



ASPEN FAMILY BUSINESS GROUP, LLC

DEEP RELATIONSHIPS. ENDURING LEGACIES.



Tel Aviv University Family Business Center Program for Advisors to Families in Business

**Presented by
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Overview of Workshop

- Introduction
- Case History
- Principals and Practices
- Client Challenges Presented to Advisors in Israel
- Dialogue About Those Issues and the Challenges they Present
- Summary and Close

Some Principles and Practices

- Neutrality and Independence
- Family business as a system
- Differentiation of individuals and of sub-systems
- Communication as the “currency of family business”
- Provide context for clients to understand family business phenomenon
- Starting “where the client is”
- Understanding what your competencies and who else you need
- Integrated system of advisors
- Best practices: See attached handouts
- And Others!

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Family Business Best Practice Assessment

Adapted from

The Keys To Family Business Success

by Leslie Dashew, Joe Paul, Bill Roberts and Sam Lane

The following are some of the best practices that are described in the book, *The Keys to Family Business Success*. These are practices that contribute to the well being of families and their businesses.

Please review each item and note what you and your family have done with regard to the questions. Put a check mark after anything you feel you have completed.

1. Shared Vision (*i.e. what our dreams are for the future of the family and business*)
 - a. Do you and the other members of the family have a written vision for the future of the family and business? ____
 - b. Are all stakeholders familiar with the vision statement? _____
 - c. Have family members all agreed to support the shared vision?_____

2. Shared Values:
 1. Has the family had a discussion to identify shared values?_____
 2. Have you documented the values that are most important to the family and lead to success of the business (this may be part of a mission statement and/or family constitution)?_____
 3. Do members of the family and key employees use this document to guide decision-making?_____
 4. Have you created a code of conduct that is based on these values including such things as expectations of public behavior, respecting differences, etc?_____

3. Family Communication:
 1. Do you value and encourage skillful communication and are you good at it? ____



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2. Have you created a Family Council or had a series of family meetings to explore your vision and values and to develop a set of family polices (and/or a constitution)? ____
 3. Discussing the undiscussables: Have you created a forum (like the council) to talk about the difficult subjects that must be addressed in families that own business and developed the skills to do so? ____
 4. Do you have a process for resolving conflict including what you will do about key issues that are not resolved? ____
4. Family employment policy:
1. Have you developed, written down and shared a family employment policy so that all family members (and key employees) understand how family members may be considered for employment? ____
 2. Do you have a policy on compensation that assures that everyone receives "fair market value" for their work; while distributions to owners are provided according to their percent of ownership? ____
5. Job descriptions and performance management:
1. Do you have clear roles and job descriptions for everyone working in the business? ____
 2. Does each person understand the tasks for which he or she is accountable and the extent to which he or she can make decisions on their own? ____
 3. Is every employee given feedback on a regular, structured basis so that they know what they do well and where they can stand improvement? Is that documented? ____
6. Planning:
- a. Do you have **strategic plans** in the business to provide a road map to success to help you reach your vision? ____
 - b. Do you have **budgets** to guide your use of business resources that are consistent with your plans? ____
 - c. Have you developed plans to achieve **family council goals** as well? ____
 - d. **Ownership planning:**
 1. Have you developed estate plans to assure that the company would be protected from estate tax obligations and conflict at the death of the current owner(s)? ____
 2. Do all adult members of the family have wills and other estate plans? ____
 - e. **Catastrophe Planning:**



1. Do you have a plan for who would run the company if the leader died suddenly and documents that are readily accessible to help that person deal with the legal, financial and operation challenges in that crisis? _____
2. Have you shared the plan with key people so that they will be prepared to implement it at that time (spouse, other executives, etc.)? _____
3. Have the liquidity needs of the business and family been considered in the case of such an emergency? _____

f. **Succession Planning:**

1. Have you considered what type of leadership will help achieve the long-term vision and who might be prepared to be a successor to the current company leader? _____
2. Have you engaged potential successors in this discussion? _____

7. **Ownership:**

1. Do you have documents describing the ownership of the company with clear description of the roles, rights and responsibilities of owners (e.g. shareholder agreements)? _____
2. Do shareholders have a regular time and place to learn about what is happening in the business and to share their goals and concerns? _____
3. Do you have a strategy for educating the upcoming owners about the role of "ownership"? _____

8. **Building Trust:**

1. Have you identified points of distrust, explored what is contributing to the distrust and what can be done to repair those relationships? _____
2. Are you working to keep trust by honoring each stakeholder in his/her role(s)? _____

9. **Advisors:**



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1. Do you have advisors who are challenging your thinking and proactively bringing your attention to issues that will protect you, your family and your business? ____

2. Do your advisors talk to each other to be sure that they are coordinating their efforts on your behalf? ____

3. Do your trusted advisors work with the entire family business system (not just one person)? ____

10. Board of Directors:
 1. Do you have a Board of Directors to help you work "on the business" rather than "in the business" with independent perspectives that come from outside the family and the business? ____

 2. Does the Board hold executives accountable for best business practices to assure the success of the business? ____

 3. Does the board meet regularly and give candid feedback on those occasions? ____

 4. Does the board meet with family owners to understand their goals and perspectives? ____

As I review this questionnaire, what observations have I made?

What are my priorities about what to address?

Resources:

- www.aspenfamilybusiness.com
- Working with Family Businesses, A Guide for Professionals
- Balancing the Emotional Ledger: Axioms and Guidelines for Counseling Families in Business
- August 19-21, 2016 Private Workshop for Advisors to Families in Business To Learn Leading Edge Tools and Concepts In an intimate setting with pioneering experts, Joe Paul, Leslie Dashew and Bill Roberts, Of The Aspen Family Business Group