

Family Champions: Energy for Success

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Sofia is a 42-year-old, fourth generation member of a 98-year-old family business. She has played a pivotal role in helping the family move from intergenerational strife and inter-branch conflict to an aligned and engaged owning family. She saw that a new type of leadership was needed in the family to achieve their goal of responsibly stewarding the business as non-operating owners. Sofia embarked on a mission to help develop the family-owners into a more engaged and active group.

What is a Family Champion?

Business families require effective leadership throughout the system to fulfill their potential. A lot of attention goes to who will be the next leader of the business, and appropriately so. But there is another area in which leadership can bring great value to the family – the role of “family champion.” Family champions are visionary catalysts who invest energy into the family-business system to support and develop the family-ownership advantage. The word catalyst is used because these people provide energy, inspiration and leadership that helps the family engage and develop to be the best owners they can be. The family champion is an inspirational leader for the family who works to help develop the family as responsible owners and stewards of their business.

Family champions are rarely designated or appointed by the older generation. Instead, they emerge of their own motivation and desire to make a difference in how the ownership group operates. This role commonly emerges as the family grows in size and complexity around the third generation. In some cases, these people see that a lack of leadership is hindering the family and begin to engage with their family to provide direction. In doing so, they begin to build credibility and trust amongst family members as a leader and positive influencer.

The family champion emerges in a natural cycle as the family sees the benefit of family leadership and rallies behind this person because they are providing an essential service to the family. Family champions often end up as family-council chairs or in a similar type of formalized role that makes their work even more effective. At their best, family champions work in conjunction with the leader of the business to ensure mutually aligned and beneficial coordination between business and family.

Characteristics of Family Champions

One of the most important things that Sofia did was to change the communication patterns in the family. Instead of continuing to engage in dysfunctional exchanges over email, Sofia would pick up the phone and talk with people

directly about their concerns. Through a close attention to communication, listening, and a commitment to not repeat the negative dynamics of previous generations, Sofia helped usher in a new era of familial relationships. She would listen to family members and ensure that all perspectives were being heard in their group meetings. As Sofia began to take on a more active role as a leader within the ownership group, the family placed more trust in her. Her credibility grew as she demonstrated a keen ability to communicate and engage with her family. Sofia was increasingly respected as a leader in the family and they looked to her for guidance on how to proceed with their work.

Family champions display a range of skills and attributes that position them well for leadership within the family-owners. Leadership within the family is not hierarchical, so this role is highly relational in nature. Family champions have strong interpersonal skills, most notably the ability to listen well, and they communicate effectively with a wide range of people. Family champions work to bridge the generations by integrating complementary perspectives. They have a strong sense of purpose about why they do the work and help others create their own dedication. Family champions build credibility and trust by being accountable, transparent and authentic. They have diverse personal and professional experience that they draw upon to inform their work. These attributes are developed over time and the most effective family champions engage in ongoing educational opportunities to grow their capabilities.

Opportunities of Family Ownership

Sofia saw the need to help the family create a long-term vision of their ownership and develop a plan on how to achieve that goal. She helped the family realize that in order to perpetuate their legacy, the family needed to develop a collective vision of what they wanted as a group. She began to ask thought provoking questions of the family: What do we want to look like in 10 years? If we want to pass this business along to our children, what do we need to do now to accomplish that goal? How can we do something different than our parents to create our own relationships?

By working across the family to develop family members as committed and engaged owners, Sofia inspired both individual and group development. As a group, they

engaged in family business educational opportunities, and individuals pursued their own goals for development. They began to develop alignment around their vision as owners and to think about how they would achieve their goals. Sofia provided the leadership that built the framework for this ongoing conversation.

The family champion plays an essential role in inspiring and encouraging the family to become an ownership group dedicated to a common goal. This person helps create a community of family members dedicated to being responsible stewards and building a family legacy by being actively engaged owners. This requires ongoing development work on the part of the family who must attend to their shortcomings and family-dynamic issues that may be holding them back. The family champion helps the family develop their ability to communicate together and to manage their intergenerational dynamics as strengths. The owning family can be the source of valuable contributions of talent, values and capital from people who have a true stake in the success of the family legacy. The family champion can provide the leadership necessary to help inspire, guide and develop the family to be a true advantage to the enterprise.

Leadership as Part of a System

While the family champion provides leadership, they cannot do their work alone. Empowering others to step up in responsibility is an important part of engaging the broad group. Thriving business families have involvement from a wide range of people playing different and complementary roles. They see themselves as a system in which their collective actions affect one another, so developing and engaging as many family members as possible is an important element of their success.

Sofia's efforts have been so valuable that the family eventually agreed to pay her an annual salary so she can focus on her leadership duties full time. The family is involved in individual and group development to build their governance capabilities for both the family and business. Their family council has an extensive taskforce system in which family members focus on certain issues and report back. This helps engage a wide range of people in making informed and thoughtful decisions.

As the family-ownership group develops, they are able to contribute to the success of the business through

aligned governance structures, most commonly a family council and board of directors. The result is a system in which all of the parts are working at an increased capacity and function. The family is aligned, committed and capable of being responsible stewards of the family enterprise legacy. This work is never “done” and the cycle of engagement between individual, family and business is ongoing and dynamic as circumstances change. Family champions attend to the continuous cycle and help lead the family to become ever stronger as an ownership group.

Successful Results

Sofia has played a catalytic role in helping her family transition from discord to being engaged stewards of the legacy business. Sofia is a family champion — a person

who plays a key role in developing business families to meet their responsibilities. As a result, the business is thriving and the family is continuing to develop their own ability to be effective owners.

The most effective, long-lasting business families have a wide range of people playing complementary roles. Family champions play the role of leadership within the ownership group. This position can be vital to helping develop family-ownership groups meet the challenges and opportunities of owning a family enterprise. Family champions are catalysts who lead, inspire and develop their business-owning families to be responsible and engaged stewards of their family legacy by investing their time and energy in the service of the whole family.



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