

Family Business Insight for your Agriculture Company September 2018

As family businesses grow, so do their needs for more specific expertise and management experience, often leading to the hiring of non-family team members. In this issue of the *Dispatch*, Davon offers keys to successfully integrating non-family staff, while Alleah provides a tongue-in-cheek essay on the reasons for hiring someone outside the family. Bill closes by suggesting two Biblical lessons from Joseph's path to becoming a valued member of Pharaoh's household. We hope this issue causes you to think more deeply about your current or future family business team, and feel free to reply with any feedback. - *Lance*

Hiring Non-Family Members: Keys to Success

By Davon Cook

Family business research and best practice emphasize the value of hiring the right person for the job—family or non-family. We have helped clients through the hiring and management of the first leaders that are not an owner or trusted family member--and it can be tricky. These individuals are catalysts for evolution of the business, but we see the struggle to integrate those new ideas and new energy. Consider these keys to success:

Make sure your culture supports it. When you decide to hire strategic employees that will have significant influence, it implies the organization has, or is transitioning to, a culture that includes more *team* decision-making, well-defined processes, proactive communication, and unbiased human resource management. Make sure everyone is on board with those implicit expectations. It will be disappointing to the new hire if that's not the case.

Respect the tightrope *they* walk. We often see non-family employees playing an internal facilitator role in family dynamics. Some are very good at it. If that's your situation, value that skill but respect its limits. Be sensitive to putting them in position of conflict of interest or in middle of family spats. Have a frank conversation about their comfort level with their informal position. Don't let that pressure become a roadblock.

Remember also that they may not speak the 'family language' comfortably. For example, some family coworkers are used to angry outbursts that quickly blow over. Realize your team members may not be comfortable with that norm or with your other forms of communication shorthand.

Value their investment in you. You don't have a monopoly on caring about the company and its people. These new leaders are often *emotionally* invested in both the business and your family. They appreciate it when you recognize that and value their ideas in that context. And some of them desire the *financial* aspect of ownership also. Be honest with yourself and them from the beginning whether that is a realistic possibility, so it doesn't cause hard feelings later.

These are a few of the dynamics to consider to successfully integrate non-family team members in management.

Do Not Do It... Do Not Hire The Outsider!

By Alleah Heise

When a family business sets its sights on sustainable growth, it will inevitably arrive at a crossroads where the company hiring strategy must be evaluated, including whether to hire a non-family team member. Davon presented three important keys to success when bringing on a non-family employee. This is a case for NOT hiring that non-family employee:



They are DIFFERENT. Non-family members are different. They bring different backgrounds, experiences, and education. A non-family employee may challenge your family dynamics, your communication style, and your perceptions of *why* "we've always done it this way." Non-family members may challenge you to invest in new technology, to write a standard operating procedure, or to really hone in on *why* we do things the way we do.

They ask A LOT of questions. Ever wondered why you always take time to eat lunch together? Or why that old picture is hanging in the office? Or why there are multiple business structures to support what appears to be one business? A non-family employee will encourage you to remember loved ones, to begin defining your legacy, and to get clear on the functionality of your business structure.

They want PAID. Non-family employees have compensation package expectations. They want to know they are making a fair wage and that they will be rewarded in some capacity for their contributions and performance. Non-family employees want to know whether they can take a vacation and for how long. Non-family employees will put you in a position to examine how family members (and others) are compensated, how you assess performance, and how your own family thinks about vacation.

So, on second thought, maybe hiring a non-family team member is not such a bad thing after all! If your organization is ready for some diversity, needs a change catalyst or wants to take that vacation you have been dreaming of, hire that non-family candidate. That person will undoubtedly challenge some of the status quo, but with Davon's *Keys to Success* and an eye for the future, your next non-family hire will be a great addition to your family business.

Faith and Family Business: Discovering Your Prize Employee—In Prison By Dr. Bill Long

When the Patriarch Joseph was thrown into prison in Egypt, he must have wondered if things could get much worse. He had already suffered the indignities of fraternal rejection and being sold for the price of a slave to passing traders. Then, after making an auspicious start in Egypt, he fell afoul of his master's wife and ended up in prison. Within a few years he would be the right-hand man of Pharaoh, guiding the land of Egypt through a seven-year famine. But when the prison doors clanked shut every night, nothing could be further from the truth.

The Issue

How did a young man, an immigrant no less, become the prized employee in the largest "family business" in Egypt—managing Pharaoh's household? The key to his success can be gleaned from the story of Gen 40:1-8, and especially two characteristics mentioned in that passage.

When Joseph was in prison he ended up serving and caring for two newly-arrived prisoners, Pharaoh's butler and baker. Each had offended the ruler in unspecified ways. Each received a different dream on the same night in prison, but the dream left each of them perplexed, angry and dispirited.

Joseph did two things that launched his successful career. The first was that he *actually paid attention to* the anxieties of his fellow prisoners and asked them about it. He became great because he first became human. The second thing he did was to *bring a specific skill* to interpret the pain of his fellow prisoners. They each had dreams that confused them. Joseph's skill in understanding and explaining dreams both brought a dose of reality to the situation (one of the prisoners lived and one died), but became the means for him to be recognized in Pharaoh's household.

The Lesson for Today

So many things rush through your mind as you try to make the right "hire" of a non-family member. Davon and Alleah have skillfully pointed out some of those things. But keep in mind that the key to Joseph's success was his demonstration of genuine concern for others—before even using his special skill.

