

# Mentoring the next generation



By Katherine Grady

**The next generation of mentors – parents, uncles, aunts, grandparents, senior business leaders and advisors – play an important role in guiding the next generation of family members. Career planning strategies can help these mentors prepare the next generation for their roles in the family business**

WHEN ASKED HOW he was able to create such a visionary and compelling figure of David from a gigantic, awkwardly shaped block of marble that other sculptors had attempted and abandoned, Michelangelo is said to have replied simply, "The figure was there imprisoned in the block: I only removed the useless stone around it." This story, whether legend or fact, is often cited as a metaphor for the struggle of all human beings to wrest a mature and authentic self out of the weight of the past; one's own childhood; family, peer and societal pressures; even one's cultural, political and historical foundations. And it is every good-hearted parent's intention, whether raising children to meet the challenges of a complex world or preparing succession opportunities in a family enterprise, to do whatever they can to help their children free the mature figure hidden within.

The problem, however, when it comes to raising children, is that no parent has the sure vision of a Michelangelo. Perhaps the single most important way that we can help our own children with their developmental struggles, both personal and career, is to be as clear as we can about our own blind spots and more conscious about our own agendas.

#### **To do or to don't**

Successful businessmen and women are often prodigious generators of "to-do" lists, public and private, long- and short-range. All too often, however, they do not pay enough attention to the "to-don't" list – the shadow side of each item on a "to-do" list that represents a less conscious wish, conflict or agenda – which can sabotage the best of intentions.

For example, almost every parent would agree that it is important to allow our children to find their own voices: to be true to their own unique make-up and natural inclinations. However, hidden beneath these conscious good intentions can be powerful biological and psychological imperatives that seem to

almost impel us in the opposite direction, instead wanting our children to mold themselves around our established template rather than their own unique design. Everyone would also consciously agree that a child encouraged to explore their own endeavors and individual dreams will be more likely to become a successful and satisfied adult, yet we often can not help harbouring vague feelings of betrayal or rejection when a son or daughter does not buy into the family values or the family business. Despite our best intentions, we can create unwanted obstacles for the separation and individuation of our children and young adults, and where good intentions break

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**Successful families are those that find ways to encourage a well-developed sense of responsibility and stewardship for the family dream**

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down, as they so often do, is where the most help is needed. Here are six ideas that can help the current generation of mentors – parents, uncles, aunts, grandparents, senior business leaders and advisors – in guiding the next generation of family members.

#### **Understand career development**

In his landmark study, Dan Levinson of Yale University showed that there were universal, clear and distinct stages of adult and career development. The first task is for members of the senior generation to have a working knowledge of these stages of career development in order to be effective mentors, especially in the earlier stages of career exploration. Very few children really know what they want to be when they grow up. Asked as a child, a young son might say he wants to operate

the heavy equipment of the family's construction firm or a young daughter wants to answer the phones for her father at work, but given the freedom to explore their fantasies, these answers will change many times as the children grow older. For some, the answer to what they truly want to do may not become clear until the person is well into their late twenties or early thirties. There is often considerable pressure on young adults, both overt and covert, to choose the family enterprise as a career. However, if they are urged to make career decisions prematurely they may choose a path without fully considering other alternatives that suit them better. They may make decisions because it is what they think their parents want from them (or what they don't want). Young adults often need time away from the watchful eye of the family and the family business to become educated, to explore other

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career options, to gain skills not found within the family business, to make mistakes or to have the freedom to start over if they need to. If family mentors can allow each individual to more fully explore their interests and skills at their own pace, then the members of the next generation who decide to pursue a career within the family business will bring broader and stronger experiences back to the enterprise.

**Educate about the business**

An ongoing family task is to provide the next generation with as much family business information and experience as possible during the exploration phase of career development. The tasks are to teach the next generation about the family business: its history, its vision and its legacy. They should also provide early work experiences for those interested in further exploration. For example, summer internships, work rotations, courses on business and finance, and regular shareholder education meetings are all activities designed to acquaint the

**RIGHT:** Michelangelo's sculpture of St Matthew, in progress. "The figure as there imprisoned in the block: I only removed the useless stone around it."



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next generation with the family enterprise. Parents who become mentors must begin to wear different hats as they become both teachers and business leaders to their children. This is perhaps one of the most difficult changes in family dynamics to negotiate. Here, parents and young adults must learn to walk with balance on a very narrow tightrope. To help with this balancing act, many families find it useful to match young adults with other mentors, both from in and outside the family circle, as it is often easier to learn from a favourite uncle or aunt, or a seasoned manager, than from one's own parents.

**Create a career development committee**

Another concrete way of educating family members about the family business, thereby helping them make better career decisions, is the formation of a career development committee to

help the members of the next generation with their career explorations. The make up of these committees varies, but a typical group might include a senior executive from the family, a human resources leader, a board member, an outside consultant or educator, and a senior family member outside the business circle. The most important criterion for committee membership is an ability and willingness to step away from their preconceptions of the young adults, whom they may have known since infancy, and to be open-minded enough to allow freedom of exploration. In regularly scheduled meetings with individual members of the next generation, seniors give personal attention and consideration to each person's unique career formation advising them on educational choices, work experiences and future directions. In many cases, the outside consultant or educator on the committee might be asked to provide various career

assessment tools such as vocational testing, personality inventories for the purpose of interest and skill assessment, and personal coaching.

#### **Provide clear criteria**

As these steps are negotiated, certain family members will begin to emerge with a genuine interest in pursuing a career in the business. This can be another area where parents and young adults must walk a narrow tightrope. Mentors cannot afford to have their feelings as senior family members interfere with their judgment as business

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leaders, nor can young adults afford to bring their unfinished family issues into the business. Clear entrance criteria provide checks and balances on possible preferential treatment for less qualified family members and ensure a parity of experience and education with non-family candidates. Many families now set entrance criteria that include such requirements as educational degrees in specific areas, a set number of years of work outside the family firm and a certain number of years of industry related experience. Furthermore, clear promotion criteria must be established. Family members should be required to follow the same evaluation procedures as non-family members and should be measured by similar promotion criteria. Obviously, one of the difficulties in a family business is the perception of preferential treatment for less qualified family members over other qualified employees. Having clear and openly defined promotion criteria and adhering to these standards will assure that the most qualified individuals are promoted, increasing the loyalty and satisfaction of non-family employees, and the overall robustness and strength of the business.

#### **Support worthy venture capital projects**

In the course of these explorations, some young adults may realise that they are

not interested in pursuing a career in the family business, and yet they have inherited the family's entrepreneurial spirit and talent. Rather than joining the family company in its second or third generation when the company is more established and highly organised, these members may want the greater personal challenge of creating their own enterprise. Consider, for example, the son of a second generation owner of a family-run publishing company who wants to start a business in on-line magazines. In this case, the new business is related to the parent's company and perhaps could even expand business opportunities for the established firm, but it is not an idea that the company would normally have considered. It could be in the best interests of the family and the company to support this new venture, affording a chance for a more talented member of the next generation to branch out on their own, perhaps helping the company diversify its market at the same time. In cases like this, a family enterprise can set up a venture capital committee comprised of senior family and non-family executives to evaluate the requests for venture capital, weighing the merits of each request much as they would any other request.

#### **Provide multiple options for participation**

All of the above-mentioned ideas are ways that members of the senior generation can mentor the members of the next generation in deciding how they want to participate in the family enterprise. Without this kind of guidance and these kinds of structures, whether formal or informal, too many young adults believe their only choice about the family business is 'in or out'. Indeed, many members of the next generation may not choose to work in the business, whether out of choice or lack of opportunities, and yet, as shareholders they have a vested interest in the business. The mentors of the current generation need to provide other ways for these shareholders to participate in the family enterprise in order to develop a sense of personal responsibility towards their own legacy. For example, a son or daughter pursuing other careers could be encouraged to serve on the board of directors; a nephew who is a freelance writer may want to join the family council and write a corporate history; or a niece in education may be interested in working with the family foundation.

Increasingly, the family business field is identifying the importance of creating many different levels of shareholder involvement. Families who wish to promote cohesion and continuity must find ways of helping all members of the next generation sort out what kind of shareholder they want to be and what level of participation they want to have in the family enterprise.

#### **Shaping the stone**

Parents in a family business often tend to observe their sons and daughters in much the same way that Michelangelo would have approached an uncarved block of stone: they seek to discover the possibilities of emerging leaders for the next generation. Who might be the next president, the next dynamic leader of the

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sales department or the next director of the family foundation? Often, however, the figures that emerge may have a very different shape than hoped for. When parents find that their dreams for sons and daughters to carry the family business into the next generation do not match their children's desires for their own future, then they and their adult children must work together to determine what this means for the family business. Successful families are not necessarily the ones with perfect matches between the parents' hopes and the children's choices. Rather, successful families are those that find ways to encourage the emergence of multi-faceted adults, some choosing the family business as their career paths and some shareholders choosing other roles, but each with a well-developed sense of responsibility and stewardship for the family dream. ■

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