

Trust in the Family Business

This invaluable trait isn't guaranteed just because you're related.



**LANCE
WOODBURY**

"I don't trust him anymore."

Those five words, offered by a family business partner when describing her brother, signaled the eventual breakup of the family business. From the outside looking in, you might not suspect the end was near: The business was profitable, growing, respected in the community, and several family members had returned.

But the inability to discuss frustrations, the lack of ground rules and differing expectations about decision-making authority were tearing at the fabric that held this family business together.

TRUST IS IMPORTANT. As a business grows and employs more people, trust serves as a lever. If more people in your business earn each other's trust, their ability to take on separate tasks under the umbrella of one business allows for growth, scale and diversification. On the other hand, if an entrepreneur trusts no one, he or she will be limited to what can be managed or controlled, and this generally limits potential results.

TRUST IS FRAGILE. In the family business, trust is usually assumed because family members grew up together, shared joys and tragedies and vulnerabilities, and have a deep and historical bond. It often goes without saying that "family takes care of one another." We want to believe that people are acting in the best interest of the company or family, that they will sacrifice personal gain for organizational progress. So when a family member violates that trust, it seems especially shocking.

Family members get frustrated when they don't understand the reasons behind certain decisions or see behavior that doesn't conform to their expectations. They find it difficult to have conversations, and eventually, the trust fades.

TRUSTING AGAIN. The first key to rebuilding trust is to communicate. Admit things are getting worse and agree to meet for a discussion. Talk

through the circumstances causing frustration, and identify points of tension in the relationship. Talk about what you each could do better and what you expect from your family business relationship. Communicate on a regular basis.

The second key is to change your behavior along with your partners committing to change theirs. Then be consistent, and follow through on changes you offer to make. Explain the reasons behind your actions, and commit to hold yourself and your family business partners accountable.

I can't guarantee that more communication, a change in behavior and discussing expectations will keep the family business intact. But in doing these things, the chances of success go up dramatically. ●

Write Lance Woodbury at Family Business Matters, 2204 Lakeshore Dr., Suite 415, Birmingham, AL 35209, or email lance@lancewoodbury.com



YOU HAVE THE DREAM. WE HAVE THE BARN.

Wood barn kits featuring the beauty and strength of post and beam construction - built to last generations. Where will you build your dream barn?



Free catalog & planning guide!



888-489-1680
sandcreekpostandbeam.com

