



## Summary: How to Choose and Use Advisors

### *Getting the Best Professional Family Business Advice?*

Leading a family business can be extremely complex, and every business owner needs professional help from time to time. If advisors are well-chosen, they can help capture opportunities, anticipate transitions, solve problems and resolve conflicts. By drawing on broad experience with other family businesses, they also can protect the business owner from re-inventing the wheel.

While business owners often resist hiring advisors, many of their objections for instance, that advisors only throw up roadblocks, can't be trusted or wouldn't be interested in their particular problems - often arise from misconceptions or experiences with poorly qualified advisors.

Good advisors not only have strong technical knowledge, but understand the business and the family and the complex ways they relate to each other. Their advice suits both the business and the family. They are empathetic, patient and trustworthy. They raise important questions about the future of the business. They help spot opportunities. And they adapt cutting-edge management and financing techniques to the unique needs of each family business, helping to permanently improve strategy and decision-making processes. Working collaboratively with the family and other advisors and providing honest, empathetic, straightforward counsel, good advisors also can provide a valuable model of clear communication, teamwork and commitment.

Conversely, some behaviours by advisors should raise red flags for the business owner. Failing to avoid conflict of interest or to respect client confidentiality, promoting dependency in a client, failing to listen and respect a client's goals and values, or failing to foster good communication are all warning signals that something is wrong in an advisory relationship.

Once the business owner knows what to look for, selecting the right advisor becomes a deliberate and careful process. First, the immediate role you want the advisor to play should be defined. Is technical expertise needed? Do you need help defining priorities? Do you need help with the process of solving a problem? Once these questions are answered, the business owner should conduct a search no less rigorous than looking for a key manager. Candidates should be carefully screened, interviewed and checked out. And fees, confidentiality concerns and other potentially sensitive issues should be discussed up front.

After advisors have been selected, the relationship requires ongoing management. A willingness to tackle the issues and probe for solutions; strong communication, and high but realistic expectations are important to sustaining a productive relationship. Encouraging advisors to team up on tough problems can yield even greater returns, as the synergy among committed professionals often generates creative ideas no one of them could have produced alone.

These techniques can foster benchmark advisory relationships that will leave both your business and your family permanently stronger.