

A path of your own



Family business guru **Greg McCann** introduces the core elements of a successful and fulfilling career

Once met with the son of one of the wealthiest families in the US. His father had made an unbelievable amount of money in only one generation of business and was willing to give his son anything. His son knew that he could have almost anything he wanted, but after we talked for a while this member of the next generation realised two things: one, he wasn't sure what he wanted (nor did he know how to go about figuring that out), and two, the one thing his father's wealth and power could not obtain for him was a sense of credibility and marketability.

Two essential attributes

There are two attributes that everyone must earn to be successful: *credibility* and *marketability*. What do we mean by credibility and marketability; how do you earn them; what are the challenges the next generation faces in earning them; and how can the family help?

Credibility has an internal aspect to it: self-confidence. It also has an external component: self-confidence that others can legitimately validate. You need both – especially in a family business – because you can easily fall into the trap of not feeling worthy of such confidence, or worse yet, have others doubt your abilities. As a member of the

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next generation, the core risk is that you never test your mettle, never earn credibility or marketability, and put your professional and sometimes personal development on hold to work with your family. This usually happens even with the best of intentions on the part of everyone involved.

Marketability means having the skills, credentials, and experiences to deserve a position you want. You should be able to establish your marketability outside your family's business, even if you decide to work in it. Realise that a career with the family business may be the better choice, but it is never truly the easier path.

Challenges on the path

The next generation of a family that owns a business faces significant challenges. These eight challenges can be broken down into three categories:

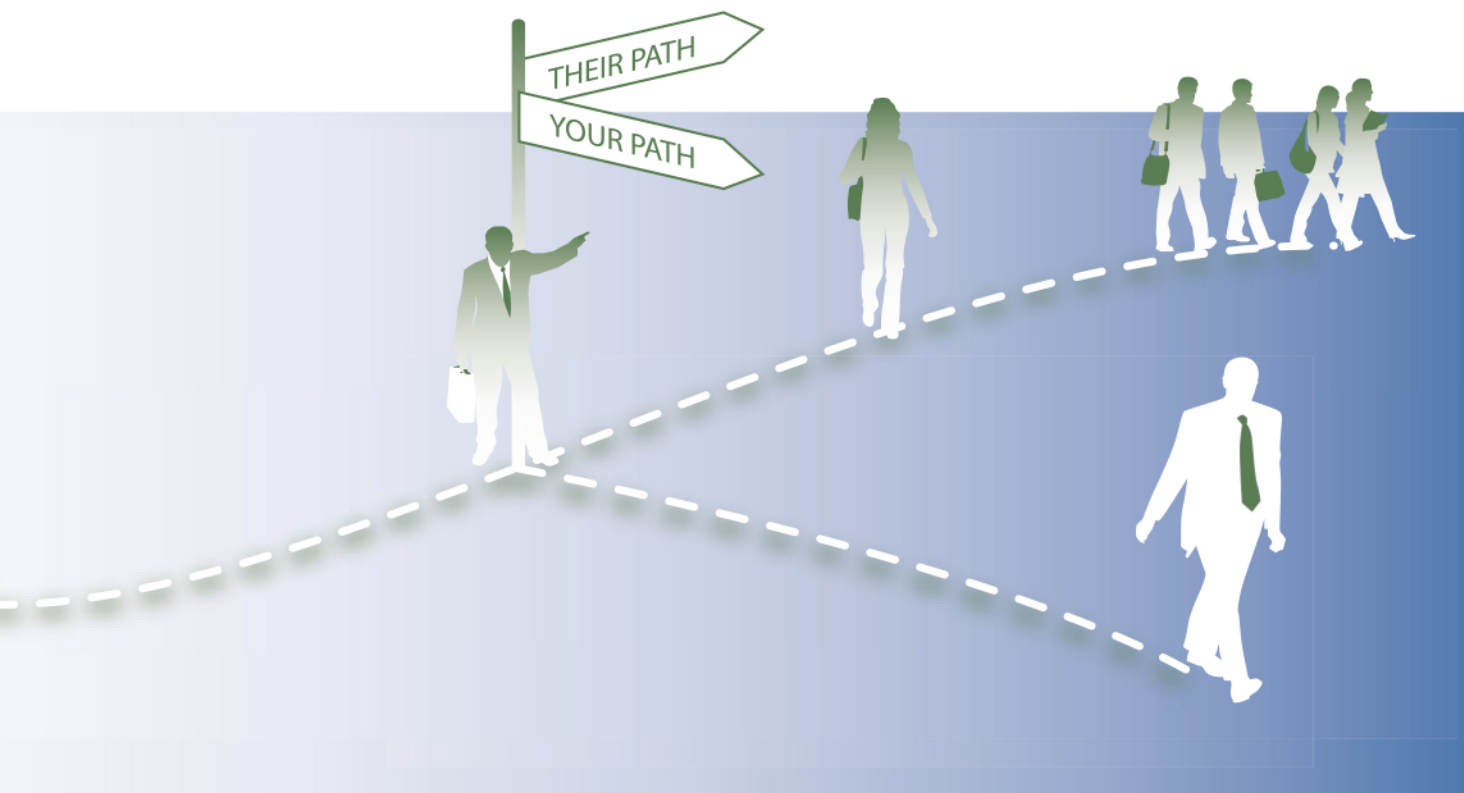
Life-long challenges

One challenge is exercising social intelligence: the ability to have your character align with your reputation. This becomes especially important when navigating the multiple roles (i.e. owner, employee, and family member) of someone in a family business. Ask yourself: Is this behavior appropriate given the role I am in and the values I hold?

Managing the family's wealth and power is another life-long challenge. You must decide in what ways you will use this wealth and power. You may decide to use your wealth to reinvest in the business, live an extravagant lifestyle, or donate to charity. Regardless of what you decide, you must ensure that is the choice that best aligns with your values.

Challenges that start young

One challenge often faced when becoming an adult and entering college is avoiding an attitude of entitlement, the belief you neither have to be qualified to obtain a position



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nor perform at a level that warrants keeping the position. It can also mean that as an owner you need to do nothing more than treat the company as your own automatic teller machine. Avoiding the attitude of entitlement is when credibility becomes most valuable – helping you earn and deserve your position in the business.

Unlike other families, yours can offer you a career and a path in life. It is a big challenge, especially as a young person, to not let your parents write your script. No matter how good the script, if you don't write it you will never accomplish true success.

Another challenge closely related to entitlement is not creating your own career plan. You must ensure that you complete the self-assessment and professional development (i.e. cultivate the skills, credentials and experiences) to deserve a career that you are passionate about. Only you can create a path that is truly yours.

Not factoring family business into your education and professional development is another difficulty faced by the

next generation. In your role as an employee, owner, or even involved family member are you adequately trained? Do you have a roadmap of the predictable transitions?


Challenges that start at work

'Golden handcuffs' is a term used to describe when you are locked in a job for which you may be under-qualified, outperformed, overcompensated, or all of the above and yet you are unable to leave because you are not marketable elsewhere in the job market. If not dealt with, this challenge often leads to rapidly eroding credibility.

Making certain you receive objective feedback is another crucial step to success in your family business. You cannot get objective feedback from family, friends, or people with 'skin in the game.' Some studies indicate that this challenge is the number one risk to derail your career as you move up in any organisation. Given the close-knit nature of family businesses and how much they are prone to value harmony, this challenge is even greater for the next generation.

The next step

These are the normal and predictable challenges that face anyone in the next generation of a business-owning family. Once you know these challenges exist, you have only one fundamental decision to make: do you want to be proactive or reactive?

In coming issues we will talk about these eight challenges and strategies for you and your family to address them. 

Greg McCann is a full professor and both the founder and director (1998-2006) of Stetson University's Family Enterprise Center. He is also founder of the family enterprise consulting firm of McCann & Associates which helps families in transition, with a focus on the next generation. He is the author of the upcoming *When Your Parents Sign the Paychecks*, a book intended for the next generation from families that own and operate businesses. It will be available in April 2007 from JIST Publishing.