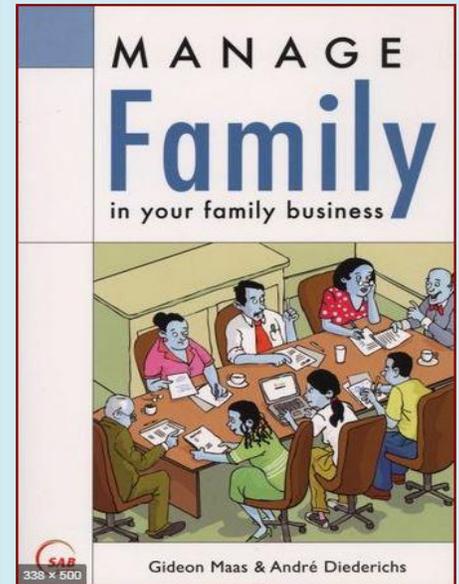




# FABASA

Lessons from the **MANAGE FAMILY in your FAMILY BUSINESS** book by André Diederichs & Gideon Maas



## Importance of the Family Council



Family



### IMPORTANCE of the FAMILY COUNCIL/FORUM for FAMILY BUSINESSES

André Diederichs and Sareta Schutte

**Management of relationships amongst family members to support the business is critical to sustain the family business for future generations.**

**André Diederichs discuss the importance of the Family Council/Forum with Sareta Schutte. She implemented and manages the Family**

**Council for their family business successfully.**

**Sareta is a successful businessperson in her own right. She understands the key value drivers of a successful business and the impact of family members on a family owned business. She assists family businesses to implement and manage successful Family Councils/Forums.**

#### FAMILY BUSINESS TIPS

#### QUESTIONS...

**You have a passion for the establishment of a Family Council. Why is this important?**

During normal business, a lot of emphasis is being placed on how we operate, how we refine our tools and how we present to other like-minded individuals. The saying “fake it till you make

it!" has never been more pertinent in business. Having access to new strategies, business models, and other relevant business information, we have become a successful family, which has access to technology, skills, and limitless resources so that operations happen at lightning speed.

We do however lose sight of the "family member as a person", and the construction of the Family Council, or Forum as we refer to it, addresses the social and emotional spine and "where do I fit in" effortlessly. The Family Forum has a Trustee, Chairperson, Vice Chairperson and Secretary. Within this construct, the Family Forum addresses issues like living our values, self-enhancement through DISC profiling, Emotional Intelligence, Conflict Management, understanding the Kings Reports, Financial Management for non-financials and encouraging memberships to institutions like IODSA, FABASA, AFRIFORUM and SOLIDARITY to name but a few.

The Family Forum manages and plans family weekends, career specific outings, and educational trips. The Family Forum guides social responsibility focusses and looks af-

ter the entire family's emotional and social well-being during these pre-determined ingenuities.

Within a family, conflict is inevitable, and managing these situations with respect and honesty is extremely important. We have a distinctive antiqued way of conflict resolution within the Family–The Lekgotla way!

The Family Forum with its own core philosophies is the life-sustaining substance from which the entire family safely germinates, grow roots, and ultimately yield fruit. The Family Forum is integral to our Constitution. With love and persevere, we coach the grandchildren from a very young age to understand the fundamentals of business and social acumen. From there on they are "proudly sworn" into the Circle of Trust at age sixteen (which is a remarkable family ceremony) that allows them into the inner sanctums of the business operations, the AGM and the subsequent strategic business planning sessions flowing from this.

**What advise can you give to family businesses to ensure the Family Forum operates smoothly?**

Family members must take their positions within the Forum seriously and with due responsibility. Call regular meetings with clearly defined goals but make it fun as well. When you lead by example, the rest of the family will support you and buy into your initiatives.

Make the Family Forum part of the Family Constitution and the Annual General Meeting where we introduce the Circle of Trust to the children and grandchildren. During this session, their parents swore them into the Circle. With the stoke of a humble pen, the rest of the family proudly stand witness to a new branch in the family legacy being eternally recorded.

Recognise and celebrate excellence within the family through an award-giving ceremony. The AGM, year-end and prize giving function is the perfect platform for this ceremony. Within our Family Forum, we dedicate two awards annually. The first one is the Family Forum Award and the second "My Hoender is n Haan" Award. The latter goes to the Grandchild that has proven to be an all-rounder regarding academic, sport, culture, and general presentation of

“self” during family get-togethers.

Children gradually become more active in the family by becoming Ambassadors at age 16 where they have responsibilities, for example having to work 20 hours a year in any of the business entities. From the age of 16, children may sit in on the first half of the AGM and at age 18 we expect them to attend the entire AGM.

In this process specific character traits are being refined, like integrity (also one of our core values), excellent knowledge on our constitution, wisdom, respect, patience, and tact (just like ambassadors), en-

hancing and growing and nurturing a character of leadership.

### **How can you assist family businesses to establish and maintain the Family Forum?**

I am available to visit any family business to help establish the Family Forum. With passion and perseverance, we grew our Family Forum for three years, continuously learning and adding to it. I believe each family's forum will be as unique as its members. The structure, age and size of the family will determine how I will go about to establish the Family Forum.

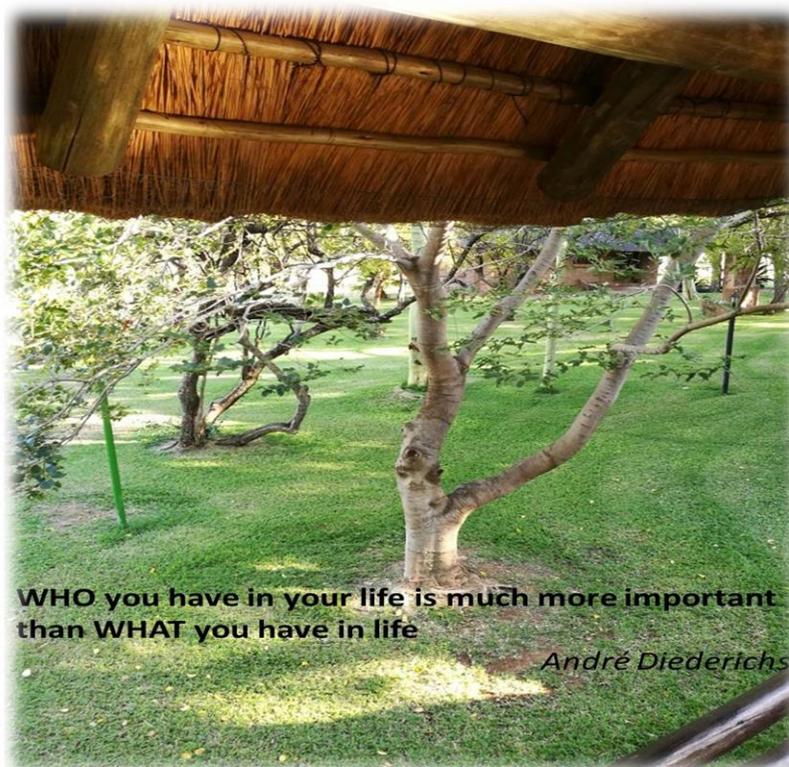
I strongly suggest a formal presentation session over two days where I explain the intricacies and advantages

of a Family Forum and assist in the planning of various other structures: the AGM program, the Circle of Trust, the wearing of your colours, the layout of your constitution and the subsequent training, relevant core focus actions, for example DISC profiling, EQ and conflict management.

If all this seems daunting at first, let us start with a more informal conversation.

**You can contact Sareta via her Executive Personal Assistant on 083 526 3139 or directly via email at: [connect@saretaschutte.com](mailto:connect@saretaschutte.com)**

**To order the Manage Family in your Family Business book visit: <https://andrediederichs.co.za/books-dvds-cd/>**



**WHO you have in your life is much more important than WHAT you have in life**

*André Diederichs*