

How to Let Your Child Lead the Family Business When You Disagree

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Handing over a family business doesn't mean agreeing with every decision. Here are five ways to support your successor without undermining their authority.

You handed over the business to your child, and you're trying your best to let them lead. You know they need room to make their own decisions, but those decisions are changing a company you spent a lifetime building. You remember what it took to keep customers, meet payroll, and get through difficult periods, and years of that responsibility can make the business feel like another child. If you still depend on it for income, a plan to spend more on growth also raises the question of whether the company can still make the payments you count on. So when your child closes something you built or lets go of someone you trust, it's hard not to step in.

The handover also changes where you belong. Being consulted less can leave you wondering whether your experience still counts, and while you may be able to afford to step away, you still may not know what to do with your Monday morning.

When these concerns overlap, a discussion about a business decision can become an argument about whether your child respects your experience or whether you trust them to lead. Before responding, you need to be clear about your responsibilities now and what is making the change difficult for you. The case below shows how one family handled two disagreements like this, and the five approaches that follow give you ways to handle your own, starting with your role in the business.

Case study: Two Disagreements

During a Shift to E-commerce

[NOTE: Gender and other identifying details have been changed to protect confidentiality.]

A successor I coached was shifting her family's company from traditional sales toward e-commerce. She invested heavily in marketing and rebuilt the leadership team, including letting go of the longstanding family friend who ran sales. Her father no longer had a formal role in running the company, but he was still an owner, still came into the office, and was still funding the company through debt and financing, so his decisions still affected it. The handover was a long, uneven tug of war over authority, with dismissals and overstepping along the way.

As part of the move to e-commerce, the daughter decided to close a stable, profitable side business, which meant parting with customers and employees while she refocused the company.

When she told her father, he refused outright. He said the closure was not going to happen and that she could not do it. The operation made a modest, dependable profit, but money was not what drove his objection. He had started it from scratch, and what mattered most to him were the customer relationships he had developed over the years and the employees who worked there.

For his daughter, the problem was what it took to keep that operation running. It occupied valuable warehouse space, consumed employee time, and added expenses. Although it remained profitable, it was drawing resources and attention away from the main business and did not fit her growth plans.

She pushed back, and for a while the two of them fought about it. Through our work together, she chose to slow down and approach the closure more strategically. She took time to listen to his concerns and to identify the

cost savings the closure would create. She then built a plan to contact customers, find alternatives for them, and hand them off with care, and she worked out how to reduce layoffs by moving people into other roles. That plan gave the two of them something concrete to discuss about the customers and employees he was worried about.

With the plan in hand, a facilitated conversation followed. The two of them talked through both the business decision and the personal side of it, including her father's feelings and hesitations about closing something he had built. She gave him a voice while holding her authority as the successor.

Over those months of discussion, her father eventually listened openly. Accepting his new role was hard for him, and so was accepting his daughter as an adult and a leader, the leader of the company for the family. It was a process.

She did not need his agreement to close the side business, but she did owe him an explanation. That explanation is part of the handover, and it has more to do with the personal side than the professional one. As long as employees still look to her father, and people who have known him for years can still call him when they are frustrated, his buy-in helps, even though it is not required.

It took a long time, but her father accepted the plan and the side business closed. The company sharpened its focus on its core business, and he came away with a greater understanding of how keeping the side business competed with her growth plans, of his own role, and of his daughter's role in leading the company.

An Earlier Disagreement: When Her Father Prevailed

Earlier in the handover, a different disagreement went the other way. The daughter wanted to fire another leader, one who had thrown equipment on the ground and had repeatedly behaved badly and used inappropriate language with others. Her father refused, because that leader was also a longtime family friend and employee. He held on to a decision that belonged to her, and the leader stayed until retiring. In the meantime, keeping that leader in place created culture problems and a misalignment with the company's values, which led to turnover and productivity issues.

The cost reached the family too. The fight left her feeling that she was not actually the CEO and that her father was still running the company. She felt disempowered and embarrassed, and she began to believe she would never be able to make the job her own. She wondered whether she should be doing something else entirely. Her relationship with her father continued to feel overbearing, and she believed he still did not think she was good enough.

In disagreements like these, you may be focused on what the company is giving up, while your child is focused on what it needs to build next. The five approaches below can help you discuss both while leaving the decision with your child.

Advice for Departing Leaders

1. Clarify your role and responsibilities.

Start with what you agreed at the handover. If you are still an owner, board member, or advisor, agree on which decisions require your participation, what information you receive, and when your child wants your advice. Asking for your advice is different from asking for your approval. Write down the arrangement so you both have something to refer to when you disagree.

Raise questions that belong to your board or ownership role in the meetings where those decisions are made. If you have no continuing business role, having run the company does not make its current decisions yours to approve.

Talk about how the handover is affecting your relationship before you return to the business disagreement. You could say:

"I'm used to being the person everyone comes to, and I'm finding the change harder than I expected. Can we talk about when you want me involved and when you need me to leave it with you?"

Ask what the transition has been like for them, too. They may want your support as a parent while needing a different relationship with you at work. Outside your agreed business meetings, ask when they would welcome a call about work and when they would prefer to bring it up themselves.

2. Ask for their perspective and vision without judging it.

Set aside time for your child to explain where they want to take the company. Give them a chance to describe the plan without having to defend each decision as they go. Ask what they want the business to be doing in three years, what needs to change to get there, and why that direction matters to them.

For a decision like the closure in this case, you could ask, "What would closing it allow the main business to do that it cannot do now?" Follow up by asking how they plan to use the employee time and warehouse space it would free up. Ask what they want to preserve as well. They may care about the same reputation and customer relationships you do, while seeing a different way to protect them.

Before offering your view, explain their plan back to them and ask whether you have it right. If your summary keeps turning into an objection, you are still arguing your position. You should be able to describe what they are trying to accomplish even if you would choose a different direction. Any evaluation required by your business role can follow in the appropriate meeting.

3. Ask whether they want your advice, and accept no.

Once you understand their perspective, ask whether they would like yours. Explaining a plan to you does not mean they are asking you to improve it. You could say, "Do you want my thoughts on the sales transition?" Then wait for the answer.

If they say no, stop there. They may want you to listen without helping them solve anything. Repeating the advice later as a question, or asking another family member to deliver it, puts them back in the same conversation they declined.

If they say yes, share something specific they can use. For example, explain which customer relationships you believe need attention when the sales leader leaves, and offer introductions if they would help. Give them time to respond. Agreeing to hear your advice does not commit them to following it.

Accepting no also protects your child's standing as the leader. Each time you reopen a decision after hearing no, you show other people that the decision is still open. In the family above, the managers of the side business also took their worries about the closure to the father. Employees and longtime customers will keep doing that

as long as they believe you can change the outcome, and your child then has to manage your objections as well as the business. Listen to employees who come to you, then send them back to your child for decisions that are theirs to make.

Your child may want to explain a difficult decision or talk through something that went wrong without the conversation turning into a review of how they run the company. If you keep advising after they have declined, they may become less willing to share those experiences. Accepting their answer gives them room to decide what support they need from you.

You can still explain how a decision affects you and raise questions that belong to your agreed business role. Be clear about why you are speaking, because a preference for doing things your way does not give you authority over a decision that belongs to them.

If you keep returning to the same point, ask yourself what you are waiting to hear. Your child may already understand your advice and have decided to do something else. Give yourself time to deal with the disappointment before your next conversation. A coach or trusted peer can help you work through your reaction without becoming another person trying to persuade your child.

Being able to disagree with your child without making their agreement a condition of your support is what family systems theory calls differentiation.

4. Discuss how the changes affect you personally.

Be specific about what the decision changes for you. You may still rely on income from the company, have a paid role that is changing, or be expected to do more work. Customers may still associate the business with your name and call you if they want answers. The colleague who is leaving may also be someone you have been friends with for years.

Tell your child what you need to sort out. If your income may change, review your arrangements with your financial advisor and whoever handles the payments the company makes to you. If customers still contact you, agree on how to explain the change and who will answer their questions. If the plan depends on your help, agree on what you will do, how much time it will take, and when that commitment ends.

You could say, “Some of our longtime customers still call me directly. I want to handle those conversations well. Can we agree on how I should explain the closure and who will help them with the transition?”

5. Keep transferring authority and build a life outside the business.

Help other people get used to bringing decisions to your child. When an employee asks you to approve something that now belongs to your child, tell them your child makes that call. When you introduce the successor to a customer or advisor, make clear that they now lead the company. If you still handle work you have agreed to pass on, set a date for handing it over and brief your child or their team on what they need to know.

Decide what you want your week to include beyond the business. If you want to mentor someone, contact a person you would like to help and arrange a first meeting. If there is an interest you have put off for years, book the first lesson or activity. Give it a regular place in your week so you have something to look forward to besides being needed at the company.

Support Your Child Through the Handover, Even When You Disagree

The father in this case held on to one decision and, once he listened openly to his daughter’s plan, accepted another. Even when you reach acceptance, you may still miss the company you knew or disagree with parts of the plan. Understanding your child’s decision does not automatically settle your concerns about income, responsibilities, or the relationships you built, and it does not give you a new purpose. Talk about those concerns directly, so they do not keep coming back as objections to your child’s leadership.

Spending time on your own interests also gives you something to talk about with your child besides the company. You can tell them what you are doing and ask about their life beyond work.

Your child should be able to tell you about a hard week without the conversation becoming another argument about their decisions. Ask whether they want help thinking it through or simply want you to listen. You can be proud of what they accomplish even when you would have run the company differently. You are still their parent. Handing over the business did not change that.