

A Family Council Can Help Larger Families Stay Connected

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Consider one if your family business has 15 or more relatives involved, or multiple generations.

Many family firms wonder about whether they need a family council: a group that helps ensure that family members stay connected to one another, even as their business includes many more stakeholders with each successive generation.

In this interview, Aimee Wrubel, a fifth-generation member of the family behind Vitamix Corporation, talks about how her company's family council got started and the benefits it has yielded for the firm, which now has sixth- and seventh-generation members waiting in the wings. Wrubel, who is content manager for the over century-old firm, says that family councils are especially useful in cases when many relatives may have a financial stake in the business but are not actively involved in managing it.

The council has brought many benefits to Vitamix, including keeping its far-flung family members connected, ensuring that they have a mechanism for voicing their opinions, and helping the firm to make decisions that align with its values. While Vitamix installed its family council only a decade ago, Wrubel urges family firms with at least 15 family stakeholders to adopt one as soon as possible. To get started, she says, consider hiring an adviser who can keep everyone focused; offer stipends to family members for their time on the council; and provide them with opportunities to get together in non-business settings, such as family retreats and game nights, to get emotional buy-in.

Link to video



