Managing the Communication Paradox in the Family Business Circus

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Communication is paradoxical, specifically: “It doesn't matter how much you communicate, it won't be enough.” Paradoxes cannot be solved, only managed.

There are many ways to approach the management of the communication paradox. It helps to first understand the landscape. To do that, it is useful to enlist two practical theoretical frames: a stakeholder perspective and a systems perspective. Neither is definitive and neither will solve your communication problems. But, taken together, they will help you understand, and then manage, the challenging communication paradox.

Consider the stakeholders involved in any family business system. A quick assembly of the usual suspects will list them under those in the family system, those in the ownership system and those in the management system. And in the middle of this circus tent is a ringmaster charged with keeping everyone informed of their roles and their responsibilities. And to make it even more complex, the ringmaster must take into consideration that each of these systems is dynamic...as in, they are continually changing. He or she must also concurrently consider that industry dynamics, government regulations, technology, and consumer demographics and behavior are in constant flux.

In the family business system, there are within and between generation differences that need to be managed. There are bloodline family members and those who have ‘married in’. The leader (aka: the ringmaster) of the business needs to be aware that communicating with different family system stakeholders requires different approaches. Typically, not everyone shares the same commitment to the business, or the family. And this is not necessarily a bad thing. As long as the ringmaster knows and understands stakeholder expectations he or she can respond and plan appropriately.

Importantly, understanding expectations is not only the purview of the ringmaster. It helps if all involved in the family system understand that there is heterogeneity amongst the stakeholders and that this should be celebrated and leveraged. Families who do this well constantly innovate to find efficient and effective ways to communicate with each other. They adopt a “yes, and...” approach rather than a “yes, but...” approach in their discourse. They set up forums such as a family meeting to educate each other about what it means to be a part of their family. They are transparent and accountable and take the time to set guidelines related to roles, requirements for the role, responsibility for the role and how they will be remunerated for each particular role. Most of all, they make a commitment to constructive communication.

Successful multi-generational families in business don’t leave managing the communication paradox to chance...it is their number one priority.