

The world may have changed, but many families cling to traditional views of male and female roles. If not recognized and consciously addressed, the legacy of gender can impede family business stability.

BY EDWARD P. MONTE, LYN GROOME AND SUSAN SHIVELY

THE AUTHORS of this article have worked specifically as family business consultants for more than a dozen years and have each spent more than 30 years in clinical practices in psychiatry and psychodynamic and systemic psychotherapy. In short, we have seen a lot. In spite of cultural and professional insistence either that gender stereotypes no longer exist or that they no longer carry much weight, we believe such stereotypes continue to exert a tight, albeit unconscious, grip that subtly—and not so subtly—influences how we deal with each other. In fact, we have become more conscious and respectful of what gender stereotypes can teach us. We find this particularly true in family business. Although we may want to deny that stereotypes still persist, we must attend to their impact.

What informs our consultation is a belief that nothing is as simple as it appears and that it is essential to understand the complexity of any family business situation. Not only do gender stereotypes muddy the waters, but family role stereotypes can make a bad situation worse.

For example, when a female family business leader fails to set in motion her needs on a project, what results is not simply a communications issue. She is often reacting to generations of expectations about acceptable female be-

havior. She is to lead but not offend. She is to lead but be inclusive and sensitive. She is to lead with a muted voice. She is to lead without looking as though she does so purely from a position of power. In short, she is to lead without a big stick.

When a son in a family business is assigned a management position on a project, he moves with the entitled authority of his gender. He expects himself to lead from a top-down platform. His decisions are to be his alone, without the need for shared research, active listening or

consensus. To be a man is to be self-reliant, decisive, firm, bold, actively taking charge of situations, fearless and ever assured. In short, he is to be the brave conqueror and comfortable with his power regardless of his innate personality.

The younger generation may have a different outlook on the legacy of gender. What is expected of girls and boys today may, in fact, be less rigidly defined. But for those who were raised between the 1930s and the 1980s—many of whom are key stakeholders in family companies—gender values can be traced to Victorian times.

Assumptions and expectations

Both genders in family businesses are, by definition, holders of the family. Each protects, nurtures, maintains and safeguards the family's emotional and physical integrity.

Surviving stereotypes: Men and

This happens whether in the role of mother or father, in all of that role's complex meaning. To not examine these roles in the family is to miss the overlap of each role in the family business. This involves so much more than being a successful man or woman in a non-family business.

The blatancy of a woman's role as mother, sister or daughter defines her personally and professionally as the nurturer. Likewise, for a man in a family business, his role as father, brother or son defines him as the protector and provider. Those roles are packed with assumptions and



Roles engender conflicts

As consultants working with family businesses, we are often confronted with family members acting like family members and not like business co-workers. This could be positive or negative but needs to be understood.

For example, two sisters who handed over control of the manufacturing company they inherited to their younger brother asked for consultation to address his unilateral business decision making. He was surprised that his leadership style was being questioned and not appreciated. Their familial dynamic assumed that the sisters would support their little brother. In turn, he would take on the responsibilities of running the company, which provided for the sisters, as his father and grandfather had done before him. This arrangement had worked for a long time. He was following the male calling in the business as the patriarchal CEO. By the time we were consulted, any partnership with his sisters had become impossible. They were now ungrateful dependents and he was the power-hungry man—a joint collusion.

The crisis erupted when the brother demanded higher compensation, including an increased share of ownership. At this moment, their roles as business partners collided with their expected familial and gender roles. The sisters were fine with their dependency until the brother wanted greater financial rewards. He was fine with the responsibility until the sisters voiced resentment over his demand for more money. He maintained this was fair because he was the only one of them formally working for the company. The sisters claimed the company was left to all three equally, which entitled each sibling to one-third of the profits.

The money quantified the value of the gender roles. The complexity was that the brother assumed the patriarchal role, which, by definition, is one of self-sacrifice. The sisters assumed the role of compliant and silent female dependents. The brother then "went corporate" on them with a demand for fair compensation, ownership and the final say. The sisters refused to remain either silent or compliant.

We approached this dilemma by shedding light on two areas: (1) the

confusion created because the siblings had subconsciously transferred their family gender roles to the business and (2) the differences between roles within a family and roles within a corporate structure. We helped them become aware that what was causing so much pain and difficulty was the exchange of power for nurturance. This dynamic had been the typical way problems had been solved in this family between genders for generations. Our work enabled the three to address these burdensome patterns. This painstaking effort released them from many historic

expectations as well as realities. Can she be an effective leader, as well as a protective mother or sister, when faced with an incompetent child or sibling in the family business? Can he be an effective leader, and a real man, as long as his father holds the final say on any decision?

One thing that makes family businesses particularly challenging is the conflict between what is effective in "the family world vs. what is effective in the business world. What works at home may be a disaster in the business. Not contradicting the patriarch may be good etiquette around the dinner table but may be a major mistake around the board table. In addition, families by definition are the bearers of legacy. Their mandate is to perpetuate and teach familial characteristics—beliefs, morals, assumptions, stan-

women in family business

dards, history, trauma, intimacies, triumphs and failures of past generations. The difficulty lies in the dissonance between these characteristics and what is required for success in the business world. Thirdly, when members of more than one generation work together, there is often an adverse effect on the normal developmental processes of both the business and the family. A business move may be in conflict with a decision that would maintain the status quo of the family. Complications arise when family loyalties cloud business logic.

resentments. The second task was to actively differentiate family tensions from appropriate business behaviors. They worked hard to challenge their own unacknowledged gender role constrictions in order to clarify the management and ownership roles. Partnership now became a possibility. They reached a compromise in which higher compensation was given to the brother and the ownership remained the same among the siblings.

Succession bait and switch

Another issue we commonly see is the bait-and-switch succession plan. The heir, other family members and some of the advisers are led to believe that a transfer of power has actually occurred when it has not. Despite outward shows of title changes, office moves and relocation to warmer climates for part of the year, power remains firmly in the hands of the patriarch; the heir apparent is not apparent. Our belief is that this is primarily a gender issue. Relinquishing control is often an insurmountable task for men who see themselves as being valued for little else but their power. Women, by contrast, struggle in their efforts to assume power and leadership. In a recent example, the issues of gender, succession and power were played out in a most fascinating way.

At first blush, it looked as though a rare display of enlightened succession planning had occurred in a very large, successful commercial real estate business. The patriarch, a larger-than-life personality, had officially anointed his oldest daughter to succeed him. The father, who considered himself a modern businessman, moved into a smaller office and encouraged his daughter to take over his old office. The father bought property in a popular Southern retirement area and appeared to be respectfully bowing out of the business. What was unusual was that the patriarch, who had inherited the leadership role from his father, had named his daughter as his successor rather than one of his two younger sons. Despite the gender flip, all the siblings appeared content with the succession plan. All top family and non-family management personnel and advisers remained the same as when the father ran the company.

The patriarch called us in six months later. He was distressed that instead of a cooperative, grateful successor, he was faced with what he felt was insubordination. His daughter had spent the first months of her tenure researching the company's needs and forming a business plan for its future development. At a family meeting, she announced a reorganization plan that included repositioning family members and dismissing her father's trusted advisers. The father hoped that we would aid in restoring the old order.

We explained that we were there to help everyone understand the complexities involved. We were not there to be the voice of the patriarch. Once everyone trusted that we had the best interest of the entire family and business in mind, our work began.

As we came to know this family, it was clear to us that the father had always been in charge and was facing considerable grief over the loss of such power. He considered his sons pale reflections of him and doubted their ability to carry on his legacy. This lack of anointment had created sons who saw themselves as not possessing much to offer in the business despite solid talents. His adoring daughter, the apple of his eye, had excelled in all avenues of life, including earning an MBA. The father had always put his trust in outside advisers because he did not believe family members possessed the necessary expertise.

We used this narrative to form our interventions. Working with the entire family as a unit, we focused on a few predominant themes. First, we explored the role of power for men as an integral part of their core identity—the possession of it, loss of it via retirement and the concrete denial of it via a succession plan. Second, we focused on childhood roles and their impact on the adults' positions in the family business. Third, we questioned the automatic trusting of outside experts over family members. And fourth, we focused on the contradictions confronting the daughter who was valued as competent but relegated to the status of nurturer, expected to steward the business but not lead it. All of these issues made the newly adopted succession plan likely to fail.

We helped everyone to recognize that the purported succession plan had not, in fact, been carried out. We worked to increase the connections among the second-generation members, stabilizing and securing their power base. We supported the integration of newly appointed outside advisers into a working group of family and non-family operational personnel. We worked to find a place of integrity for the patriarch as the public face of the company; this allowed him to have some influence but also comfortably step back from the primary leadership role. These changes also allowed the daughter to assume the legitimate role of CEO and successor. Upon our recommendation, she joined her local YPO group.

Raising awareness

The trick to surviving gender stereotypes is recognizing where they exist and what their impact is. From there, it is essential to decide whether they help or hinder the various relationships involved. One is then faced with a clearer choice of whether to embrace their usefulness or move beyond their constrictions. Articulating these issues and bringing them into awareness empowers rational decision making. This, in turn, fosters a sense of the potential for true teamwork within the family business.

Edward P. Monte, Ph.D., Lyn Groome, M.S.Ed., and Susan Shively, M.D., are principals in Family Solutions Group, a firm focusing on the emotional complexities of family businesses and significant wealth (www.familyolutionsgroup.net).