

Case study

Family business

The best medicine for family feuds is prevention.

Resolving family feuds

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Highlights

- Define family fairness and justice.
- Respect for an individual's growth and development.
- Create structural clarity.
- Include outside mediators.

The Challenge

A client had two brothers, father, aunt and various cousins working for the family business.

Unfortunately all is not rosy and an issue simmering between two family members looked like reaching boiling point.

How can this be resolved and prevented from happening in the future?

How we helped

One of the deadliest natural disasters that can befall a family business is a family feud. Tied together by blood and business, siblings or parents and children can find their connection boiling over into destructive conflict. While family conflict is healthy and inevitable, when it becomes a feud, the degree of hurt and anger makes resolution very difficult.

The best medicine for family feuds is prevention. Anyone observing a family feud can see that it doesn't appear overnight, and they aren't always about business disagreements alone. When bringing siblings into the business, parents can minimise the possibility of destructive feuding by following four key principles:

Family feuds are common and many of them are so deep that they are hard to prevent or overcome.

- Define family fairness and justice. Families need to discuss expectations, especially in relation to the business. What differences will there be for those that work in the business and those who do not? This must be done by open communication among all family members.
- Respect for an individual's growth and development. Families that have a clear expectation of outside employment are less likely to fight over pieces of a smaller pie. Competent and confident people tend to feel less need to blame others, and are more willing and able to compromise and see the other's perspective.
- Create structural clarity. If ownership or agreements are vague, they can be interpreted differently. The presence of different numbers of siblings in different family branches means that a large family business must have clear structures to define succession and key decisions.
- Include outside mediators. Families are usually on their best behaviour when guests are present. A close family friend can often say things that a father cannot. Feuds gain unnecessary heat when there is no outside pressure to sit the principals down and let things cool off.

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For the future

Family feuds are common and many of them are so deep that they are hard to prevent or overcome. When a family develops positive ways to openly express and deals with differences, the chances are much less that it will decay into a self-defeating feud.

For more information

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