

The Ups and Downs of Family Businesses

by Rachel Sloane

The newest member of the royal family, Kate Middleton, has been criticised for working in the family business, but what is wrong with that? Building a business to leave to the next generation is the dream of many an entrepreneur and, with the cost of higher education and fewer jobs, the family business employment option will have renewed appeal to other young people.

What is it like to share your workplace with your children? Business adviser Ian Perry, from "Remedy", a business mentoring company, has seen what happens when things go wrong,

"One of the biggest issues is conflict within a family," he



explained. "Just because you are related doesn't mean you get on! When you are living and working together it can put strains on relationships and any frailties are much worse when you are in it day in and day out. In small businesses everybody has their own ideas of what they want to do with

the business, and family-run businesses are no different to that."

There are many family-run businesses in Suffolk and Norfolk. The hair design salon, "Michael Richards", owned by Michael Trower, was set up on the outskirts of Ipswich forty years ago this year, and now has three generations working together: his daughter, Louise Mower, is top stylist and his teenage granddaughter, Libby Robinson, is a trainee.

"I moved to Ipswich in February and started here as a Saturday job," she explained. "I found it fun and liked doing it. The plan is to do my apprenticeship here, going one day a week to college."

Louise, her aunt, grew up spending much of her spare time at the salon.

"When I was thirteen or fourteen years old I liked to mix with the clients and make the tea, much as my ten year old daughter, Georgia, does now."

Yes, the next generation of Trowers is already showing an interest and, more importantly, real talent in an industry that needs people with personality as well as skill.

"There was never any pressure to become a hairdresser; it was a natural progression," explained Louise. "I did hair-shows with dad and also enjoyed the interaction with clients. There were no expectations or pressure. I just did it really... and learnt a lot through watching before starting to work on Saturdays."

Michael is proud of what the family has achieved but admits that it isn't always easy being father and employer,

"Louise and I have similar personalities and temperament. We didn't always get on when she was a teenager but I could see she was good at hairdressing so she went as a Junior to a friend's Oxford salon and trained there for two years, before coming back here".

"Louise and Libby are natural hairdressers. Yes, they had the initial opportunity because of the family connection, but they are square pegs in square holes. This is a great people business and they have personality and have natural ability with hair. Young Georgia already spends hours on her friends' and her dolls' hair, and is great talking with clients.... but there's no pressure on anybody – they can come into the business if they are interested."

So what is it like to work for your father or grandfather?

"We all get treated the same, so I soon get told if I do something wrong," smiled Libby. "I suppose it can make a difference," added Louise, "but we don't talk work at family events and I wouldn't ring him about the business in the evening."

And the other, non-related, staff? How is it for them?

"The team we've got now are great and some of our staff has been here for twenty years and are treated as family," said Michael. "Really the person who suffered most was Louise – I was so careful not to be seen to show her any favour that I was probably a little tougher on her than the others. Family members are not here because they are children or grandchildren: they have to be right for the job because of our reputation. We are fortunate in that we already get the "crème de la crème" of trainees from the local schools – these two are the cream on the top!"

So what about rural businesses? Farms have always been family concerns but many cannot support a new generation without diversification.

"My father had a retirement



dream to build a mini-distillery at the back of his farm," remembered Andrew Nelstrop, Managing Director of The English Whisky Company, whose family farms at Roudham in Norfolk.

"Although the initial idea was for a micro distillery, Customs and Excise wouldn't consider anything smaller than 1800 litre stills (larger than some in Scotland!). So, in a field we owned down by the River Thet, the footings were dug and building work began.

"When we began we asked the public for ideas for a name for the whisky and had thousands of suggestions – but not one said The English Whisky Company!" Andrew laughed. "In December 2006 we were able to make the first 29 barrels of whisky and by August 2007 we opened St George's Distillery to the public with a visitor centre, fantastic whisky shop and tours."

Being the first English distillery gave the company huge

publicity opportunities, with an interview on BBC Radio Norfolk leading to national and then worldwide publicity.

"On opening day there was a queue from 6.30am. It was snowing but whisky fanatics had come from all over the UK," remembered Andrew. "One man had sent his parents from Dorset and there was a girl on crutches who arrived at 8 o'clock to queue on behalf of her boyfriend, ready for the opening at 10. We had to limit sales to one bottle per person."

The distillery now produces about 150,000 bottles a year and has 35,000 visitors a year. As their website (created by sister Lizzie) confirms, it is truly a family business with Andrew as Managing Director, James credited as Founder, and mother Barbara named on the company website as Peacekeeper!

"Inevitably there are occasional differences of opinion due to our varying age groups," she

confirmed, "and my role has evolved to keep things on an even keel."

Business adviser Ian Perry has some useful advice for family businesses generally:

"It is important to sit down and formulate a proper exit strategy for the business. We talk to each member of the family and find out what they want for the business going forward. With planning, you can formulate a strategy to ensure continuity by keeping skills in the business that are handed on to other members of the family."

So what about the future for the Trowers and the Nelstrops?

Michael Trower feels very positive about his family business,

"The future is good for us – this is something that could go on and on. Louise could run this up to my sort of age, with Libby as top stylist, and then when Georgia is thirty and absolutely at the peak of her earning power and creativity, she could take over. Then there will be her kids... there is no reason this couldn't go on!"

And, as Michael rightly pointed out, family businesses not only create work for family members but for others too.

"We can create really good employment for staff to earn good money... and we can do a really good job in the community, too."

"Is there a younger generation coming along?" I asked Andrew Nelstrop. He laughed before replying, "You are somewhat ahead of me – I consider myself to be the younger generation!"

www.englishwhisky.co.uk
www.michaelrichards.biz
www.remedyforbusiness.com

