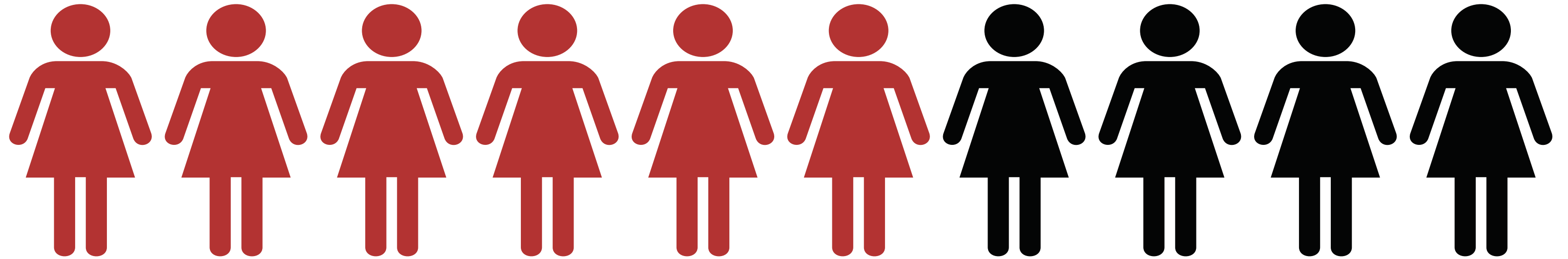


**"Problems cannot be solved
by the same level of thinking
that created them."
- Albert Einstein**

India tops in Family Dispute

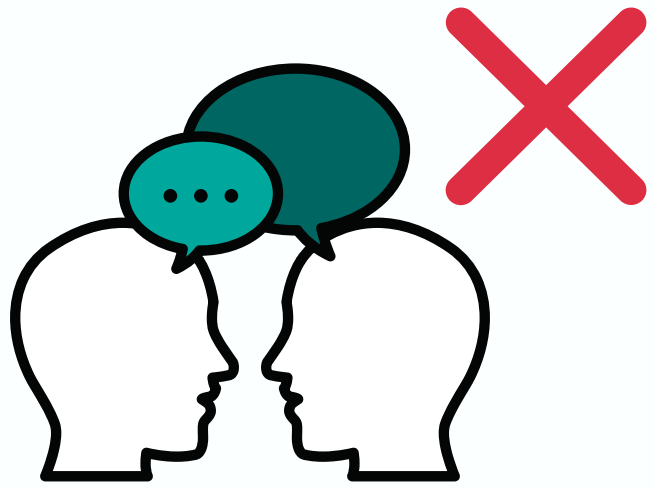


61% of rich Indian Families face
relationship deterioration and disputes

while Singapore had 53%, Hong Kong has
51 % and Qatar only had 11%

Source: Barclays

The world of Family Business



Low communication



Ego and Power



Competitive siblings



Equal Compensation for Unequal Contribution



Reluctant Heirs



Estate Disputes

The Family Business Dilemma

Business
opportunities
and
requirements



Family wants
and needs

Control
Capital
Conflict
Culture

Family vs Business Goals

Family

- Emotional concerns
- Family needs
- Maintaining stability

Business

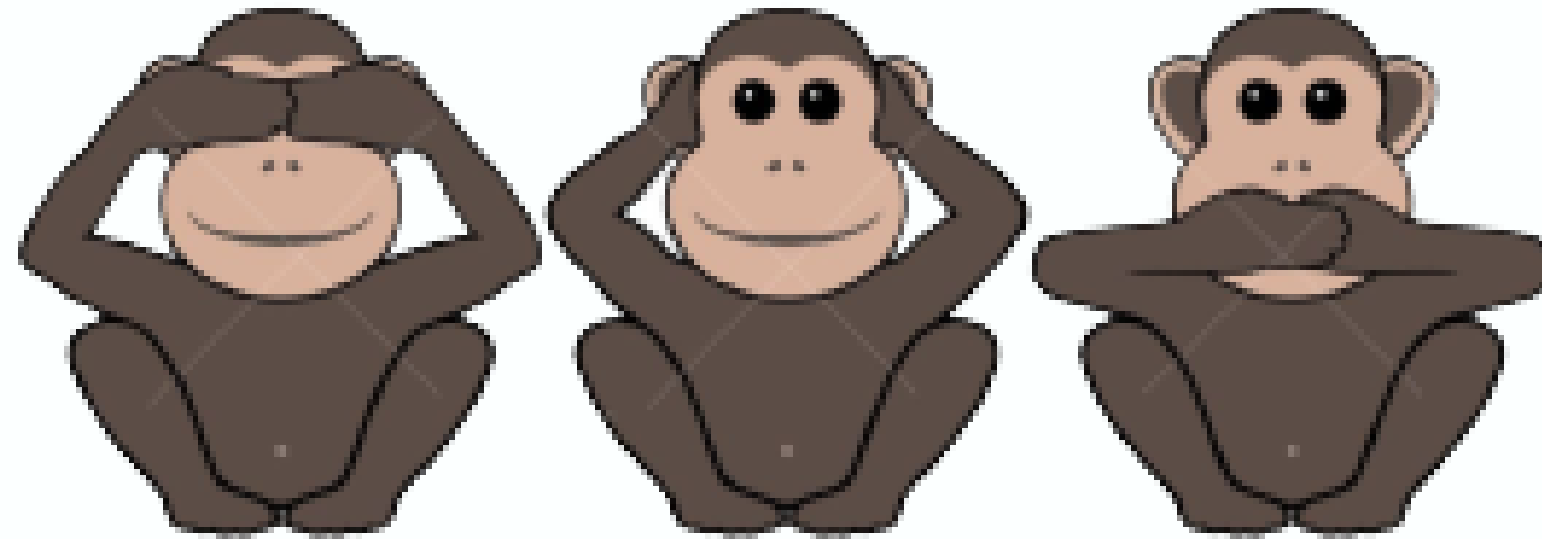
- Business performance
- Business demands
- Managing change





5
Problem
Areas

Is more wealth destroyed by Silence or Communication?



Do we really want NextGen to run the Business one day?

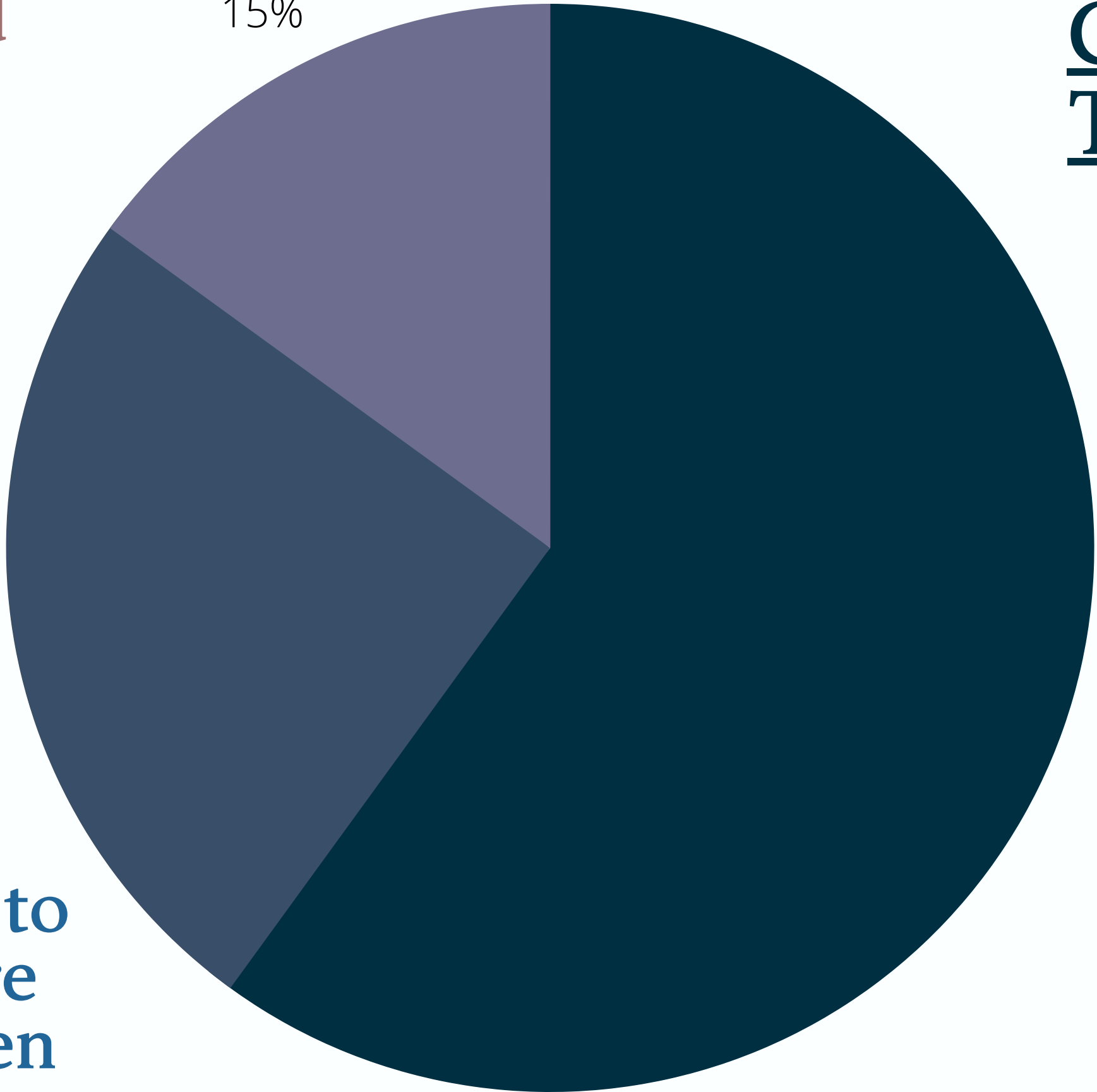
Do they really want to be there? What are their aspirations?

Impact of Cultural difference on Family values

Cause of Estate Transition failure

Tax and
Legal

15%



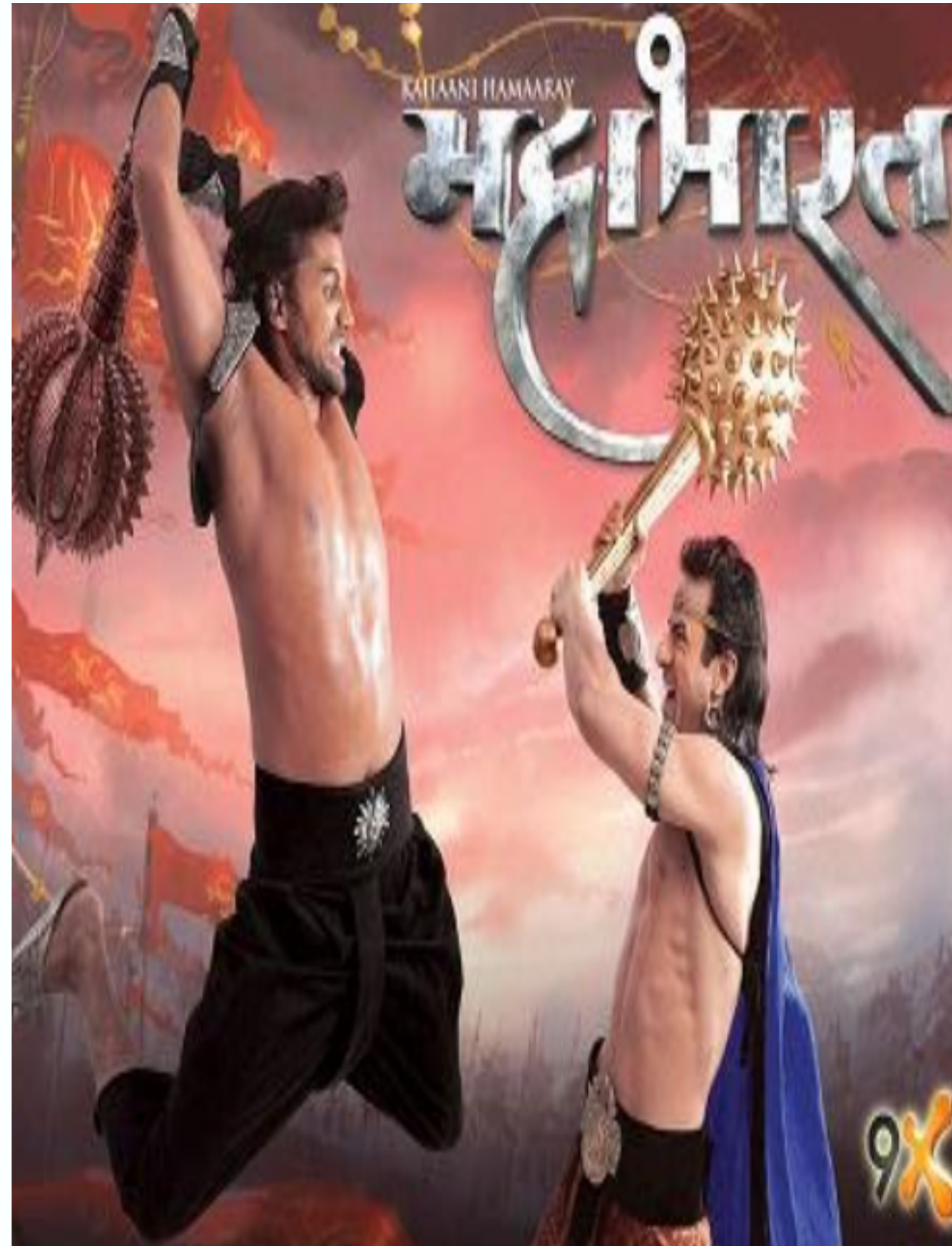
25%

Failure to
prepare
NextGen

60%

Breakdown of
Communication and
Trust

Not our Destiny...



Why did the Titanic Sink?

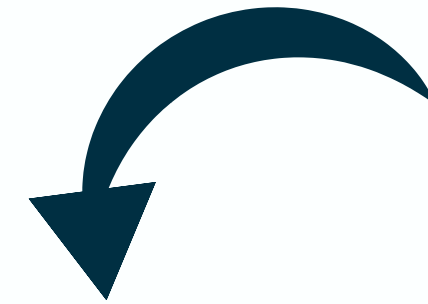
from Family first
to Business first
to Me first



Picking a
successor



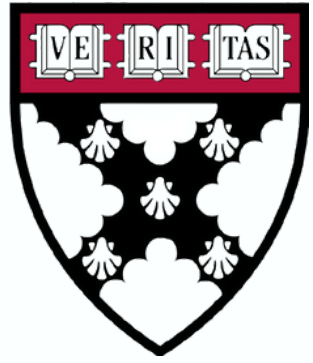
Family members
Compensation



Accountability



Centres of Family Business Learning



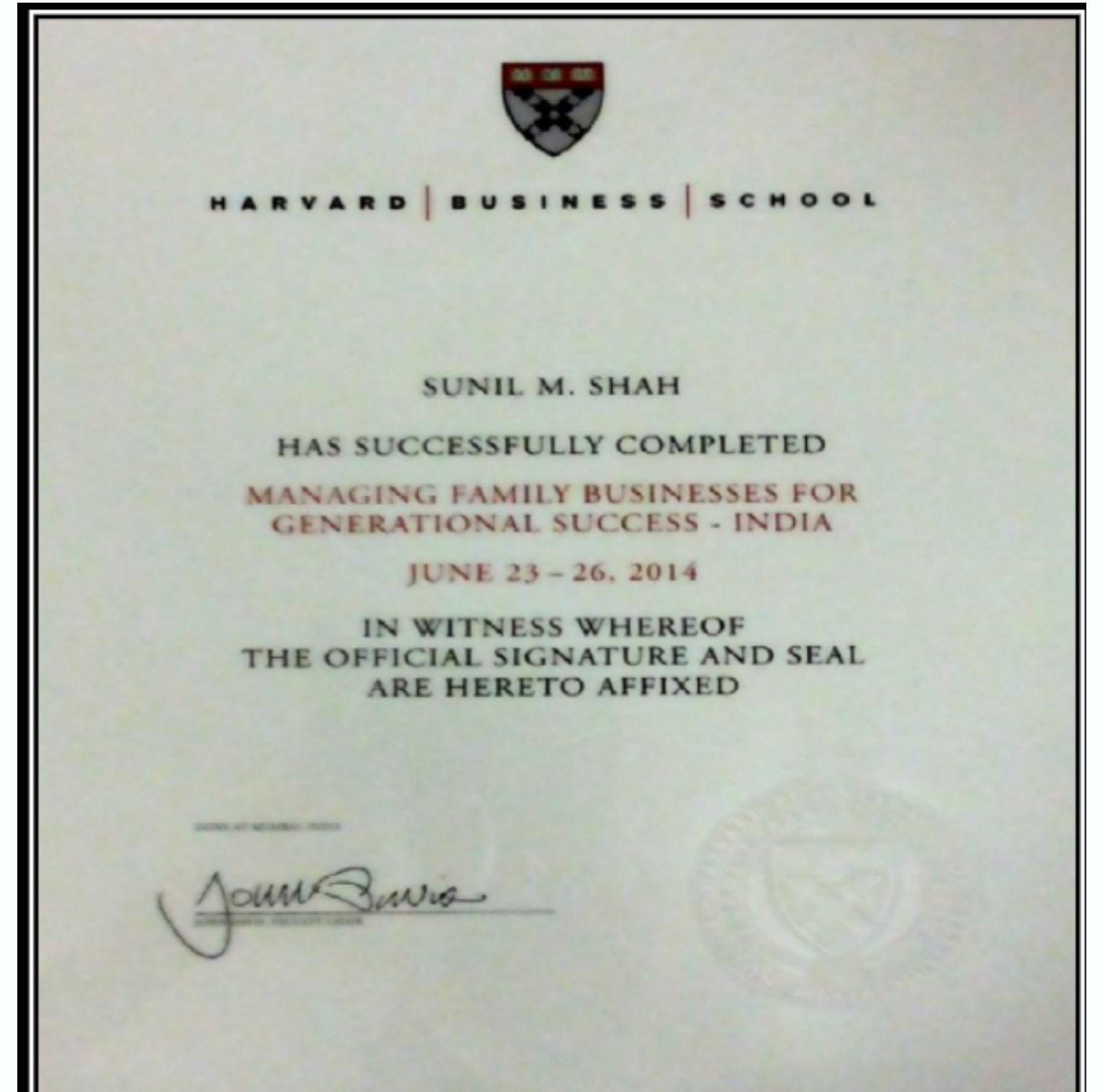
Harvard Business School



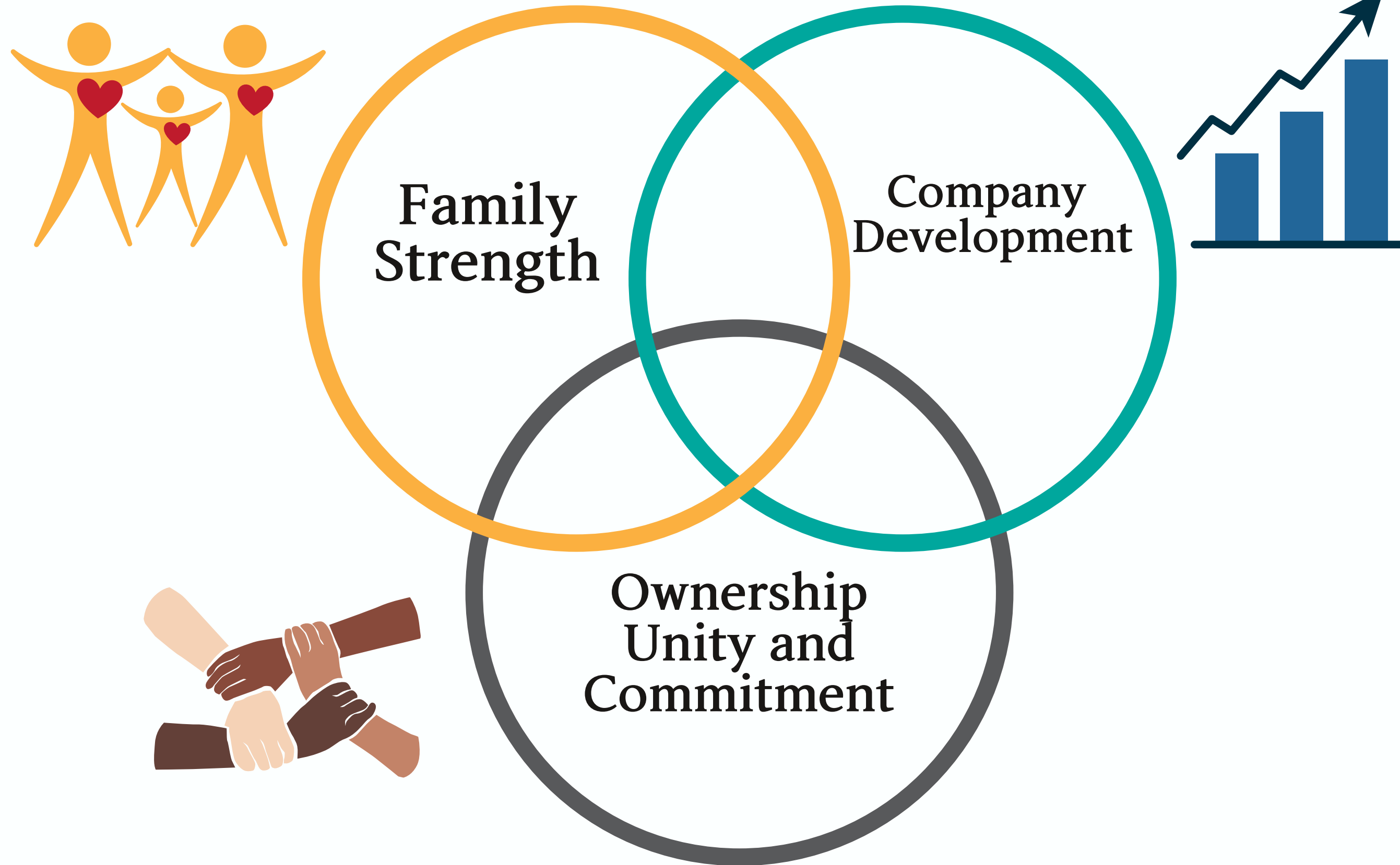
IMD Business School



Kellogg School of Management



General Purpose of a Family Agreement



Stages of Ownership Evolution

	I Dominant Owner-Manager (Controlling Owner)	II Sibling Partnership (Oligopoly of Owners)	III Cousin Collaboration (Fragmented Ownership)
Success Requirements	100% / 33% Let Go of Control	16% / 8% Teamwork Family Leadership	4% / 2% Voice Exit
The Contradictions	<ul style="list-style-type: none"> • Individualism • Personal Control 	<ul style="list-style-type: none"> • Collectivism • Mutual Dependence 	<ul style="list-style-type: none"> • Professionalism • Inequality Accepted

Sample Structure

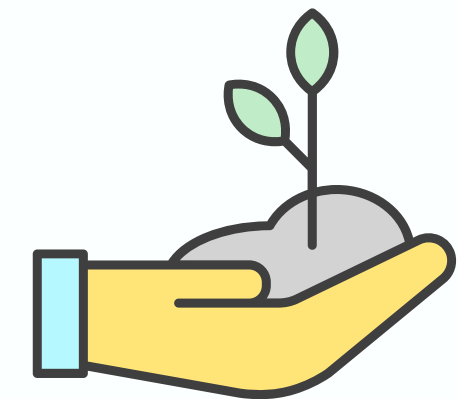
Family Council



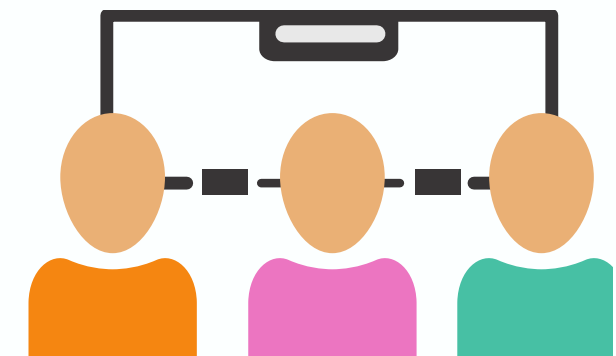
Family Business Board



Family Safety Fund



Family Meetings



Sample Policies



Rights and Duties of all
Individuals/Women/Non-Employed
Owners

Employment/Compensation

Performance Evaluation Policy

Conflict of Interest

Next Gen Policies

Family Fun/Bonding

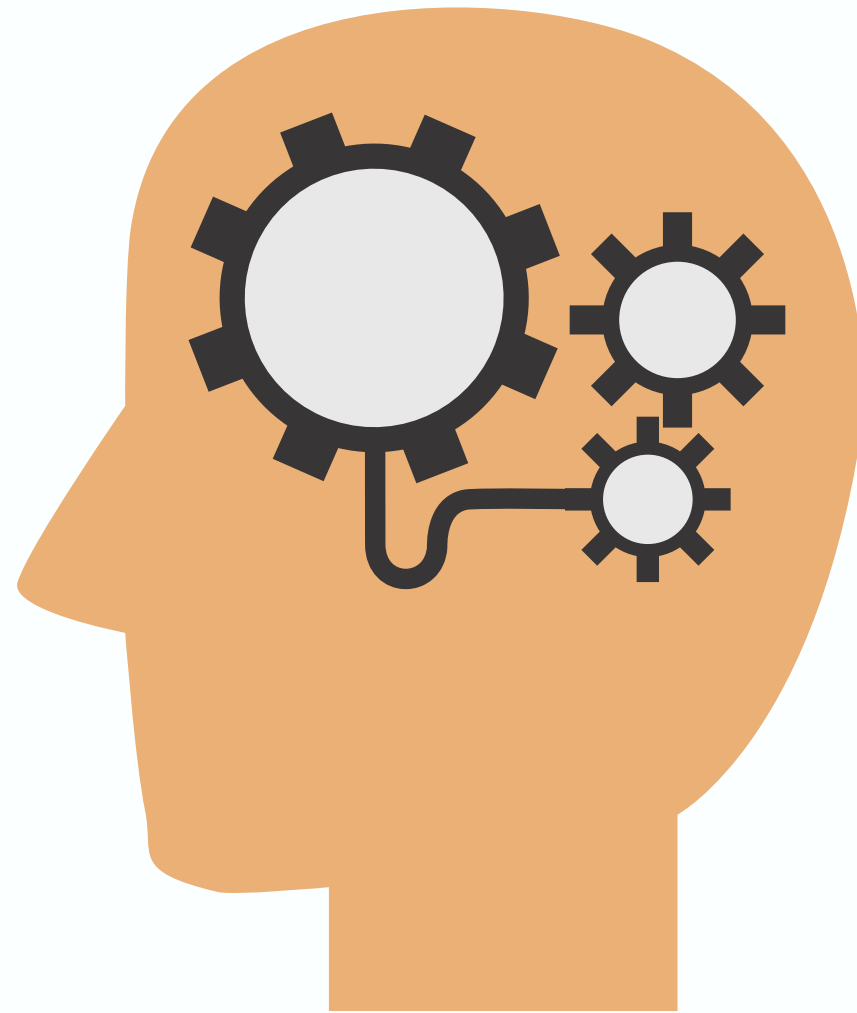
Safety Net

Buy-sell agreement (Shareholder's
Agreement)

Sample Processes

Managing Success

Managing Differences



Decision Making

Constitution Review

Constitution Making



**1-day
Introductory
Workshop**

**2 days
Off-site
Workshop**

**3 days
Off-site
Workshop**

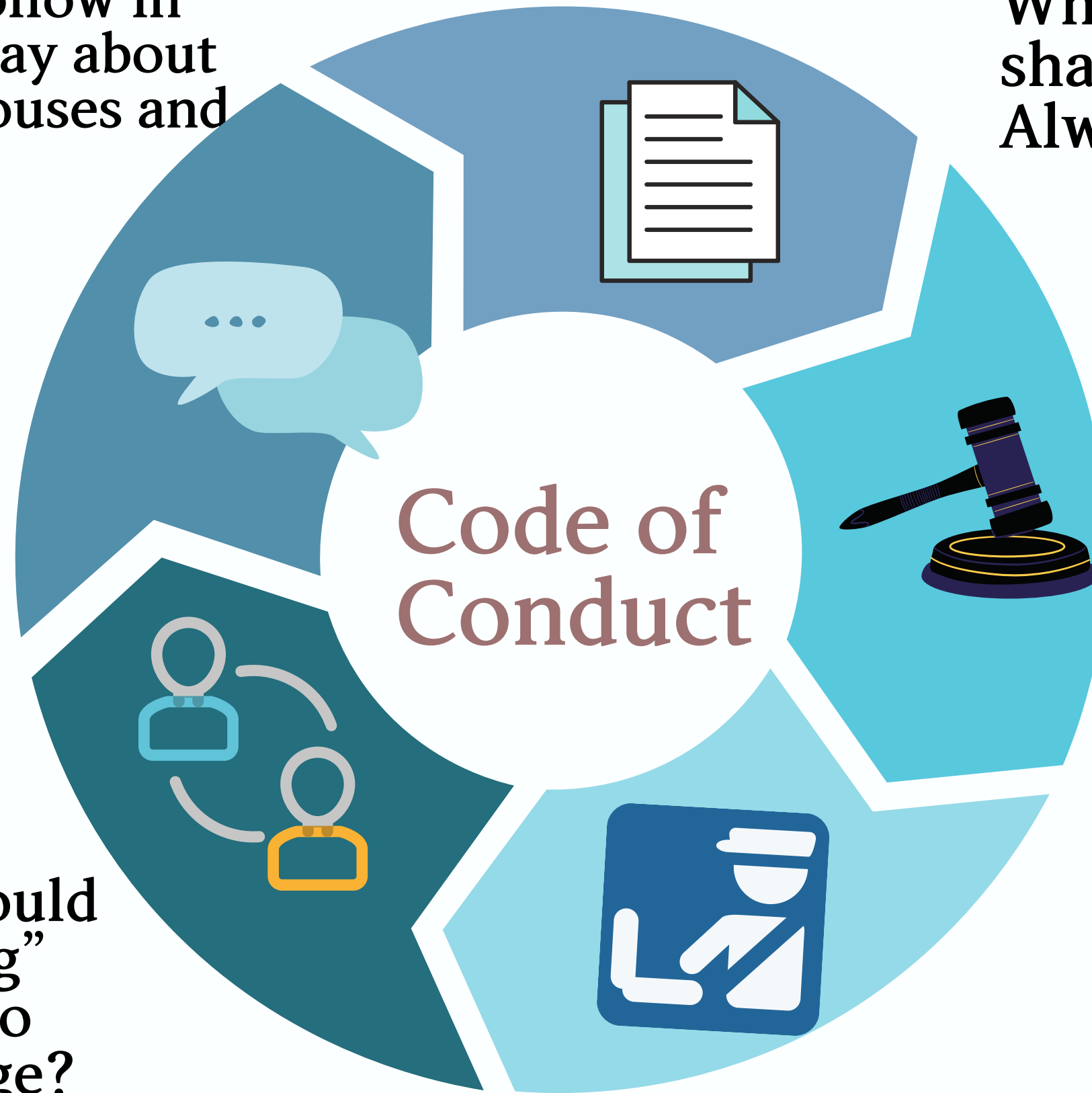
**1 on 1
sessions with
individual
family
members**

**1 on 1
sessions with
individual
family
members**

**After signing,
half-day
follow up
workshop
every 6
months**

What rules will we follow in relation to what we say about each other to our spouses and children?

What information should we share with one another?
Always? Usually?



Are there work rules we want to adopt for ourselves?

How shall we communicate? Should we have a “clearing” meeting monthly to be on the same page?

What work habits do we expect from each other?