



Critical Conversations - key ingredients for successful outcomes

By Paul Smith – Carnegie Management Group

Family Business Leaders get things done through others; they constantly need to prioritize tasks, develop growth strategies and delegate responsibilities. The most effective leaders also know how to have courageous conversations.

Most important leadership transactions still take place in live, in-person conversations. Virtual communications such as email, sms, Twitter and Facebook postings are faster, cheaper, and more convenient than in-person options for staying connected and sharing information. But problems arise when they are used to avoid critical or challenging messages that can have significant impact on the family business. Good leaders embrace technology to enhance communication productivity, but they are careful not to replace the in-person conversations required to get difficult things done.

There are three types of critical conversations for you to master as the Family Business leader:

- one-on-one meetings
- small group discussions
- family meetings

And there are three ways for improving them. The effectiveness of each style of meeting depends on the participants and setting, the credibility and completeness of your intent, and your responsiveness to and emotional engagement with your audience.

The right participants and the appropriate setting

First, be sure you invite the appropriate family members and select the right type of meeting for the conversation. You know the typical problems: some people use multiple one-on-ones when they should have a family meeting interaction or vice-versa; group meetings are rarely productive where attendance is restricted to only certain senior members; and some family members will do anything to avoid "crowds" because they are visibly nervous or wooden when exposed.

The physical setup is also important. Does the space allow good eye contact? Does it project the right atmosphere of informality? Does it promote reflective dialogue when called for? Try a different format, include or exclude one or two people, see what happens and learn from it.

Credible and complete intent

Your audience must understand and trust the purpose you have stated for the conversation. Try this for your next one-on-one: list the outcomes you desire, starting with concrete ones such as "She will agree to these two specific performance goals". Keep going until you exhaust the more abstract ones like "She knows that I really want her to succeed and will do everything I can to help her."

You might typically have ten desired outcomes in a one-on-one chat. If we interviewed her after the meeting, what percentage of these outcomes would she believe the conversation had achieved?

Abstract messages (e.g. I want her to think I still believe in her potential") are miscommunicated more often than concrete messages (e.g. "You failed to deliver the second-quarter results"). And those abstract messages are often the most important ones to get right.

Senior family members should prepare a complete list of intents and, depending on their ease with the more abstract ones, talk through how they might convey them ahead of time.

Responsiveness and emotional engagement

The best family leaders go beyond good listening to make a caring connection at an emotional level. They respond to others' needs as they surface, thereby building trust. A good leader is willing to adjust her goals for the conversation based on the discoveries she makes about others' needs, while staying true to her own values and, indeed, the family's. This does not mean being flexible to the point of agreeing to whatever the other party wants, but rather being open to a set of shared outcomes.

The ability to engage in direct, persuasive in-person conversations remains the skill most crucial to leaders' success. It's not often that executives ask for help to improve their conversation skills. More likely, they ask for things like improving teamwork at the top, creating greater empowerment down the line, catalyzing innovation, and helping better align board expectations. When you investigate many of these familiar issues, you usually find that the right conversations either didn't happen or failed to produce the necessary outcomes.

You can't afford not to have your conversations work the way they should for you and for the good of your family in business - together.

BREAKOUTS:

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PAUL SMITH'S CONTACT DETAILS

Tele: 0407 503 465

Email: paul@carnegieng.com.au

Visit: www.carnegieng.com.au

www.executivementor.info

www.familiesinbusiness.com.au

