-term term) decisions that helped both her business and herself:

1. **History:** How exactly did I get here? What was my path?
2. **Legacy:** What does it mean to me to own or work in my family business?
3. **Relationships:** Who truly matters to me? Which relationships are important to maintain?
4. **Career:** What do I want to do with my professional life? What do I enjoy, and what is my potential?

Of course, arriving at the answers will take much more time than it takes to ask the questions. It will likely take some deep thinking, soul-searching and perhaps even hiring an objective consultant or coach who works only for you, not the business. But the time and effort (and possibly cost) involved is minimal compared to the potential for damage that can result from abrupt and impulsive actions if one were to suddenly exit due to frustration or dissatisfaction. Of course, one can still stay in the business and act out on these emotional needs, but this can damage both the business and family relationships.

One of the most powerful things other family members can do is to make sure that individual growth and satisfaction is nurtured regularly. Whether this is accomplished via family councils, family meetings or

dedicated human resources processes for family members, individuals who might otherwise feel trapped will feel instead a great sense of relief knowing that their work and career needs are important to the family and business -- and will be addressed in a thorough and ongoing way.

Regardless of what the genetic lottery hands us at birth, our personal and our professional experiences should result in new insights into our own identities, passions and capabilities. As our careers progress, we should be able to develop new skills and abilities, as well as discover interests and passions we didn't know we possessed. Ultimately, our jobs and other professional experiences should guide us towards finding out where are true strengths and talents lie. This goal can be achieved working within family-owned businesses. Unfortunately, if development and difficult discussions don't happen soon enough, individuals will be left feeling that they must leave their family business in order to achieve these goals. However, with effort, outside help if necessary and careful consideration, jobs can be changed, goals can be updated, and development plans created so that working with family becomes an advantage as opposed to a roadblock to career growth.

Advice for Families and Family Members

Here are some ways to anticipate and minimize family business employment issues:

- **Work elsewhere first** – Family business consultants generally agree that the individual and business benefit when at least three years is spent working elsewhere full-time. It instills confidence in the family member that they could survive without the family business. It also brings new ideas and strategies back into the business organically.
- **Assessments, assessments, assessments!** – Thankfully, many online tools can help businesses determine if there is a good fit between individual personality traits and specific job roles. These tests can also be used to understand if the individual's motivators and values overlap enough with the business's.
- **Consider options** – Often, the best fit for a family member is to start a new division of the company, create new products or seek out new markets. If the entrepreneurial spirit has been

passed down from generation to generation (as is often the case), rather than try to put a square peg in a round hole, consider other ways that family members can have some independence, autonomy and impact.

- **Written job descriptions** – Nothing replaces a well-constructed, thorough job description. It provides clarity for future conflicts (e.g. "This isn't my job!" "Oh yes it is!"), as well as makes sure that key conversations about responsibilities and growth happen before working in the business
- **Family councils or family meetings** - Much like the spending time working elsewhere, this is also a strategy that most family business consultants will recommend. This commitment to ongoing attention to family members in the business makes sure that the right individuals are in the right jobs, and that their contributions and development are being monitored and prioritized. Family business traps happen in the dark. These processes make sure there is plenty of light.

For some, the family business can absolutely provide an unmatched arena for this type of professional development. Unfortunately, for far too many, the family business stands directly in the way of this – and, as a result, it stands in the way of healthy adult development. However, with some soul-searching and self-awareness by the family members and with the right processes in place at the business, it's possible for both the family business and the family members to grow and thrive.

Copyright 2018 MK Insights LLC

*Michael Klein, PsyD, is the author of "**Trapped in the Family Business: A Practical Guide to Uncovering and Managing this Hidden Dilemma**" (trappedinthefamilybusiness.com). He holds a doctorate in psychology from The Graduate School of Applied & Professional Psychology, Rutgers University and can be reached at DrMichaelKlein.com.*