

# FAMILY BUSINESS 101 #8

## KEEP THE FAMILY DRAMA AT HOME

- 
- ▲ It is important to stay professional at the office and not bring family drama into the mix
  - ▲ Hampers clear judgement
  - ▲ Employees feel obliged to take sides
  - ▲ Models inappropriate behavior

We have all heard the tales of awkward holiday dinners caused by bad feelings among family members. Still, people can usually hold their nose to endure one afternoon and evening. But what if those same family members had to meet again, day after day, running a business? One of the biggest challenges a family business can face is to allow feelings that have been created within a family context to leak into their enterprise.

**The risks associated with this “leakage” can be detrimental to the organization.** When family members bring emotions into the workplace, the first casualty is judgement. Bias can be injected into otherwise rational considerations, clouding decision-making by leadership.

**A second impact on effectiveness arises when employees observe the tension manifested among family members.** Many may feel driven to “take sides.” It would be natural for “their leader’s” viewpoint to influence their own views even more than in a normal situation. The resulting tug-of-war of bias can lead to bad decision-making, resulting in poor strategic thinking.

A CEO I worked with would say, “When a strategy is right, it isn’t necessarily visible. When a strategy is wrong, it shows up immediately.” An oft-cited example of this was when Coca Cola launched “New Coke” many years ago. Because of the muddled strategic thinking that can develop resulting from these emotional conflicts, initiatives are more likely to fail. When this occurs inside a drama-ridden business, recriminations abound within the respective members’ echo support chambers and begin to poison the environment. Productivity inevitably suffers.



Drama also has a more palpable component. People can see and feel the tension that exists. The affected family members wind up modeling inappropriate behaviors to the rest of the organization. **Allowed to continue, these behaviors become viewed by the employees as the way to “fit in;” in other words, the culture becomes clearly established along the fault lines of the contending factions.**

At best, this can be dispiriting. It can become one more reason why someone may elect to look elsewhere for rewarding work. Retaining talent is always less expensive than attracting new employees. **Studies estimate that it costs \$15,000 per lost employee.** So, in addition to creating an unattractive climate and possibly affecting the culture, there are measurable costs to permitting this kind of problem to arise.

## Maintaining a Drama-Free Zone

Does this mean that family members should suppress conflict? Driving conflict underground is not a viable solution. The tension still exists and stimulates passive behaviors among everyone involved. Ultimately it will simply bubble up elsewhere. **The better approach is for the leadership to emphasize and have the courage to strongly follow established company values to course correct. Family members must not only adhere to but champion the company's values and leverage them to help ensure that the enterprise remains drama-free.**

Conflict in the workplace can be constructive, but only when it is focused on issues, not people and there is a solid reservoir of trust among the team members. Family members must work hard to establish and build "Business Trust" even if there remain issues on the family side that may be as yet unresolved.

**Another key approach is to renew focus and attention on the enterprise's purpose.** Clashing ideas can often find common ground when all, especially family members, are focused on "the good of" the organization's reason for being.

We have spoken previously about the need for regular family meetings to ensure smooth operation inside the business. This forum provides an opportunity for potential drama to be surfaced, discussed and, at the very least, compartmentalized to the family side.

Family drama within the workplace is corrosive and can only create harmful side effects. Wise family businesses find effective ways to reduce and, wherever possible, eliminate it completely.

