Walking the tightrope between family and business; longitudinal reflections of a Family Business Advisor

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Walking the tightrope between family and business; longitudinal reflections of a Family Business Advisor

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Abstract: This longitudinal study of the relationship between a Family Business Advisor (FBA) and client confirms that the advisory relationship is complex, evolutionary and influenced by multiple factors. The relationship passes through phases, the nature and relative importance of each varying with changes in the structure of the business, the role and expectations of the family, the level of trust between the FBA and the client, and the market in which the business is operating. Outcomes from one phase become inputs to the next and the interactions needs to be considered part of a process and not a series of individual events. Building upon the literature in this field, the experiences of the FBA in this case reveal four critical success factors; clarifying the identity of the client; making agreements with the client at key phases in the process; defining the nature of the process; and being clear on the desired outcomes. In some cases, the success of FBAs' interventions may not mean ensuring that the business remains in family ownership; a successful outcome may be that the business continues under other ownership or management, but family unity has been preserved and individuals are doing what they want to do.

Keywords: Family; Business; Advisor; Mentor; Relationships; Succession.

Profiles:

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1. Introduction

In this, the third paper in a series on the role of the Family Business Advisor or FBA (Swaffin-Smith and O'Leary, 2019; 2020), the aim is to explore the experiences of FBAs working with family firms over sustained periods. In the case considered here, the business experienced significant growth over a sustained period of time, increasing its turnover from less than £1m to over £15m. It also transformed from being owner-managed by the founder to being owned and controlled by the founder's son and daughter. Substantial changes also occurred in the nature of the business and the customer base. The FBA's role transformed from that of a mentor to that of a Non-Executive Director. This study explores the FBAs' reflections upon an evolving relationship with the family and business. Specifically, it considers how different outcomes for measuring the success of an advisory intervention can be equated to different phases in the business and family's development.

Insights from the literature are used to critically evaluate the different roles and processes that the FBA used to facilitate change during the length of the project. Particular attention is paid to relevant theories and models developed by academics with an interest in family business consulting. This is aligned with the FBA's own experience of supporting the family business through the transition from an owner-manager structure to one where the business is owned and managed by the second generation. The focus will be two-fold; first, examining how FBAs can adapt their role and the processes that may be used to facilitate change throughout the transition; second, how specific inputs and processes influence the outcomes or measures used to assess the on-going success of the advisory process. Finally, some conclusions are drawn on the links between the family and business contexts and the measures that the client and FBA may use to measure success and value-added.

2. Literature Review

Scholarly interest in family business has grown exponentially over recent decades. More recently, this has included an increasing interest in the relationships between family businesses and their advisors; or consultants . Family decision-makers tend not to make decisions completely alone They regularly rely on internal and external advisors (Reay et al., 2013; Salvato and Corbetta, 2013; Strike, 2012 and 2013). These FBAs tend to fall into two categories; external advisors with a specific expertise, contracted by the family or the business to carry out a specific task (such as financial advisers, business consultants and family therapists) and internal advisors who generally give advice on an informal basis and are not contracted to do so (often includes spouses, other family members, family friends and business colleagues), their legitimacy being based on trust. Significant academic research has focused on identifying the inputs, processes and outputs that result from, and impact upon, the nature of that relationship between adviser, business and client. Researchers from across the disciplines of psychology, social psychology, family business and management have identified a range of relevant variables, some of which will now be discussed.

2.1 Input Variables

2.1.1 FBA's background subject area: FBAs' background subject discipline can be expected to have a major influence on their values and attitudes and, as a consquence, the approach and processes that are utilised. Three main categories of approach, based upon specific conceptual criteria that define the approach and the means available to resolve issues, were identified by Kadis and McClendon (2006). The first group includes those FBAs whose approach is broadly based on Bowen's long-established psychological theory of human behaviour (Gilbert, 2018). This views the family as an emotional unit with complex interactions of thoughts feeling and actions. The approach of these FBAs is to help the the family recognise and understand the behaviour patterns that affect the business, and then to suggest changes where necessary to help them progressively professionalise the business (Bork, 1993; Baker and Wiseman, 1998). The second group covers those FBAs who can be loosely described as organisational development specialists. They see the family as being in control of the business and intimately involved in bringing about change within it. These FBAs pay attention to how family members communicate with each other and with other stakeholders, make decisions and monitor performance. They may use process models to help family firm managers appreciate the emotional implications of change and understand the connections between personal, family and business life. The third group of FBAs base their approach on the principles of systems theory, focusing on the interactions between the separate elements of a system in order to identify potential areas of conflict. The theory emphasises the need to focus on an issue in the relevant part of the system, such as ownership in the three-circle model (Tagiuri and Davis, 1996), while also taking account of the dynamics of the overlapping areas and the system as a whole (Gersick et al., 1997).

Other academics make the distinction between content specialists and facilitators. However, the term FBA generally relates to an advisor who takes a holistic view of the family and the business. In the first instance, FBAs see the family as the client, use a facilitative approach and strive to help the family achieve balance between the needs of the family, the owners and the business. However, over time, the FBA's perception of who their primary client is will impact on the approach they may use to achieve a successful output.

2.1.2 The fit between adviser and client: Another potential input influencing the advisory process is the relative age, experience and reputation of the FBA. These can influence the client's choice of who to employ and the level of trust that is subsequently developed between client and adviser. For example, a long-established owner-manager may have always found it difficult to share thoughts and concerns with younger members of his family and may feel more comfortable working with someone of a similar age who is perhaps more likely, because of their experience, to understand the owner-manager's current situation. However, the next generation may prefer to work with someone who can bring new ideas, represents the future and who is not connected with the previous generation. The establishment and development of trust is key to the relative success of any client-advisor relationship (Gino et al., 2009) and similarities between FBA and client tend to enhance acceptance. In a family business setting, individual members of the family may each relate more easily with FBAs who have different attributes and, therefore, in more complex settings, a team of FBAs may be most effective in bringing about change. However, the sole FBA can also facilitate an improved process by collaborating with other advisers currently being employed within the family or the business. Interestingly, there are several examples of subsequent generations of long-establised family firms setting up their own FBA services, their credibility being based on having the experience and ability to understand the issues that the client is facing. There is only limited published research examining how differences in age, gender and values between the client and FBA impacts upon the relative outcomes of an advisory relationship.

2.1.3 The level of skill and experience of the FBA: A number of academics have focused on the level of skill and ability of the advisor as a key input varaiable. For example, the importance of the FBA maintaining a neutral stance (Michel and Kammerlander, 2015), the FBA's ability to understand family members' emotions and motives (Goel et al., 2013), and of characteristics such as loyalty, commitment, qualifications, independence, objectivity and sensitivity (Reddrop and Mapunda, 2015). Family firms are generally very proud of their history and the ways that they have impacted upon their communities and, so, the FBA's ability to demonstrate an interest and commitment to a business is key to establishing trust. From the FBA author's experience, the FBAs' ethics and level of professionalism play a major role in influencing the advisory process. Owner-managers and family members of smaller family business have often had little or no experience of managing FBAs. Even as clients, they often do not know what to expect, or understand the potential impact, from bringing an outsider into the business. Therefore, it is essential in the initial discussions that the FBA helps the client understand the process, clarifies expectations and outlines the potential challenges of using an outsider. The role of the FBA needs to be clear, FBAs need to be aware of their own strengths and weakneses, and also know when to disengage from the relationship. The benefits of independent advice can be compromised if the FBA overstays or is seen as another stakeholder in the business or as part of the family.

2.1.4 Specific characteristics of the family business client: Specific characteristics of the client also impact upon the advisory process. The client could be an individual member of the family, the family as a whole, the business or an owner. In the case of an owner-manager, it is important for the FBA to understand the reasons help is being sought, the aspirations of the client for the business and the family their expectations and experiences of using an outsider, the clients' relationships with other family members, the client's psychological readiness for change and any concerns that they may have about relationships with other members of the family. For example, setting up a succession plan with a family business founder is likely to impact upon his personal status within and outside the business, The founder be concerned about their future role within the business or at home the home, and their future financial security If considering passing on the business to children, the founder may be concerned about their ability to develop the business or to manage complex cross-generational family relationships. Businesses, markets and family members are constantly changing, generally following a pattern of birth, childhood, youth, maturity and old age. These evolutions also influence the role of the FBA. For example, the options for succession will be influenced by the age difference between the founder and his children, the relative financial health of the business and the stability of the market in which the business is operating. Finally, the client's perception of the relative urgency of bringing about change is another potential input factor. Owner-managers who are not used to delegating, and who perceive themselves as relatively immortal, may require the FBA to adopt different tactics and processes to bring about change. Alderson (2009) notes that, compared with the founder, the second generation is more rational and deliberate in decision-making while Redddop and Mapounda (2015) indicate that the founders' followers tend to conduct a broader search for knowedge and are more likely to turn for others for advice.

2.1.5 Issues and challenges relating to the family business in transition: Several academics have focused on the life-cycles of the family business (Gersick et al., 1997; Lansberg, 1999), observing that family businesses can be categorised into four stages of ownership: Owner Management; Family Partnership; Sibling Partnership; and Cousin Collaboration. Businesses transform from one stage to the next and, during such a state of transformation, are likely to exhibit characteristics of at least two different states. However, each stage presents its own challenges and issues that need to be addressed for the business to develop. The owner manager needs to stay involved with the family, share their personal goals, explore their personal options and discuss financial participation generally with the family. To move through the the family partnership stage, the family need to create liquidity for the founder, help identify new life goals for the founder, share control with the next generation, clarify the future goals and structure of the business and hold family meetings. They will also need to agree what actions need to be taken to further professionalise the business. Some of the specific decisions that the family may have to make include whether to continue the business or to sell it, and what involvement the next generation has in managing the business. Therefore, firms in different generational phases differ in their need for advice; the requirement often decreasing from the first to the second generation as family experience increases, and yet increasing from the second to the third generation as task conflict rises (Bammens et al., 2008).

2.2 Process variables

A number of family business and psychology researchers have studied the advisory process, with Strike et al., (2018) identifying four categories of advice giving, advice taking, advice utilisation and decision making; with each category often related to the discipline and approach of the adviser (Lansberg and Gersick, 2015; von Krosigk, 2015). For example, the focus of a subject expert is likely to be on advice giving while the focus of a facilitator will be on advice utilisation and decision making. Different clients will have different reasons for asking for help and may be more comfortable with different approaches; a particular individual may be happy to receive advice if it confirms what is already thought.

2.3 Output Variables

Several authors have studied the potential outcomes from the FBA-client relationship. For example, Grubman and Joffe (2010) note that a process-orientated FBA tends to focus on establishing a structure that allows the family to develop and implement their own solutions to issues of family business and ownership. Poza and Messer (2001) indicate that family relationships tend to benefit from heeding advice to work more co-operatively as this creates fewer conflicts and the family better manages tension and conflict. Sundaramurthy (2008) focuses on the FBA's important role in increasing family competences, the creation of trust that those entrusted with a task are capable and willing to perform it well, and the ability to bridge the gap between the generations so that retirement and ownership issues can be better resolved.

Each of these authors addresses the significance of changes in attitude, behaviour and skills of family members. Therefore, output variables from a FBA-client relationship can be both quantitative and qualitative in nature. Strike et al.'s (2018) review of the relevant literature identifies four categories of outputs that might result from a FBA intervention: Family Economic; Family Non-Economic; Firm Economic; and Firm Non-Economic. Whether an outcome is perceived as a success will depend on what the individual or family hope to gain from engaging the FBA. The advisory relationship is clearly complex and the impact that a FBA has on an individual, a family or a business is dependent on multiple factors that are likely to change over time.

3. A case study

This case study focuses on the FBA authors' experiences of working as a FBA for one family firm over a period of more than seven years. In reflecting upon this experience, reference will be made to input, process and output variables identified in the literature. The way in which the relationship between the FBA and the client changed over time will be identified, and the factors that impacted on the relative success of the support will be analysed. During this period, the family, business, individual family members and FBA all changed as they progressed through several different stages of evolution. The firm changed in terms of ownership and management, from owner-manager status to that of a family-partnership (now heading towards a sibling-partnership), the business expanded significantly from stability to rapid growth, individual family members became parents and grand-parents, and the FBA changed from a founder-mentor role to that of a trusted catalyst for supporting the development of the business.

4. The Analysis

The focus of this analysis is on the FBA in supporting the business from owner management, through family partnership and towards sibling partnership. The analysis is based on the reflections of the FBA and on the feedback, at different stages of the process, from family and non-family members. Throughout the time, the FBA recorded key events, responses from the client, approaches used, concerns and agreed measures of success. These were shared with the client during regular reviews.

4.1 Stage I: The owner-manager phase

The FBA initially met the client at a breakfast meeting organised by the local Business Link, an organisation set up to support the development of small and medium enterprises (SMEs). After a follow up meeting, the FBA agreed a proposal to work with the owner-manager for an initial period of a year. This agreed written proposal was seen as an essential element in the process. It specified the length of the project, the responsibilities of both parties in the agreement, and a code of coduct involving such issues as confidentiality and information sharing between the FBA and other members of the family. The client and FBA agreed to meet once a month for three hours and decided that, during this mentoring, they would discuss and reflect upon the company's current position using a strengths, weaknesses, oportunities and threats (SWOT) framework They would work towards developing a plan for moving the business forward, and discuss and reflect upon any issues that the owner-manager was concerned about. At each monthly meeting, a short action plan was agreed for the client to review with the FBA at the next meeting. Soon into the project, it was further agreed that the FBA should talk to other managers in the business and gather their feedback about potential business development plans. At this time, both family and non-family members were in management roles in the business. Finally, the FBA facilitated a process in which the owner-manager developed a short-term business plan with the management team. This included a set of goals, key performance indicators (KPIs), clear managers' job descriptions and agreed overall business performance targets for the company. The original contract brief had changed during this first phase when the client agreed to involve family and non-family members in the project.

Reflections: The following outlines the FBAs' reflections on the specific input, process and output variables that influenced the progress of the first stage of this consultancy intervention.

4.1.1 Input Variables

Characteristics of the owner-manager - The owner-manager knew the business and industry well after working in the sector and having spent many years building the business from scratch. He had defined a clear customer base and region in which to operate. His main customers were people he had traded with for many years and with whom he had developed strong informal links. However, he had little business training, other than attending business forums organised by the local Government business support agency. He and his wife concentrated on business survival and had only expanded the business based upon loans/overdrafts from the Bank or public bodies. The business was seasonal and this meant a need for strict strict cash control. During early mentoring sessions, it became clear that he and his wife rarelly discussed the future of the business with the family or with his employees. The main aim was survival, to earn sufficient money to support him and his family and to ensure that they enjoyed a moderately comfortable lifestyle. He did not compare how well his business was doing with other SMEs as he had not developed any criteria for doing so. He was well respected in the industry but not reliant on business contacts for his social life. He had started to think about succession and his retirement. He did not trust advisers generally and was very sceptical about consultants who tried to sell their services through cold calling.

Characteristics of the FBA - The FBA had considerable experience of working with local SMEs, many being part of a local business network. He also worked at the local University and had been involved in organising seminars for local family businesses. He was of a similar age to the client and held similar values in terms of success, family and business ethics. The adviser was trained as an FBA and, therefore, his main focus was ultimately on supporting the whole family through a faciltative approach.

Characteristics of the family - The family appeared to be relatively close-knit with shared values. They all lived in close proximity to one another and spent significant social time together. Outwardly, the two, now adult, childreny had developed mechanisms for dealing with conflict with the father and mother and, together, they had a significant say in what happened.

Market forces - The business was operating in a rapidly changing market. The owner-manager could see that the business needed to move to new premises, and make significant changes, in order to capitalise on new business opportunities. These changes included strengthening the management team and agreeing on the future contribution of his two children.

Family social bonds - Being close-knit, living near each other and with regular social contact, the family appeared to be able to deal with conflict relatively constructively. The husband and wife formed a close bond based on shared values relating to family and business.

4.1.2 Process Variables

Way in which the process was organised - The FBA recognised that, in the early stages of the intervention, his client was primarily the owner-manager. This meant he could work behind the scenes with the owner-manager and this helped to develop a relationship of trust between them. The way of working, the responsibilies of both FBA and client and a code of conduct were agreed beforehand. The FBA was seen as being a mentor to the owner-manager or Managing Director (MD), the focus being to help the MD clarify his current situation and use the insights he had gained for the benefit of the family and the business. However, during this time, the FBA had little opportunity to influence other members of the family.

Flexibility of the process - During the intial mentoring sessions, the owner-manager recognised that he needed to involve members of his management team in making decisions about the future of the business. This included one son and his wife who were working for the business. As a consequence, the FBA recognised that his client now included the management team of the business. The FBA’s changing role and approach was agreed with the owner-manager and, then, with the management team. The focus was now on a facilitative approach to develop a short-term business plan with targets, and individual managers’ improvement and deveopment plans.

Monitoring - Regular monitoring review meetings were held with the owner-manager to assess progess, identify potential blockages and highlight additional actions that needed to be taken.

Trust - Increasing trust between the FBA and client during this stage led to an increase in openness and sharing.

At the end of this initial phase, the FBA and owner-manager carried out a review of the process and its impact, and agreed that the next step was to hold a family meeting to explore family values, business aspirations and individuals' future involvement in the business.

4.1.3 Outcome Variables

Owner and family non-economic outcomes - The owner-manager expressed an enhanced confidence that he could start to talk to his family about his wishes, concerns and plans for the future of the business. He recognised the need to develop a management and ownership succession plan, and to develop a financial plan for himself and his wife so they did not have to rely on the business in the long-term. The owner-manager developed sufficient confidence in the FBA to ask for continued suport for the business and the family. Those family members working in the business expressed an interest in holding a family meeting to explore the family's relationship with the business. These outcomes represented attitudinal and behavioual changes on the part of the owner, his wife and the next generation, an output that faciltated the change to the next stage in the transformation and one which would pave the way for the childrens' ownership involvement in the business.

Owner and business non-economic outcomes - An increased involvement of the management team in agreeing a short-term strategy for the business led to their expressing a high level of satisfaction and involvement in the business. Family and non-family members also felt that they had clearer responsibilities. It also introduced a different way of working an increaseed their readiness to deal with the challenges that the business faced in capitalising on growth.

Owner, family and business economic outcomes - The business continued to grow, although this would likely have happened anyway as the size of the market was increasing and current customeres were increasing their orders.

Increased confidence in the FBA - At the end of this phase, the owner-manager stated that he wanted to continue to work with the FBA. He also discussed this with the family, who confirmed their support. The FBA had become a trusted adviser and this was a significant outcome as he could now support the family in moving from an owner-managed business towards a sibling-partnership.

4.2 Stage 2: The family-partnership phase

The owner-manager agreed that the FBA would now work with all bloodline adults of the family who currently worked in the business; mother, father and their son and daughter. This was subject to everyone agreeing the aims the support, the process, the role of the FBA, and a code of conduct beforehand. There were to be three separate stages in this process: First, individual discussions between the FBA and each member of the family to establish why they felt the family owned the business, what they personally wanted from it in the future, and what role they wanted to play in its development; Second, an intial family meeting, facilitated by the FBA, in which the individuals shared what they had discussed during these intial discussions, how they measured the relative success of the family and the business, the contribution they would like to make in the short and long-term, and the future challenges they perceived for the family and business. After several such meetings, the family agreed on the development of the business and an informal succession plan. Each family member had a specific issue to focus on. The founder and his wife took professional advice on financial planning, pensions and the transfer of ownership to the next generation. The next generation agreed individual development plans to help prepare themselves for taking ownership and management responsibility of the business. This included taking on different roles in the business and attending relevant financial and management training. This initial plan in which the Founder and his wife continued as the sole Dirctors of the business was scheduled to last for up to two years. The role of the FBA was to facilitate and manage the process and mentor and offer support to individuals.

Regular family meetings were held during this stage, although these were not regarded as Board Meetings. The key requirements of a Limited Company remained the responsibility of the parents. At the end of this stage, a majority shareholding was transferred to the children, the son took over the role of MD, regular Board Meetings were introduced, with the Board consisting of the parents and the two children. The business continued to expand, moved to new premises and one of the non-family members took over the key role of Operations Manager.

Reflections: The following outlines the FBAs' reflection on what were the key input, process and output varaiables that influenced the advisory process during this second stage.

4.2.1 Input Variables

Characteristics of the owner - The increasing confidence and willingness of the owner to discuss the business with the family and other managers, an output from the first stage of the project, became an input variable for this next stage. His wife, who had become involved in the discussions, was also encouaging him to delegate more.

Shared Information - The amount of shared information that the family had about the business and what they wanted to achieve impacted positively on the aspirations and motivations of the children. They could see that the business offered them an opportunity for an intersting future in an industry that was changing rapidly. Neither the son nor the daughter were well-qualified academically, so their employment opportunities were limited and they were now motivated to talk about the future of the business and their part in it.

Trust - The level of trust between the FBA, the owner-manager and his family, an output from the previous phase, became a key input variable during this second phase. Importantly, the children appreciated outside support and input.

Family social bonds - The family had demonstrated an intial ability to make some adjustments in the patterns of their business relationships, patterns that did not mirror what happened within the family itself, particularly in terms of the relationship between son and father.

Business changes - The changing nature of the business and the fact that the business was expanding rapidly meant a move to new premises, an iincreasingly complex management structure and the creation of new roles. This allowed the children to occupy roles with clear responsibilities and they became able to develop their own relationships with other members of staff whilst at the same time gaining their respect.

4.2.2 Process variables

FBA now regognised the client was the family - This change of perspective was discussed with all family members working in the business. The significance of this change, and the criteria for judging the success of the continuing advisory support, were agreed, as were the responsibilities that everyone had to ensure that the needs and aspirations of the business and individual family members were met as far as possible. The FBA's role was to help the family work to the plan, to help process their feelings and experiences, and to ultimately help them make decisions. This was achieved through holding family meetings and individual mentoring sessions. It was agreed that this phase of moving towards a different structure was a process and not an event. No dramatic changes were to occur until everyone felt the best possible solution had been found.

Other sources of help - The agreement by the family members to consult with other external sources of help was undertaken. The father talked to a fianancial adviser and pension consultant, and the next generation attended a number of training programmes covering such subjects as finance and management. This helped all to seek out additional information and build external links. The FBA felt that this helped to further validate the process. Discussions with other members of family businesses also helped the son and daughter put their current situation into context.

Trust - The FBA and the family specifically discussed the issue of trust and the need for everyone to be bought into the plans. Also important was for everyone to avoid putting the FBA into a position where he became triangulated between different family members and thus be seen to be taking sides.

4.2.3 Outcome Variables

This phase of the transtion took pace over a couple of years, at the end of which the parents transferred ownership to the next generation. The son became the MD, the father became Chairman and the mother and daughter both Directors.

Owner and family non-economic outcomes - The family felt that they had resolved a potentially difficult issue and all were satified with the outcome; the parents satisfied that the future of the family business was secure and that their children wanted to keep the business in the family. The parents also felt that it offered potential opportunities in the future for their grandchildren. The paents also felt they still had a role in the business and this helped them retain their sense of purpose and reputation amongst their friends. The children had gained in self-confidence and significantly increased their knowledge of the business and the industry. Therefore, they felt more confident in taking on additional roles. The nature of the relationships between members of the family, whilst wotking together in the business, became more business oriented and less family determined.

Owner and family economic outcomes - The first generation secured their financial future within the context of the agreement that transferred ownership to the next generation. The next generation felt they now had more influence and control of their future financial situation. The business continued to grow and the family, as a whole, were able to sustain an adequate level of return from the business.

Business non-economic outcomes - The next generation and key non-family members working for the business developed a closer working relationship and level of mutual trust. In particular, the Operations Manager, who had been very loyal to the father, gradually shifted his allegancies to the son. Finally, the process underlined each family members' relative strengths and weaknesses. It became apparent that the son was extremely good at networking, a skill that proved to be invaluable during the next stages of the businesses development.

Business economic outcomes - The business was able to continue to grow and take advantage of a number of new market opportunities.

Trust - The FBA retained trust and was asked to continue working with the family and business.

5. Discussion and Conclusions

The authors recognise that the findings discussed in the case study are based in part on the FBA's own observations and perceptions whilst working with one client. However, due to the nature of the process, these were also validated by building in the preceptions of family and non-family members working for the business. This was a unique assignment as it lasted for several years through a period of significant change both within the business and the family. The observations drawn from this longitudinal relalationship reinforce the views of Strike et al. (2018) that the relationship between a FBA and client is complex and influenced by a whole range of different factors. They also point out that there are very few studies of longitudinal relationships referred to within the literature.

From these observations, it is clear that many of the variables identified in the literature did impact on this particular advisory process. Longitudinal relationships pass through a number of phases, each being influenced by a variety of input, process and output variables. Their nature and relative importance alters with changes in the structure of the business, the role and expectations of the family, the level of trust between the FBA and the client, and the market in which the business is operating. Outcomes from one phase become inputs to the next. Positive outcomes from one phase may become negative outcomes for the next. For example, if a founder retains the same level of control at the end of one phase, this may affect the progress towards more cooperative stages at the next. Psychological and relationship variables are fundamental to the way in which the process develops. These are difficult to measure but need to be identified and discussed regularly with the client. This experience underlines the need for the FBA to clarify and review the identify of the client, agree on expectations, and assign project responsibilities and outcome measures for each stage.

Researchers and academics have made significant contributions to understandings of the range of variables that can influence the family business advisory process, although the depth of analysis can become confusing to the practitioner. FBAs often work in very dynamic and changing situations, helping the client make sense of the current situation and take decisions that help balance the ongoing needs and aspirations of the family, the business and individual family members. Concepts and models gleaned from the relevant literature can help the client analyse the current situation and establish a common language between participants. Literature can also help the FBA clarify their role in the process and how this fits the issues they face in working with a particular family.

This process continued with ongoing support from the FBA as it was apparent that the process from owner manager, to family partnership and then to sibling partnership was not clear. This was because the changes in family attitudes, behaviour and relationships were gradual and at times painful. This underlines the family and busines need for ongoing support to review, implement and monitor key business decisions. In this case, this support has taken a number of forms including appointing Non-Executive Directors and a variety of mentors for specific individuals. The challenge for the family and the business is to ensure that the contribution of these different FBAs is coordinated.

The relative success of any advisory intervention will be judged by whether the client has achieved what they want for the family and the business. The success of the FBA working on the issue of succession does not depend on their ensuring that the business remains in family ownership. Success is dependent on helping the family balance the conflicting needs of the family and the business, whilst preserving a degree of family unity. Success is defined by the client but, in some cases, the success of FBAs' interventions may not mean ensuring that the business remains in family ownership; a successful outcome may be that the business continues under other ownership or management, but family unity has been preserved and individuals are doing what they want to do.

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