



FAMILY
ENTERPRISE
XCHANGE

The Hidden Assets of Uncertainty: A Family Enterprise Opportunity

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Founder of Family Enterprise Alliance

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How to Participate

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2. Click the dropdowns to change the audio devices or adjust the sliders to change the volume.

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Presenters

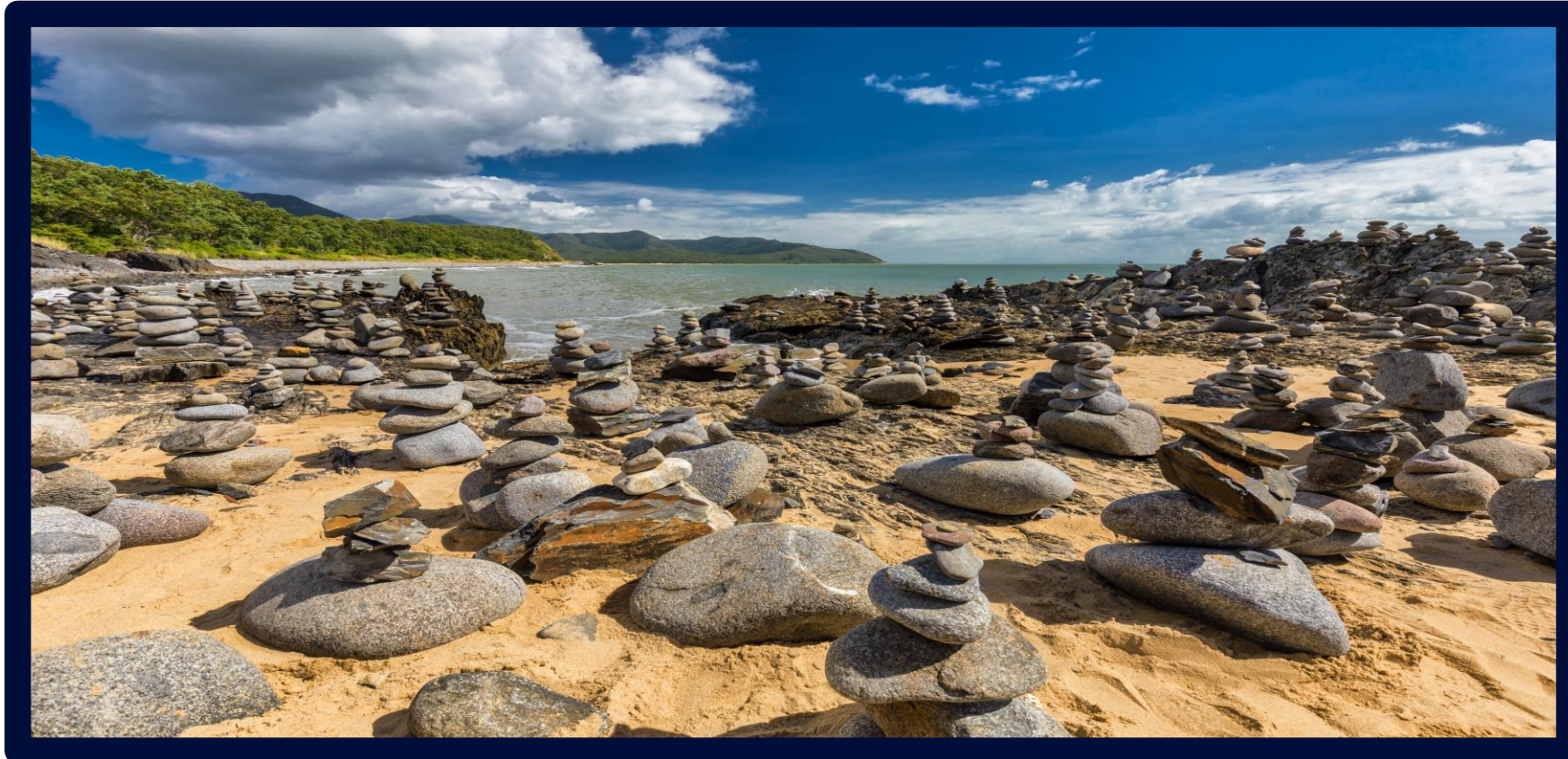


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Chair, FEA Council

Leveraging Uncertainty in Family Enterprise



Uncertainty's Pre-CV Popularity and CV Foundation: The VUCA World

Integral to crisis management and disaster recovery planning

VOLITLITY	UNCERTAINTY	COMPLEXITY	AMBIGUITY
<ul style="list-style-type: none"><input type="checkbox"/> Speed of change<input type="checkbox"/> Fluctuations<input type="checkbox"/> Turbulence<input type="checkbox"/> Lack of stability	<ul style="list-style-type: none"><input type="checkbox"/> Inability to predict/forecast<input type="checkbox"/> Without confidence<input type="checkbox"/> Objective characteristic of environment	<ul style="list-style-type: none"><input type="checkbox"/> #/variety of influencing factors<input type="checkbox"/> Relationship b/t factors<input type="checkbox"/> Analysis ability	<ul style="list-style-type: none"><input type="checkbox"/> Incomplete information<input type="checkbox"/> Lack of interpretation clarity



Uncertainty: A Conditional Perspective

AFFECTS OF CRISIS

- Universal
- Culture of uncertainty
- Disruptive
- Unselective
- Forceful
- Systemic
- Fear-triggering
- Unpredictable
- Resource extracting
- Source of devastation, pain, and grief

CULTURE OF UNCERTAINTY

- Doubt; not knowing
- Fear and panic
- Exhaustion
- Exposes and assaults beliefs
- Contemplation
- Waiting game (“back to normal”)
- Unraveling
- Pause
- Disconnection (untethered from knowing)
- Dislocation (disruption of established order)

Forces of Uncertainty

1. Look out/ahead and gain perspective
2. Assess the environment
3. Match feeling (fear) with wisdom
4. Stimulate processing
5. Create a desire for information
6. Give attitudes durability and impact
7. Explore the universe of possibilities
8. Question and vet choices
9. Change the way we think a/b world



Differentiating Certainty/Uncertainty

Certainty

(a belief)



conviction ◦ confidence ◦ predictability

- Shapes thoughts, judgments, attitudes, and behaviors
- Catalyzes actions
- Inspires calculated risk taking
- Fosters renewal and regeneration
- Frames trust
- Imbues beliefs with meaning/consequence

Uncertainty

(relational concept =
environment + conditions + beliefs)



doubt ◦ fear ◦ dislocation of order

- Calls on (+/-) dependency on beliefs
- Stimulates processing
- Creates a desire/critical need for information and evidence
- Gives attitudes durability and impact
- Transforms/changes the way we think a/b + act in the world
- Begs of contemplation and pause

(<https://dictionary.cambridge.org/us/dictionary/english/certainty>; Lessons on Managing Crisis Uncertainty Effectively, pg. 102, SAGE Publications)

Beliefs

Definition

The feeling of being certain that something exists or is true

<https://dictionary.cambridge.org/us/dictionary/english/belief>

A state or habit of mind in which trust or confidence is placed in some person, thing, or [idea]

<https://www.merriam-webster.com/dictionary/belief>

Chosen and evolved mindsets based on experiences, information, knowledge, etc.

Purpose of Beliefs

To guide action, not to indicate truth. Decisions about actions often have to be made quickly in the absence of evidence. Belief gives speed and economy to inquiry and counterfactual thinking.



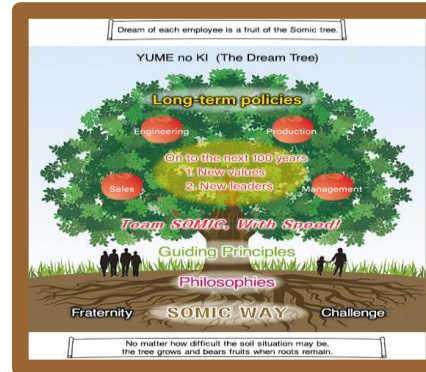
Family Enterprise Stories of TU



Zildjian
(now US; 400+ years)



Somic Ishikawa
(Japan; 100+ years)



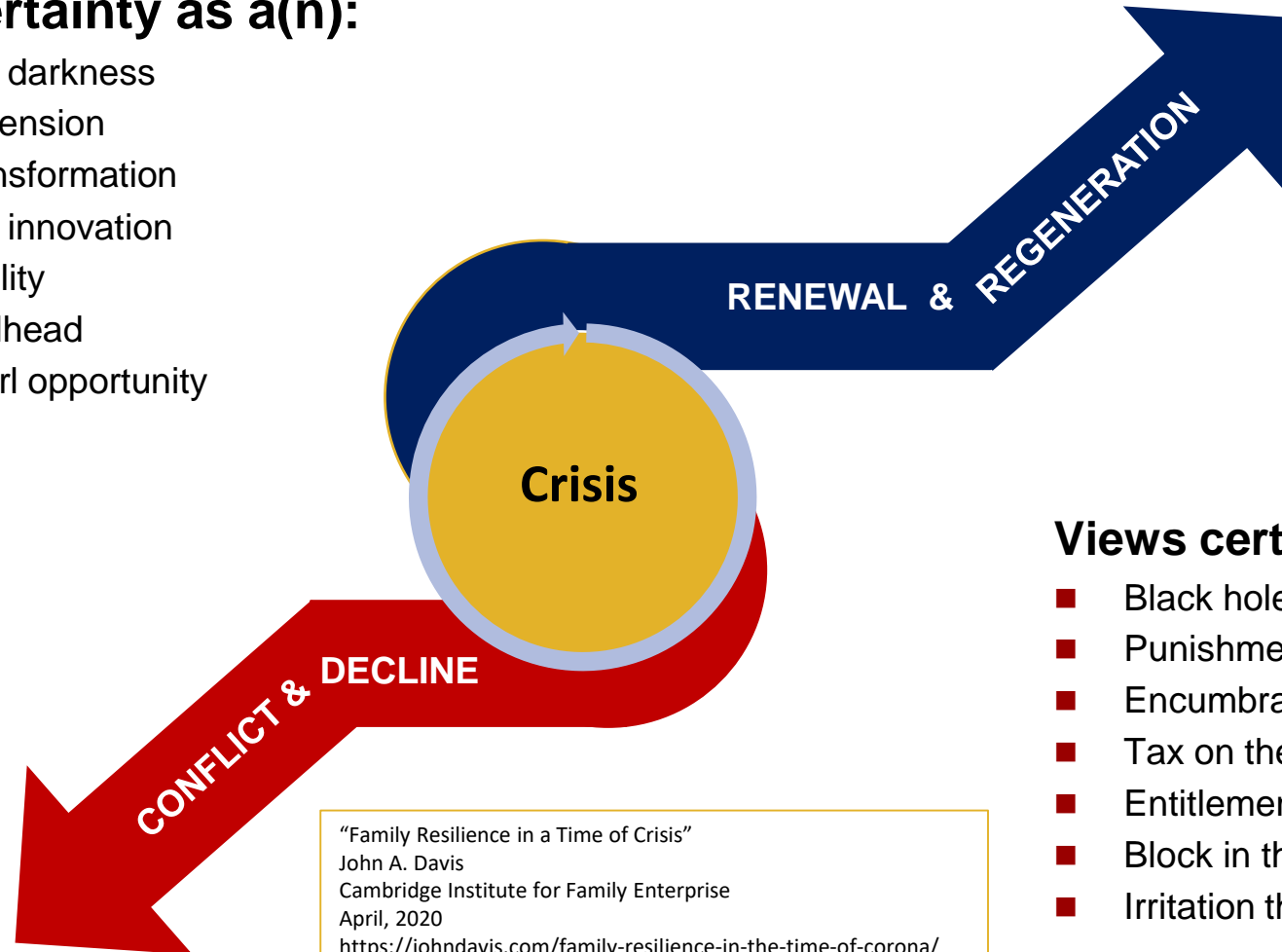
Suggestion:

Cultivate and scribe the family's unique generative and enterprising story around uncertainty, transformation, resilience, learning, adaptation, reimagining, renewal, and regeneration

Uncertainty's Role in Family Resilience

View uncertainty as a(n):

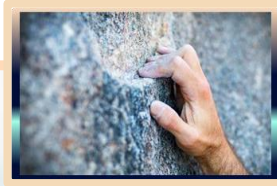
- Light in the darkness
- Beneficial tension
- Call for transformation
- Reason for innovation
- Responsibility
- Station/trailhead
- Oyster/pearl opportunity



Views certainty as a(n):

- Black hole
- Punishment
- Encumbrance
- Tax on the status quo
- Entitlement
- Block in the road
- Irritation that needs removal

Transformative Uncertainty (TU) Philosophies



- A **relational concept** that the impact from the disruption of uncertainty unveils the universe of opportunities for positive change
- A systemic **mindset** that constructively influences thinking, behaving, and decision making so that we emerge from crisis and adversity more adaptive, resilient, generative, prosperous, and prepared to harness the advantages of radical disruption
- A series of **mental handholds** that generate momentum for overcoming and moving beyond the sequence of challenges imposed by extreme or modest crises
- A **conveyor** for learning agility, curiosity, inquiry, exploration, discovery, and action
- An environmental **frame** changing the way we see/experience the
- A **compass for** directing decisions, plans, and actions
- A **tether to unwavering certainties** (values; purpose)

The Ultimate Lessons of Transformative Uncertainty

Crisis



Purpose



Confident Vulnerability



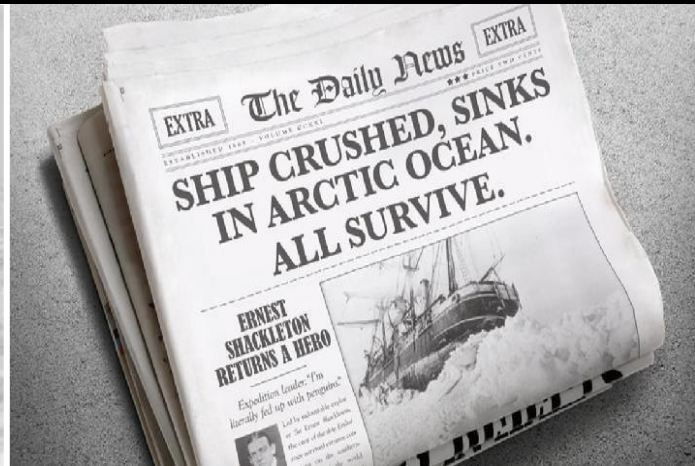
Unity



Learning Agility

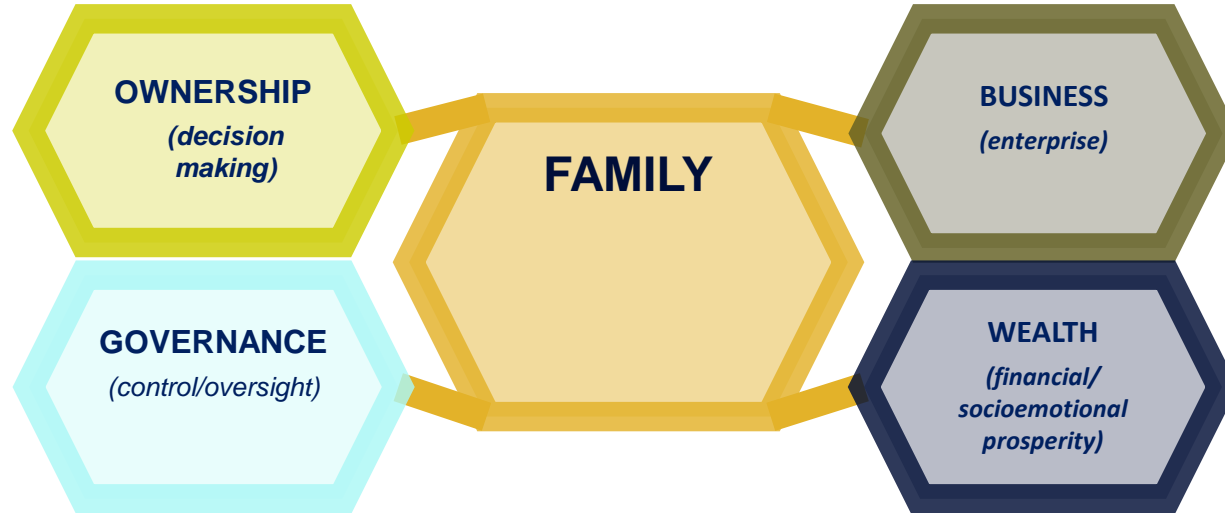


Transformative Uncertainty



Transformative Uncertainty in FE

VUCA Uncertainties



VUCA Uncertainties

Family Beliefs

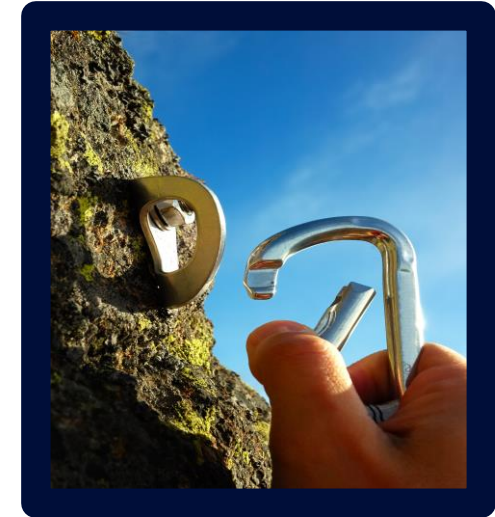
1. Uncertainty opens doors to positive change
2. Uncertainty unites families with their core values and purpose
3. The universe of possibilities has no owner (not people, not systems, not crisis)
4. Family and enterprise must be in vision, values, mission, goals, and strategy alliance for recovery
5. Regeneration, renewal are collaborative, NOT SOLO ACTS
6. Creative destruction leads to innovation
7. Governance thwarts threat

Enterprising Family Traits/Habits

1. Uncertainty opens doors to positive change
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Family Enterprise TU Practices

1. **Galvanize people** daily (daily briefing); make it available virtually (fam. website)
2. **Differentiate purpose** (never changes) from mission (adapts) – Wall of Why
3. **Adopt a belief processing model** to assess beliefs and how they influence responses to uncertainty (relative to reasoning, conclusions, decision making)
4. Practice consistent morning, daily, evening **rituals**; include stories (yours/others)
5. Conduct frequent **scenario planning** (investigate present circumstances)
6. Form **information gathering**/tracking task forces or squads (family + bus.) to scan environment regularly (economic, social, tech., regulation, health, political, ecological, etc.)
7. Plan and post pivots (**pivot board**)
8. Adapt structure to allow for transformation and traction; but, assign **clear roles** to everyone
9. Design **learning organizations** with curriculum to build agility/capacity learning
10. Integrate **systems thinking** into family, ownership, governance, business conversations
11. Seek and give 360° **feedback** daily
12. Connect with **play** (e.g. family/leadership book club w/ Endurance or Wait, What?)



Q + A

What's Next...

- Upcoming Webinars:
 - > Dennis Jaffe – July 16th
- FEA Community Calls
 - > Steve Legler & Ruth Steverlynck – July 23rd
Adapting To A Virtual World With Our Family Enterprise Clients
- Family Regional Meetup Groups check out our events page
- Interested in joining or leading an FEA Peer Group please contact Russel Baskin
- Have an article or material that you think should be shared with our FEA community in FEA Matters contact me for details

Thank You For Participating

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