

The Day Dad Called In His Son and Told Him He Was Fired

James Lea, Your Family Business

When I speak to groups about management challenges faced by family owned businesses, I sometimes tell the story of the prospective successor who just couldn't get his head around the dual ideas of hard work and responsibility.

His father, founder of the company, desperately wanted his son to shape up and eventually succeed him as CEO. He encouraged him, mentored him and finally warned him. But the boy wouldn't respect policy, put commitment into his job or even show up before noon.

One day the father called the young man into his office and said to him, "Son, I will always love you, but I can no longer employ you."

There are many reasons why some people can't work in their families' companies, despite the investment of great effort and good intentions. In a few cases, the family member just can't get the hang of the business. A right-brainer with a Ph.D. in Slavic literature might try and try and still not master the left-brain particulars of the family company's complex digital technology. In other cases, there's plenty of desire and determination but a sad shortage of essential skills. Four sisters were equal owners of a farm they unexpectedly inherited from their grandparents, but only one sister threw herself into learning all she could about the art, science and business of agriculture. When the hard-charging sister developed a degenerative disease and over time became totally incapacitated, the three remaining sisters realized how much they didn't know. They couldn't sustain the farming operation.

Some people working for their families' companies can't get past the belief that their family membership gives them special privileges and dominance over non-family employees. That attitude makes them liabilities to the business and the family. A few of them develop more positive views of their relationship to others in the workplace, but most are persuaded to seek other employment.

I've known several young people who joined their families' businesses in order to have the position of authority, the community standing and the financially comfortable lifestyle that their parents enjoyed. Unfortunately, the young ones didn't see the connection between those rewards and the ability and effort required to attain and sustain them. There was great disappointment on all sides.

It sometimes happens that a family member's personal temperament is at odds with the realities of the workplace. Not everyone can get in sync with conditions out on the job site or down on the plant floor. Some people can work well in small spaces with a bunch of Type A personalities, and some can't.

A family member might be hung up by a spouse's animosity toward other family members. Perhaps there's jealousy, a sense of superiority or inferiority, or resentment at feeling excluded from the bosom of the family. If the situation is intense and enduring, the family member's position in the business becomes untenable.

Long-standing unresolved enmity between family members – often with a ridiculously flimsy basis – can make it impossible for one or more of them to work in the business. Simmering anger, a deep hurt that hasn't healed or a misunderstanding that has never been brought to the table to be clarified and resolved can stifle working relationships between parents and children, spouses, siblings or other family members.

But in most situations where a family member can't work for the family business, it's just a benign mismatch. There's no real commitment to or enthusiasm for the business. There's mutual love and respect all around, maybe some sense of obligation that keeps everyone hanging on, but too few of the other ingredients that bond a family and a business together.

Often these conditions continue because no one steps up to illuminate them with the light of open, honest and non-judgmental discussion. For many families, it's a difficult discussion to open, and sometimes a qualified facilitator is the only one who can organize, launch and guide it.

If the discussion fails or if it reveals truly insurmountable barriers to the family member's successful and satisfying employment in the business, it's in everyone's interest to admit it, make the necessary adjustments and get on with life. You don't have to be in business with everyone you love.