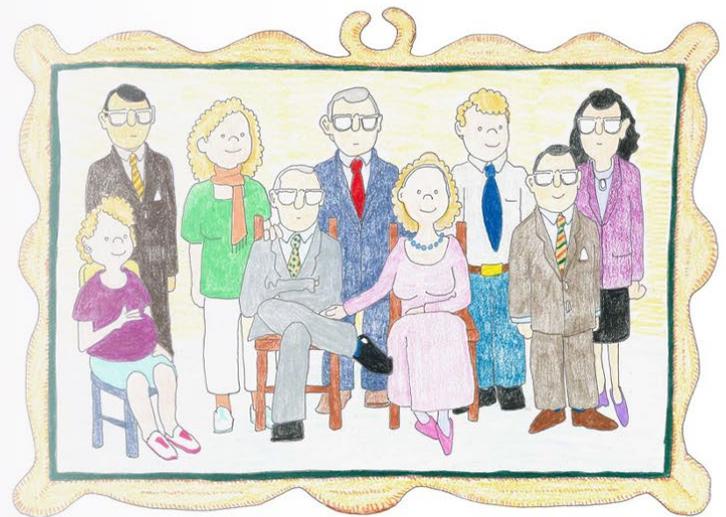


# FAMILY BUSINESS 101 #2

## MINING FOR FAMILY TALENT

- ▲ When family businesses honor each member's strengths it helps create flow
- ▲ These talents and competencies are well known within the family
- ▲ Leveraging this existing investment can reduce harmful conflict and promote healthy business-level interactions among the members



The coaches had taken video footage of their last games so that they could show them to their teams. One coach showed multiple segments where his team performed well. He also took the time to show them areas where they could do better. The other coach made a point of zeroing on the mistakes his team made, showing them over and over again to ensure that his athletes knew what not to do. Later in the season when the two teams met, one team flowed well while the other, tight and tense, repeated the mistakes they had made earlier in the season to the great frustration of the coach who had taken such pains to go over their mistakes in such detail.

Family firms boast distinct, competitive values that result in more than just profits. **According to Family Enterprise USA, over 90 percent of family businesses feel that what sets them apart from non-family firms is a long-term investment philosophy, commitment to employees and suppliers and contributions to their communities.**



In any business, there are three primary components of performance an organization can impact: **Skills/Competencies, Talent/Preferences and Mindset.** In business, as in athletics, highly constructive cultures make a point of leveraging their strengths. They use those areas to enhance performance and leverage opportunities to improve, rather than focusing on weaknesses. When assembling the team, it is important, therefore, to put the proper people into the positions where they have the greatest strengths at their disposal.

In business, people want to know that what they do is meaningful. When they know this, they thrive and become fully engaged, ensuring a growth mindset. **Family businesses have an opportunity to establish this type of mindset at the outset. They can do this by mining their members for their talent and competencies.** We have briefly discussed the notion of developing trust among the team. There is no better way to do that than by honoring the strengths of the different family members and incorporating that into business operations.

**Understanding where family members' talents lie and the best ways to leverage their preferences gives the participants a way to put themselves in the best position to flourish in the business environment.** Tapping into existing strengths and competencies lays the foundation for the organization to display high efficacy as a critical part of its culture. It breeds optimism because members will be eager to put their skill to work. It will foster growth because they know that they can leverage their expertise, relishing in the challenge of the task. And, because they have been affirmed for their strength, they will seek accountability in all that they do. This promotes flow throughout the enterprise.



**The real advantage that families can gain is through having the appropriate mindset to enhance the talent and competencies of the members.** Using this third leg of the performance stool properly sets up the organization for success. Capitalizing on the advantage of the skills and talents that members already possess, in combination with the planning efforts discussed previously, frees the organization to adopt a growth mindset and thrive going forward.

**The second advantage of leveraging the existing experience and preferences is that they are well known by family members.** This fosters confidence and trust and helps eliminate second-guessing. The noted author Patrick Lencioni often refers to trust as the foundation for highly effective teams. When this attitude takes root, family members can engage in constructive conflict as a means of sparking innovation and clarity in goal setting. As a result, it helps keep family dynamics healthy and promotes useful conflict without creating needless tension. By acknowledging the tacit leadership of a member in a particular field, it generates stability for the organization and reduces jockeying for position and power.

Good organizations build from strength. Putting members in positions where they have demonstrated skills and talent affirms that basic principle throughout the enterprise and sets the tone for the way the leadership expects everyone to operate. This mindset is what drives sharply higher performance.

