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## YOUR EXECUTIVE CAREER

# The Executive Job That's Like 'Kissing a Porcupine'

Thriving in a high-level role at a family business can be tricky for outsiders. Here are some tips on how to succeed



Kari Taylor, left, did extensive due diligence before joining Benco Dental Supply as a vice president. The family-owned firm is run by Chuck Cohen, right, and his brother Richard. PHOTO: BRETT CARLSEN FOR THE WALL STREET JOURNAL



*By*

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Three words of advice for anyone taking a top management role at a family-owned business: Success is relative.

Thriving in a high-level role can be tricky for leaders without family ties. Family members may resist executives' efforts to break with tradition by changing strategy, and may oppose calls to fire their poor-performing kin or professionalize operations,

with the founding family of recruits bring a keen grasp of relatives' roles in the business.

John Priest, a veteran manager at Crossland Construction Co., says he initially worried about accepting a promotion to its presidency. No one from outside the Crossland family had ever served in senior management of the Columbus, Kan., midsize firm, which was founded in 1977.

“The first nonfamily guy usually does not make it,” Mr. Priest recalls telling colleagues.

Mr. Priest had numerous chats with Crossland’s two highest leaders—sons of the commercial builder’s founder—before he moved up in late 2015. The brothers spelled out “what they wanted my job role and the presidency to consist of,” he says. That prepared him to work better with other Crossland family executives, including one who also wanted to be president.

Family firms, which are typically smaller than major corporations, can be attractive for outside leaders.

“Often they can have greater impact,” says Andrew Keyt, clinical professor of family business at Loyola University in Chicago. “There’s less bureaucracy.”

Between 20% and 25% of family businesses employ unrelated executives, Mr. Keyt estimates. That is up from 11% in a 1996 study that he co-wrote.

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For outsiders, becoming a family-company executive “is like kissing a porcupine,” observes Wayne Rivers, president of the Family Business

Institute. “You have to do it carefully.” He urges executives to insist on a written job description and employment contract “so you have a fallback position if things go haywire.”

In May, Mark Allin gave up command of John Wiley & Sons Inc., a company controlled by the founding family where he isn’t a relative.

After about two years in the job, the chief executive resigned partly because some Wiley family members disliked his proposal to sell or find a partner for its college textbook unit, according to a person familiar with the situation. “They saw that [unit] as core to the 200-year tradition of the business,” this person says.

A Wiley spokesman declined to comment. Mr. Allin didn’t return calls.

Prospects should ask whether prior nonfamily senior managers flourished. Did those alumni enjoy clear operating authority and does the firm board include independent members?

“You want evidence that the family listens to outside influence,” Mr. Keyt suggests.

Management candidates also glean a sense of family dynamics through chats with relatives heading the business and former executives from outside the family, adds Gail Golden, a Chicago leadership coach.

Kari Taylor did extensive due diligence before the W.W. Grainger Inc. executive joined a family-owned business for the first time in 2016. Benco Dental Supply Co., with about \$770 million in annual revenue, is run by brothers Chuck and Richard Cohen, grandsons of the founder.

While vying to be vice president of sales and branch operations, Ms. Taylor says she asked Chuck Cohen about how she could effectively raise opposing views within the family firm. Mr. Cohen confirms he welcomed being challenged with facts.

Ms. Taylor also met face to face with six Benco executives unrelated to the Cohens. She learned the firm’s owners prefer collective decision-making but reserve veto rights. She hoped a stint at a midsize private concern such as Benco would test her ability “to run my own business someday.”

The company provided an executive coach who advised her on meshing with the Cohen family’s core values.

For example, she put greater emphasis on customer benefits than financial metrics during her internal pitch to revamp the sales operation. “I’ve seen Chuck often choose an improved customer experience at the cost of the bottom line,” she says. “That has taken some real adjusting for me.”

With Mr. Cohen’s approval, Ms. Taylor says she changed the sales operation in ways that helped generate more new customers.

Deep digging didn’t pay off for Ellen Rozelle Turner. She spent several months probing the founding family of a management and information-technology consultancy where she previously had worked before taking its presidency in late 2008. She was the sole senior executive without family ties to the 70-something founder, who promised to share the CEO title with his daughter following Ms. Turner’s arrival.

return part-time six months later, saying, “I don’t know what to do with myself,” she recalls. Some staffers soon created confusion over who was in charge by raising issues with the founder rather than coming to her, she continues.

She left in early 2010. As an outsider, Ms. Turner says she didn’t then understand “the depth and complexity of being in a family dynamic.”

She does now. Ms. Turner started her own management consultancy —and employs two of her adult children.

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