Outside Support in Family Bus

**SUMMARY KEYWORDS**

outsiders, business, family, positions, next generation, operation, multi-generational, support

**SPEAKERS**

Paul Adams, Carey Berger

**Carey Berger** 00:00

Hello, I'm Carey Berger.

**Paul Adams** 00:01

And I'm Paul Adams.

**Carey Berger** 00:02

And we are The BSR Group. And here at the Crossroads, today, we're talking about the role, or the impact, of outsiders and a family-owned business. So, in this particular case, this track you're on is all about multi-generational, or continuing the same business within the family. Okay, so that means only family's going to work there? Probably not. Well, so then oh, but only outsiders are going to be below this level. It'll be all family above that, right?

**Paul Adams** 00:34

Yeah, but size has so much to do with it.

**Carey Berger** 00:38

And not only that, but circumstances change. You know, the truth be told there is a time and a place to recognize your strengths for yourself and for the next generation. And that doesn't necessarily mean that you have to throw up your hands if you don't necessarily see the strength that you need in all areas. Nobody is perfect. And nobody's going to be. So, with that in mind, how can we shore up and build the support and potentially utilize outside resources to get done what needs to get done?

**Paul Adams** 01:08

Well, a challenge with a lot of businesses as they grow, becomes, when do I need to add people to do the things that I used to do myself? As an example, if you were a one, two, or even three store operation, there may be a lot of functions that you do yourself, and you don't really need an outsider to come in. But as the business changes, or maybe the business is moved on to your children who don't have the experience you'd have, what positions do you sometimes need to look at as those filled by people who have special expertise, that maybe you don't have for a larger business, or your children don't have even for the business that exists today?

**Carey Berger** 01:55

And with that in mind, if I don't have that the, trying to offer hope here, I believe there is at least sufficient examples, where there are at least sufficient examples, excuse me, where even without a critical piece of knowledge available within the family, the family can continue to be a multi-generation owner of the family business by filling in with those non-family members. And that's where the hope comes in. Is that okay, we don't have somebody who's this ideal player that does all these things. But they got six out of nine. Okay, well can we fill in these three? Maybe so, let's consider it. Then again, let's look at the other side. Is there a point at which really, this does need to be family, this needs to be ownership? And what do we do about that? And that's a whole other topic. But this is one of those, again, critical Crossroads that you're going to come to when you're making the decision of is this potentially a multi-generational family business? And I'm here to tell you, it's okay, whichever direction you choose, but choose it with your eyes open. Make that informed decision to know what you're going into. Do we have the skills? Can we get the skills? If we get the skills, do we maintain a sufficient amount of control to be able to make this work? Are we of a size that will support the cost it has associated with an outsider in that position?

**Paul Adams** 03:18

Well, generally, without going into a lot of detail, I took positions that I've often seen brought into the company, once it's transitioned over to the next generation, would be that, and I'll just use a bigger term here CFO, or somebody who can handle the finances, who really understands that side of the business. And the other, and it might be surprising, is operational. Because sometimes if you look at yourself, and you're the owner, you have really been the one that's driven the operations of the business. Your children may not have that example, may not have that experience. So, is there the possibility that maybe you have to have someone else handle operations. You know what, Carey? Often that's someone who's in the existing operation, who was a successful store manager, or someone like that, who can take over. But the point is, it's really analyzing your staff, and looking at your current situation and figuring out where are the gaps that need to be filled? I love your example, when you said, out of nine positions, maybe six of them are okay. But there might be three that you've got to really take a look at.

**Carey Berger** 04:23

And with that in mind, like I said we're not here at the Crossroads to be able to give you answers that you go and say okay, check mark, I'm all fine. It doesn't work that way. Because we're on a video talking to, we don't know whom. But, as you, as your world and your family and your business that you're working on, look at these. Recognize the topics. That's what we're here to do is to help you to recognize these are the ones, these are the points, these are the Crossroads that you have to address. And this is critical is that you recognize both the availability and value of outsiders in key roles, and the limitations of it. So, by recognizing it as a topic, then you can go from there. And there's hope. You don't have to be super person. You don't have to be Wonder Woman or Superman. You can go ahead and bring in people to support you. But at the same time, you have to understand how that dynamic works. And that should factor heavily into your conversation about whether or not this is or should be a multi-generational family business. Thank you very much. We'll see you again here at the crossroads of business and family.