

## Study Guide for Family Enterprise Advisor (FEA) Program

### Resources

- Power point slides of each course
- Reading materials of each course
- Supporting documents of each course

### Suggestions for Study

- Students are strongly encouraged to spend as much time as possible using this study guide to review the concepts in each course of the *Family Enterprise Advisor (FEA) Program*.

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### Learning Objectives: *Business Family Dynamics*

**Understand the concepts that are fundamental to family enterprises and appreciate the complexity of family enterprise consultation.**

- Understand the difference between “family business” and “business family (or family enterprise)”.
- Appreciate the complexity of family enterprises and the challenges they face.
- Understand the advantages and disadvantages of family enterprises.
- Understand family enterprise as an interactive system between the family, business, and ownership systems.
- Understand and be able to apply the three-circle model as a systematic approach for working with family enterprises.
- Be familiar with the “best practices” associated with successful family enterprises, and know what makes a healthy family enterprise.
- Be aware of the features that are unique to family enterprises, e.g., family dynamics and the impact of family relationship on business performance. Understand how these features impact your consultation with your family enterprise client.
- Be aware of the lifecycles of the individual, the family, the business and understand how different life cycles of the individual, the family and the business affect your consultation services.
- Understand why a genogram is helpful in understanding family relationships, and learn to use Genograms as a tool to understand family relationships in family enterprise.
- To understand who your client is while working with family enterprises.
- To know who you are as a strategic family business advisor.

### Learning Objectives: *Family Enterprise Strategy*

**Understand strategy for family enterprises and learn practical tools for planning strategically.**

- Recognize the differences between family enterprise strategy and non-family enterprise strategy.
- Be able to help your family enterprise client identify their long-term vision and develop a strategy that matches with this long-term vision.
- Know how to assess the resources of your family enterprise client from the family, business, and ownership system.

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- Be familiar with the concept of “familiness” and be able to assess “familiness” for your family enterprise clients.
- Be able to define “trans-generational entrepreneurship.”
- Be able to assess your family enterprise client from the following six dimensions: *performance*, *vision*, *strategy*, *leadership*, *governance*, and *relationship* dimension; know what questions should be asked in assessing the above six dimensions.
- Be familiar with the four “L” in family enterprise: *Liquidity*, *Legacy*, *Lifestyle*, and *Leadership*.
- Be able to identify which “L” drives your family enterprise client (*Liquidity*, *Legacy*, *Lifestyle*, or *Leadership*).
- Be able to use a “resource-based view of the firm” as a strategic tool for understanding your family enterprise clients.
- Recognize the differences between “tangible resources” and “intangible resources.”
- Understand the importance of transferring knowledge from the old generation to the young generation in your family enterprise client; be able to identify strategies and solutions to help your family enterprise client achieve this goal.

### **Learning Objectives: Business Boards and Family Councils**

#### **Understand different governing body for the three systems of a family enterprise and learn effective tools for the governance in each system.**

- Be able to explain what “governance” is and what “good governance” is.
- Understand how governance in family enterprise is different from governance in non-family enterprise.
- Recognize the benefits and challenges of family enterprise governance.
- Understand the meaning of “fairness” in family enterprises.
- Understand governance in the family system: guiding codes, forum for discussion, governing body, leader and role, and domain.
- Understand governance in the business system: guiding codes, forum for discussion, governing body, leader and role, and domain.
- Understand governance in the ownership system: guiding codes, forum for discussion, governing body, leader and role, and domain.
- Understand what good governance is for the family, business, and ownership system of a family enterprise.

- Be able to coordinate governance across the three systems of a family enterprise.
- Be able to identify issues related to different ownership stage of a family enterprise.
- Understand the governing body for dividend policy, business employment policy, and family employment policy, etc.
- Know how to achieve consensus-based decision-making.

### **Learning Objectives: Multi-Disciplinary Advising**

**Learn concepts and skills required to be a strategic advisor and acquire skills to work with advisors from other disciplines to provide better services to your family enterprise clients.**

- Understand why the whole-system approach is essential for providing better services to your family enterprise clients.
- Understand different stages of strategic family enterprise advising; know what information to gather in each of the above four stages.
- Understand the benefits of multi-disciplinary advising to your family enterprise clients and know why multi-disciplinary advising is necessary in providing better consulting services to family enterprise.
- Learn principles of working in a multi-disciplinary group.
- Be able to develop a “Multi-Professional Charter” for your multi-disciplinary group and know what components should be included in a “Multi-Professional Charter.”
- Learn tools and techniques for communicating across different disciplines in multi-disciplinary advising.
- Know when to bring in an advisor from other disciplines when advising your family enterprise client.
- Learn and apply a practical model for working with family enterprise client as a multi-disciplinary group.
- Understand the challenges of working with advisors from other disciplines.

### **Learning Objectives: Facilitation and Communication Skills**

**Learn the skills for effective communication when working with your family enterprise clients and with advisors from other disciplines.**

- Be aware of different communication styles and strategies of communicating with people who have a different Insights profile than you.
- Be able to identify how your family enterprise client communicates.

- Be aware of different types of conflict management styles.
- Be able to apply communication skills and navigate family dynamics more effectively.
- Learn different styles to facilitate dialogue and reach consensus.
  
- Be familiar with the “best practices” of communication with family enterprise clients.
- Understand and be able to promote “trust” among family members for your family enterprise clients.
- Be familiar with the core skills of facilitation.

### **Learning Objectives: Continuity Planning**

**Learn to take a whole-system approach in understanding continuity planning for family enterprise.**

- Demystify “*shirtsleeves to shirtsleeves in three generations*” in family enterprise and understand the factors that lead to the high failure rate of family enterprises.
- Be able to define what a successful family enterprise succession means.
- Understand the key factors that lead to a successful family enterprise succession.
- Understand the dynamics associated with each generational stage of family enterprise for the continuity planning of family enterprise.
- Understand family enterprise as a “paradox” system and provide examples.
- Know what structures should be put in place in order to assist family enterprise succession.
- Recognize leadership development in family enterprises from three systems: family, business, and ownership.