

Guest Column: Engaging the Next Generation

Jennifer East, President
ONIDA Coaching + Consulting Inc.

In today's competitive global marketplace, families wishing to sustain themselves over many generations must invest considerable time and energy into developing the next generation. Only the careful preparation of young leaders will prevent successful family enterprises and families of wealth from fulfilling the age-old prophecy of "Shirtsleeves to shirtsleeves in three generations".

The next generation in business and financial families must understand how to balance the responsibilities and opportunities of their family's legacy. Managing the complexity requires knowledge, skills and experience. Most importantly, the next generation must become engaged in planning for their own future in order to lead fulfilled, productive and happy lives. Responsible shareholders, inheritors, philanthropists and business leaders will each have a unique vision for their future. Empowering them to follow their dreams, design a plan to achieve them and learn how to work together with other members of their generation is an essential starting point.

How do parents and family advisors begin such a journey with the next generation? Here are five tips to get started.

1. What are My Dreams?

Next generation family members in financial and business families must be encouraged to explore their own dreams and desires. Too often, young leaders are directed into the family enterprise at a young age, or become dependent on family wealth without a clear direction for their future. The greatest gift a parent can give their children is the opportunity to determine what unique contribution they will make to the world. This can be challenging for children raised by successful, prominent people. How will they measure up? What is their vision for themselves? Is there space for them to explore their dreams within the powerful culture of the family?

2. Where am I Today?

Children raised in families where wealth, position in society or a family business provides them with an automatic status often don't know where they stand. It can be difficult for them to have a clear understanding of their strengths and gaps, let alone what they need to learn in order to achieve their goals. This is especially true in family firms, where next generation leaders rarely get objective feedback about their performance. Empowering young leaders by increasing their level of self-awareness and providing them with objective feedback about their abilities gives the next generation a realistic picture of who they are and where they can grow and develop.

3. What is My Development Plan?

Once the next generation has identified their goals and developed a clear sense of what they must do to achieve them, the next step involves creating a learning development plan. What are their learning objectives? What learning activities and education will they pursue in order to meet those objectives? Investing time and energy into a clear strategy for learning and growth significantly improves the chances of success. It enables both generations to know where the next generation is headed, and how to measure progress along the way.

4. It's My Life

Next generation family members who have been empowered to set goals, learn about their strengths and gaps and develop a learning plan are much more likely to follow through with their development than those without a plan. More importantly, when the next generation is engaged in setting a course for their own life, rather than following a path set out by parents or advisors, they take ownership of their own development. This requires parents to provide true autonomy to their kids, to trust in the process, accept the path chosen by the next generation and support them throughout their development.

5. How Can I Stay on Track?

How will the next generation ensure they meet their learning objectives? What happens when circumstances change and they need to shift their focus? Who will support them and hold them accountable? Throughout the development process, it's important to have a structure in place to keep the process moving. This can be a peer group, parent, existing family advisor or someone dedicated to developing the next generation, like a coach or facilitator. This is especially important when there are several siblings or cousins who will become joint shareholders, inheritors or business leaders. Their development must be coordinated, and should focus on building a sense of team between members of the next generation.

Families who invest time, effort and money into the next generation are laying the groundwork for a sustainable future for generations to come. Next generation leaders who pursue a development process will have clearly defined life goals, plans to make them happen and are much more likely to become both independent and informed family members. In addition, individuals and next generation teams can better manage the risks and opportunities of their family's legacy. Most importantly, the next generation will build a shared vision for the contribution they wish to make, both as individuals and as the future leadership team of the family.

Jennifer East

396 Brunswick Avenue, Unit 2,
Toronto, Ontario, Canada M5R 2Z4

E jennifer@onida.ca

T 416-922-8972 F 416-922-9629