

Family Business

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Women in family business Taking the driver's seat

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- Diversifying your wealth
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Sisters Courtney Cole (left) and
Monica Peck of Hare Auto in Indiana



Family business women's evolving concerns

*Nine years of perspective from an annual retreat
for female family firm stakeholders.*

BY LESLIE DASHEW

ELEVEN YEARS AGO I worked with a family business that included four sisters and a sister-in-law. The women seemed lost as we discussed the family business, their roles and responsibilities as owners, and the likelihood that they would need to be active owners in the near future. The sisters did not work in the family business, but they visited the office regularly and grew up with the business as their dad developed it. Despite this familiarity, they knew little about their business, or even how to participate constructively in a business meeting.

As a result of their struggling with how to engage in that process, I developed a "boot camp" program for the women to help them take their roles seriously and feel competent as shareholders. The program included sessions on how to lead or participate in a meeting, how to work as a team, the basics of business finance, the role of owners vs. managers and other topics. It featured presentations by businesswomen, team-building exercises and opportunities for candid dialogue.

A number of my other clients subsequently indicated an interest in attending a program for women in family businesses. The women were seeking a safe environment in which they could ask questions and learn. At the

time, I was somewhat surprised to find that women are often reluctant to ask questions in front of their fathers, husbands, brothers and sons; they are more comfortable discussing their concerns in an all-female setting.

These experiences led to the birth of the Women in Family Business (WFB) Program, which I have been conducting annually since 1997 at Miraval Life in Balance Resort in Arizona.

In order to serve the needs of the participants, the WFB Program is structured differently from the Aspen Family Business Group's Gathering for Families in Business, which I have led along with my Aspen partners for the past 16 years. Women who attend the WFB program want fewer presentations and structured events; they prefer more time for dialogue in small groups or one-to-one with each other. Further, women make a much quicker connection to one another than men do, leading to greater openness and sharing.

In an intimate setting, participants can learn to understand and appreciate the perspectives of the other "players" in family businesses. For example, women who worked in or led their families' companies would describe their conflicts with family members who didn't work there and didn't understand the demands of the business. Women whose spouses were fam-

ily business owners often questioned whether they as daughters- or sisters-in-law could add value or have an impact on the business—or even on the family. “Blood” relatives often offered the other point of view: that in-laws help in many ways and that *not* participating can be interpreted as a signal that in-laws are not interested or are withholding support. Women can gain compassion and empathy for other generations in their families through dialogue with women of different ages.

One three-time WFB Program attendee, Liz Esformes Alvarez of Pacific Tomato Growers/Triple E Produce, commented, “I now have a great network of wonderful, smart and successful women who lead very similar lives. I had never before found a group of women who understood the dilemmas I face.”

In the nine years that I have been leading this program, several topics have consistently been raised, while others have changed over time.

Perpetual concerns

One issue that program participants continue to be concerned about is *legitimacy*—whether a woman is entitled to a role in the business or as a leader of the family. Many women fear that their own needs may not seem valid in the context of the family business. For example, one young woman had worked in her fam-

ily's business when she was young but later followed the path of homemaker and mother. As the business grew, she never thought she would have the opportunity to reconnect to it. She didn't consider the option of serving on the board. During the course of dialogue at the WFB Program, she began to see that this would be a viable way to be involved with the business and represent the family's interests. When she returned home and indicated her interest, her father was delighted; he didn't think *she* was interested! She then educated herself about how to serve as a director.

A second recurring topic is *preparation*—whether the women have the knowledge and skills to be active participants in the family business arena. Traditionally, women have not felt welcome in significant roles in the family business. In many companies, the eldest son is still considered the presumptive successor. Women in these business families generally have not been encouraged to participate in succession planning or to get the education or training that their male counterparts receive.

Finally, program participants have consistently been trying to negotiate *boundaries*. Women describe themselves as having more open interpersonal boundaries than the men in their families and businesses. They are more aware of the needs of all stakeholders and tend

to be the ones who work to ensure that these needs are addressed. Women are often pulled into the middle of “triangles”—their help is sought in resolving conflict between two other individuals, such as their fathers and husbands.

Female family business stakeholders are also concerned about system boundaries. Many report that they try to separate the “three circles” of family membership, business ownership and business management—for example, by ensuring that business talk doesn't permeate family dinners. Women struggle when they must hold family members accountable as employees or encourage their

fathers to treat them as professionals rather than as their “little girls.”

Today's issues

Changes in discussion topics over the years have been related to new opportunities for women, the increased base of knowledge about family business “best practices” and the larger percentage of women who have been educated in professional fields.

- Women have succeeded in entering a range of fields that have been dominated by men. As these women demonstrate their competence *outside* of the family business, more men are recognizing the resource they have in their female relatives.

- Many professional women come to believe they should invest their intellectual capital in the family firm rather than in someone else's business, so they return to the family business after establishing professional credentials elsewhere.

- Many fathers find they are more comfortable with their daughters than with their sons. This appears to be a function of the tension that arises from sons' need to separate and differentiate their identity from their fathers. By contrast, a daughter tends to have greater patience with her father's need to control and be the “front man.”

- More business families are establishing vision statements, which require them to set policies (such as family employment policies) that clarify the importance of competence to the future well-being of the family. Family councils help family members learn more about the business, teach *all* children about employment opportunities in the family company and enable elders to clearly see that their daughters or granddaughters are interested in business.

In recent years, women who attend the WFB Program have become more focused on choices: where to “plug in” and engage their energies to add value to the family or the business. They are preparing to be good stewards as owners and to take their seat at the table rather than be the ones to set the table. One

participant commented, “I always looked at this as dad's business and didn't feel entitled to share my opinion or ask for information. I realized that he was getting older and I needed to know his plans for ownership. He had never discussed them! The encouragement I received at the WFB program allowed me to have the conversation with my dad before he died so I could work with the attorneys and accountants to make sure the transition happened without problems when dad died.”

More women are now throwing their hat in the ring for key positions in the family business rather than picking up hats that have

been abandoned by their brothers or fathers. They are exploring how to develop their leadership and communication skills, resolve business dilemmas and train the next generation to find the right opportunities within or outside the family business system.

- WFB Program participants have indicated greater interest in finding good directors for their boards. In the past, they needed to learn what directors do; today's program

attendees already know this information.

- They seem to be better at picking advisers who will provide valuable services to their families' younger generations.

- They would like to gain competence in evaluating the leader of the family business and are no longer worried about asking “stupid” questions.

Despite their increased sophistication, women are still seeking the comfort, companionship and confidence that can be gained by sharing experiences with other female family business stakeholders—while enjoying an all-too-scarce opportunity to address their own needs. [E]

Leslie Dashew is president of Human Side of Enterprise in Scottsdale, Ariz., and a member of the Aspen Family Business Group. The next Women in Family Business Program will be held at Miraval Life in Balance Resort in March 2006. For more information, contact Leslie or Anne at (480) 419-4243 or azaphirio@aol.com.



Intimate setting: Participants gather at the ninth annual Women in Family Business Program in March 2005. Program director Leslie Dashew is at far right in the center row.