



Institute for
Family Business

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How Can Your Family Business Prepare for Future Success?

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What We Will Cover

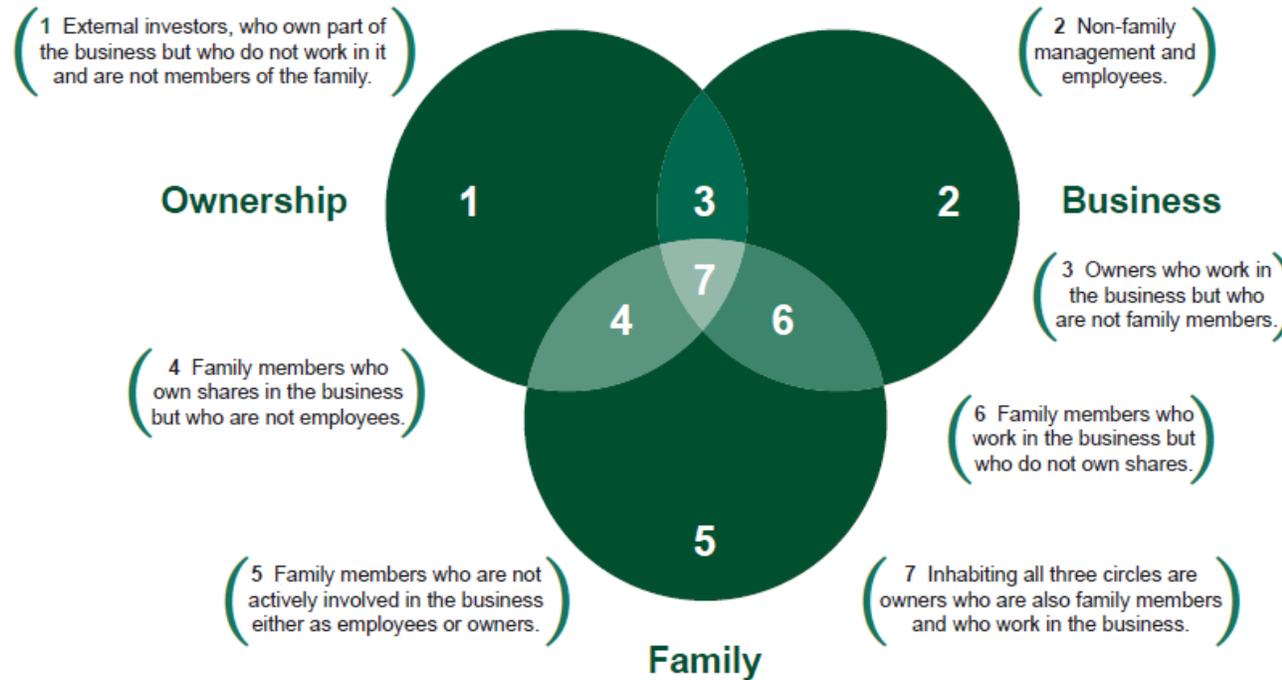
- The complexity of the family business system
 - Complexity not complication
- The long-term view – what does it mean in my family business?
- Succession and the next generation
- Family governance
- Working with non-family





Family Business 101: Three Circle Model As The Basis For Understanding

The three circle model of family business



Source: Adapted from R. Tagiuri and John A. Davis (1982) Bivalent Attributes of the Family Firm, reprinted (1996) in the Classics section of Family Business Review, Volume IX, Number 2, Summer, 199-208



Stages of the Family Business

- Owner entrepreneur – sibling partnership – cousin consortium
 - Over time the ownership base tends to grow (not always, depending on the set up)
- Family managed or non-family managed
 - Managing owners, governing owners, investing owners
 - Where are you?
- Family Office, family foundation
- Family governance in response to where you are as a family
- Do we have the right structure for the level of complexity of our business and our family?



Family Communication

- The development role of family governance
 - Constitutions
 - Councils
 - What are they for, how do they work?
 - Informal governance
- Family communication, not as simple as it sounds.
- When there is 'stuckness' in the system:
- Where is the alignment, what is a conversation you CAN have?
 - Values? Desire for the next generation?



Thinking of the Future

- Who are you benefitting/seeking to benefit?
- What time scale are you taking into account when making decisions?
- Succession planning
 - A process, not an event
 - How much time are we giving to this?
- Separating ownership and management succession and preparing the next generation for both aspects
 - What does it mean to be a responsible owner in our business
- Engaging the next generation
 - Do we have a space where they can learn and share ideas?
 - NxG in the business – the rules of engagement





Beyond the Family

- Working with non-family
 - Values and culture
 - Readiness for non-family in senior management roles
- Non-family in the Board room
 - Do they get us?
 - What value can they add?





Thank you

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