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Family Business Meetings

If your company needs to deal with uncomfortable family issues such as money, death, mistakes or relationships, a family business meeting or retreat may be in order. Family business meetings are not the legally required meeting of the corporate board. It is a meeting of the stakeholders of a family business.

Who should attend?

As stated above, the family business meeting should include all of the stakeholders of the family businesses. These are any family members, whether an owner or an employee, whose financial or emotional well-being is substantially affected by the activities and outcomes of the business. This includes sons-in-law and daughters-in-law. It also includes responsible teens—those interested and mature enough to sit still and participate.

Where should the family meet?

The meeting should not be held in the residence of the founder or of any family member. That is not a neutral site. It's far too easy for participants to fall into the roles they filled as children or to play host or guest.

It should also not take place in the corporate office. In that setting, the current leader tends to dominate, and family nonemployees may feel like outsiders.

A neutral site such as a hotel meeting room is a good choice. Or, families may opt for a church or park picnic facility. If the business is located in a small town where privacy is difficult, a nearby larger city is preferable.

Who should lead the meeting?

If the family usually has little conflict and has experience in running meetings, chairing can rotate among family members.

Another option to consider is hiring a professional facilitator. Consultants, attorneys, financial planners and CPAs are all good facilitation candidates.

The facilitator should be a neutral third-party and should have experience with the operations of family businesses. A good outside facilitator will teach the family how to conduct their own meetings in the future.

Prior to the meeting, the facilitator collects ideas and sets the agenda. At the meeting, he or she should set the tone and ground rules for discussion and seek to arrive at a consensus on key decisions.

What Should be Discussed?

In the first meeting or early stages of a retreat, discuss safe topics: the reasons for having a family business, the history and the mission.

At the next meeting, family members might consider under what situations they would be willing to sell their portion of the business.

Later, more difficult topics should be discussed:

- Estate planning
- Management succession
- Ownership succession
- Rules of entry
- Buy-sell agreements
- Compensation levels

One family member should arrange the first meeting by choosing a meeting location and date, inviting family shareholders and arranging for a facilitator.

If you need assistance planning your family business meetings, please contact our office. Davis & Hodgdon Associates offers these and many other services geared specifically to the family-owned business. We have years of experience collaborating with family businesses to reach their goals and we are happy to help assist you in the planning process and in facilitating discussions. For more information call 802-878-1963.



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