

Where Do We Want To Go? INTERPERSONAL Issues

Assessment Areas		Strengths/Weaknesses Opportunities/Barriers	Best Succession Management Practices to Adopt External Resources to Access	Goal for Change Description of Where We Want to Go
	Scores			
Perspectives:	136	<p>Strengths:</p> <ul style="list-style-type: none"> Founders have begun to identify values next generation business participants should possess. Founders and next generation members in the family business have begun expressing their level of comfort with interactions within the business. Founders feel that formal roles and responsibilities have been established for those most important for the continuation of the business. However, those should be mutually agreed upon and shared with others. <p>Weaknesses:</p> <ul style="list-style-type: none"> Founders have not addressed how control of the business will transfer to the next generation. Founders have future business goals in mind. However, these have not been discussed with next generation family members. <p>Opportunities:</p> <ul style="list-style-type: none"> The successor has been identified. This should allow things to move forward more smoothly than for some families. <p>Barriers:</p> <ul style="list-style-type: none"> The lack of planning for management transfer and general failure to train the successor for duties as manager make assuming those responsibilities difficult. <p>Comment:</p> <ul style="list-style-type: none"> With the stated goal of passing the business on to the next generation, the founders need to work more closely to train and involve the next generation family members in the management of the business. 	<p>BSMP: Founders and next generation members work together to outline how control of the business will be transferred to successors.</p> <ul style="list-style-type: none"> Detailed description of transfer process for business control is shared with all family business members. <p>BSMP: Founders develop a written set of goals for the family business.</p> <ul style="list-style-type: none"> Founder goals for the family business are shared with all family business members. <p>BSMP: Family business members each develop a list of job responsibilities for the family business in which they have an interest.</p> <p>BSMP: Next generation members each develop a set of expectations about asset and income distribution for the family business.</p> <p>BSMP: Family business members each develop a list of roles and responsibilities for the family business from their perspective.</p> <p>BSMP: Next generation members each develop a set of expectations about rank and position within the family business.</p> <p>BSMP: Family business members share and discuss their level of comfort with interactions within the family business with founders.</p>	<p>Goal: Miller family founders and next generation individuals will better understand and appreciate the perspectives of all generations through regularly-scheduled open and honest discussions. Discussion topics will include: business goals, transfer of business control, business responsibilities, expectations about rank and position, expectations about assets and income distribution, family member roles and responsibilities, and comfort level with family member interactions.</p> <p>Goal: Miller family members will do what they can to support family members through the process of management succession and founder retirement.</p>
Communication:	75	<p>Strengths:</p> <ul style="list-style-type: none"> The family occasionally evaluates how well they are communicating. The family recognizes the importance of non-verbal communication at some basic level. <p>Weaknesses:</p> <ul style="list-style-type: none"> No use of questioning to improve communication. No program for improvement of communication skills. <p>Opportunities:</p> <ul style="list-style-type: none"> Training on methods for good communication and appropriate interaction can help everyone involved move forward to improved communications. <p>Barriers:</p> <ul style="list-style-type: none"> The lack of understanding about what are good communication practices prevents family members from improving their relationships and patterns of interacting. <p>Comment:</p> <ul style="list-style-type: none"> This area is weak and must be improved if other areas of management succession are to be successful. 	<p>BSMP: When communicating with others:</p> <ul style="list-style-type: none"> Try to anticipate and predict ahead of time possible causes of confusion. Provide enough information and detail to make sure everyone understands. Don't be embarrassed to keep questioning until you fully understand the communication. Gather feedback to make sure people have understood what you have said. Remember people view information differently and you should try to understand these different perspectives during your conversation. Be aware of body language and the importance of non-verbal communication. Be considerate and do not control and dominate the conversation with your own needs and self-interest. Speak clearly and use words others can understand. Give the conversation your full attention and do not allow yourself to be distracted by other things going on around you. Allow enough time to finish the conversation. It is better to delay a conversation than to cut a conversation short. Repeat what you think the speaker said to ensure you heard correctly and to allow the speaker a chance to clarify. Don't interrupt even if the speaker pauses to gather his/her thoughts. Provide feedback to the speaker to demonstrate you are listening and paying attention. <p>BSMP: Continually evaluate how effective the family is communicating.</p> <p>BSMP: Emphasize the importance of practicing and improving effective communication skills.</p> <p>BSMP: Invest in helping yourself and other family members to improve communication skills (facilitation, training, etc.).</p> <p>External Resources:</p> <ul style="list-style-type: none"> Conflict Resolution Center - http://www.conflictresolutioncenter.us Conflict Resolution Academy - http://www.conflictresolutionacademy.com/ 	<p>Goal: Miller family members will obtain professional training on good communication techniques and appropriate interactions within six (6) months. All family business members will participate in the training.</p> <p>Goal: After completing the training, Miller family members will practice good communication techniques and support other family members as they strive to improve their interpersonal communication skills.</p>
Managing Conflict:	42	<p>Strengths:</p> <ul style="list-style-type: none"> The family feels they have a method for conflict resolution, though it is weak. The family feels the amount of conflict is not as bad as it might be. <p>Weaknesses:</p> <ul style="list-style-type: none"> The family views conflict as a negative and should be avoided. They have no pre-planned methods for dealing with conflict. <p>Opportunities:</p> <ul style="list-style-type: none"> Beginning the process to move conflicts toward resolution can reduce the perceived pressure and provide incentives to work harder in other areas. <p>Barriers:</p> <ul style="list-style-type: none"> Un-resolved conflict from years of avoidance has created many barriers. <p>Comment:</p> <ul style="list-style-type: none"> This is likely the weakest area of interaction for the Miller family members. Un-resolved conflict is clearly a barrier to nearly every aspect of moving the business forward toward the future. 	<p>BSMP: Family business members attempt to use active listening skills to understand the source of conflict when it arises.</p> <p>BSMP: Family business members attempt to resolve conflict by working it out themselves: identifying issues, describing each person's motivation, outlining possible solutions, list pros and cons of each solution, select an option, evaluate how the solution is working as needed.</p> <p>BSMP: Family business members discuss and draft a mutually-agreed upon set of policies for handling conflicts.</p> <p>External Resources:</p> <ul style="list-style-type: none"> Conflict Resolution Center - http://www.conflictresolutioncenter.us Conflict Resolution Academy - http://www.conflictresolutionacademy.com/ 	<p>Goal: The Miller family will seek to use good communication skills, gained through professional training, to better-resolve conflicts within the family and business relationships. Members will attempt to resolve conflicts by working things out themselves.</p> <p>Goal: The Miller family will draft a set of policies that will outline procedures for handling conflicts. The Millers will consult outside resources for help in identifying appropriate policies, techniques for handling difficult situations, as well as for an independent review of their policies once the document has been drafted.</p>

Where Do We Want To Go? BUSINESS Issues

Assessment		Strengths/Weaknesses Opportunities/Barriers	Best Succession Management Practices to Adopt External Resources to Access	Goal for Change Description of Where We Want to Go
Areas	Scores			
Formalized Management:	171	<p>Strengths:</p> <ul style="list-style-type: none"> The business updates financial statements once a year or less often. The founders have some written and un-written goals for the family business. They have not been shared with others. <p>Weaknesses:</p> <ul style="list-style-type: none"> No formal business policies have been developed, including a constitution, employee handbook, legal policies, employee policies, etc. <p>Opportunities:</p> <ul style="list-style-type: none"> The founder goals can be written down and shared, increasing understanding by all involved. <p>Barriers:</p> <ul style="list-style-type: none"> The failure to share business information and express goals for the business creates an environment of suspicion and distrust. <p>Comment:</p> <ul style="list-style-type: none"> Building on the good business practices of compiling and referring to financial statements for business management decisions, the team should develop other formal business documents that may even assist with some of the conflict management issues they face. 	<p>BSMP: The family business has written and agreed upon goals which are specific, measurable, achievable, realistic, and time targeted. These should be discussed and drafted.</p> <p>BSMP: A vision statement which is used to guide strategic planning.</p> <p>BSMP: A formal mission statement which describes the fundamental purpose of the business should be discussed and drafted.</p> <p>BSMP: A constitution which describes the family's shared values and its policies in relation to the business should be discussed and drafted.</p> <p>BSMP: An employee handbook which contains information about business policies and procedures pertaining to both family and non-family employees should be discussed and drafted.</p> <p>BSMP: A management alternate should be identified.</p>	<p>Goal: The Miller family will discuss and develop formal business documents to facilitate more business-like interactions among all players. These will include a constitution, employee handbook, legal policies, employee policies, etc. Having the discussions needed to draft these documents will not only provide the chance for the people involved to better understand the founders intentions, but also the chance to help those policies that everyone will be expected to follow.</p> <p>Goal: The Miller family will share financial reports on business performance at least annually with all members, as appropriate.</p>
Business Communication:	44	<p>Strengths:</p> <ul style="list-style-type: none"> The family has made a limited use of family meetings. There is an unwritten Code of Conduct for family member interaction. <p>Weaknesses:</p> <ul style="list-style-type: none"> The family does not conduct meetings with family members who are involved with the business. No written documents on family member conduct. <p>Opportunities:</p> <ul style="list-style-type: none"> Developing a Code of Conduct can help to significantly reduce conflict and improve working relationships. Regular meetings provide a chance to practice this conduct. <p>Barriers:</p> <ul style="list-style-type: none"> Failure to share business information with other family members through regular meetings creates suspicion and barriers between individuals. <p>Comment:</p> <ul style="list-style-type: none"> Formal written Code of Conduct documents and structured interactions with all family members can help smooth the way to more effective communication. 	<p>BSMP: Family council meetings should be held annually or as otherwise appropriate.</p> <p>BSMP: Family business meetings are held monthly or as otherwise appropriate.</p> <p>BSMP: A Code of Conduct should be discussed and drafted which outlines the rules and policies that help guide family members in their personal, business, and family relationships.</p>	<p>Goal: The Miller family will use family council and family business meetings to better communicate how the business is performing, as well as a forum for family members to provide their input.</p> <p>Goal: The Miller family will develop a Code of Conduct to provide guidelines necessary for improved relationships.</p>



Where Do We Want To Go? SUCCESSION PLANNING Issues

Assessment		Strengths/Weaknesses Opportunities/Barriers	Best Succession Management Practices to Adopt External Resources to Access	Goal for Change <i>Description of Where We Want to Go</i>
Areas	Scores			
OVERALL:	114	<p>Strengths:</p> <ul style="list-style-type: none"> The successor has been identified. The succession planning team is somewhat known but some questions still exist. The founders have some plans for retirement, though not well defined. <p>Weaknesses:</p> <ul style="list-style-type: none"> No formal written plans are in place. No sharing or communication about the plan has yet taken place. <p>Opportunities:</p> <ul style="list-style-type: none"> Developing formal, written plans for management succession and founder retirement can help everyone involved feel more at ease with the situation. <p>Barriers:</p> <ul style="list-style-type: none"> With no documentation of the plans for either succession or retirement, the next generation naturally wonders what the founders have in mind. This can create tensions between the two generations. <p>Comment:</p> <ul style="list-style-type: none"> A succession plan is key to ensuring a smooth management transition that leads to an enjoyable retirement. The founders should carefully consider why they are unwilling to begin sharing plans for retirement with the next generation members. 	<p>BSMP: Finalize the planning team that will be responsible for developing and implementing the plan. Include family members, business associates, and outside advisors.</p> <p>BSMP: Develop a written plan for management succession. Include rules and procedures to avoid tensions and describe leadership and skill development programs. Add the written succession plan to the "business plan."</p> <p>BSMP: Communicate the plan to family and others that have interest in the continuity of the business. Or better yet, involve others from the start to develop an agreed-upon plan with all involved.</p> <p>BSMP: Develop a plan for founder retirement. Define what retirement would look like and estimate financial needs.</p>	<p>Goal: The Miller family will finalize the succession planning team within the next 6 months. That team will:</p> <ol style="list-style-type: none"> Develop a written plan for succession of management responsibilities and asset ownership. Develop a plan for retirement of the founders, including providing for their financial needs, a timeline for accomplishment, as well as provisions for health care and other important issues. Share the written plan, once completed, with all Miller family members and outside advisors as identified through the process. <p>Goal: The Miller family will review the written succession plan annually to ensure that all members are aware of its content, as well as the progress being made toward the accomplishment of the plan details.</p>
Timeline:				
Planning Team:				
Successor Selection:				
Written Plan:				
Plan Communication:				
Retirement Plan:				

