

Many next generation people face the tough decision of whether to join or stay in the family business – and the FBN conference addressed ways of approaching this dilemma

Making good life changing decisions

By Barbara Murray

IN MY WORKAS A researcher and as a consultant, I have had the opportunity to speak to young heirs and successors and to maintain a contact with them over many years, watching their lives unfold. The focus of our contact has been around the issues they face regarding their decision on whether or not to Enter the Business (ETB). Later in their careers, it has been about the personal and career challenges they faced when deciding whether to Recommit to the Business (RTB).

I have found that for many next generation people, Entering The Business in their early 20s was a relatively straightforward decision to make. He or she needed a job, an opening existed or was created, a welcoming family and business environment was evident leading to a smooth entry into the family business. Many young people Entered The Business smoothly in response to a family or business crisis, most often fol-

lowing a health scare or sudden death of the leader of the business or someone in the top team. After this, however, the career

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paths that emerged were many and varied. For some, the ETB decision turned out to be a decision well made: they had a heightened sense of self esteem stemming from the confidence they felt in their career development plan and the prospect of progress to be made up the corporate lad-

der. For others, however, the decision turned out not so well, and a great personal struggle ensued in which individuals faced some soul-searching before they were able, if ever, to decide whether to recommit their career choice to the family business, or alternatively to try to make a new start in a different business – effectively embarking on a new start, at a relatively later stage in life, often in someone else's business.

What can we learn from these experiences that will foster a decision making process that is good for one's self and good for the business? Are there some criteria that people who find themselves Entering the Business or Recommitting to the Business can use to help them overcome the blind spots that can lead to making a decision that turns out badly, often at a high personal cost?

At a presentation on this topic at the Family Business Network's 13th World con-



ference in Helsinki, two next generation members of business owning families presented their own experience of working towards these decisions, and the contexts in which they were either making or had made ETB and RTB decisions.

Case 1

Johanna Jouhki, 32 year old next generation member of Finland-based Thominvest Oy, described her personal journey towards the decision to Enter the Family Business. Her story raised important questions for her to deal with regarding her own sense of responsibility and of duty to herself, to her own new nuclear family members and especially how to integrate this with her sense of duty to her family of origin and of course to the family's business – in whatever shape or form it goes forward. In her family, the definition of “duty” was shown to be changing over the generations. When her father took over, his sense of duty arose from the unquestioning expectations placed upon him that he would enter and commit his career to the business.

Her father did not want to perpetuate this definition of “duty”, and has clearly shown Johanna's generation that they have more flexibility and less pressure around their choice. But ironically, the sense of duty prevails in its pure sense, leaving Johanna and her siblings the dilemma of going forward with the business or being responsible for whatever changes happen with their generation.

Johanna gave herself a period of 18 months in which to explore her options, during which time she will have her second child. After this, she expects to be ready to make her choice, one way or another, and deal with the consequences each option raises. She was definitive that a choice, one way or another, would certainly be made.

Case 2

Adele Levinge, 42 year old second generation co-owner and board member of the Dennis Corporation in Australia had worked in the family business previously after school, and recently returned after exploring the pros and cons of her Recommitting to the Business decision. Adele's story centred on how she recognised her tendency of her putting others' needs, before her own needs in life. She had entered the business at a young age at the behest of her father, then left to support her husband's international executive career, and have a family. When this finally brought her back again to the home town

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where the family business was based, she was naturally asked to re-join the business.

This time, she gave very, very careful consideration to her options. Her life's dream was to become a nurse, and she is naturally a helping person. However, as an eldest child she had in the past directed these skills to helping the family in the family business: but now it was time to put herself first.

Adele conducted research into a nursing career, but was disappointed to learn that few places existed for mature entry to the profession, and it would cause considerable disruption in her nuclear family to

pursue this option. Giving herself time, she came round to the decision to enter the business, but on a different footing: as a director. During the next six years, she struggled to be recognised as a mature, independent person in her own right, and worked hard to shake off the shackles of being seen as “the daughter” and “the eldest”. Having become her own woman, she now enjoys her role in the family business and is immensely proud her contribution to the business and its role in the community.

A framework for decision making
Following their presentations, I offered a framework for next generation people facing decisions like these to use in order to work in a decision making environment that is both good for the individual making the choice, and good for the business in the long run. The framework guides the decision-maker into two distinct areas for consideration: the first is to do with what is suitable and feasible for the self; and the second is to do with what is suitable and feasible for the system – meaning the family business system which incorporates the family, the owners and the business.

The framework draws heavily upon the work of the pioneering developmental psychologist, Daniel Levinson, and his model outlining the distinct tasks that must be attended to during each era in the adult lives of men and women. Levinson's model for adult development would lead us to predict that people making ETB decisions as they enter young adulthood in their 20s would regard the decision to join as simply a means to a particular end that is typical of their needs in the 20s: to gain experience of the working world, rather than making a commitment for life to a particular career course.



FROM LEFT:
Klaus Sohlberg, President of FBN Finland, opens the conference; delegates at the conference; Barbara Murray lectures on making life changing decisions; X and Barbara Murray.

The Entering the Business decision

If the family business is seen through the eyes of the next generation to be the place simply to gain in initial work experience, the decision to join is, as I have seen, a straightforward process: it suits both the self and the system for the young person to join the business; it is a feasible choice for the self to start on the career ladder and it is feasible for the system to create openings or offer existing openings to young family members. From a Levinsonian perspective, people in the young adulthood stage have the task of gathering experience, gaining competences and experimenting with choices that build a "life structure": who you choose to spend you life with, your career choice and your social connections.

The Recommitting to the Business decision

Over time, once the life structure has been chosen, the process of ageing moves people from young adulthood into middle adulthood. At this stage, choices have been made (who to marry, where to live, how to raise the children) and lessons learned about the degree of satisfaction with the choices selected at the earlier stage of young adulthood. If it turns out that one has chosen wisely, evaluating the life structure is a straightforward process: one is content with the spouse relationship, with the social life and with the career path chosen. Minor modifications may be desired and the task when approaching middle adulthood is to attend to these.

For others who, it turns out, have not chosen one or more elements of their life structure wisely, this period of evaluation at mid-life can be at worst very distressing, and at best, personally troublesome. It is

not easy at the age of 35-45 to make major changes in one's life, as there are consequences to consider: what will be the consequences of my decision for my wife/husband/child/home/salary/family business/social standing/friends?

Levinson's developmental model helps us to understand why it is that the Recommitment to the Business decision is such a tough one to make for those who Entered the Business and then found that things did

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not go as well as expected. Some people can feel that they are running out of time, and now is the last chance to either enter into a negotiation with their parents or siblings and cousins for the type of career they want to have in the family business. Or, if this is not feasible, now is the time to work out how to leave the family business while minimising feelings of guilt, disruption and taking ownership of the consequences. Is it possible to leave the family business and start again, at this age, whilst maintaining good relations with your family, the extended family and your ex-colleagues in the business?

Use your next generation network. Many people approaching middle adulthood have struggled over a lengthy period with their decision to Recommit to the Business. These case studies show that those in the earlier stage of young adulthood can learn from those at the later stage

regardless of how well the Entering the Business decision turned out. Next generation people should therefore make the most of their networking opportunities to ask their peers how these decisions came about in the first place and how they were turning out. The ETB and RTB decisions that were good for the self (whatever the decision was, which may not be the choice that parents were hoping for) are likely to be good decisions for the business in the long run.

On a final note, although the two case studies not selected on for the presentation on the basis of gender, it is of great significance that the two case studies are women. In Levinson's study of women at mid-life, he found that although the adult development process is the same for women as in men, things unfold in very different ways for women because their lives – and therefore the tasks they face in their adult development process – are punctuated (mostly held back) by marriage (especially an early marriage), having children and by the reality of gender bias in the workplace. The two case studies present elegant illustrations of this phenomenon at work. Both women are building their life structures around having a family, and dealing with the impact this has on their career options at different times. Both women were most emphatic that being part of a family business had given them the flexibility they needed to explore their choices in practical terms. Time was given to work flexibly and be with the family. Each had learned from working with other employers that this flexibility was not on offer. ■

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FROM LEFT:
Adele Levinge;
Johanna Jouhki and X