

A Safe Place to Speak: Rules of Order for Families in Business

By Leslie Dashew

The following article is excerpted from the forthcoming book being written by the Aspen Family Business Group

Families in business have the challenge of complexity which other families do not have. They have many more decisions to make together than other families and may have role confusion: am I dad or employer at this moment? Families of wealth share some of the web of entanglements experienced by families who own businesses as they may share management of their assets, have similar issues with entitlement, and find themselves confused about which relationship is “active” at the moment: family or business.

Thus we have always believed that having a place to speak that is appropriate to the role, safe and guided by ground rules adopted by that group are essential to success in the family. These “rules for order” are similar to the notion of parliamentary procedure that has guided deliberative bodies for several centuries. The roots of the word “parliamentary” are “to speak” and “a place to speak.” In the thirteenth century, the word “parliament” was used to describe any important meeting held for the purpose of discussion. From the earliest tribes, to the first parliaments of England to families who share assets in our modern world, guidelines are required to assure that a conversation is constructive, efficient and effective.

Today’s families are often frustrated by their initial attempts to meet together as families in business. Often, the informal nature of families, the history of parent-child or sibling patterns of relating and the lack of an organized dialogue or focus contribute to somewhat chaotic, “unruly” or unproductive conversations. This is why consultants to families often create “legitimizing structures” where dialogue can occur for owners (a board of directors or shareholder meeting), for managers of the business (management team) or family council (to focus on the goals and challenges of the family). Having a facilitator often helps the family feel safer and normally a set of ground rules are established so that everyone operates on more of an even playing field.

Like other guides to parliamentary procedure (e.g. Websters), we believe that there are some basic principles which are fundamental to effective meetings of families:

- Strive to promote courtesy, justice, impartiality and equality
- Take up business one item at a time
- The rights of individual, minority and absent members are protected while the will of the group in its entirety is articulated.
- Someone has to facilitate or direct the discussion and keep order (presiding officer, chairperson, president)

- All members of the group have the right to bring up ideas, discuss them and come to a conclusion
- Members should come to an agreement about what to do
- The “institutionalization” of these rules creates stability and trust in the processes of the organization.

Guidelines for Conducting the Meeting

Some example of guidelines families may wish to consider include:

- Members have a right to sufficient notice for a meeting
- The “chair” or presiding officer calls the meeting to order on time
- The chair follows the agenda to assure that the purpose of the meeting is accomplished. Some aspects of this include:
 - Adopting/revising the agenda
 - Prioritizing the agenda
 - Time-boxing the agenda
- The chair does not take sides, rather assures that all points of view are heard and that the dialogue or debate remains orderly, following agreed up rules.

Rules for Participation:

- One person speaks at a time (“has the floor”)
- Members take turns speaking
- That person can not speak again on the topic at hand until all others have had an opportunity to speak on the topic (or “motion”)
- Elections of officers are prescribed by the by-laws or constitution of the organization and these should set forth the dates, method of nominating candidates, procedure(s) for voting and the terms of office.

In future issues of the newsletter and of course in the book, we will go into much greater detail on these concepts, rules and procedures.