

Changing Lanes

Transition planning for entrepreneurs and family businesses

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with compliments from



Capital Wealth Management

Dave Somerville, CFP

A Vision or a Dream?

*If you can dream it,
you can do it.*

Walt Disney

History books will record that Walt Disney had a dream. Yet more dictionaries depict a dream as a "wild or vain fancy" as opposed to an "ambition or goal."

*Is it not more accurate to say Walt Disney had a vision? A vision is to **see** something that doesn't exist, and by all accounts Walt Disney could clearly **see** what he wanted to achieve. Visioning is explained in one dictionary definition as "conceiving with foresight."*


Many would agree that it is much more appropriate to portray Walt Disney as a visionary rather than a dreamer!

As a successful entrepreneur, do you consider yourself a visionary or a dreamer? Would others describe you as "a person of unusually keen foresight" or someone who relies on hope and "airy theories?"

To have arrived at where you are today, you are definitely more a visionary than a dreamer. Unlike the dreamer who has an idea but fails to follow through on it, you **saw the future** that an opportunity could provide and pursued it.

A vision provides a clear target for your drive and ambition. It gives you a focus when faced with negativity, fear, or major setbacks.

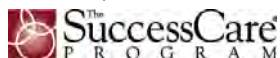
As you move towards the next stage of your life, take a moment to consider what the future now holds for your family and your business. Do you have a new vision? If so, what do you see? Have you shared that vision with your family? Do you have a map to get there? If not, this edition of Changing Lanes is for you!

Inside we continue the examination of **The Seven Complexities** with a look at how to address the challenges arising from Complexity #4 -- **No clear vision or direction, only dreams.** 

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No Clear Vision or Direction - only Dreams

*A sailor without direction
knows no favorable wind*

Proverb

Any business advisor will attest to the validity of this proverb. Study after study highlights the importance of developing a formal plan for the future — a plan that lays out a destination that is both concrete and achievable.

Planning for the transition of your business is no exception. That plan begins with a clear vision.

Defined as an *image of the future*, a vision is certainly a motivating factor in all our lives. As empowering as it is to each of us as individuals, it is even more of a force in turning a family business into a legacy.

This is where true visionaries excel. While satisfied with their current achievements, visionaries see the opportunity for a bigger future — a future that will have a positive impact on all those who contribute: family members, employees, customers and even suppliers.

Their vision is a shared look at the future. It is an image that others can confidently buy into because they too were allowed to “see” and contribute to its creation.

It becomes the glue that binds individuals together in pursuit of a common goal, and consequently forms the foundation of a formal plan for the future direction of the business.



The Seven Complexities

- 1 No clear definition between family and business
- 2 Family members can lose their personal identity
- 3 Unresolved conflict
- 4 **No clear vision or direction - only dreams**
- 5 Lack of trust or “we focus”
- 6 Lack of communication
- 7 Lack of clarity around responsibilities, roles and rights

Engaging others in the development of the vision also serves to build future leaders. Authors Nanus and Dobbs portray an enduring organization as one with leaders who can anticipate and create the future instead of reacting and adapting to change.

While it isn't always easy to capture or articulate your vision, it is a vital first step to identifying the objectives of your transition plan. Read on to learn about our unique process for families who are ready to identify their common interest and take the first step to mapping out a clear direction.

Articulating Your Vision

More often than not, our vision — what we see in our mind's eye — is a manifestation of our core principles in how we see the future unfolding. You could say that it is the coming together of past, present and future as one entity.

It is this coming together of past, present and future that is the basis of our approach to helping you articulate your vision. Once you have clarity, you can effectively share it with those who are important to you and those who have a vested interest in the future direction of your business.

Through the SuccessChart™, you will examine your past challenges and successes to uncover your guiding principles. You will also identify those behavior patterns, life experiences, family traits, key attitudes and family traditions that have shaped the business throughout its history.

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Articulating Your Vision *continued*

From a review of each decade, you will undoubtedly discover that your keystones are a compilation of:

- Your own value system;
- Lessons derived from the impact of major external factors;
- The development of key intellectual and social capital.

This knowledge and understanding of the past and present culture enhances your ability to **see** and discuss the building blocks and opportunities for business continuity.

The SuccessChart™ then takes you through an examination of different scenarios, resulting in an increased awareness around what is your true vision for the future of your family and business.


Ultimately, this process gives you the confidence to move forward. By articulating your vision, you first acknowledge your own principles and desires. The next step is to afford the other stakeholders the opportunity to identify with you. 

Communicating the Vision

Expecting others to buy into your vision before they have a complete understanding of what it means to you (or what's in it for them) is like recommending that they eat the food you set in front of them without telling them what it is or what's in it — it only works when they are little kids!

By involving them in a review of the family and business history, principles, successes, challenges, traditions etc. they will be in a much better position to understand the passion and purpose behind that vision.

If properly shared with the other stakeholders, your vision might well become their vision. When effectively communicated, it has the ability to inspire those who are connected to the family business and become the group's common interest — their collective house on the hill.

A shared vision creates both purpose and commitment and can become the target of each stakeholders' energy and enthusiasm. It is a major contributor in building the trust, leadership and stewardship that are vital to the continuity of the family business. 

Thom Penmaen would ultimately love to see his business pass to the next generation, but it's not likely to happen if the kids don't endorse Thom's vision for the future.

A case in point is Thom's current goal to expand operations into Europe and Mexico. He is excited about this direction and in a hurry to get the project underway before he runs out of time and energy.

However, there is some obvious opposition to the plan from certain members of the family who are convinced that Thom has not considered all the risks.

Currently, none of the kids feel that they are valued or recognized for their day-to-day contribution, never mind being offered the opportunity to be a part of the thought leadership.

The problem is rooted in the lack of a clear vision or direction for the business. Yes, Thom has his dream of expansion, but until that dream is articulated as a vision that has purpose and is seen to be achievable, until it is communicated as a plan to build a bigger future, it will fail to inspire or garner support.

This story can have a happy ending. With the help of his advisor, Thom Penmaen can share his vision with the family. From the discussion that ensues, opportunities for the family to contribute, and mitigate the risk that Thom's age might create, can be identified. The next step would be to engage all the stakeholders in identifying all the obstacles and creating an action plan to implement appropriate strategies.

If uncertainty about the future of your business is keeping you awake at night, we can help you and your family or partners work towards a happy ending.

"There is no more powerful engine driving an organization toward excellence and long range success than an attractive, worthwhile, and achievable vision of the future, widely shared."

Bob Nanus, Author

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Getting Commitment

The process of sharing your vision to create a common interest is certainly an essential component of an effective transition plan. But it is not enough. A plan that is long on vision and short on execution will not yield results.

You need to both show and get commitment to that vision. To get from communication to commitment, you need to translate the vision into a set of measurable steps.

This is where you move from the role of visionary or strategic thinker to leader. The leader's role is to balance the focus on the future with a clear understanding of what needs to be done today.

There are two steps to realizing your vision.

*The first is to see it in your mind,
the second is to make it a reality.*

Stephen Covey

We recommend you do exactly what Thom Penmaen did. As your trusted advisors we facilitate a brain-storming session with you and your stakeholders to first share the vision and then uncover every possible obstacle to achieving it. Nothing is considered frivolous or unimportant.

Part of that process is to have all stakeholders complete the confidential SuccessCare® Questionnaire to determine how close you are currently to having a common vision for the future.

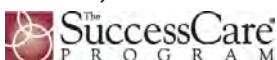
Once the obstacles are unearthed, we will lead your team through a process to formulate strategies that address any situation that might derail the commitment to, and realization of, your chosen direction.

This process is called SuccessStrategies™ and is a very cost-effective way to move beyond the communication stage to the commitment stage.

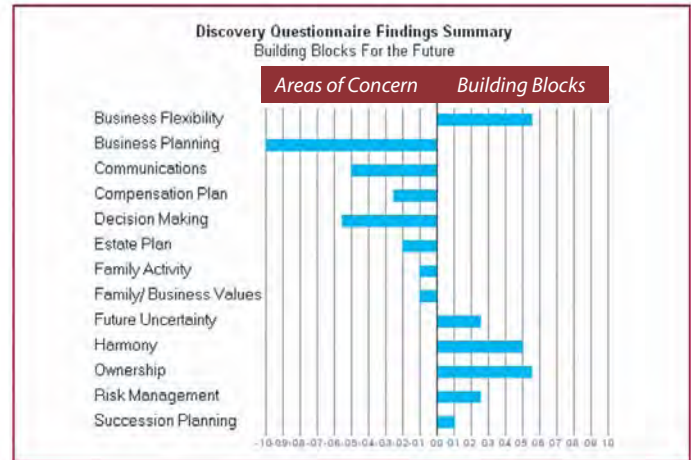
From *commitment to the future direction* of the business, the next step is to get *commitment to action*.

Here are just a few of the action items that can actively engage the next generation in generating a plan to reach the shared vision:

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The SuccessCare Questionnaire



- Define short and long term goals that commit to the vision.
- Develop an operations plan that supports the realization of those goals.
- Create a marketing plan that optimizes the strengths of the business and takes advantage of the opportunities in the industry or marketplace.

As the action plans are formulated, ensure the appropriate authority and accountability go hand-in-hand with the responsibilities.

As the leader, you need to set an example every stage of the way. Create a "we-focus" so the entire team can work together. This builds trust and stewardship.

Remember the words of Jack Welch: "good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion." What's missing is the fact that good business leaders also communicate and get commitment for that vision! 



Capital Wealth Management

501-63 Church Street
St. Catharines, Ontario L2R 3C4

Tel: 905-682-5789

Fax: 905-682-2378

Email: dsomerville@capital-wealth.ca

Web: www.capital-wealth.ca