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46
the big
interview

A question of values

Peter Roper is the founder of the Family Business Practice, a consultancy and events organisation which operates across the West Midlands. HENRY CARPENTER caught up with the self-styled Mr Family Business to find out more



47
the big
interview

Henry Carpenter: How do you define a family business?

Peter Roper: To me, it's a one-man or one-girl band upwards because that's where they start. This is not the definition that, say, the Institute of Family Businesses would give. As far as they're concerned it should be a limited company with at least 25% shareholding for the family, but I think that's missing something.

Depending on whose figures you look at, if you include one-man or one-girl bands upwards, probably more than 80% of businesses in this country are actually family businesses.

HC: What is the fundamental difference between a family enterprise and a non-family business?

PR: The cultures, thought processes and the way the businesses act are very different. The deep-lying values, processes and the way families approach business are very different. Family businesses can come up against some challenges which are unique to them and also some advantages.

HC: Can you give some examples?

PR: Sure. If we look at the advantages there are stats to show that the trust factor of family businesses is higher than with corporates. Trust is a huge issue and trust relates to performance. If you want a higher performing organisation, trust is core.

What fires up trust? It's values, and here's the point. That's the strength of family businesses. We all bring our own value set. So a family business brings a set of values and you're either attracted to those values or you're not.

The stats show that staff stay longer, they're more loyal and probably prepared to work for less money. Then there's the whole thing about bringing in close family and cousins who want to join because there's a value set in place. That's the competitive advantage it has over a corporate.

Even though you might have two comparably sized businesses of, say, 30 staff and with a turnover of £5 million, and both of them flogging the same thing, I would argue that with the family business it will be stronger, faster and the employment base will be more loyal. Also, if you dig deeper and look at the client base, they will want to deal with the family business. That's the key.

HC: What about the disadvantages?

PR: I think some of them are stereotypes. You bring your own value set and, let's be honest, not all families have great values. But we'll park those.

Family businesses have the ability to be very agile. However, in certain circumstances they're not agile at all, particularly when you get to multi-generational businesses. Mum and dad start the business, they've

run the business the same way for ever, the new generation come in and go 'hello, have you heard of computers?!'

That can be a challenge. Families staying with systems for too long – we've done it ourselves here.

Another danger for family businesses is not having a proper succession plan and getting the family members to agree on it. What I favour is a simple family plan. Sort it out before going to the accountants and the solicitors.

HC: Was this a career you envisaged when you were at school?

PR: No! I wanted to be a racing driver. I was born and bred in Solihull and in those days I thought I would get a British Leyland apprenticeship. I didn't get it but I did join a motor manufacturer.

I got into the office side of things and then got a job with a dealer network. Eventually I went into sales in my mid 20s, mainly because I wanted a company car. The kids were very small, my car was knackered and I went to work with finance company Lombard North Central.

From being the world's worst sales person – which I undoubtedly was! – I became quite good at it. I then went on to work with one of the largest leasing companies in Europe.

We did well and developed a network of about 170 crash repairers and members of the insurance industry, which was very successful.

“I’m well known for talking about the three tenets of the Family Business Practice – to fill the fridge, sleep at night, and work with people you know and trust.”

48
the big
interview

Then, when I hit 40, I decided I didn’t want the corporate life anymore and the fact I was not really seeing my wife and kids.

In my corporate life I was doing a lot with networks, often of suppliers, and they were nearly all family businesses. I felt I really understood family businesses and so I packed in my job and decided to paddle my own canoe because I was done with corporate.

So I left something very successful and then set up my own furrow of business development. I went to family businesses and said ‘this is me, I think I can help’ and that’s how it all started.

The business development consultancy I set up has always been aimed at family businesses. I found out very quickly that running a family business is incredibly different. You think you know it from one side and then you come in and understand the reality.

We’ve had six family businesses of our own over the years. I’ve learned a lot of the highs and lows with that. We’ve been successful and we’ve also lost a lot and had to start all over again.

HC: Do you think people have the wrong idea about family businesses?

PR: I think a lot of family businesses punch way above their weight and actually do more than their maximum. I’m well known for talking about the



Peter Roper with wife Anny, left, and daughter Sarah Beth, far right, and colleague Sandra Dodd

three tenets of the Family Business Practice – to fill the fridge, sleep at night, and work with people you know and trust. That’s because family businesses, however huge they are now, all start with a discussion – probably around the kitchen table – about how to put food on that table.

I think some people think that family businesses aren’t that well run or well structured, or are lagging behind in some form, and I simply don’t believe that’s true.

I do believe there are some stereotypes which are true and others which are convenient.

HC: Are family businesses getting the recognition they deserve?

PR: I’m patently biased. Slowly but surely we are seeing more recognition. The reason why the Family Business Practice started is that I was getting increasingly annoyed.

I was whingeing about it and my daughter Sara Beth said “dad, either put up or shut up”, as daughters do. I thought I flipping well would then, and that’s how it started.

I got 35 people together at Stone Manor and suggested that we share best practice, knowledge, information and education. They all said they would get behind me if I drove it. My wife Anny and I were travelling back home and she said: “What have

you done this time?”. “I think I’ve just started a new business organisation!” I replied.

It’s because I was so frustrated. There are a handful of organisations in the country which specialise in family businesses, predominantly southern based, but I didn’t feel there was anyone in the West Midlands representing family businesses.

HC: I suspect you get a lot out of working with families.

PR: Yes, I do a lot on values with people and for me it’s all about family, fun and fairness. All are very important to me. Sometimes you come across families who are very money driven and I can probably help them the least, just because I think they’re missing the point.

If I see someone about business

development and they say they are business first rather than family first, I know I probably can’t help them. It’s that value set again.

HC: The Family Business Practice seems to have come a long way in the five years since it started.

PR: I know from experience that networks are all about the people inside them, so I asked the first members what it was they wanted. Over the first six months we did various things – this is brilliant, don’t change it, and I honestly thought that would be it.

But then they started bringing pals and it started to expand. I chatted to a couple of good people and came to the conclusion that I wanted to see something strong in the West Midlands because I’m a West

Midlands lad at heart. We’ve now got five practices across the region and we’re at 147 members, ranging from one-person operations to businesses with 250 employees.

There are ten events at each of the five venues – so 50 in total – and they all run the same way. Everyone talks and learns from each other. There are presentations, we have some good grub, some formal networking and we’re always away by 8pm.

We’re a business development practice but we network well.

HC: Final question. Five years’ time – where do you see the practice?

PR: I think the practice will get larger. I’ve always said I’ll never put a franchise together, but you never say never do you?

49
the big
interview




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