

Does Marriage Get in the Way of Family Business?



“We’ve been married over 27 years and seemed so similar and compatible, but since we quit our long-term corporate positions and opened a business together, we’re running out of money and arguing most of the time.” That type of statement is commonplace with married business partners.

Spouses and significant others working together is quite common today, particularly as couples grow tired of working in corporate America. They hope to transition into their own successful businesses, become their own bosses, have greater flexibility, and grow a substantial nest egg over time.

It’s a “no-brainer.” After all, many of these couples have known each other much of their adult lives, successfully raised children together, and had well paying professional careers. They think, “Let’s work with each other, spend more time together, and build something we enjoy and can retire from. We’ll have no roadblocks to stop us from implementing our great ideas!”

After all, there are many family-run businesses that are incredibly successful, so why not us?

Look Before You Leap

Ideally, before you decide to take the plunge, you should realize:

- Working for a corporation is much different from work-

ing for yourself. Most people eventually realize how important the corporate support structure was *after* starting their own business.

- If you weren’t married to your spouse, is he or she really the person you’d pick to be your business partner? For most objective people, the answer to that question is a resounding “NO.”
- Which person is going to be in charge and have the final say? Obviously, this can lead to ego problems (superiority and inferiority complexes) and organizational problems (can two people both be in charge?). What happens if both partners are stubborn? For many companies, that type of situation breeds trouble.
- Even if your business is successful, many couples don’t realize how much working with their spouse will change the relationship. Business partners have been known to quarrel over mistakes and decisions that the other partner made. With a personal relationship that’s intertwined with a business relationship, how easy do you think it is to “turn off” the business portion of things? Be mindful that when personal lives suffer, business performance is often affected...and when business performance suffers, personal lives are affected.

How to Approach a Personal / Business Relationship

If you’re already in business with your life partner, and have challenges that are difficult to overcome, here are five key steps you might want to take:

- **Assess the Situation.** Do a S.W.O.T. analysis, to assess your business’ Strengths, Weakness, Opportunities, and Threats. Strengths and weaknesses are things within your control, whereas, opportunities and threats are market factors that are out of your control. So focus primarily on your strengths and weaknesses at first. It’s important to be brutally honest because if you ignore or overlook problem areas, how can you work to resolve the issue(s)? Spouses must realize that their “working” relationship may likely be much different than their “personal” relationship; as a couple, you are facing new challenges that you’ve (collectively) never faced before. Of course, being brutally honest doesn’t mean you should be brutal to each other!
- **Set Goals and Create an Action Plan.** Once you’ve completed an accurate assessment, it’s time to prioritize your goals and determine the steps you need to take in order to achieve those goals. Each step should be specific, working to enhance your strengths while minimizing your collective weaknesses. It also helps to make sure each step of the process is achievable. This ensures that you’ve closely analyzed the problem or process while limiting the chances of getting discouraged by taking on a gigantic task when incremental steps will do. Be sure to put your Action Plan in writing and review it often. This way, you

can stay focused, adjust the Action Plan, or speed up implementation if things are going well.

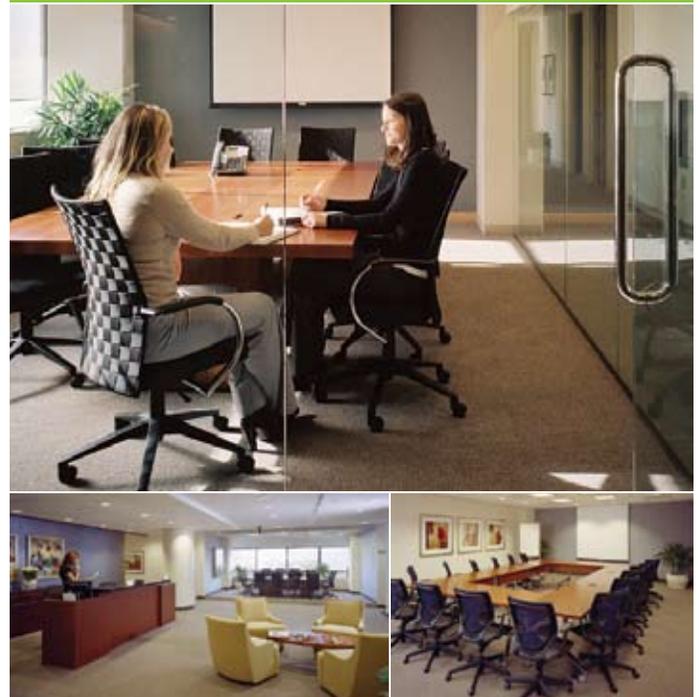
- **Clearly Define Responsibilities.** Many family businesses are not as organized as they could be. That doesn't mean they need to develop complex organizational charts, but it does mean that people within the organization should understand whom they report to, what their specific areas of responsibility are, and what latitude they can take to get the job done. Part of the reason why family businesses aren't as organized might be because these types of things aren't needed at home. Whatever the reason, an ill-defined organization generally reduces one's bottom line, which contributes to added financial pressures. What's the solution? One of the people must spearhead the task of making sure that each area of responsibility is clearly defined and assigned to the appropriate person.
- **Develop Better Communication Skills.** Sometimes, spouse/business partners keep problems from each other as a way to avoid arguments. This type of behavior is, unfortunately, shortsighted and usually just postpones a bigger argument due to the ignored problem surfacing later on. As the old adage says, "A stitch in time saves nine," meaning that it's important to have open and honest dialogue with your business partner—especially if they're your spouse—because being able to confront and solve problems will impact both your business and personal lives.
- **Consider Talking to a Business Coach.** It's easy for business owners to say they're going to conduct their own SWOT analysis, set goals, define responsibilities, and communicate better. But, with so much to do, many people require a level of self-discipline that they just don't have. A Business Coach can help people commit themselves to accomplishing their tasks and reaching their goals because they feel obligated to give status reports to their advisor. Of course, any fees that are paid often help people to follow through even more. Perhaps the greatest advantage of finding an experienced Business Coach is that they can view situations from a neutral, unemotional vantage point. Their primary focus is to improve the client's business performance by helping them recognize and work through business problems in a methodical way.

If hiring a Business Coach is something you are considering, be aware that it's preferable to have them involved *before* your business or relationship is in crisis mode. As many business people know, once an extreme situation exists, the situational, financial, and time pressures felt while in crisis mode put up roadblocks to solving the problem...a problem that might have been avoided if the Business Coach was hired a few months earlier.

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