

Quitting the family business

*Leaving the family firm does not mean you're leaving the family.
If your road to happiness leads elsewhere, you must follow it*

By **Thomas D. Davidow**

MOST BUSINESS OWNERS hope their adult children will work alongside them in the family company. Their children often share that wish. The fruition of those expectations can be gratifying for all. Sometimes, however, working together in the family business does not produce the best outcome for everyone involved. In those cases, although they may be disappointed, family members must acknowledge the situation and come to terms with it.

Moving toward a new opportunity

The family business often acts as a crucible for family members who work in it. When the family and the business provide a healthy environment, they support family members' emotional and professional growth. An unintended consequence of this nurturing environment is that a family member might develop the insight and courage to realize that his passion lies elsewhere, or that there is an opportunity outside the family business that he should pursue.

Leaving the family business to pursue other goals can be seen as a positive step forward, an indication that the individual developed the necessary autonomy, independence and self-confidence to risk going out into the world, to try to "make it on his own." Such drive echoes the entrepreneurial spirit that led the founders to create the family business and ought to be encouraged and rewarded as an expression of the family values.

It has been my experience, however, that senior members of family businesses can be overprotective and may behave in ways that inhibit that growth, making it difficult for the adult child to leave.

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They may express concern, for instance, that the child is leaving because the parents did something wrong, or because the child is unhappy with them or the business. If so, the next-generation family member may think they are interpreting the wish for independence as a rejection of both the family and the business.

In such a case, the adult child who is contemplating leaving the business needs the courage to have an honest conversation with the senior generation. She needs to tell her parents that she is grateful for the opportunity to work with them; that the experience in the family business has been helpful; that the wish to leave is not a rejection of them or the business, but a validation of them for creating such a healthy and supportive environment: that she is moving toward something else rather than away from them. If the parents have been supportive all along, chances are they will be able to hear their child, and will want what is best for her.

The family member who wishes to leave may also worry that being outside the family business means being outside the family. The business can define one's identity in the world. It can be a source of pride. How then does an individual leave the family business for a different career and stay comfortably attached to the family and the business?

Here is a positive example: I once consulted for a family business in which four sons from a third generation had worked all their lives. Their business and social lives were interconnected. One son in his early 20s, whose passion lay elsewhere, confided in me that he feared leaving the family business because it would mean leaving the family. He brought his dilemma to the family council. They helped him establish a business that was consistent with his interests. The family business became his first customer.

Moving away from an unhealthy situation

In other cases, however, a family member may indeed want to move away from the family business rather than toward a new future. In these situations, something terribly wrong within the family is acted out within the business.

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the business. A family is like a circle of people holding onto a rope. When one family member pulls on the rope, everybody feels it. If a family member is so unhappy that he feels he must quit the family business, everybody is culpable, and everybody must take responsibility and be involved in fixing it.

In family therapy terms, the disgruntled family member is the "identified patient." He has absorbed all of the family's emotional issues and is expressing them through his unhappiness in the system. The wish to leave the company is a cry for help—both for him and for the family business. If everyone is able to respond, there is still a chance to move forward. This could involve the family

An unintended consequence of a nurturing environment: A family member might develop the insight to realize his passion lies elsewhere.

member staying in the business with more commitment, or leaving it without rupturing his relationship with the family.

But if the cry for help is heard by the other family members as Chicken Little's "The sky is falling," the situation is extremely touchy and must be examined from a historical viewpoint. Most likely the family has always communicated poorly and has been unable to address difficult or highly emotionally charged issues. Just as likely, this is not the first time that the family member has felt let down by parents or other relatives.

Besides a problematic family system, other factors may cause a family member to consider leaving the business. The individual's role in the business may not match well with her skills and interests, or she may feel she has been inadequately compensated. The most frequent issue, however, is the absence of succession planning. There is always an implied, if not explicit, message that the adult child or children will someday own and/or manage the business. Resistance to honest dialogue about succession planning in the form of training, estate planning or candid review of the next generation's performance and abilities breaks this contract. The absence of meaningful dialogue and continually broken promises exacerbate the family member's sense of desperation.

'Quitting without leaving'

Family members with whom I have worked who wish to leave their family businesses are usually in their mid-30s

to late 40s and "can't take it anymore." Even so, they rarely leave a family business voluntarily. They are held back by their "golden handcuffs" lifestyle and the financial security the job provides. A second and more powerful underlying issue is their connection to their families. They fear that other family members will experience their leaving as rejection and abandonment. If the financial and emotional consequences of leaving are too much to bear, they will stay. The adjustment frequently takes the form of "quitting without leaving"—they devote as little attention as possible to their responsibilities, and the business suffers. They may threaten consequences but will not act on them.

Such a stalemate is unhealthy—it's unhealthy to be unhappy—but it can be broken. The first step is to initiate dialogue. If the family cannot participate in a dialogue, the family member is faced with a difficult decision: whether or not to remain in an unhealthy environment. How does she get out? She must decide first whether she is capable of leaving. If she is, she must decide whether she wants to leave. She must review all the pros and cons and ask herself how she wants to spend the rest of her life. Then she must make the commitment to stay or go.

There is no magic bullet, no easy way to leave. The way to achieve her goals—whether through recognizing new opportunities, acquiring other skills or recognizing financial priorities—will be clearer once she commits to the decision to leave or not.

If she decided to leave the business, she can attempt once more to dialogue with her family, to explain the rationale for leaving. If the family cannot understand her rationale for leaving, their inability is symptomatic of the reason she wants to leave. She may have to follow through, for the sake of her own health and happiness.

Follow your instincts

Even if leaving the family business is the healthiest decision, some people feel that such a move is unthinkable. My advice to them is to do it for the sake of their own nuclear families. Continually immersing themselves in their family of origin in an attempt to gain self-esteem not only is an exercise in frustration but also renders them emotionally unavailable to their own spouses and children. Working in a family business can be all-consuming. It is difficult to step outside yourself and take a clinical or objective view of the situation. When your instincts are telling you to quit the family business to pursue a passion or an opportunity, or to leave because the situation is unhealthy, trust those instincts and trust yourself. Life is short. To paraphrase Malcolm Forbes, our lives are not dress rehearsals—there are no do-overs.

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