

Hello everyone. This is Wayne Rivers at The Family Business Institute. Thanks for tuning in. As always, click on our social media and let us have the benefit of your thinking in the comments section below.

This week, I want to talk about transition. Why is transition such a dirty word? So, one thing that we listened for when a family business calls us here at FBI is we listen to their ... they're either looking forward to something or they're trying to avoid something, right? And one of the key words that we listen for is transition, and the most common transition of course is a senior leader is at or near retirement, and the junior leaders have to be groomed and trained up to be able to be senior leaders at that point. We know if they're at a transition point, at an inflection point, that there's an opportunity for us to help them and an opportunity for them to get the things they want in a less fractured manner.

And that's what we're looking for when we're trying to define win-win with family businesses. Life is full of transitions, and we fight them. We struggle with them every step of the way. Think about yourself. You graduate from school, you get a job, you may be moved to a new city and start over again. Maybe you get married, you have kids, your kids go to new schools. They eventually graduate, and they go off to college, and now you're an empty nester. That's a big transition. People get divorced. Holy moly. You talk about a transition. People die. At my age, I've got friends that have died. It used to be my friends were getting divorced, now they're dying. That's how you know when you're old. And, then ultimately retirement, and family business leaders are famous for not really retiring.

They hang around and continue to exert influence on the organizations. But still at some point ... For me, 10 years from now or for you, 1 to 10 years from now ... you're going to be thinking about retirement too. And that is the big transition in life where family business leaders tend to struggle, I think more than with any other transition except perhaps divorce or death of a loved one or something like that. So, we want to give you five tips for making that big transition less big, less traumatic, less impactful on both your life in a negative way and the life of your organization.

The first one is, let's face it, in any transition your identity is going to be shaken a bit. Your identity is going to have to change. When you're thinking about retirement or slowing down or riding off into the sunset, it's so important not to think about, not to dwell on what you're giving up, but what you're going towards. That's so much more important. My wife and I, we don't have a firm date or anything like this, but we're going to buy a boat and we're going to cruise up and down the coast and visit the interesting cities, Baltimore and Washington and New York and Boston, every place else. Stay for a day or a week or a month or whatever on our boat, and it'll be a fun thing to do by all accounts. Everybody that I've talked about that has done this has found it tremendously rewarding and it also creates a closer bond between the spouses. So, that's something that we can really look forward to whenever that time comes, whether it's 5 years or 10 years or 15 years from now, that's something that we can look forward to and move towards rather than look in the rear-view mirror and see our ourselves, our identities retreating into the distance.

The second tip is look at retirement as a great growth opportunity. I have a neighbor at the beach and he owned a business, and he was a hard charger. I mean, just an edgy, fired up guy and I never thought he'd be able to retire. Well, he's been retired about 18 months now and he's gone from getting up at 5:30 in the morning and being at work at 6:15 to sleeping in sometimes until 9:00 AM. He's become quite a gardener and his garden is tremendous. You should see his tomatoes. All the neighbors are envious of his tomatoes. But, he's looked at it as a growth opportunity. He and his wife are traveling in Europe now. He's doing things now that he didn't have time to do when he was working so hard, and he's looking at it as a new chapter in his life with a new opportunity, new set of opportunities rather than looking in the rear-view mirror at something he's leaving behind.

The third thing is you've got to stay resolute. You've heard us at FBI talk about the change model, and we'll put this into the blog and maybe even create a link where you can download the change model. This was the subject of my last book, *Our Family Business Crisis and How it Made Us Stronger*. The natural progression if you look at the change model is to go through this period of chaos in your life where you're revamping your identity, you're revamping your daily schedule, how you interact with your spouse every day, things like that. And, it's a little rocky, it's a little tricky, it's a little uncomfortable and the natural thing to do is run headlong back in the other direction and try to reassume all the things that you used to be and do.

So, this is the worst thing that a family business leader can do: retire from the company, put your son and daughter in charge and then go away for a year. You play a bunch of golf, you fish a lot, you hunt a lot, you travel as much as you can take it. And then 12 or 18 months after the retirement, come swooping back in like a whirlwind and usurp control from the very people that you trained and groomed to run the company better than you did in your time. Worst thing you can do. It upsets the organization, upsets the people. It turns things upside down. It makes the world ... Your world might feel better to you as you run away from chaos, but their worlds are turned upside down. It is absolutely the worst thing that you can do. So, you've got to stay resolute. When the chaos period comes and you're uncomfortable and you're unsettled, you've got to remain resolute and look forward to something rather than retreating back to the former status quo.

The fourth thing, we talked about this in a recent blog, one of the things that we lose as we get older is the ability to learn new information. Some people refer to it as hardening of the attitudes, but the fact is that we can't learn new information as easily at age 70 as we did at age 27. But, the thing about it is while you lose the ability to gain new information, you don't lose intelligence. You don't lose experience, you don't lose memories, you don't lose the how to, and it's a perfect time to give back internally. Boy, I hate that term. To do good internally in your organization by mentoring and coaching the young people, giving them the benefit of your experience and being a resource, not a boss, not a hard charger anymore, but being a resource for your people for a few hours a day or a few hours per week.

You can be like a college professor and have office hours on Tuesdays and Thursdays or something like that. And, that might work out really well for you. So, teach and mentor others and don't focus on yourself. Focus on what you can give them because that's the way you truly give, you truly make a gift of your knowledge and experience.

And then, the fifth thing is to be successful as you make this life transition you've got to have peers. You've got to have friends, neighbors. You hear me talk about my peer group all the time. We're such a resource for each other. When we're making changes in our organization, we email each other, and we talk to each other all the time. They're running businesses very much like The Family Business Institute. What better place to go than this group of talented people when I have an issue, or I have a question? So, develop that peer network and you'll realize that there are things that you can do outside of your company that give your life meaning and cause you to have that wonderful senior golden years that you've always been looking forward to.

So, these are five tips for making your transition easier. In the comment section, maybe you can give us some tips. What have you done? Those of you that have left your CEO roles, what have you done to make your transition more meaningful and easier in your life? I'd love to hear from you. This is Wayne Rivers at The Family Business Institute. Thank you.