

# YOUR FAMILY BUSINESS MATTERS

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## BDO WELCOMES THE SUCCESSCARE® PROGRAM



**G**rant Robinson and The SuccessCare® Program have been working with family-owned businesses for well over a decade, so many readers probably already know about Robinson and his team. But, if you're not familiar with them, we're pleased to introduce them — they became part of BDO in January.

Robinson, a CA, has focused much of his energy and professional time coaching entrepreneurs and their families through processes designed to help them plan for their bigger, post transition, future. In 1996 he launched The SuccessCare® Program, which encompasses education, training, and coaching to families in business and to the professionals who advise them.

“One of the reasons for choosing to merge with BDO was because BDO clearly has a commitment to family businesses and we share the same outlook and philosophy toward transition planning. And, it has been great how strongly BDO has embraced The SuccessCare® Program. We have trained many others — insurance companies, law firms, and other teams of professional advisors — but we've never had as overwhelming a response as what we've received from the more than 300 partners at BDO. In the short time that we've been part of BDO more than half the partners have already gone through The SuccessCare® Program training and have embraced it. Indeed, many of them have

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## BDO WELCOMES THE SUCCESSCARE® PROGRAM (CONT. FROM PAGE 1)

already told us how much their clients have benefited," Grant said.

Keith Farlinger, CEO of BDO Canada, had this to say about the merger: "The SuccessCare® Program is further evidence of our commitment to being the leader in Canada in the area of family business transition planning. In terms of what the merger means to BDO's family business clients, it's simple: it means better client service."

### TIDBIT

Having a stated ethics policy is important in a family business, but often questions arise about how the policy might be interpreted or applied. It's helpful, therefore, to also implement a process for openly discussing specific practices and ethical issues that may arise.

Future issues of Your Family Business Matters will feature articles about The SuccessCare® Program. Here — to start off — are some comments about the SuccessCare® philosophy from Grant Robinson, the founder and Director of the Program:

"There are so many statistics out there about the high percentage of business owners who will be exiting their business over the next five to ten years but who have not taken any steps toward succession planning. In working with entrepreneurs over the years I've come to realize that one of the main, unspoken reasons people drag their heels on succession planning is fear: the fear of losing control, the fear of losing their identity — even the fear of "what comes next". It became clear that too much of succession planning focuses on the negative, rather than the positive — and we're trying to turn that around."

"The SuccessCare® philosophy is based on the belief that succession planning should be family-directed and focused on a bigger future for the founder. And, as trusted advisors, one of the main things we do for clients is guide them as they create their own integrated transition plan — one that addresses family as well as ownership issues. After all, it's inevitable that every business will be sold or transferred eventually, what we want is for our clients to have choices around how and when the business is transitioned."

## CORPORATE DOWNSIZING AN OPPORTUNITY FOR YOUR BUSINESS



High unemployment rates means there are a lot of talented people looking for work. In fact, the real, or perceived, threat of corporate downsizing means that there are even more talented people thinking about moving on. Both these realities present a potential boon to family-owned businesses that are poised

to take advantage of this phenomenon by snapping up some big talent.

Unfortunately, some businesses will miss the opportunity because they have not properly prepared in terms of:

- knowing what types of skills they need or could most benefit from;

- making themselves an attractive choice for highly skilled and motivated workers; and
- networking to find the talent.

### Knowing What You're Looking For

Before spending any time talking to a potential hire, honestly assess what your business needs in terms of talent, as well as how open you and others in your family will be to working with someone who is not a family member. No matter what skills an outsider might bring, if they are continually second-guessed or over-ruled, everyone will be frustrated and the business will ultimately suffer.

If you do decide to bring outside talent on board, it's important that you take the time to prepare a written job description. Potential candidates will expect to see one, and the exercise of writing it forces

you to think through the specific skills and experience you're looking for, as well as helps you ensure roles and responsibilities are defined. The job description will serve as the cornerstone of your marketing efforts to find the right person.

When meeting potential candidates, don't be overwhelmed by someone's pedigree — whether it's where they worked, what degree they have, or who they know. In a family-owned business, the ability to get along with everyone and having core values and a work ethic that is compatible with yours are crucial. To lessen the chances of being swept up by someone's credentials, it's wise to establish a clear, objective selection process that can help you learn what you need to know about the applicant. Using behavioral interview questions (those designed to reveal how the person actually behaved in a given situation, rather than how they might behave in a hypothetical situation) can be helpful in revealing possible personality clashes and differences in interpersonal styles that may cause friction.

### Attracting Talent

After you've determined the skill set and personality you're looking for, the next issue is figuring out how to attract qualified candidates. Attracting employees is a lot like attracting customers — you have to be able to provide them with something they want and convince them they should get it from you, not your competition. The list of things potential employees are looking for, especially highly-talented ones with many opportunities, is long. Adequate compensation and benefits is just a threshold requirement. If you're in doubt about what the going rate is for particular skills, do your research.

Beyond remuneration, successful, skilled, motivated people will be looking for challenges and opportunities. Because potential employees will be trying to assess how bright a future they'd have if they signed on, you should be prepared to



answer questions you may not normally expect about your business' future direction, plans, and expected profitability. In short, you must be able to articulate what makes you different from other places they might work for.

### Finding Talent

Traditional ways of finding employees — things like advertising the position and hiring headhunters — are still worthwhile, but they can be costly and time consuming. Unless you have an immediate need, your best bet is targeted networking. Go to events where the type of talent you're looking for is likely to be found: trade shows, conferences, fundraising events, etc. Two other sources often overlooked are outplacement firms and university placement offices. Outplacement firms are paid by companies to help employees who have been let go find work, which means they're probably working with many talented jobseekers. University placement offices tend to focus on placing recent grads, but sometimes they are also available to alumni who are job hunting.

### Conclusion

Though turbulent economic times present a number of challenges, they also present opportunities for businesses that are positioned to take advantage of them. The abundance of talented potential employees is one such advantage you should consider tapping into. But, before you go in search of such talent, do your homework: make sure you're clear on the specific skills, expertise, and talent you need, as well as about the personality type that will fit in, and be sure you've got a sales pitch that sets you apart as a potential employer.

### TIDBIT

Hosting booths at a trade show can be expensive, but for many businesses doing so is critical. Rather than forego attending, consider ways you can trim your costs. For example, reduce the size of the space you rent or lighten up your displays — you'll cut shipping costs and material handling charges paid to the venue supplier.

# COPING WITH THE DEATH OF AN EMPLOYEE



**W**hen an employee of your family business dies, whether expectedly or unexpectedly, in addition to coping with your own grief, you may find yourself in the role of grief counselor. Though this is not a welcome role, there are a number of concrete things you can do that can help others manage their grief and can help ensure the business continues operating as well as can be expected.

## Notifying Others of the Death

One of the first issues you may be faced with is notifying others of the death. Depending on the circumstance, you may need to notify family members, co-workers, clients or customers, and even suppliers. Those closest to the deceased should be notified in person (whether face-to-face or on the phone). Regardless of who the notification is to, you should do it soon after you learn of the death. If you do not have many details about the death, simply tell people what you know and promise to fill in details later.

After people have been notified, consider holding a staff meeting to give people the chance to express their grief. To reduce the chances of a delayed stress response among staff, it's best to hold such a session fairly quickly — one to three days of hearing of the death.

If you have an employee assistance program (EAP), it's a good idea to ask to have someone from your EAP provider to help facilitate the meeting, or at least attend it, as they have experience in grief counselling.

Attendance at such a session should be voluntary, as should the choice of whether, and how, to participate. Some people may wish to speak about the deceased or their relationship to him or her, others may not be comfortable speaking or showing emotion, or may even be too emotional to do so.

## Commemorating the Deceased

At this session you can also discuss what the business might do as a gesture of condolence toward the person's family, or as a remembrance. There are no definitive rules of etiquette or protocols when it comes to gestures the group may make in this situation. Respect for the deceased (and their family's wishes) should guide you. Things like charitable donations in their memory, a bulletin board with photos of the person, or articles about them written by co-workers and circulated in an internal newsletter can be a fitting tribute to the deceased.

## Business Matters

In addition to dealing with grief, there likely are a number of basics business-related things you will have to attend to quickly. For example, time off for staff to attend the funeral or a memorial should be arranged. Depending on the number who would be attending, you might close for the day, or you might have to bring in temporary help to answer phones while people are out of the office for the event.

Accept the fact that staff productivity may decline in the aftermath, as may peoples' motivation. This should only be temporary, however, so patience is in order. If, however, you observe some staff who seem unable to move past their grief, consider suggesting to them, in private, that they get professional help, for example through your EAP or from some other source.

If the deceased had personal belongings at their desk, you will have to make arrangements to get those to their family. You can invite a family member in to collect them or, if you think it would be meaningful to a co-worker who was close to the deceased to box them, you can ask them to do so and have the items delivered to the family. If you plan on having the personal belongings delivered to the family, be sure to tell them — receiving such items unexpectedly after someone has died can be very difficult for family members.

You should also have a plan for handling inquiries directed to the deceased. The deceased's voice mail and e-mail must also be changed appropriately.

## The Deceased's Replacement

Depending on the job left vacant by the employee's death, you may need to figure out how to staff that role quickly. You may want to ask employees to take on some additional tasks in the interim, or you may find it best to hire someone on a temporary basis, until a permanent solution is found.

When hiring someone to replace the deceased, you must let the person know they are replacing someone who died. Starting a new job is difficult in the best of situations — it is even more difficult if co-workers are still grieving the loss of a colleague. To help lessen the chance that co-workers may unfairly compare the new person to the deceased, take care to introduce the new person, being sure to set out his or her background and experience.

## Conclusion

The death of a colleague is difficult for all. Keep in mind that everyone grieves differently and for different periods. Just as with other aspects of running your business, people take their cue from the top so try to help staff, or encourage them to get help, and show compassion and patience.

# DEALING WITH GATEKEEPERS



**D**ecision makers, whether they're potential buyers, potential investors, or even potential business partners, are often difficult to reach because they're "guarded" by skilled gatekeepers. But interfacing with a skilled gatekeeper, whether it's an administrative assistant or vice president you have to speak with before being able to talk to "the boss", shouldn't be looked at as a negative. Instead, if you forge a positive relationship with the gatekeeper, dealing with a gatekeeper can be a plus, as he or she probably knows quite a lot about the business.

## TIDBIT

Though some would argue there's no good way of laying off employees, clearly there are better and worse ways of carrying it out. Communications aimed at informing the employees, rather than the financial community, are an important first step in planning and conducting staff reductions with integrity.

Here are some do's and don'ts for dealing with gatekeepers.

## Do's

- **Do engage the gatekeeper** — being polite is the absolute minimum you owe anyone you speak with. Beyond that, it's good business sense to take the time to develop a rapport with the gatekeeper because, at a minimum, you're likely to be in contact with them when you call again in the future.
- **Do "pitch" the gatekeeper** — making your pitch to the gatekeeper in advance of (hopefully) making it to the ultimate decision maker gives you the opportunity to practice the pitch and perhaps gain insights into how it might fly with the decision maker. It also might result in you finding out that, in fact, the boss is not the person you should speak to — it's someone else.
- **Do ask the gatekeeper for help** — there are any number of ways a gatekeeper can help you. For example, he or she may have suggestions about what the decision maker's schedule is and when

he or she might be able to attend to the matter. Or the gatekeeper might be able to suggest others within the organization who might be influential in the ultimate decision and the gatekeeper might even be able to introduce you to them.

## Don't

- **Don't assume the gatekeeper is not influential within the organization** — just because someone answers the phone doesn't mean their boss does not respect their opinion and input on matters of substance.
- **Don't insult or alienate the gatekeeper** — clearly you would never intentionally insult anyone you're in contact with in business, but you should take special care to avoid inadvertent insults. For example, if you immediately simply ask to speak to someone else, you may insult the gatekeeper. Similarly, if they get the sense you are trying to go around them, they could become irritated and make it much harder for you to gain access in the future.
- **Don't be pushy** — insisting on speaking to the decision maker will not do you any good with a skilled gatekeeper. Furthermore, if you get a reputation as being pushy, there's a good chance the gatekeeper will pass that view on to the boss, regardless of whether the gatekeeper puts you through to the boss!

## TIDBIT

Cyberslacking may not be a term found in the dictionary yet, but we all know what it is: it's when employees spend time on-line rather than working. To help control it, your business should have a policy regarding email and internet access and use, including such things as instant messaging and use of social networking sites.

## Q&A

### USING FACEBOOK



**Q** I'm 23 and I've been working in our family's business full-time since graduating from university. Summers during university I worked in the business as well, so I have a pretty good sense of it and I think my folks' tacit assumption is that one day I'll end up taking over. It's way too early to talk about that, especially given how frustrated I am right now because my ideas about using Facebook to market are being completely ignored. At this point I'm not sure I really want to continue in the business at all. Can you give me some ideas about how I might convince my father we should be using Facebook? The problem is he doesn't "get" the digital world at all — he doesn't even know the difference between Facebook and Twitter and yet he's decided my idea is ridiculous.

**A** Though we do know the difference between Facebook and Twitter, we wouldn't dream of offering an opinion as to what type of marketing might be right for your family's business. But, it sounds that your underlying concern has more to do with the fact that you don't feel heard or taken seriously — and we do have some advice around that.

One thing you might consider is drawing up a formal business case for why your family business should be using Facebook. In other words, don't just say "we should be doing this" — explain why and how it could be done. Demonstrate that you know what you're talking about by using case studies and examples of what other businesses (perhaps competitors) are doing with Facebook.

Of course, if you do go this route, it's important that you take it seriously and do a good job in putting together the case study or business plan. The plan should be thorough, addressing the issue from all angles, such as out-of-pocket costs (for example, estimates related to the investment of person-hours needed to start and sustain whatever campaign you might have on Facebook), projections regarding returns/impact, a proposed implementation schedule, etc.

Also, though it probably goes without saying, if you decide to spend time on a business case for an idea your father doesn't feel is appropriate for the business, it's best not to do it on "company time". Though it may seem unfair to have to do it on your own time, that's just the way it is. (After all,

if every employee decided what he or she would spend time on, the business of the business might not get done.)

As you go through the process of building a business case, be sure to be honest with yourself. You may find that the idea is not a good one, or perhaps not appropriate at this time. If that's the case, don't be embarrassed or frustrated because all you will have lost is a bit of your time. Remember: a reasoned decision not to proceed with an idea might well mean saving the business from what could have been a costly mistake.

Though creating a business plan may sound daunting, even if your father still rejects your idea after you present the case for it, your effort will not be wasted. At a minimum you'll have gained knowledge about business planning and practice engaging in the foundation work necessary to bring a business idea to life — experience you'll be able to apply in the future. But equally important is the fact that in doing so, you likely will have gained credibility with your father in terms of your seriousness, your business focus, your initiative, and your maturity — in other words, you'll be building "relationship capital" that may pay off next time you try to sell him on a business idea.

#### TIDBIT

**If you're using social media just to get your message out, you're not making the most of it. You should also be using it to listen to what your customers, fans, and detractors have to say about you.**

The information in this publication is current as of March 1<sup>st</sup>, 2010.

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