

THE DISRUPTIVE IN-LAW

Many a family feud is born following the arrival of a spouse into the family fold. It doesn't have to be this way, says **Dennis Jaffe**. An in-law can bring with them a fresh perspective and a new set of skills that *could* boost the balance sheet



When convening a family meeting, plans progress smoothly until a family member announces that he or she plans to include their spouse. There is a hush, and the patriarch usually stutters something to the effect that we don't consider them to be 'real' members of the family. The matter may rest there, except that other family heirs are not so easily

convinced, and then the questions arise. How do we define membership in the family? What is the proper role for the in-law?

Many families follow the route of royalty and tradition – that blood defines the family. A spouse is a visitor to the family – necessary to the process of creating a new generation of the family – but not really part of it. Other cultures specify that the bride of a family member leaves her family of origin and enters the new family. Divorce was rarely an option, so family members might have lovers, and occasional illegitimate children, all outside the sphere of 'family'. These conventions are easy to follow in a society where culture is unified by a shared tradition. Marriages are entered in at the direction, or at least with the acquiescence of the patriarch, and personal choice is limited.

Today, such traditions are harder to maintain. The authority of parents to choose their in-laws is breaking down, and it is the prerogative of the individual to choose a marriage partner. The increasing incidence of divorce, and therefore families with children from more than one marriage, further complicates the determination of who is in and who is out. A family with a former spouse who raised several children – a member of the family for many years – can contend with a new younger spouse, and a new set of heirs. Personal relationships and allegiances may conflict with formal ones.

In many cultures, the parents had a utilitarian agenda in selecting in-laws. Royal families would marry to cement alliances. In business dynasties, the marriage of cousins helped limit the number of heirs, and unified ownership of large estates across family branches. Parents selected spouses for their children, negotiating with each other for dowries and other inducements offered and received. A



new spouse would result from a good business deal between families. A family might select a son-in-law who could add value to a family business, or receive venture capital from the dowry of a new daughter. By seeking spouses within a limited community, the cultural and class commonality between spouses was virtually assured. The future spouse was a known quantity, their families known to each other and comfortable.

Today's global world promotes free choice and cultural mixing. Young people meet people from many cultures and social classes at school. A wealthy heir may appear similar to a poor student, and they might fall in love in a community where they both fit very well. They feel they have a lot in common and, within their world, they do.

Young couples today may decide to marry without consulting their parents. At the wedding, they may barely know the new entrant. Unfamiliarity breeds distrust, especially when the fiancée represents a different culture, religion or social class. If the new family member comes from a poorer background, this can lead to tensions not just with the family, but for the new couple. They face issues of how they draw on the family's wealth to support their lifestyle, and the feelings that this can produce in the new family member. The family may fear an agenda other than love, and their suspicion doesn't breed trust in the new relationship. While the couple may see their union as just love, there may be an element of rebellion as the young person seems attracted to one who embodies the opposite qualities and values of his or her parents. The endings are rarely as happy as those ►

of films like *Meet the Parents* or *Guess Who's Coming to Dinner*, where suspicion transforms into trust, respect and caring. More often, the suspicion lingers with politeness, distance or simply toleration.

The new spouse in fact has to enter two systems of relationship. In addition to their new tiny family, they also enter the larger family of wealth, which may have an intimidating and even arrogant exterior. This second entry – into the new business family – should be done thoughtfully and intentionally. While there is no substitute for the ritual of meeting the parents, the business family should also arrange a way to introduce the new spouse into the business/financial world of the family.

Why is this any of the new spouse's business at all? The new family may express its distrust by keeping the new member permanently on the outside. In my experience this deepens the suspicion and misreading of intentions. Added to this, the family member who is marrying has an

inheritance and role in the family, which they want to share with their spouse. This leads to situations where misunderstandings and hurts are amplified by the new couple, and grow into full-bore rifts. A young bride may not understand fully the business affairs of her brother, and her husband, a young and over-confident business person himself, may begin to feel that the family is not treating them fairly. If the two sides are somewhat distant, the suspicion can deepen, as the young couple talks to a friend who is a lawyer, who fuels their concerns further. The family may have been less than candid with their daughter, but when they hear about this, they may get even more angry, leading to threats and a breakdown in communication. Each side thinks the other is the source of evil, and a family feud is born.

Contrast this to a prominent business family, which has a formal entry process to the family. Young family members and fiancées are invited into a yearly briefing that introduces the family's wealth, governance and business structure. The young family members are told about the need for strict confidentiality, and they sign a confidentiality agreement. While the briefing is

very detailed, the exact size of trusts, and financial statements are not specified. At the end, each new family member knows what his or her new family can expect, and what is expected of them. They can ask questions, and they get to know the family financial and business leaders in a personal and respectful forum. The young family member also learns about why the family asks new family members to sign a prenuptial agreement, although sometimes this is done privately.

The positive message is clear – that the new member is welcomed into the family, but the family is a long-standing entity with many people who make it work for everyone. The rules and traditions have evolved over the generations, and the new member is asked to respect them, even if in their new family, some of these may be different. There are benefits, but also obligations that come with the legacy.

If a family has regular family meetings, the in-law should be welcome into many of them. The presence of fresh views can be a healthy challenge to the family's entrenched ways of doing things. If they are from another culture or class, they bring diversity to the family. But some families only include blood family in their annual meetings, leading the in-law to feel estranged. A family might exclude them because they are concerned about one particular in-law, who they see as excessively disruptive or disloyal. On the other hand, some families include in-laws totally. For instance, one prominent multi-generational family has an extreme policy that a new family member becomes part of the family and, even if they divorce their spouse, they can remain part of the family organisation.

The presence of an operating business, or various family enterprises, is another element of the family's presence to the new couple. The in-law can add to what may be a narrow skill and personality set in the family heirs, and may see opportunity working for the family. They offer new skills and a fresh perspective to the family, and may be trusted in a way that non-family executives cannot be.

Working alongside other family members, who may be brothers, sisters or cousins of one's spouse, raises family rivalries. The Kennedys family's prominent in-law, Sargent Shriver, was seen as a loyal family member who worked to advance the political fortunes of his brothers-in-law, until he was asked to run for Vice-president, passing over a full-blooded Kennedy in the process. In another family business, a brother-in-law was accorded great respect as an operations person, but he had to accept that a family member would be CEO. He always felt that he had to work harder, and that his brother-in-laws had a less vigorous work ethic. If one accepts that their role will always be secondary, employment can work well.

But what of the family where the father sees in his in-law a person with a work ethic and capability far beyond that of his sons, who see themselves as the rightful heirs? Family conflict can overshadow the business realities. That

is why many families decide that the potential for conflict overshadows

any benefit the in-law might bring to the business, and prohibit in-law employment.

A clear employment policy that sets out the criteria for family members working, advancing and being compensated aids the entry of an in-law into the family business. If these exist prior to the person's entry, the process can be much smoother. The inherent structure of rivalry between old and new family members can at least be balanced by clear policies. They help but they cannot overcome entirely the feeling of entitlement by natural family members over newcomers. These feelings can be difficult to overcome and hence, very few in-laws become family enterprise leaders. The most prominent cases are those where the daughter in a traditional family does not enter the business, and has no brothers, and the son-in-law is then welcomed as the successor. Even in the most harmonious families, the entry of an in-law is fraught with challenge and the benefits of their fresh ideas are all too often lost in the struggle. ■

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EACH SIDE SEES THE OTHER AS A SOURCE OF EVIL – AND A FAMILY FEUD IS BORN