

## Family Business - Selection Headaches



If you follow rugby union, you will know that the British & Irish Lions are touring Australia at the moment. The Lions are a team made up of the best of four teams that are normally at each other's throats. It is a bit like State of Origin if you prefer rugby league. Everyone has an opinion on who should be in the combined team and we all have to face our bias that our preferred player in a position may not be as good as another or may not fit in the combined team as well as in their home team. It is a good debate and fun if you do not have to make the selection decisions and tell very disappointed players that they are not included.

In Origin, Billy Slater said that being a coach was much harder than being a player. With the Lions, the coach Andy Farrell had an opportunity to select his son Owen about whom there were pros and cons. In Owen's favour was his huge "big game" experience at the highest level but going against him was that he was not playing regularly and there were others playing at the top level at that time.

There was a big debate about this and he chose not to select his son for the tour. In a twist in early July, one of the selected players broke his arm so the coach could call up a replacement. Showing how the original dilemma still haunted him, the coach picked his son Owen at the second attempt.



Many are saying it is the wrong decision but it could work given he knows his son better than any player in the world.

Given that life reflects art (and sport) and vice versa, I have followed this. I like to help families with real, sometimes thorny issues, and there is much to observe and learn here. We might not be tasked with selecting a high-profile sporting team but we may have selection decisions to make about our own family or team at work. It may be about self-selection or of a family member about whom we have some bias. It is very difficult with potential serious and long-remembered consequences for our family.

Fortunately for families, we are not the first to face these issues. John Vamos has written a great book called Four Voices: Managing Love, Loyalty, Family Wealth and Succession Through the Generations <a href="https://share.google/y70BmczsYkSmFc2O2">https://share.google/y70BmczsYkSmFc2O2</a>.

In this note I want to discuss a book written by Lee Hausner Phd with her late husband Ernest A. Doud Jr called "Hats Off to You 2 – Balancing Roles and Creating Success in Family Business" as I was lucky to be able to talk to her about it recently at her home in Beverley Hills, California.

In the book, Lee uses the analogy of hats to navigate the issue. We all have different hats to wear in life: child, parent, sibling, friend, employee, boss, mentor, maybe founder or inheritor etc. If we are clear what hat we are wearing at a particular time, it can give us some clarity about what we should do in a given situation. "What is good for the goose is good for the gander" may not be helpful here.

In Lesson 1 ("Manage your hat collection"), she gives tells the true story of the business owner who employed his son to run a unit of the business. The son's performance was not up to standard and he had not responded to feedback about this issue. The Dad explained to his son how hard it was to run a family business: on the one hand he cared very much about his family and on the other hand he cared very much about the business. He put his "Boss" hat on and told his son that he could not tolerate continuing sub-standard performance so he fired him. He immediately put his "Dad" hat on and put his arm around his son saying, "I understand you just lost your job. Is there anything Mum and I can do to help?"!

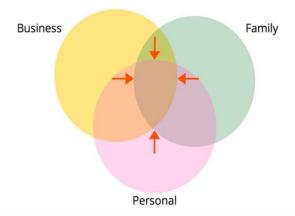
In the Lions situation, despite advice from our coaches to go ahead and select his son, Andy Farrell decided not to select his son. I have no inside angle on how that went down with his son but it must have been challenging. That said, both Farrells have openly championed the virtues of honesty and plain-speaking. In my experience, that pre-work gives them the muscle to withstand some short-term pain and bruising.



Lee's other three lessons in this book are:

- 2 Everyone in every family business is seeking the same three goals.
- 3 Seek and maintain balance between prosperity, harmony and personal well-being. I describe this in my book "Be A Better Ancestor" as "Business, Family, Personal". There is always an overlap and the task is for the overlap to be balanced in a way that works for the particular family.
- 4 Well-balanced businesses are unbeatable. This requires a deeper understanding of each person's well-being needs and a commitment to reconciling them now and at all times in the future. As Lee says, "You must never stop trying to achieve balance, even after you think you have it. The minute you stop, you'll lose it."

Going back to sport, Lee then says it is much like playing golf, which may not console the other struggling golfers out there but it may help you focus and stay on the course for the full round!



There is no easy solution but the sooner you start practising and taking lessons from someone who is not blinded by the bias and love you have for your family, the closer you are to a better score.

Someone said a recent large challenge was "not a race". Well, it is - is it a sprint or a marathon? Well, I say family business is neither - it's a relay of marathons. Exhausting I know

so fitness, team cohesion and a shared goal are essential.

I highly recommend this book and have only touched the surface of the gems within it. I will share more gems shortly. Come on the Lions!

**PS** here is a photo of Lee signing my copy of her book in her condo in Beverley Hills in June 2025

**PPS** here is a link of what she said about my book: here

