Getting Next Gen Involved

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**SPEAKERS**

Paul Adams, Carey Berger

**Carey Berger** 00:00

Hello, I'm Carey Berger. And we are The BSR Group and this is the Crossroads program. Today we're going to talk with you about getting the next generation involved. So, again, we're on the track of becoming, or trying to be a multi-generational family business. If you're going to be multi-generational, guess what, it requires next generation? And maybe even another. And where does that come from? And how do you get that interest in there? And I'm going to tell you a couple of stories, and Paul's gonna tell you a couple of his stories. And between the two of us, we probably got a few more stories than we have time to talk about today. But, I know in one example, in the case of the Gallo winery family. They literally would sit around the dining room table and from a very early age and previous generations, they were talking about business at the dining room table. It was part of the culture was part of their life. And it was a big part of their, how they got the interest of the next generation to become the next generation involved in the business. Conversely, another family not to be named, because it's not quite as happy with story, is just exactly the opposite. Dad talked about, or mom talked about the business, brought home all of the nasty stuff about how I got to deal with this rah rah rah, and didn't really bring home a lot of the exciting happy stuff. Or when they did it always seemed distant or unreal. And then they're very surprised when their next generation says, well, why would I want to join that business? It sounds terrible. I watched my dad suffer through that. And it's a really hard thing to do. How do I share a realistic picture of this thing that I want, that I have passion for, and I want the next generation to be excited about, and at the same time, not push them away?

**Paul Adams** 00:02

I'm Paul Adams. Well, every business has a culture. And I know one family in Michigan, I won't name the family, but they do an annual family meeting. And there are a lot of kids, a lot of young children, and really what would be the third generation. And they tell stories, usually about things the father and mother did in the first generation.One hilarious story had to do with pulling an old dress code from the 1980s. And the kids literally rolling on the floor laughing when they heard about how people dressed in the 1980s in stores. Well, the point is, there's got to be stories about the family. Carey and I were talking earlier today about buffalo stories. Buffalo stories are stories about your business, your culture, that cause people to feel a part of it. But you can't start early enough on this, it might sound crazy, but you know that six year old who's in the room who hears those stories about the family business, when the individual is 16, they may begin to take a real serious interest in it. They want to work in the store, they want to leave and get a class in business, or whatever. But you can't start early enough to pass that culture on to your family if your intention is to have a long term family business. I think you probably saw in the story that we had, prior to some of our comments, the Greer family down in Alabama, 106 years old. And they found ways to pass it on from one generation to the next. So, if there's a commitment to keep that business in the family, it can't start early enough and Carey I don't know what else you want to add...

**Carey Berger** 03:35

Well, I think that there's two pieces, and one of them has to do with establishing lure or a culture that talks about the business and the family and the relationship of those. The other one is the ability to have a, some sort of separation of the two worlds on occasions. And so, for example, in the positive story of we, you know, from the Gallo family, where we talk about the business around the dinner table, we make it part of our lives, as part of that culture, as part of the lore. In the negative example, as we're telling you these things that have an end, and it kind of comes down to Okay, so we can't even enjoy Thanksgiving dinner without it coming into you know, we've got bad weather so that means we're going to deal with a problem at the store number whatever. No, you've got to have some ability to get away from it too. So, many times when we're talking about the difference between lore and training, and it comes down to when it happens. So, I think you can't start early enough with the lore, talking about this is why we do this. This is what independence is, all those things that you teach about, you know, good hygiene, you know, family pride, all those things you teach at a very early age. That's part of the lore. When it comes to the other piece of it being able to have a safe place where when we're going to talk about important business matters, they're in the business setting. And when we're not in that business setting, we don't talk about business. So, back to the story, the beginning. Yes, we talked with the business over the dining room table. But we're talking about it more in terms of broad strokes and more of the the culture and the lore and that sort of thing. No, we don't talk about actual business decisions. We don't have our board meeting over Thanksgiving dinner because it disrupts the habit. So, you've got to have that ability to separate those two and recognize when which one is which. And I think that is the first place I would start is, is to be honest with yourself about when is it that we're sharing, culture and lore, and this is life, the same way you talk about your favorite sports team. And when is it that we're really trying to do business, and we need to be able to be able to turn that off.

**Paul Adams** 05:47

Yeah, yeah. And if you have that, that family meeting, having some sort of a rough agenda on how you're going to, how you're going to handle it. But I just want to reiterate something Carey just mentioned. You'll sometimes talk to families and say, well, when you have your family meeting? Oh, after Thanksgiving dinner, or after Christmas dinner, not the time. Please don't. It's a separate event. It can be a fun time, it can be a fun time, you can go to a fun place, have enjoyment, have some, you know, have some fellowship. But when it gets to the when it gets to the topic, you know, it's got to be serious. And it's got to be something that most of the people in the room are old enough to understand.

**Carey Berger** 06:28

Yep. So, that being said, we've only said one thing, but we said a bunch of times, divide the two pieces between lore and culture development, and actually running the business. By doing so get as much lore and cultural development as early as possible if you're going to have any chance to get them excited and have as little of the actual business in any setting other than what is business. Be able to preserve those places as being important business places and family is being sanctified, sacrosanct, in many ways. This is what we do here in a family meeting, but we can't talk about that right now. But we will talk about it and here's when. Don't, don't put it aside. But this isn't the place. There is a place for it. Have a place to separate those two very important parts of your life. Otherwise, you'll drown each other through the business or the family or both. So, with that in mind, we're here to talk about the crossroads of business and family. And this particular crossroad is trying to perpetuate a family business for multiple generations. We wish you all the best.

**Paul Adams** 07:26

Thanks.