

## CASE STUDY | Welsh Co Supermarkets

### Situation

**Family:** Elderly father, founder and CEO; two brothers, COO & CFO; third brother, passive owner; elderly mother, Chief Emotional Officer.

**Business:** Nine stores and members of a super-market coop.

**Ownership:** The father had deftly passed ownership to his three children, giving the two active brothers controlling interest.

**Crises:** The father was still fully involved in the business, because his two sons were at each other's throats and because their employees were extremely unsettled over the thought of the father's retiring. Being forced to sell the business was looming large as the only alternative left open to them. However, because of this feud within the top management team, selling would have been a fire sale, esp. given how the supermarket coop operated around divestiture situations. Dad was feeling that his only alternative was to bring in a professional COO and simply punt.

**Succession Profile:** Interestingly enough, the sons had almost perfectly complementary executive skills—one was a natural at running operations and liaising with the co-op, and the other son was a natural at pretty much everything else (finance, administration, real estate, strategy, banking relationships, etc.). So, on paper, it was a match made in heaven...on paper.

**Core Issues:** Defusing the feud; getting the brothers to work together like business partners (they virtually did not speak about the business); and getting one to accept that the other would need to be "top dog." There were all sorts of secondary business issues that were also festering, as a function of the fraternal feud.

**Not Happening:** Strategy clarification; IT investments; employee problem fix-its; addressing "too lean" at top tier of management; retention and development of high-potentials.

### Objectives

**Preserve Family Relationships:** The sons with one another, plus all other family relationships were seriously threatened by the bad blood between the brothers.

**Back-up Dad:** He could be a very tough hombre as a businessman. But, when it came to his sons, they were one very big handful, so dad needed serious professional back up in his effort to get the sons back on track with each other.

**Defuse the Feud:** This was the reason we were hired in the first place, and it definitely was the fundamental, business-threatening problem.

**See the Forest for the Trees:** The three of them had been so distracted by the feuding that there was an array of business issues piling up that sorely required their attention. We had to do everything possible to end the drama, so they could return to the business of the business and preserve it for this generation and beyond.

### Solutions

**Conduct one-on-one interviews** with family members, non-family management, and outside business advisers to figure out what the true reality of the situation was and to begin to assess the "succession potential" of the two sons.

**Assess the sons,** using testing instruments specially designed for business applications. In this way, we were able to more precisely measure their executive and leadership capabilities and better understand their counterproductive tendencies, which would further ready our tGCP team to work with these two pain-in-the-rear sons.

**Conduct a web-based, organizational survey** with all 20 of the folks that we interviewed. The survey is an "organizational 360" that assesses the 12 key domains that underlie a CHB's success or failure. So, the survey is part organizational MRI and part Risk Assessment, and serves to counterbalance and enhance the interviews.

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### Solutions *continued*

**Debrief the Principals:** First, the dad was debriefed alone with us to help him come to terms with the difficult feedback he read about his sons. Then, we brought the three of them together for the Big Confrontation. With all that feedback from the “chorus of voices” (i.e., the 20 respondents) and as a function of our facilitation around all these supercharged data, the brothers were unable to remain in denial about how very destructive their relationship with one another was to the business, as well as to the family itself and to the company’s value employees.

### Results

**Light at the End of the Tunnel:** Dad could now visualize the possibility of his sons actually behaving like true business partners and his being able to finally step back and out of the business and retire into the sunset, as his wife had wanted.

**Executive Coaching with the Brothers:** If the brothers were to have even half a chance to achieve this ambitious objective of being collaborative business partners, then coaching was a critical element of the going - forward plan. They both worked with the same coach, in order to streamline the development process. In addition, an essential design element of the coaching intervention was to bring the sons together on a regular basis with their coach and work “live” on the various supercharged issues.

**Team Development with the Brothers:** This second part of the coaching intervention (i.e., working “live” with the two of them) accomplished many things, and all at the same time—they learned how to communicate with one another and how to handle very challenging issues; they determined that they could actually operate as business partners together and therefore concluded that they would not be forced to sell the business, as the only way to “resolve” their severe relationship problem; and we prepared them to address the array of tactical and strategic issues that emerged in the course of the initial diagnostic study.

**Getting Strategic:** Readied by the coaching, they were poised to take the business to the next level. For example, they were woefully understaffed at the top, and both of them were being buried by administrivia. So, they acted to augment the company’s bench strength at the top two levels of management. They also worked together to resolve a number of problems with key employees. Finally, they also moved decisively on high - level strategic issues that had gone unattended for a very long period of time—establishing a crystal clear Mission, Vision, and set of Core Values, and then using this strategic work to inform and align the company’s business plan, using the discipline of an Organizational Scorecard to ensure that the company took a realistic, practical, methodical, and measurable approach to growth.