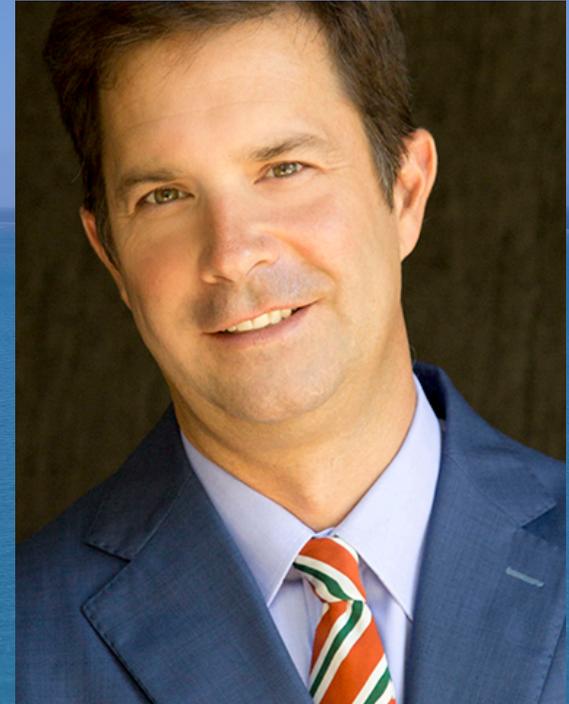




GRAND  
CAYMAN

April 28-30, 2019

# Next Gen Leadership



Cam

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Generational Insights



# Succession Planning



# Who's thinking about Succession?

Baby Boomers are largely the business owners exploring succession.

*Stereotype: Their identity is their work. Live to work. Work ethic.*

Privately owned business is their kingdom.

Failing health often causes a tighter grip...

The business is child #1.

Biological children are often subordinate to the business.



# Who's thinking about Succession?

When asked, they plan to sell it or give it to their children.

Yet, no true plan exists. No document supports this intention.

This business owner likes the *idea* of succession.

However, their tactics are vague, nebulous, or simply avoided.



## The Business Owner – begin the mental prep

Retirement is a time of  
**FREEDOM**





**Per Fidelity, in retirement:**  
60% of men want to spend more time with their wives,  
43% of women want to spend more time with their husbands





## The Business Owner: Begin the Mental Prep

The **transition** out of business ownership / leadership is made much easier if the business owner begins the exploration of a new “purpose” or consuming hobbies well **in advance** (5 years) of succession.



## The Business Owner: Begin the Mental Prep

This purpose must be different from growing or stewarding the business they currently run.



## The Business Owner: Begin the Mental Prep

It must be compelling to the individual and is best when it involves helping others.

- Charities
- Education
- Volunteerism, etc.



- 
- A silhouette of a person in mid-air, jumping over a gap between two dark rock formations. The background is a bright blue sky with scattered white clouds and a large, bright sun with a starburst effect. The person's arms are outstretched, and their legs are bent in a jumping motion. The overall scene conveys a sense of achievement and overcoming challenges.
- Look forward, not backward.
  - Proceed into the unknown and unfamiliar with excitement, not reluctance.



## The Business Owner: A New Outlook

*“Your entrepreneurial spirit, your appetite for risk, your ability to build a business has fed you, your family, and many others for years. Your business and the employment it has offered has allowed your employees to feed and provide homes for their children.”*

*“You’ve made a great impact on many people.”*



# The Business Owner: A New Outlook

*“Now it’s time to go forth  
into something new...”*



## The Successor:

G2 is often afraid of G1:

G1 has been the sole provider and G2 has always been a supplicant to him / her.

G1 could un-employ G2 and

G2 may have to find a job and, in the process, realize they're not as talented as they think and have been overpaid all these years.



## The Successor:

G2 is afraid of getting sideways with G1 and G1 may sell the business outside the family.

G1 also has Mom's ear (or Dad's) and G2 doesn't want Thanksgiving dinner to be awful.



# The Successor: Their approach to G1



**RESPECT**



# The Successor: Their approach to G1

Be willing to prove value outside the company by:

Quitting and going to work elsewhere in the industry to prove value

Shop talents and skills and show what market will pay for their talent



# The Successor: Their approach to G1



Negotiate like a buyer,  
**NOT a subordinate child.**

*G2 should not make significant changes to the business upon taking over leadership just to prove they're now in charge.*



## Summary:

Many Boomers define themselves by their work and this is especially true of Baby Boomer business owners and entrepreneurs



## Summary:

For a successful succession (regardless if the buyer is family or not), the business owner must begin their mental prep of no longer being defined by their occupation.



## Summary:

The key to this is to find new hobbies that, at their roots, involve contributions to others.



## Summary:

**G2 must man up and prepare to prove their value by putting themselves in the marketplace.**



# Generational Updates



# Baby Boomers:

- Retirement on the mind. Prepared?
- Technology moving fast
- Time > Money
- Frustration that the next generation hasn't paid their dues
- Feel lack of respect
- Worried employer may let them go for someone cheaper (younger)
- Many younger Boomers still spending money on adult children
- Mentoring? "Not enough time."



# Baby Boomers:

- Many Millennials (and some X'ers) are eager to learn from the Boomers.
- What many – especially Millennials – don't know how to do is be mentored.
- When both parties can enter the relationship willing to figure it out and feel their way through, it often works.
- Key Requirement: Both parties must have responsibilities to each other: proof of efforts to gather information and learn
- Reverse Mentoring: Works, too.



# Generation X

- Have entered the most expensive chapters of their lives.
- After 50yo, generally begin earning their most they'll earn.
- Late forties into mid-fifties – Boredom with job. Susceptible to something new. You're vulnerable to losing a big investment at this point.
- Stimulate them with new tasks, roles, etc.
- Seeking more autonomy.
- They have something to teach (mentor) but often aren't the best teachers.



# Generation X

- Careful of the Gen X manager. Teaching them how to lead / manage is a good use of time.
- Contrary to their belief, their style often drives turnover.



# Millennials:

**Birth Certificate Age  
-5 (maybe 7!) yrs  
Life stage age  
*compared to older gens.***

*Same Life Stages. Much Older Ages.*



# Millennials:

- Older Millennials: Children. Debt. Marriage.
- Younger Millennials: "Looking for a good job that makes me happy."
- Seeking planned learning environment.
- Networks. Friends. Buddy environment.
- Exposure to decision makers & decision making.



# Millennials:

- Weekly meetings (maybe more) where the question addressed is, “What did you learn this week?”
- A different person leads this meeting each time. They're given time to prepare how they'll do it within the limited time frame of the meeting.
- Maintain a check-list of skills needed and skills mastered for “readiness to promote.”
- Workplace groups and teams oriented around one another.



## iGen / Gen Z:

- Social
- Young
- Product of protective parents
- Will likely need instruction on 1) how to behave at work, 2) how to keep a job, 3) how the workplace works.



# How the Workplace Works



# Building Value

- Many people are unaware how to go from being an employee to being a valued employee.
- To get a sense of this, it is important to understand what an employee truly costs an employer. Many find this surprising.



# Step 1: Cost

- Salary x 1.5: In a typical workplace it costs 1/2 more than an employee's salary to employ them.

This figure includes everything:

- Insurance
- 401(k) Match
- Facilities -  
Maintenance,  
Utilities, Rent
- Security
- Office equipment
- Coffee, Water
- Computers,  
phones, internet  
service



# Step 1: Cost

- A team member who does only what is asked of him or her, who only fulfills their role or job description, is simply just breaking even for their employer.
- The company is getting exactly what they're paying for; nothing more, nothing less.



## Step 2: From Cost to Value

- To become an employee of value - or valuable to an employer - an employee must go beyond the simple definition of their role or their written job description.
- They must find ways to contribute beyond what is being asked of them. Examples: Keeping up with industry trends, joining committees, meeting others within the organization, arriving early to help out, staying late...
- Also: Showing up on time. Asking "what more can I do?" Teaching others...



## Step 2: From Cost to Value

- Only when an employee's value is greater than their cost will their pay increase, their responsibilities will increase, their role on their team will change for the better.
- Not before.
- This is nearly always the case.



# Mentoring

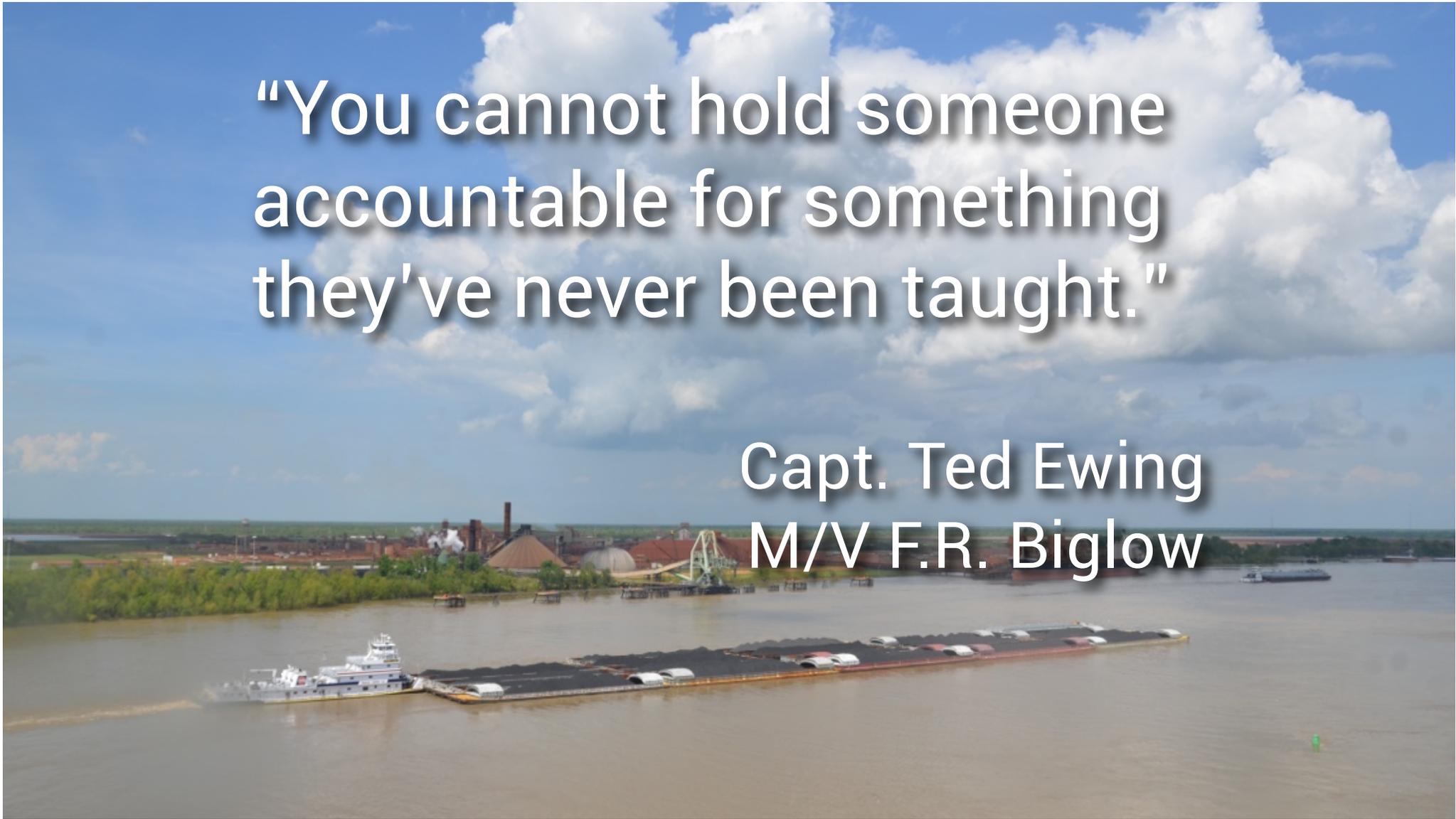


# On The Job Mentoring



“You cannot hold someone  
accountable for something  
they've never been taught.”

Capt. Ted Ewing  
M/V F.R. Biglow



An aerial photograph of a wide river. In the foreground, a long barge loaded with dark material is being pushed or pulled by a white tugboat. The water is a muddy brown color. In the background, there is an industrial facility with several buildings, a large dome, and a conveyor system. The sky is blue with large, white, fluffy clouds.

“You cannot complain about  
that which you tolerate.”

Capt. Shawn Wilmoth  
M/V Martha Ingram



# the very busy Baby Boomers

- Careers still keeping them busy
- In the workplace: “It’s just easier to do it myself.”
- Technology - making work easier? Or is it a shackle?
- Kids - need parent’s help. Parents want to spend time with their (adult) kids.
- Boomer’s parents - living longer than anyone had expected. Now needing care and attention. Parents are lonely.
- Then in walks a “kid” who looks like they’ve fallen face first into a tackle box and says “Will you be my mentor?”



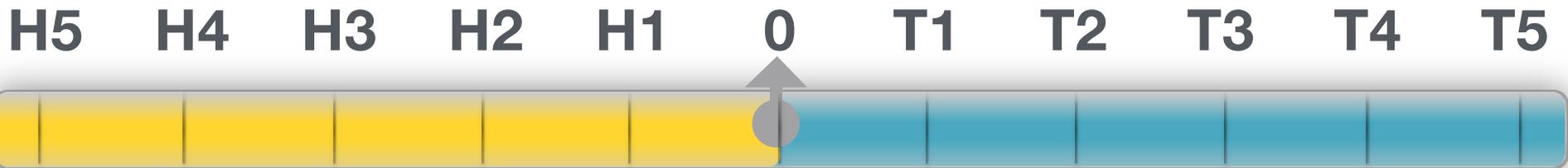
## to win with mentoring...

- Informal is best.
- Ask - "I think I can teach you some helpful things. Are you interested in learning...?"
- Say - "Here is my commitment to teaching you... I will meet with you at regular intervals. I will coach you... I will try to make my teaching simple and clear..."
- Tell - "If this sounds good, then here are the commitments I need from you..."



# Skate to Where the Puck is Going

# HUMALOGY<sup>®</sup> SCALE



**HUMAN INVOLVEMENT**

**TOLL BOOTHS**

**TECHNOLOGY INVOLVEMENT**  
**TODAY**





# Better Interview Questions:

## The Story Question:

- Tell me the story of your career thus far.
- What inspired you to chose this path?
- What made you fall in love with it?
- Tell me about a time when it tested you and rewarded you.
- Tell me about the finest moment in your career thus far.

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# Better Interview Questions:

## The Decision Making Question:

- Tell me about the moment you decided that XYZ company was the right thing for you.
- How did it feel? What were the pros and cons that you outlined? Were there other things, other options you were considering?
- What pushed you over the edge?
- Who did you talk to as you were considering it?
- How do you feel now about that decisions?
- Would you do the same thing again if you could go back in time?

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# Better Interview Questions:

## The Mindset Question:

- Put me inside your head the moment you learned your company had been purchased by XYZ. How did you feel?
- How did the people around you feel?
- What did you tell your significant other when you first got home?
- What did you do differently the next morning after you learned your whole world had changed?
- What were the next 60 days like?

Shamelessly pirated from [brendanreid.com](http://brendanreid.com)



# Better Interview Questions:

## The Empathy Question:

- What must it have felt like to the others on your team when you learned you had been promoted last year?
- Were they all happy for you? Were any jealous?
- What about the others you beat out for the promotion, how do you think they felt?
- Did the promotion change the way people thought of you?
- Did it change the way you interacted with them?

Shamelessly pirated from [brendanreid.com](http://brendanreid.com)



## Exercise:

Using distinct info about your workplace, fill out the Management portion:

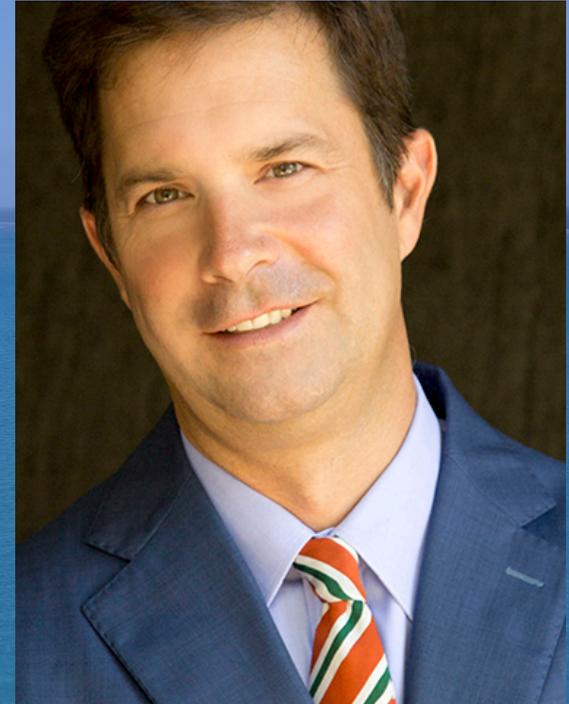
- Think about individuals in your workplace and what you feel they want from you.
- List two or three ideas per person of new ways to engage them.
- Prioritize a list of what you'll do and – if possible – give yourself a deadline.



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