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The "Forgotten" Generation of Family Businesses

What is the meaningful work?

BY WENDY ULASZEK

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THE QUESTION, “WHAT ABOUT ME?” RANG loudly through the Family Council meeting room. While conducting a vision exercise at a recent Family Council meeting with one of our family business clients, I was confronted by this question from a 4thgeneration cousin working in a middle-tier management role in his family business, and the following ones: “What about our generation? What is the work for us?” There are many articles and research reports on assisting competent older adults, who have led the family business system for decades, in letting go; and even more about the education and developmental needs of the next generation, many of whom are entering the system with a wide range of well developed competencies and degrees from top-notch schools. But surprisingly, we often do not focus as much on the career and life development of the ‘forgotten’ generation who are the cohort of the few leaders who are currently running their family enterprise. What does it mean to be in your mid-40s to mid-60s and to come to terms with the professional status that may be the stopping point of your career? If you have plateaued in the middle of the organization, what is the grieving process for letting go of the dream of rising to the C-suite? If leading the family business or board of directors has not worked out as planned, how does one alter dreams to fit the reality of life? And how do we as family business advisors assist these folks to continue to dream at all – to aspire to new challenges, new explorations, and new efforts to maximize meaning and self-worth?

I recently moderated a session at FFI, a family business conference in Miami, and one presenter, Patricia Annino, J.D., used the metaphor of Prince Charles to symbolize this “forgotten or lost generation”. She stated that never before have such a large number of families needed to grapple with the dreams, hopes, and needs of so many simultaneously living generations. The increased work life of a competent older adult generation can lead to the delayed or non-existent succession of the middle generation. While Patricia discussed this issue as an intergenerational one, we have witnessed many clients cope with this very same issue intra-generationally. Many younger members of later generation business families see their older siblings, and more often older cousins, rise to top leadership positions, while they are still being schooled in high school and college or just entering into positions within the family business. Indeed, one global family business grapples with the issue of overlapping generations and human capital resources by mandating retirement of all family working in the family business at age 55 years. While this certainly allows for increased opportunity for many family owners, the policy leaves many family members feeling bereft and, at times, resentful about being stripped of their leadership duties and identity at such a young age.

So what have we learned about efficient (and less anxiety-raising) ways to apply the family’s human capital over time? One approach is to encourage those family members who choose to remain in mid-tier management positions to reflect on their positions and the reasons behind the choice that they are indeed making to remain working in the family business. We help them to explore what is meaningful and satisfying about their work. Some clients tell us that it becomes a matter of integrity/pride to do a good job whatever the work is; some have worked to deepen their knowledge and experience and have become valued specialists in a certain area; some will tell us that they derive satisfaction and meaning from contributing to the enterprise as a whole, finding a role in connecting with other shareholders, mentoring others, serving the family in governance roles such as the Family Council, etc.

Another approach is to assist family members to examine and explore their authentic dreams and find new ways to work and contribute value and meaning. As we discussed the analogy of Prince Charles, one advisor from Great Britain commented that there was an upside to being a "forgotten" family member or in limbo this way: Prince Charles is able to experience freedom beyond what he would have had as King of England, and is able to live a life that is far different than that of his mother, Queen Elizabeth. Being released from the opportunity to fill one of the few spots at the top of the family business's pyramid is also a release from the obligation and the pressures that are associated with these leadership roles. The rest of the generation can begin to ponder such questions as: "Can I use the network, experience, personal financial capital, and business acumen that I have accumulated on the fringes of the family business to start something of my own, pursue a new or resurrect an old area of interest? Freed from the geographic anchor of the company, can I try other areas of the world where I have not yet dared to explore? New windows of opportunity and meaningful work do open. The work is to uncover them and then to encourage members to take risks and move forward in developing them.

The "Forgotten Generation" is the one that lives between the shadows cast by the successful controlling owners and the rising young stars of the next generation.

In our work as family business advisors, we encourage this generation to reconnect with their original, genuine dreams. We encourage them to take stock and figure out the answer to "What about me?"– to figure out what makes them feel alive, and then to go out and do it. There are dreams to be realized, creative vistas to be explored, and meaningful work to be done by all. ▪

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