

Road through Challenging Times

In his recent book *The World behind the World*, Michael Mead shares the following fable.

“In this world, life and death both roar at the frailty of the individual soul and it’s easy to become prey to fear of either one or the other. As fear about the world accumulates and terrors abound, I often recall an old African teaching about fear. On the ancient savannahs life pours fourth in the form of teaming and feeding herds. Nearby, lions wait in anticipation of the hunt. They send the oldest and weakest members of the pride away from the hunting pack. Having lost most of its teeth, its roar is far greater than its ability to bite. The old one goes off and settles in the grass across from where the lions wait. As the herds enter the area between the hunting pack and the old lion it begins to roar mightily. Upon hearing the fearful roar most of the herd run and flee from the source of the fear. They run wildly in the opposite direction. Of course, they run right to where the strongest lions of the group wait in the tall grass for dinner to arrive. ‘Run towards the roar’, the old people use to tell the young ones. ‘When faced with the great danger run towards the roaring for there you will find some safety and a way through.’”

This story reminds me of the many times I avoided my fears only to become entangled in a web of complexity and greater problems. It is a story of common human behavior highlighting the tendency of many not to confront problems openly and in a confident manner. What is the “roar” that privately held and family-owned businesses are hearing? What direction and actions do we take in these confusing and unsettled times? How do we confront increased anxiety and not hide from mounting stress and pressure? If there is no place to hide, then what? Do we sell? Hunker down and wait? Separate and declare that everyone is now on his or her own? Or do we go after the “roar?” The “roar” can be heard amidst the confusion and tension that life often presents to us. What if we confront it head on and find our way through, instead of avoiding it? What will happen if we face our demons and anxieties?

I received a call from a company CFO named Tom Christensen and, in order to highlight the story while protecting confidentiality, have changed names and identifying details in order to highlight the common issues encountered in family systems. Tom was a non-family manager of a very successful family-owned company. During the initial two hour phone conversation he shared numerous horror stories about how the family members who were running the company

were destroying it. The company was being led and managed by third generation cousins who could not get along. Two brothers from the previous generation, Marty and Vincent, had inherited the business. Vincent was an inventor who patented a special type of heating element used in home appliances such as coffee pots, clothing irons, electric hair brushes, etc., to protect the appliances from overheating. The other brother, Marty, was a savvy businessman, and the combination of an important invention and good management meant significant growth and success for the business and wealth for the families. Marty, however, died in a plane crash while calling on key appliance manufacturers in the Far East, and Vincent soon lost interest and eventually retired as President, although he remained Chairman of the Board, leaving operations to the third generation cousins.

The cousins consisted of two brothers-in-law, Mike and Richard, who were married to Marty's two daughters, Helen and Jane. Vincent's three children, a daughter Sally and two sons Kurt and Kevin, also worked in the company. Richard was named President shortly after Marty's death. The business continued to grow significantly under the direction of the cousins, but over time success bred rancor and disagreement and, according to Tom the CFO, made it very difficult for the cousins even to come to work. Tom had been encouraging Vincent, who retained voting control as a result of the buy-sell agreement triggered by Marty's death, to sell the company and maximize the business's high value while it was still generating great returns.

Following my phone conversation with Tom, I visited the surviving brother. He greatly respected Tom's opinions and knowledge. Tom had played a significant role as a third "partner" with him and his brother Marty when they were still growing the company. However, he felt strongly that it was neither the intent nor the desire of his deceased brother to sell the company. He realized that the dissension among the cousins could eventually destroy or greatly damage the business, but he believed that the only option was to confront the issues head on and get everything out on the table. In other words, Vincent determined that the family needed to "Run towards the Roar," and, as we will see, this decision represented a critical first step towards saving the business.

Many family-owned and privately held businesses face similar dilemmas. The family dynamics evolve and intensify, especially in times of crisis. The fear of confronting differences becomes so great that imagined outcomes appear insurmountable. Many relationships in businesses and families become permanently damaged because of a failure to confront fears and

to seek clarity and understanding. Yet, time and again fears and anxieties, when confronted openly and constructively, turn out to be overblown or unfounded. Positive and generative dialogue often produces significant relief and new found energy. Therefore we encourage those we work with to be open to unexpected outcomes.

At appropriate times, dividing or selling a company can be the best way to achieve the purposes and aspirations of a family. More often than not, however, it is falsely perceived as the solution to eliminating the tension and strife within a family system. Such an approach often serves only as a quick fix, transferring problems to another time and place and creating more frustration and isolation. We have discovered that there are essential core values and principles necessary for family businesses to survive, grow, and sustain themselves. These include love, humility, compassion, curiosity, patience, commitment, fearlessness, and service. A successful life and a successful family business share many of the same values. The challenge that we all face is to find the courage to go into the unknown and by trusting that we will all find our way through and become better individuals and build a healthier family business.

In the next article I will share with you how Marty and Vincent's family drew on these values in their struggle to keep and foster the business.