



# News Briefs

January 2005



## Family Business Incentive Compensation: Design & Management

January 20, 2005  
7 am—noon

Butte des Morts Country Club, Appleton

Over the years Forum members and sponsors have discussed the challenges of compensation in the family business: recognition of performance, value of additional family responsibilities, recognition of non-family managers and executives, compensation of outside directors, etc. In January 2002, Lori Phillippi, Dale Feinauer, Steve Morton, Phil Florek, and Tim Wuest brought together their experience in a program on compensation. Lori and Dale developed the compensation survey and compiled its results for use in that program.

Since members continue to ask about compensation plans and tell us that hiring and retaining good managers and executives are part of their compensation challenges, the Program Committee determined that it was time to revisit this topic with special focus on incentives, perquisites, and benefits.

Dale Feinauer and Al Hartman, professors in the College of Business, with experience in the areas of motivation, leadership and compensation, were the obvious presenters for this topic. Al and Dale revised the compensation survey adding a significant section on incentives, perquisites and benefits and sent it to family business owners throughout northeast Wisconsin.

The workshop will include

- ✓ A report on how area family businesses manage their compensation systems based on the survey.
- ✓ Discussion of the unique challenges associated with managing compensation of family members.
- ✓ Presentation of options for enhancing your compensation expenditures' impact on employee motivation and organizational culture.
- ✓ Group analysis of compensation challenges and solutions.

Obviously the issue of compensation planning effects

family members - whether employed in the business or not, non-family employees, and Board members. This workshop is designed to provide everyone insights for evaluating current systems and effective ways to enhance those systems.

All program registrations can now be made via our web site. Registration for this workshop is due by January 13th.

## Developing Effective & Responsible Family Shareholders

March 8, 2005  
1—5 pm

Butte des Morts Country Club, Appleton

Normal business-owning family members have misunderstandings. Varying expectations of one another and of the business is often the driving force behind these squabbles, which can accelerate into full-blown squalls. Join with other members of the Forum as we present internationally renowned family business expert Drew Mendoza for this workshop.

Members gave Drew excellent reviews when he led a 2002 workshop on the topic of developing successors. His presentation style is relaxed, humorous, and interactive. He draws out the audience's experiences to enhance his many examples.



Drew is the managing principal of The Family Business Consulting Group, Inc. As a family business consultant, he specializes in working with adult sibling and cousin teams of family business owners/managers and larger shareholder groups.

During his workshop with us, Drew will address and answer a variety of topics, including:

- What are appropriate behaviors for family shareholders when wearing their ownership hats?
- Are there experiences we can create for our children to instill these concepts at a young age?
- Do the rules differ for family shareholders who work in the business from those who do not?

He will challenge your ideas about what it means to be an owner, and what the philosophical components of the firm's ownership can strive toward.

As this workshop is designed for all shareholders, whether family or non-family, please be sure to bring as many of your shareholders to this workshop as possible.

## Team Building for Family Business Leaders

In our recent workshop, Kurt Johnson and Tom Wiltzius of Forum sponsor, Right Management Consultants®, used with the following quote from *The Wisdom of Teams* by J. Katzenbach & D. Smith which became the guiding principle for the workshop:

“Teams... should be the basic unit of performance for most organizations, regardless of size. In any situation requiring the real-time combination of multiple skills, experiences and judgments, a team invariably gets better results than a collection of individuals operating within confined roles and job responsibilities.”

The workshop introduced many valuable teambuilding concepts including:

- the art of collaboration,
- the characteristics of effective and ineffective teams,
- the process of teambuilding,
- motivation and ways to motivate a team, and
- causes of team conflict and ways to handle it.

In their extensive program materials, they provided many useful tools for leading and working with teams in family businesses.

## Affinity/Peer Group Meetings

### Successors Group:

Following the Team Building program on December 8, the Successors and their guests remained at Tornado's for a holiday gathering. This was a great opportunity to continue discussion of teambuilding, catch up on business and successor issues, and have casual discussion.

Brenda and Lynn Kobussen tried their best to win enough cash from one of the machines to cover the costs of pizza and libations but, reportedly, fell a little short. Nevertheless, everyone enjoyed the opportunity to get better acquainted and to celebrate the holidays.

On January 25th, the Successors will meet at Techni-Flex in Appleton to focus on **developing competency** and **clarifying boundaries**, Habits 3 and 5 from Dean Fowler's presentation. Darcy Zander-Feinauer convinced her husband, Dale Feinauer, to lead this session. Thanks to Cindy Schneider for agreeing to host this session at her site. We look forward to visiting Techni-Flex and learning more about the business.

### Best Practices:

The topic of *work place injury prevention* has been actively discussed of late on *familyforum*, our electronic mailing list. Based on these messages, Rustin Keller of J. J. Keller has offered to host a Best Practices session on this topic at their site on February 4th from 11 am—1 pm.

The session will cover best practices for accident prevention, an open discussion of programs and experiences over lunch (provided by J. J. Keller), and a demonstration of KellerOnline®. Rustin has also offered to provide each attendee with a free trial of KellerOnline®.

## Member News

Miller Masonry & Concrete, Inc. of Little Chute has been named to the 2004 Top Contractors list in masonry construction by Masonry Construction Magazine. Miller was ranked 49<sup>th</sup> in the nation based on 2003 sales volume for masonry work! Congratulations to Ron, Kim, Randy, Gary, Sara and the entire Miller Masonry family.



## New Books

We have added a number of new family business books to our resource center in the past few months. These, along with journals and program tapes, are available for members and sponsors to borrow. While we regularly bring resource materials to Forum programs, you don't need to wait to see what's on the resource table. You can view the Resource Center Catalog of Holdings on-line at [www.uwosh.edu/wfbf/](http://www.uwosh.edu/wfbf/) by clicking the Members Only link. Then contact Ann by phone or e-mail to request an item(s).

**From the Kitchen Table to the Conference Table: Family Business Communication** by Laura Michaud is one of our new additions.

Laura Michaud was the third generation owner of her family business (Beltone Electronics) for twenty years. Today, as owner of the Michaud Group, she helps family businesses improve performance and communication skills. Laura's book is a short, light read with a strong message. She provides examples from her own 25 years of experience as well as case studies from others. She includes plenty of thought-provoking *Action Items* to help readers assess their own business issues. She helps family members view the business through the eyes of a non-family member and shows how to improve performance throughout the company by understanding the different behavioral styles each person has. The book includes many examples, simple solutions, a *Family Business Behavioral Style Assessment*, and many practical tips.

## Policies as Preventative Action

A recent discussion with a member reminded me of an article that appeared in *The Family Business Advisor* in November. In the article, Craig Aronoff and John Ward outlined the following areas in which to “set policies now to solve future problems.”

- Employment—family member; in-laws; full and part-time employment
- Retirement—set a retirement age or date
- Compensation; Dividends; Company loans; Stock redemption; Ownership rights & responsibilities
- Ethics; Family behavior
- Publicity

As grandma always said, prevention is worth a pound of cure. Work on the policies before they are needed.

---



---

## Director’s Column

By Sue Schierstedt



A recent query from Scott Barr, McCarty Curry Wydeven Peeters & Haak LLP—one of our charter sponsors, led me to the Forum archives. He wanted a list of all the family businesses and professional organizations that have been part of the Forum since our beginning in 1996. The list of 55 family businesses and 11 professional organizations is very impressive. As a community of family businesses, I find it very rewarding to know that we, the Forum, have directly helped to better these family businesses.

Bu, the impact of the Forum’s programs and resources have stretched far beyond these 66 organizations. There are over 1,000 family businesses in northeast Wisconsin and many beyond the boundaries of our state that have benefited from the Forum in one way or another. Whether by attending a program as our guest, hiring an expert, identifying an outside Board member, getting advice, reading the News Briefs, or finding a center in their area, all have felt the community, family spirit of the Forum.

So, as we enter 2005, I invite and encourage you to tell every family business owner you know about the value of the Wisconsin Family Business Forum.

Happy New Year to you and your family!

*Sue*

## Director’s Challenge:

Each member acquire one new Forum member by June 30, 2005.



Will you accept the challenge and help us reach our goal? New member packets are available. Just let us know how many you need.

## On-line Program Registration

Did you know that you can register for any of the Forum programs from our web site? Just go to <http://www.uwosh.edu/wfbf/> and click on Programs. Choose the appropriate registration form. Complete the information and submit the form. If you need to add more people later, you can complete additional forms.

Since we need to confirm attendance numbers with the program site in advance of programs, we appreciate your adherence to the registration dates.

### Wisconsin Family Business Forum Program Calendar – 2004-2005

Date	Topic/Event	Presenter(s)
Jan 20	<i>Family Business Incentive Compensation: Design &amp; Management</i>	Dale Feinauer & Al Hartman College of Business
Mar 8	<i>Developing Effective &amp; Responsible Family Shareholders</i>	Drew Mendoza Family Business Consulting Group
May 2	<i>9th Annual Dinner</i>	Art Schmidt U.S. Oil Co., Inc.

### UW-Madison Family Business Center Programs—Fall 2004

Jan 25	<i>Upstarts and Old Smarts: Four Generations in a Family Business</i>	Rebecca Ryan, Next Generation Consulting
Mar 1	<i>Communication and Conflict Resolution in the Family Business</i>	Dr. Joe Astrachan, Director, & Kristi McMillan, Associate Director; Cox Family Enterprise Center, Kennesaw State Univ.

### Marquette Center for Family Business Programs—Fall 2004

Mar 11	<i>Institutionalizing a Mindset: Preparing your ownership and management teams for entrepreneurial execution</i>	Mike McGrann, Babson Institute for Family Enterprising
May 12	<i>Fifth Annual Celebration of Excellence Banquet &amp; Awards Program</i>	Louis Gentine, Chairman & CEO Sargento Foods Inc.

---

**The Forum thanks the following sponsors for contributing significant value to keep the Forum at the forefront of family business programs, worldwide:**



**First National Bank — Fox Valley** has a competitive advantage of developing strong, close customer relationships, especially in the niche of family-owned businesses. Thanks to a dedicated staff, FNB has completed its 117th year of providing financial services to the people and businesses of the Fox Valley with locations in Appleton, Menasha, Neenah, and Oshkosh.



**McCarty Curry Wydeven Peeters & Haak, LLP** has been serving the legal needs of large and small family businesses in northeast Wisconsin since 1949. The firm's services include all aspects of business and corporate law, real estate, complex estate planning, commercial and personal litigation, as well as general practice.

Retained  
Earnings  
Company



**Retained Earnings Company/MassMutual Financial Services** has been providing business owners and their employees with solutions to their insurance and investment needs for over 25 years. The Retained Earnings/MassMutual team brings expertise in the areas of financial, estate and business succession planning, 401k's, employee benefits, investments, life, health, disability, and long-term care insurances.



**Right Management Consultants** is the world's leading career transition and organizational consulting firm, offering a complete range of career transition services and designing customized solutions for enhanced organizational performance, leadership development, and talent management.



**Schenck Business Solutions** is a full-service regional accounting and consulting firm with nearly 600 employees, serving businesses and individual clients through its 11 Wisconsin locations. As one of the largest Wisconsin-based CPA firms in the state, Schenck Business Solutions provides a full range of services including tax, business consulting, information technology, retirement planning, investment, insurance, and human resource solutions for today's business, government and personal challenges.



**University of Wisconsin Oshkosh, College of Business Administration** provides undergraduate and graduate education with a wide array of outreach services to benefit economic development in northeast Wisconsin.



**Associate Sponsor:**

**The Business News** is a local business newspaper serving a 10-county area of northeast Wisconsin.

---



Vol. 8, No. 5 News Briefs © 2005, 2004  
Wisconsin Family Business Forum  
College of Business Administration  
UW Oshkosh, 800 Algoma Blvd., Oshkosh, WI 54901  
Editor: Susan Schierstedt, director  
Phone: (920) 424-2257  
Fax: (920) 424-7413  
E-mail: [schierss@uwosh.edu](mailto:schierss@uwosh.edu)