

Family Enterprise

A key component of the economy with unique needs in terms of professional advice

FEA DESIGNATION: QUALIFIED ADVICE FOR BUSINESS FAMILIES

Family-owned businesses have existed for centuries. Even now, they continue to form the collective backbone of our economy.

Research with the Conference Board of Canada showed that family-owned businesses generated 48.9 per cent or \$574.6-billion of Canada's private-sector GDP in 2017. In short, family businesses matter. So do their advisors.

They're also unique, given that they comprise fundamental yet overlapping elements: family, ownership and enterprise. Depending on the business, the clan and the ownership model, day-to-day operations and family dynamics can get tricky. After all, families come in all shapes and sizes with their own built-in quirks.

Turn a loved one into a business partner and family relationships instantly take on new meaning. That's because ownership implies deep responsibility – whether you're putting food on the table or making payroll for hundreds of employees.

It's no secret that many family-owned businesses struggle to survive past the second generation. Bad decisions may put family capital at risk. Leaders might fail to nurture a sense of responsibility and stewardship in the generations to come. The pitfalls are numerous.

That's why the Family Enterprise Advisor (FEA) Designation was created. The old way of doing business was simply not serving families as well as it could. By raising the standards of advising, FEAs are creating better outcomes for family-owned businesses.

Although the FEA program is geared towards the education of family business advisors across professional disciplines – think financial advisors, lawyers, accountants and non-family executives, among others – family members can benefit too, as they can acquire often-overlooked soft skills to manage their businesses without sacrificing family harmony.

"Upon completion of the program, certified FEAs are fluent in 'family enterprise' and better equipped to navigate the dynamics and complexities of family-owned businesses," says Family Enterprise Xchange president and CEO Bill Brushett.

The FEA program stands out because it augments technical skills with a more nuanced level of understanding around business families and their unique challenges. Attaining the FEA Designation helps professionals establish themselves as trusted advisors to their family enterprise clients.

Trust is everything. To a degree, this is because the family business advisory community has for many years played catch-up in professionalizing. Today's families are demanding more from their advisors. They expect depth across disciplines. They want superior

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President and CEO, Family Enterprise Xchange



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Susan St. Amand
Family Enterprise Advisor (FEA) Council Chair



Professionals advising family enterprises add value with facilitation, communication and other soft skills that complement their technical proficiencies. **SUPPLIED**

emotional intelligence to handle the complexities of inter-family relationships.

"It's increasingly essential that family business advisors possess a set of specialized soft skills – complementary expertise that dovetails with their existing technical proficiencies," says FEA Council chair Susan St. Amand. "Having the facilitation, communication and other soft skills to help families diagnose, repair and even prevent conflicts and challenges is as important as offering technical advice."

To date, the FEA program has turned out more than 400 graduates who report developing deeper relationships with their family enterprise clients and a more holistic perspective on the issues families face, with generational transition topping the list.

Advisors who hold the FEA Designation report more profound understanding of the complexities of the family side of the business. This is important; if advisors are overly focused on the transactional

elements in their own specific fields of expertise, they run the risk of overlooking the subtleties in family businesses, which can be surprisingly damaging.

On the enterprise side, families appreciate the situational sensitivity certified FEAs master. It is not unusual for consultants to work on projects that have succession and governance implications. But having an emotional dimension of "family" layered onto issues calls for augmented sensitivity. That means considering the perspective of each family stakeholder.

One FEA graduate describes it as seeing what families see: understanding their needs, challenges and fears but also what capabilities they bring to bear on the situation. "It takes time to understand each person's point of view, but that makes for much more satisfying solutions."

As for family businesses advised by FEA designated professionals? Family Enterprise Xchange believes they have better long-term outcomes than those who don't.

DESIGNATION VALUED BY PROFESSIONALS AND BUSINESS FAMILIES ALIKE

Families are becoming more discerning about the advisors they bring into their fold. Only the Family Enterprise Advisor (FEA) Designation prepares advisors to be fluent in the complexities of working with business families.

The FEA program helps advisors augment their formidable technical skills with a more sophisticated level of understanding around business families and their unique challenges.

The FEA Designation raises interpersonal intelligence and deepens advisors' understanding of how family dynamics can impact the enterprise. All in all, an advisor with the FEA Designation exemplifies the trust, understanding and skills required by today's business families.

With more than 400 certified Family Enterprise Advisors across Canada, family-owned businesses can find an advisor who understands their unique needs.

Start your search for a certified Family Enterprise Advisor in the FEA Directory at FEXCanada.ca/FEA-Directory



Looking to take your advising to new heights?

Become a leader in Family Enterprise Advising with the FEA Designation

It's no secret that many family-owned businesses struggle to survive past the second generation. We're here to help you change that – one family at a time.

Attaining the Family Enterprise Advisor (FEA) Designation will give you a deeper understanding of the complexities inherent in advising business families and will equip you with strategies to help your clients succeed and flourish.

Learn more about becoming a certified Family Enterprise Advisor
FEXCanada.ca/FEA-designation