

BALANCING THE CHALLENGES OF A FAMILY BUSINESS

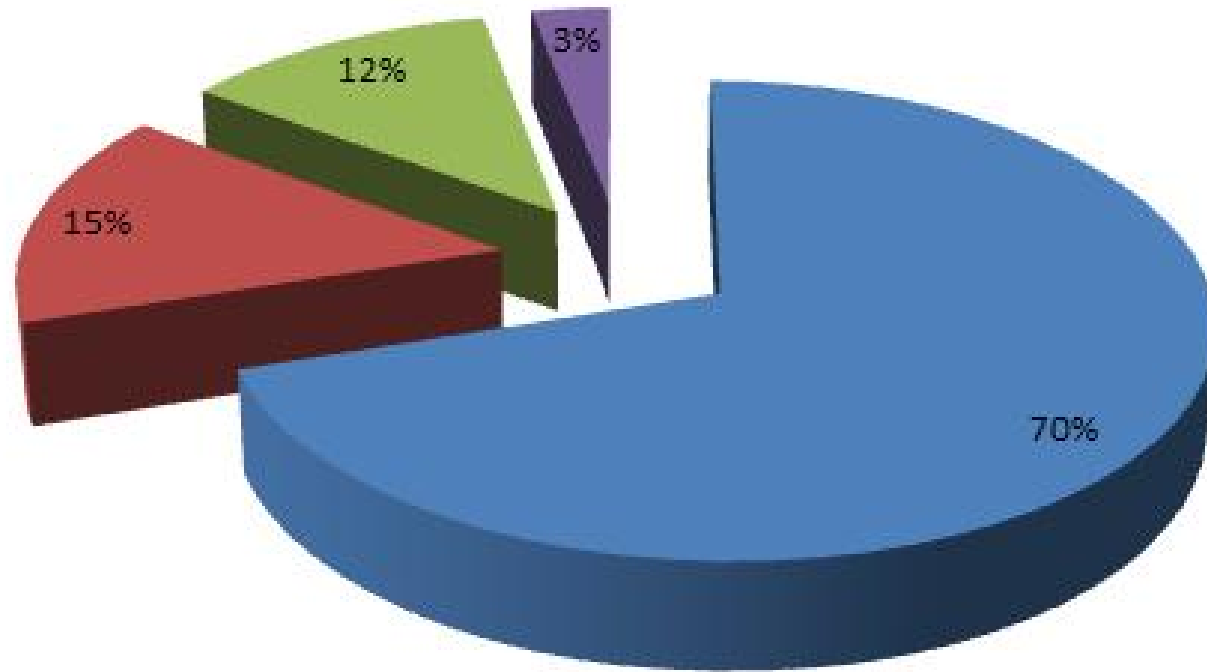
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Family Business



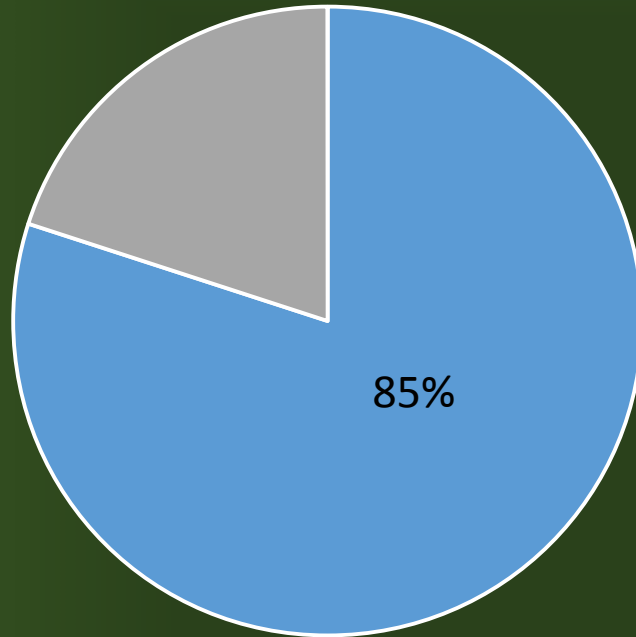
The first family business
you are part of



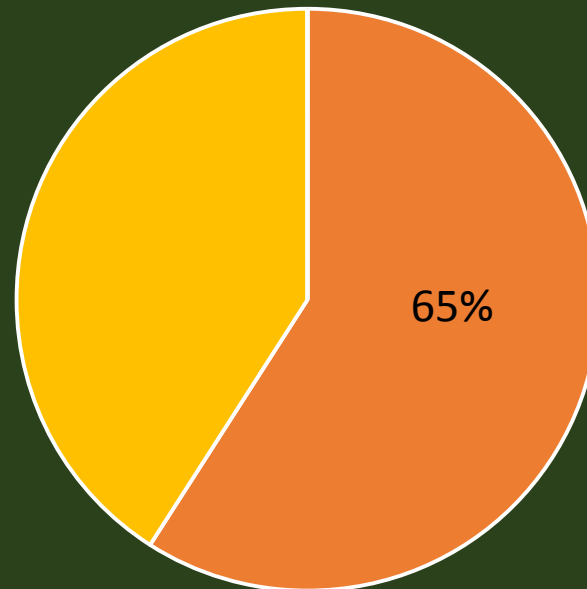
- Never gets past 1st generation
- Never gets past 2nd generation
- Never gets past 3rd generation
- Make it to 4th generation and beyond

Impact of Family Business

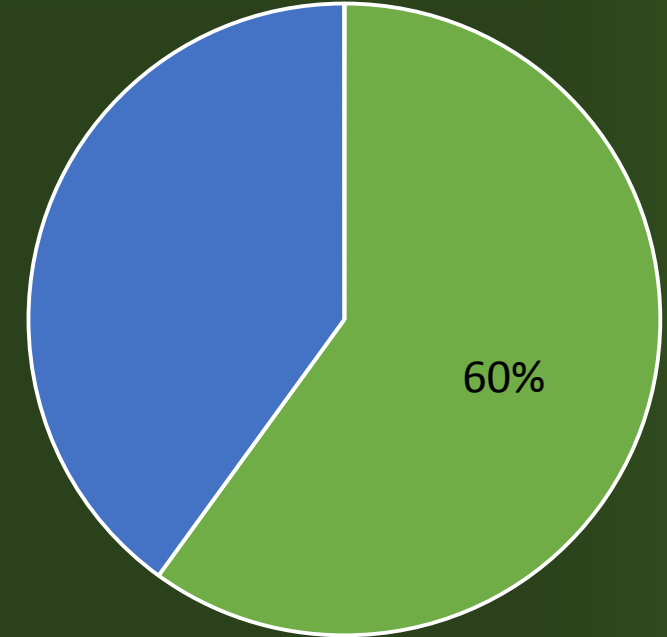
Businesses



Labor Force



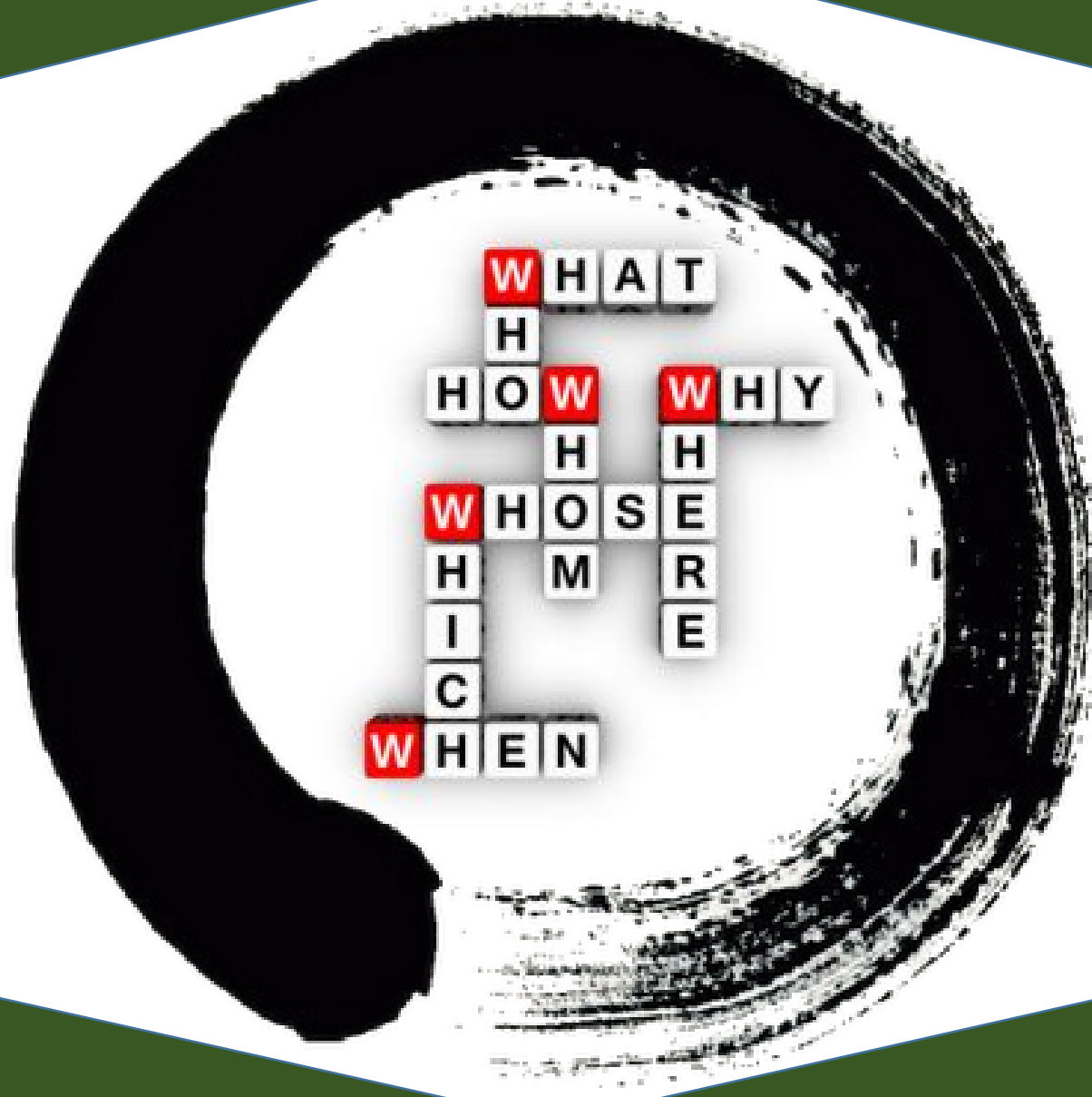
GNP



We are together in a family business to prosper and harvest the best that is possible, but all must be balanced for harmony.







Most Family Businesses want:

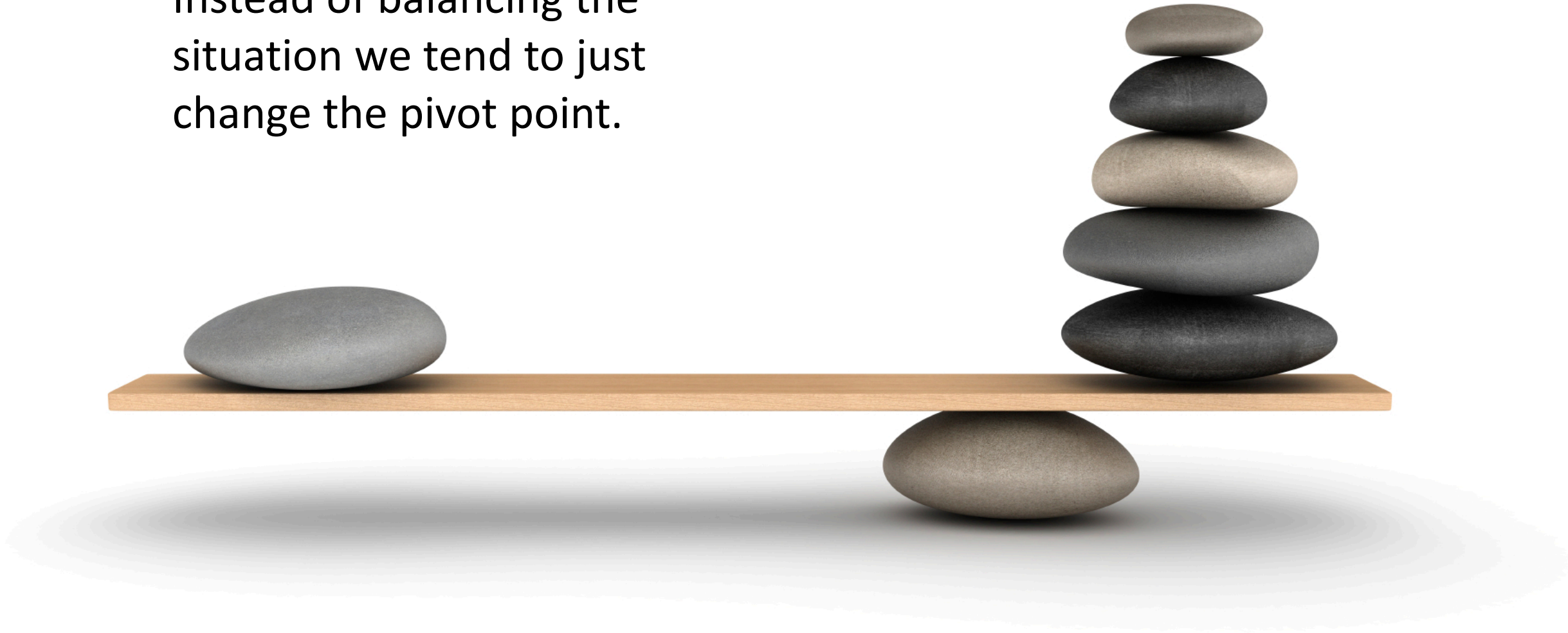
- Business prosperity
 - Family harmony
- Personal well-being

Instead, They Often Have:

- Under-performing businesses
 - Unresolved conflicts
 - Ambiguity



Instead of balancing the situation we tend to just change the pivot point.



Personalities

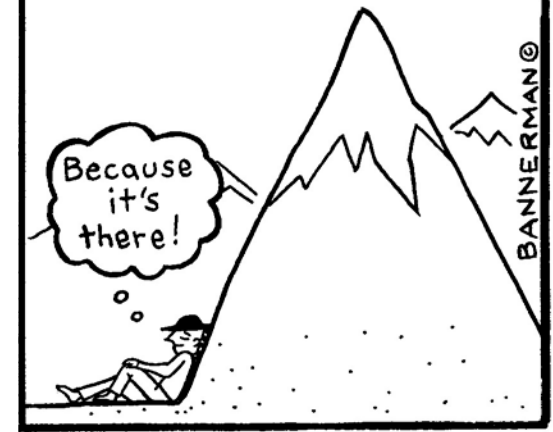


TYPE A PERSONALITY



Type A individuals	Type B Individuals
<ul style="list-style-type: none"> • impatient time-conscious • controlling • concerned about their status • highly competitive • ambitious business-like • aggressive • having difficulty relaxing • high-achieving workaholics who multi-task • drive themselves with deadlines, • are unhappy about delays • often described as "stress junkies" 	<ul style="list-style-type: none"> • patient • relaxed • easy-going • generally lacking an overriding sense of urgency

TYPE B PERSONALITY



BANNERMAN©

Personalities
Owners



Personalities
Owners
Money

New Building

Vehicles

Tools

Advertising

Training

Credit Cards



Personal

or

Business



Personalities
Owners
Money
Employees



Finding good team members



Employee Versus Temp Service

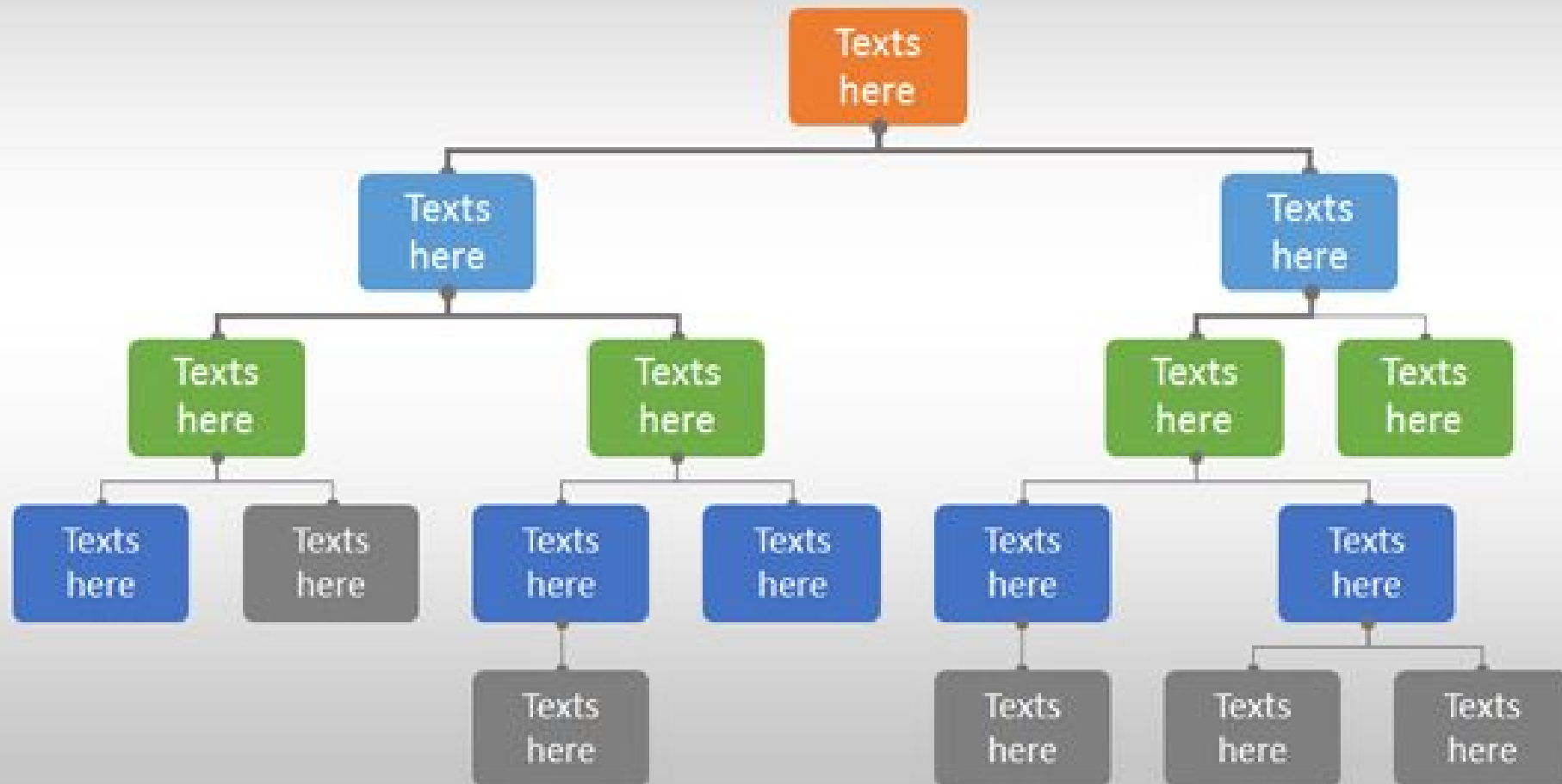
Try Before You Buy

Personalities
Owner
Money
Employees
Responsibilities

Roles & Responsibilities



Organizational Chart





Personalities

Owner

Money

Employees

Responsibilities

Hiring Family / Salaries

The employment of any family member should be based on

- Experience
- Work ethic
- Competency fulfilling the requirement of the job



Family Managers

- Some family managers may hinder progress because they do not know how to listen.
- Family members in charge of operations must be:
 - * Capable of using efficient management techniques.
 - * Thick-skinned enough to live with family bickering.
 - * Tough enough to make decisions stick.

Think
Merit
not
inherit





Keep family
discussions at
home making the
work place totally
professional and
appropriate for
business only.



Personalities

Owner

Money

Employees

Responsibilities

Hiring Family / Salaries

Training

Continual
training is
essential
in any
business.



Personalities

Owner

Money

Employees

Responsibilities

Hiring Family / Salaries

Training

Succession Plan



An early succession plan always is good as it keeps squabble and disagreements away from the family business



Did you ask
him if he
wanted the
company

Next generation lacks
essential skills and
experience

Next generation has not
been well prepared for the
job

Next generation really does
not want the job







Parents can not recognize that second or third generation member are old enough

Parents do not show any respect and they fail to pass authority

Parents do not want to be out of the game

Parents see their children as their competitors

Personalities

Owner

Money

Employees

Responsibilities

Hiring Family / Salaries

Training

Succession Plan

Outside Help



NOW WHAT?

Emotions

Family problems

Separation

Divorce

Health

Financial situations



..... there's magic in the overlap

PERSONAL



PROFESSIONAL