



FAMILY LEGACIES

FAMILY BUSINESS ISSUES FOR DISCUSSION



MANAGING SUCCESSION

- How to identify the next chief executive officer?
- When does the chief executive officer transition take place (timing)?
- How do the current CEO and successor share planning and decision-making responsibility during the transition?
- How to evaluate the next CEO's performance and plan for his or her replacement?
- What non-business interests will keep the senior generation fulfilled during retirement?

FAMILY BUSINESS CAREERS

- How to decide which family members can join the family business?
- How to plan management development experiences?
- What preparation or experience, if any, is required?
- What if a family employee does not perform?
- How to encourage the contributions of non-family employees?
- What if a family member chooses to leave the business?
- Whether to permit spouses, partners or other non-blood relatives to work full or part-time in the business?
- Whether to allow the next generation's children to enter the business? Under what circumstances?

COMPENSATION

- How to evaluate and compensate family members?
- How are bonuses determined?
- Who participates in share option programs?

OWNERSHIP AND GOVERNANCE

- How to assure the senior generation of financial security?
- Who can own shares in the business?
- What returns and rewards do shareholders get?
- Whether to pay dividends?
- How to redeem shares to provide liquidity for shareholders?
- Do all shares have the same voting rights?
- How are members of the board of directors selected?

FAMILY RELATIONSHIPS

- How to deal with conflicts between generations?
- How to deal with sibling or cousin conflict?
- How to teach young members and in-laws the business and also family traditions?
- How to share the family activities and customs with the next generation?
- How to develop and revise family agreements?
- How are family meetings and activities planned?
- How to create a process for family planning and decision-making?
- When to formalize the family governance by organizing a family council?

RESPONSIBILITY AND CODE OF CONDUCT

- How to help family members with financial, personal, or career difficulties?
- What responsibilities does one family member have to the others?
- What if there is a divorce?
- What if a family member breaks the law or acts in a seriously irresponsible manner?
- How much financial information to share with whom?
- How to support family members' new business venture ideas?
- How to cope with the visibility and the public's expectations of successful families?
- What responsibility does the family have to the community?
- How to share credit for family achievements?

