

Hi, this is Wayne Rivers at The Family Business Institute. Thanks for tuning in to this week's blog. Let's have your comments below. Future topics perhaps will be a nice thing. And this week we want to talk about conflict. And we want to talk about the frequency of conflict in family businesses.

So, let me just put you at ease. First of all, conflict is the rule. It is not the exception in family businesses. So, if you're experiencing conflict in your family or in your business or both, don't feel bad. Well, don't feel any worse than necessary, I should say. It always feels bad when you have conflict. But don't feel like you're alone. You're not. And there was some research that came out of our trade association, The Family Firm Institute in 2009, and I have no reason to believe that this research is anything but fresh in the sense of what we're seeing among family businesses today.

So, how often is conflict then among family businesses? Well, in this survey, 20% reported they had conflict every week. Another 20% said they had conflict on a monthly basis. About 40% said that they had conflict three or four times a year. So that's about 82% if you look at the survey. What conclusion can we draw about the other 18% of family businesses? Well, they're lying. They have conflict. Perhaps they weren't willing to disclose that to these researchers, but come on. They have conflict. How can you live life, how can you be in a family and not experience conflict? And then you add the complications of a business to that. Please. There is definitely conflict in that 18%. So, don't ... Surveys are terrific for what they are, but you can't always believe every, you can't ever believe it's gospel, okay?

Now how do they report in the survey that they resolved the conflict? Well, a proportion said, "We just leave it up to the senior generation." So, think about this for a minute. You've got 70-year-old Mom and Dad, and you've got 40-year-old siblings in a business. Adults, right? They run their own households, they are married, they have kids, they're responsible human beings. They have a conflict in the context of the family business, and they go to Mom and Dad. Are you kidding me? Adults who should be engaging with each other as peers go to Mom and Dad as children and say, "Oh, can you solve this pro-?" What if Mom and Dad aren't around anymore? What if Mom and Dad spend the whole winter in Florida? I mean, what if Mom and Dad are past their ability to reason effectively anymore because of age? Seriously?

Another group said when they had conflict in the business, they avoid it. Well we all avoid conflict. None of us, unless we're drama kings or queens, none of us want conflict. We don't seek it out necessarily. But it's there. And avoiding is the worst thing you can do. Deciding not to decide is still a decision. Avoiding doesn't help in any way whatsoever.

And then another cohort said, well they talk it through, which is what absolutely you have to do. I mean you have to roll up your sleeves and be big boys and girls, and you've got to figure out a way to muddle through that. It's just, it's a fact of life, and to avoid it, or to let Mommy and Daddy take care of it or just, that's just sticking your head in the sand.

In any business, family or not, we learn conflict resolution from our families of origin. So, in my family of origin it was usually yelling and the threat of violence. Well, that's probably not something you want to bring to the workplace, but that's typical of people that grew up in the '50s and '60s, I think, in terms of the way their parents handled things. So, if you think about an employment arrangement, you've got 30 people in your office or 300 people in your office, every one of us brings our conflict resolution techniques from our families of origin. So, you have got this polyglot of people with all these different techniques for resolving conflict, some from very hierarchical and threatening, even, to some where they avoid conflict altogether, and they're very afraid of it. So, somehow in our organizations we have to figure out a way to come up with a conflict resolution methodology. Otherwise these things just go unresolved forever, and obviously there's a business and a human cost to them.

So, what do you do? All right. A few things. First thing is self-awareness. That's the first element of leadership. Self-awareness. If you know yourself, you know that you are strong in certain ways and that you also have weaknesses and blind spots. So, the best way to become self-aware is to start to take psychometric, psychological type of Kolbe, Myers-Briggs, DISC, all those things, and learn what you, your strengths finders. What are you strong at versus not so strong at? There's dozens and dozens of self-help kind of things on the web now that you can do.

But once you know yourself, then you go to Step 2, and that's team awareness. So, on your team you've got this group of Myers-Briggs types or this selection of DISC types. Well once you know that and you get a little bit of a counseling and coaching on those things, then you know the team. And the idea with knowing your team really well is the Platinum Rule. So, we all learned the Golden Rule when we were kids. The Platinum Rule, which I think is a better rule for the workplace, is you treat people how they want to be treated, not how you want to be treated, because you're unique, and you have different wishes and needs. Well so do the other people. So, if I know that the other people on my team want X, Y, or Z, why is it beyond my power reasonably to give that to them? If I know their types via this psychometric stuff, then why wouldn't I go ahead and, in most instances, try to give them that which they want, versus the way that I perceive things or receive information or push out information?

The third thing is a coherent, common vision for the company. If you have that, it makes conflict go away in the sense that when you attract new people to the team, they can clearly aim for that same vision. And right away, if you've got people that share your vision for where the company's headed, you've eliminated one great source of conflict, and that is different visions. I want to be a 50 million-dollar company but she wants to be a hundred-million-dollar company. There's really no way to resolve that. Either way somebody's going to find themselves unhappy. So, if we have a common vision for where we're going, you take away one big source of conflict in family businesses right away.

Today's people want to be pulled, not pushed. Command and control, top-down, the military style of leadership is not as successful as it once was. Today's young people, today's middle-age people even, would much rather

be pulled in a certain direction, and that's what vision allows you to do. It gives you the ability to pull versus push and kick people in the shins and be that kind of a leader.

And then finally, professionalize your organization. You saw my blog a few weeks ago about the magic bullet. Look, strategic business planning just works. Vision, mission, values, having a strategic plan, having a budget, having really clear roles and responsibilities across the board for your people. Doing all those things removes so many sources of potential conflict, and it just kind of withers on the vine.

So, please take our advice. If you have conflict, deal with it. Professionalize the business. This is Wayne Rivers at The Family Business Institute. Thank you.