

Confidentiality Agreements Promote Candor in Family Business Classes

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For students from family businesses to fully benefit from participating in a family business class, it is essential that they open up and share their experiences, both good and bad. The more the students in a class share with one another, the more they will learn. Encouraging students to share their personal experiences helps them discover how many problems they share with other business-owning families and encourages them to share insights on how their families have managed challenges and opportunities. Once students feel comfortable fully sharing their ideas, concerns and personal experiences, a community of learning is created in the classroom and students become active participants in the learning process.

However, encouraging students to share their innermost concerns about their family and business is not possible if students distrust one another and fear that their family's secrets will be shared outside of the classroom. Therefore, instructors of family business should use a confidentiality agreement to develop trust and an active learning community. The confidentiality agreement that I use in all undergraduate, graduate and executive family business courses is provided in the attachment.

Sensitive and Emotional Territory

Family business courses are unique because they include not only business principles, but also lessons from family science and psychology. With much of the material focusing on the family, these courses often cover very sensitive and emotional topics such as conflict, favoritism, primogeniture, divorce and death. Since many students who enroll in family business courses come from business-owning families, the sensitive and emotional topics often have much meaning to them but they can also incite intense

reactions. For students who are naturally comfortable sharing personal information about their family and business, it is important that other students respect the forthcoming students' privacy and not share this information beyond the classroom. However, other students may need more encouragement to feel comfortable opening up in class. Therefore, confidentiality agreements should be used in family business classes in order to create a trusting, learning partnership among students and the instructor.

The Importance of Trust in the Classroom

For students from family businesses to get the most from a family business course, they need to be able to critically evaluate their family business and family experiences by applying principles covered in the course. This suggests that the learning environment needs to exhibit trust so that the students feel comfortable sharing their own experiences and also providing insight to fellow students. Indeed, trust fosters learning by lessening defensiveness and making it more likely that students will accept new concepts and apply them to their thinking (Brookfield, 2015). Students who trust their instructors also tend to perform better academically since they are more open to learning and willing to be challenged (Wooten & McCroskey, 1996; Goddard, Tschannen-Moran & Hoy, 2001).

Creating a trusting environment is a two-way street. Instructors should feel more comfortable sharing examples and stories from their own life, thus helping to demonstrate concepts and increase student learning. By sharing personal stories about their own family and its business, instructors can initiate an active and inclusive learning community in the classroom since students are likely to reciprocate. When instructors share personal information about themselves, it demonstrates that they want students to share their experiences and perspectives too, thus facilitating



classroom discussion (Brookfield, 2015). An instructor cannot expect students to open up and share personal stories about their family and the family's business if the instructor does not first demonstrate a willingness to share. Thus, it is important for an instructor to set the stage for a family business class that will be based on trust, engagement and sharing by requiring students to sign a confidentiality agreement at the start of the semester.

A confidentiality agreement makes evident the importance of trust in the classroom and helps students understand the sensitive nature of family business. Students should be required to sign a confidentiality agreement when they begin the course to assist in establishing a safe and trusting environment, build and develop meaningful peer relationships, and facilitate the sharing of knowledge, best practices and lessons learned from their own experiences. Additionally, it is important to discuss the expectations of each family business student and highlight consequences that will arise from any violation to the agreement.

Although I have never encountered a violation of the confidentiality agreement, I have considered how I would deal with such an issue. First, as much as possible, I suggest minimizing any temptation to share sensitive material by not requiring students to share the name of their family's business or connections to well-known families. Instead, students should be encouraged to discuss the *type* of business their family owns (i.e. restaurant, construction business, consulting company) and describe family members in terms of their relation and not by their name (i.e. 'my aunt,' 'my father'). This tactic has helped to hide the heritages of several of my former students from renowned families and family businesses. Second, when sensitive material is shared, students should be reminded of the confidentiality agreement and it can also be mentioned that any violation will result in a significant grade penalty and possible disciplinary action. Most universities have a student code of conduct that may cover such an agreement. Third, for significant infringements of the confidentiality agreement, an instructor should consider reporting the incident to their Office of Student Conflict and Conflict Resolution (OSCCR).

An Instructor's Perspective by Kimberly Eddleston

The confidentiality agreement I use in all of my family

business classes is included below. I use this in all undergraduate, graduate and executive family business courses. The confidentiality agreement is provided on the last page of my syllabus and is also made available on my course websites. Students are required to read and sign a hard copy of the confidentiality agreement on the first day of class, which I then collect and save. Throughout the semester, as sensitive material is shared by myself and students, the class is reminded of their commitment. Also, for class discussions and assignments, I do not require students to state the name of their family's business or specific names of family members. Their ability to share sensitive information in a more anonymous fashion is particularly important for students who come from well-known families and family businesses.

Since I come from a family with multiple family businesses, I feel that I have much to share with my students, both good and bad. However, I also need to feel that my "secrets" are safe with my students. I want them to understand that I am sharing my experiences in an effort to foster their understanding and learning. Once the students see my willingness to share and how it improves the understanding of family business concepts, students share their own stories. I believe my sharing helps the students to feel comfortable opening up since they witness my trust in them. The students feel comfortable exploring their future role in their family business and performing thought experiments in a nonjudgmental environment. Over time, the class becomes an active learning community where students are willing to disclose their personal experiences and fellow students are willing to offer their truthful insights.

Many students from business-owning families are struggling with difficult issues and often feel that their situation is unique. Through open dialogue in my classroom, they often discover that other students share their concerns and problems. For example, I have had multiple students whose families believe that they will one day lead the family business, but the students don't want to and can't tell their families. Many female students share stories of gender discrimination: their brothers are being groomed for leadership but the student is overlooked or not welcome. Almost every semester I have students who have had family members steal from the family's business. Others also share heartbreaking stories about family business failure, divorce and sibling rivalry.

I like to think that my class offered these students a safe environment to share their thoughts and concerns and to feel support. I believe the more students share, the more they are able to learn. And although a family business class cannot provide definite solutions, many students go on to form long-lasting, trusting relationships with fellow students, creating a learning partnership that lasts much longer than a semester. I am also very proud to say that I maintain relationships with many of my former students, which is likely due to the trusting and sharing climate that I aim to create in the classroom.

A Student's Perspective by Devina Raithatha

I took a course in family business management because I wanted to learn more about the issues facing my family's businesses and how I could play a role in fostering the businesses' success. By ensuring that all students signed the confidentiality agreement, our professor was able to effectively facilitate multiple discussions in an inclusive environment. Students were willing to share different perspectives and strategic insights on a peer level as we engaged in robust conversations surrounding personal matters concerning our family members and businesses. The agreement created a platform that allowed us to learn from and respect one another, share poignant insights and ask thought-provoking questions that we may have avoided in fear of judgment or disclosure outside of class.

Because of the confidentiality agreement, understanding and trust was created among classmates. As a result, I was comfortable sharing my observations and the nuances of my family's businesses in the hospitality and specialty construction industry in Kenya. Being in an emerging market and operating a business now in its fourth generation, my family's businesses are complex and the family has unique dynamics that must be managed to ensure the businesses' stability and success. In seeking to apply the lessons from the family business class to my own family's businesses and seek insight from the class, it was vital to share information about our family system and relationships, and how decisions are often based on emotion. In an effort to avoid conflict, I noticed that our family often overlooks new markets and expansion opportunities that could increase profits. I also noticed that family leaders often focus more on the family's needs than those of the business. Through multiple

classroom discussions, my peers and I were able to analyze my family's businesses objectively and identify social, cultural and entrepreneurial barriers that may be hampering decision making. I also enjoyed offering my ideas and experiences to classmates who were willing to share dilemmas facing their family's business.

Through multiple stories shared by classmates, it was easy to recognize how there often is pressure to create jobs for family members and the difficulties family leaders have trying to integrate multiple generations of the family into the business. I heard examples of nepotism, role ambiguity and obstacles to succession planning. Additionally, students shared their own concerns about succession, their parents' retirement and exit planning. Through classroom discussions, it became clear how family business leaders (who were most often their parents) often fail to consider how their actions and decisions (or lack of action and indecision) not only impact the business, but also family relations. Additionally, limiting the number of shareholders and creating formalized human resource practices were recognized as important elements that many family businesses need, but refuse to even discuss. It was interesting to discuss sensitive topics like these and to also spend time discussing one another's businesses and learning about different industries and unique considerations for them. During the semester I shared several ideas that I gained from the class with my family, and I hope that some of my classmates shared my ideas with their families.

Conclusion

Although the initial conversations may be difficult, a confidentiality agreement helps to establish the foundation that allows a family business class to engage in conversations surrounding personal family matters and to develop an active learning community. Students will benefit from their own contributions to class discussions, develop trusting relationships with their peers and instructor, and be able to collectively address each other's concerns. Hopefully, the use of a confidentiality agreement (view and download the sample included here) will also help you to create a similar environment and experience for your students!

References

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¹ These definitions are from the book ***Working with Family*** by Bork, Jaffe, Lane, Dashew, and Heisler. Jossey-Bass Publishers: San Francisco. First Edition. 1996.