

Succession planning superheroes

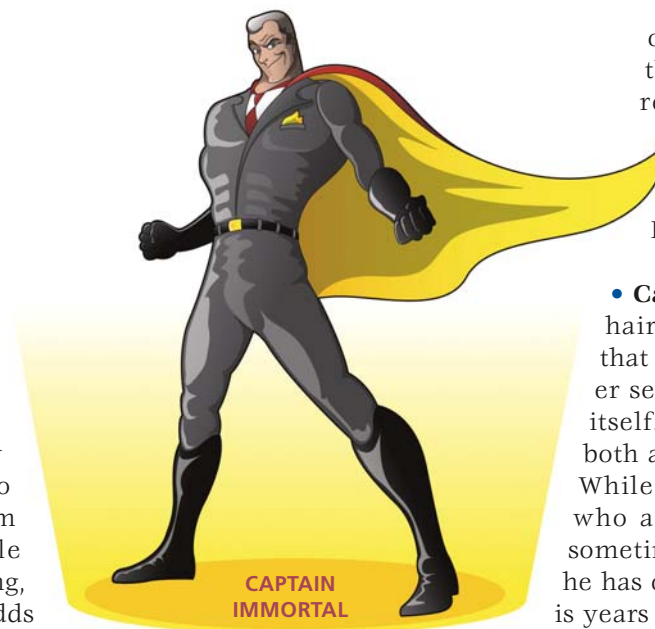
Family business leaders may have built their companies faster than a speeding bullet, but when it comes to deciding how to transition their business, many of them would prefer to hide in a phone booth.

By Dave Specht

"FASTER THAN a speeding bullet, more powerful than a locomotive, able to leap tall buildings in a single bound. Is it a bird? Is it a plane? No, it's Superman!" The superheroes of our youth are not so far removed from our real-life, everyday heroes. Your favorite may have been the Incredible Hulk because of his amazing strength. Maybe it was Batman because of his gadgets and cool car. Society today often holds business owners to high expectations or places them on pedestals for their laudable characteristics such as risk-taking, tenacity in overcoming great odds and finding ways to succeed.

Family business owners are remarkable people, yet the sobering truth is that they are mortal human beings. When it comes to preparing for the inevitable—business continuity planning—there are four reasonably predictable ways that most business owners' attitudes

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can be characterized. Their thoughts and behaviors are represented here by four superheroes: Captain Immortal, Dr. Shhhh, Oblivious Man and Ms. Reality.

- **Captain Immortal:** He has hair that never grays, energy that never wanes and willpower seemingly stronger than life itself. The pursuit of success is both a passion and a seductress. While he is an intelligent man who at his core knows he will sometime vacate this mortal coil, he has convinced himself that day is years away, so investing time in planning or training the next generation

of superheroes is for now an irrelevant undertaking. Of course on this count, Captain Immortal lives only in the now.

- **Dr. Shhhh:** This superhero has a plan, but he values the power and freedom of privacy more than life itself. Dr. Shhhh enjoys the seclusion he finds in developing his proprietary business solutions. He does the same thing with his hopes and dreams for the future of his

family and business. He knows that he is not completely immortal, but he doesn't want anyone else to realize it. In his mind he creates plans to continue the work he has silently pursued, but refuses to share those ideas with his wife and children. He feels that this affords him a great deal of freedom. He can modify his plans as circumstances play out and never upset anyone with a midstream shift. After all, why should he have to relinquish control and information before it is absolutely necessary?

- **Oblivious Man:** He is so happy doing his work that he doesn't even consider what will happen beyond his tenure, let alone consider the consequences. He goes about his superhero tasks, providing the necessities and luxuries of life for his family one day at a time. He has acquired a substantial reputation by virtue of the highly conscientious manner in which he has built his business over the years. On the other hand, he has no clue that he's laying the foundation for confusion, chaos and conflicts for his family and employees by not making plans for the future of his business.

- **Ms. Reality:** This superhero has always been good at taking care of her business. While she enjoys the daily thrill of her work, she is highly aware that someday she will not be able to leap tall buildings in a single bound or stop an oncoming locomotive. Ms. Reality has a strong drive to succeed personally, but she has an equally keen awareness of her responsibility to make long-term plans for her family and business. She is just as driven to create and execute her continuity plan as she is to succeed in business because she sees planning as a critical and inevitable to longer-term success.

Facing the inevitable

Just as superheroes come with different colored capes and have unique abilities and powers, so do business owners have distinct talents and attributes that make each one of them special. Every business owner is different, but there is one thing that unites them all: mortality. Let's look inside the minds of our business-owning superhero friends.

SHAZAM! Captain Immortal refuses to face his own mortality. Business owners like him are consumed with day-to-day operations; their idea of who they are is so

wrapped up in the enterprise that they can't imagine ever doing anything else. Their identity, power and sense of purpose are tied closely to the company. They struggle with making commitments to any meaningful succession planning.

KA-POW! Dr. Shhhh is slow to trust and almost impossible to communicate with. He has his ideas for what he wants to do with his business and the wealth that he has created, but he feels it is his right to withhold that information from those who will be most affected by his passing. He is reluctant to tell his children what he

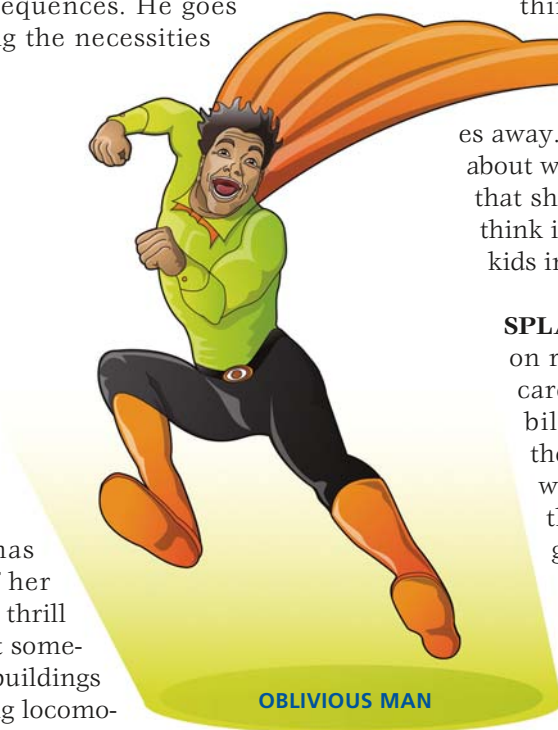
thinks their roles in the business should be or what they should expect from him when he passes away.

He doesn't even talk to his wife about what plans he has in place for fear that she won't truly understand or will think it's "unfair" to some (or all) of the kids in the family.

SPLAT! Oblivious Man is so focused on running the business and taking care of his many family responsibilities that he fails to recognize the need to plan for the future. He wakes up in the morning, wipes the sleep from his eyes and then gets back to work. Almost no one will outwork him, but the well-being of his family and his business are in jeopardy. With the passage of time, the jeopardy factor increases. He has good intentions, but he has not

recognized the need for planning or considered the consequences for his failure to do so.

ZOWIE! Ms. Reality is at times the butt of her counterparts' jokes because of the meticulous manner in which she goes about planning for a successful future. She loves her work, but she fully understands that she won't be able to do it forever. With that in mind, she mentors her children who desire to join the business and encourages them to fully develop their abilities. Some of her kids aren't capable of taking on her level of leadership, and Ms. Reality is preparing to have difficult conversations with them. She also understands that not all her children will choose to enter the business; she encourages those who plan to take a different path just as enthusiastically as she supports the child she hopes will become her successor. She knows some other entrepreneurs think she doesn't have any fun, but Ms. Reality simply smiles. She sleeps well because she's done



her homework and has confidence in the future. She has planned for the challenges she knows are coming.

DR. SHHH

Saving the superheroes from themselves

Sometimes even a superhero gets into a dangerous spot and needs to be rescued. Here are some solutions to help superheroes to save themselves.

• **Captain Immortal:** If you are in the Captain Immortal category, it will be paramount to focus your energy on constructing a vision for a “bulletproof” family, business and community legacy. Business owners are famous for making statements like, “if I ever exit the business” or “if I die.” The first step to helping the Captain Immortal within is to not allow yourself to use these phrases. They are not realistic, and they are not healthy.

One idea to help you focus on your immortal legacy is to write your own obituary. This seems strange and a little awkward, but it will give you a clear vision of what you want to be remembered and known for. The next step is to share your obituary with those you love so that they can support you in your vision. Building an immortal legacy may be just what Captain Immortal needs to put planning into high gear.

• **Dr. Shhh:** If you consider yourself more of a Dr. Shhh, it is likely that one of your biggest fears is not having your long-term plans accepted or understood by all parties. You are concerned with keeping the peace, while also not creating attitudes of entitlement in the next generation. You must come to the understanding that if you are not around to explain your desires and motives, the preferred outcomes you have in mind may never be achieved.

One way to deal with these feelings is to perform a small-scale test run on some of your plans. Example: If you would like to see your children work together in family philanthropy, set aside some money and invite the kids to research causes they care about. Ask them to work together to reach consensus on which cause they will work with, and then ask them to submit a proposal to you on how the money should be used. Dr. Shhh will benefit from seeing small successes, and these may inspire confidence to open up more as trust and financial stewardship are proved.

MS. REALITY



• **Oblivious Man:** For those of you who fit the Oblivious Man category, your saving grace will be your love for the business. You most likely don't actively avoid planning; you just assign a higher value to “getting the work done.” Once you take the time to begin working “on the business” rather than always working “in the business,” the likelihood of accomplishing significant long-term planning increases dramatically.

One remedy to help the Oblivious Man within is to think about your business-owning friends and what their planning challenges are. Identifying the needs of others is sometimes easier than recognizing your own. The mental exercise of identifying and recording the needs of others may spark the desire to look internally as well.

Take a minute to think of a business owner friend, then write down what the impact might be on the business should he fail to show up for work on Monday morning. Oblivious Man's heightened awareness to the challenges of business-owning friends may be the catalyst needed to get him working “on the business” instead of “in the business.”

Avoiding the kryptonite

Which superhero do you most relate to? What is your kryptonite? All of us have conflicts between what we need and want for ourselves and for our families. We constantly battle with what's expedient and prudent, between the easier path and the harder one, between our desire to live on and on and the reality that we are mortal. The question is: Do we deny these conflicts or take them head-on? What long-term decisions should you be making for the benefit of your business and family? **FB**



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Businesses One Family at a Time.”*



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