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5 Practical Tips for Making Business Decisions With Family Members

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Running a family business doesn't mean always seeing eye to eye, but you can still overcome challenges, resolve conflicts, and evolve as a team.

At 13, I unknowingly took part in my first serious negotiation when I brought two stray kittens home. My father was firmly against pets, so I hid them under my bed. Three days of intense discussions followed, and we finally agreed to keep one. That kitten became my father's beloved companion, and I discovered the importance of compromise.

A decade later, in 2003, my father, sister, and I launched a pet food business that eventually became Ukraine's market leader. For more than two decades, my sister and I have been at the helm, with our families gradually joining in.

Running a family business doesn't mean always seeing eye to eye. Like any partnership, we have our share of disputes. While we aim to keep the company within the family, the next generation will have their own ambitions. These five key insights have guided us in overcoming challenges, resolving conflicts, and evolving as a team.

1. Learn to Negotiate

In a family business, each family member plays a crucial role in all strategic decisions. If perspectives on business matters differ, it's essential to consider every viewpoint during family meetings. Remaining unbiased can be challenging, so be prepared for conflict. However, treat them as a natural force that you must learn to manage. Your key skill here is the ability to separate emotions from facts and find common ground.

In a family business, reaching an agreement can happen anywhere — even while watching a football match or during dinner.

If my family fails to find consensus, the impact on our business becomes evident almost immediately. Over time, we risk losing everything we've built. History has already shown us an example: the Gucci fashion house. Years of internal conflict among family members dominated media headlines. Profits declined, and eventually the company fell into the hands of outside investors.

2. Be Honest and Open

A family business thrives on honesty. If you avoid suppressing your true vision for the company just to prevent conflict, sooner or later you'll feel the need to speak up -- and the artificial harmony you've maintained will be turned on its head.

Family members often hesitate to be fully transparent out of fear of judgment. That's why it's crucial to foster relationships where everyone feels valued and recognized as an integral part of the decision-making process.

3. Your Compass for Decision-Making: Family Values

What sets family businesses apart is that the owners' values form the company's DNA. Even if the business expands into new ventures with different corporate cultures, each unit will still be guided by the founding family's core principles. That's why it's essential to define and document these values.

When faced with a tough decision, treat your values as a compass — does your choice align with the direction it points to? For instance, in our pet food business, we prioritize animal health. If a supplier offers lower-quality meat at a cheaper price, we decline. Our commitment to quality and care comes first, and we won't compromise on the standards we promise our customers.

4. Prepare Successors, but Don't Pressure Them

Anyone involved in a family business has likely seen the statistics(https://www.thefbcg.com/resource/family-business-survival-understanding-the-statistics/) : only 30% of companies make it to the second generation, 10–15% to the third, and just 3–5% to the fourth. We became part of that 30% thanks to our father's wisdom.

Neither my sister nor I initially planned to join the family business, and our father never pushed us. Instead, he sparked our interest and offered us roles where we could best develop our skills. And it worked.

Continuing the family business should never be an obligation for the next generation. I follow three key principles when talking to my children: avoid pressure, listen, and keep communication open.

Don't insist that your children take on operational roles, but teach them responsible ownership. This means helping them understand how to interpret financial data and make informed business decisions.

5. Bring in Outside Experts

As a business owner, you don't always have to juggle the roles of CEO and owner. At some point, your company may outgrow your expertise, and external knowledge will become essential. Don't try to handle everything alone. In many family businesses that reach the fifth or sixth generation, the CEO role is often filled by an outside professional.

Seek guidance from external consultants and industry experts. In our company, we have an advisory board that helps us stay focused. Since we are deeply involved in daily operations, we don't always see the bigger picture, and their insights help us adjust our direction.

For me, every advisory board meeting ends with a list of ideas and tasks — sometimes as many as 21 action points. Occasionally, I regret not having come up with certain ideas myself. But I recognize that I lack the experience of those who have led larger companies.

As an owner, I know that one day I will need to step down as CEO. When that time comes, I'll choose my successor based on expertise, not family ties.

Rostyslav Vovk, Chairman of the Board and Co-owner of Kormotech. This international family-owned company with Ukrainian roots ranks among the top 50 global pet food manufacturers. Its brands are available in 50 countries, both under its own trademarks and those of partner companies. Rostyslav Vovk leads a team of 1500 employees working worldwide.

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