

Managing a Three-Generations-Old Family Business

Posted By [Kelly Spors](#) On November 10, 2008 @ 9:14 am In [Family Business](#), [Team-Building](#), [Leadership](#), [Top Small Workplaces](#) | [No Comments](#)

**TOP
SMALL
WORKPLACES
2008**

Editor's note: On Mondays, we'll be interviewing 2008 Top Small Workplaces winners about their companies and the unique workplace practices that help make them successful businesses. You can read the full 2008 Top Small Workplaces package [1] [here](#). You can also nominate a business for Top Small Workplaces 2009 [2] [here](#).

Running a family business is hard enough in the first generation. But imagine three generations down the road, when the pool of heirs and potential company leaders has expanded exponentially. It's no longer just "Mom and Pop" calling the shots.



How exactly do you keep family disagreements in the board room from ruining Thanksgiving dinner?

Lundberg Family Farms, a Richvale, Calif., 71-year-old maker of rice and rice cakes sold in stores like Whole Foods, has made it work so far – and is trying to ensure the business stays family-owned for generations to come. Today, the 190-employee company is owned by about 19 of the original owners' heirs. We spoke with chief executive Grant Lundberg about the trials of running a family business and how they prepare to pass it along. Edited excerpts follow.

WSJ: What's the biggest challenge of running a 71-year-old family business?

When the business was just a few family members, they could literally run the business from a pickup truck. I think as the business grows we've had to start thinking more about how we communicate with each other and delegate work, sometimes to non-family members. The business has gotten to the point where we have managers and we have to start entrusting them with the business. They have to understand how the company runs and our values so they can go out and represent us in the way the family would like. Also we have a lot more people joining the family business so just figuring out what everyone's role is going to be is a big challenge.

WSJ: I imagine keeping conflicts between family members at work from seeping into personal relationships is tough. How do you deal with that?

I think it's a lot of gracefulness of understanding, and just knowing when we walk out of here we have to deal with each other no matter what. In a non-family business you might not get along with someone and just hope the other person eventually leaves so you never have to see them again. We learned a lot from the generation before ours. The four brothers, my dad and his brothers, were role models for us in terms of family communications. One thing they used to do is meet down at a local café on a regular basis to discuss the business and air any issues. We've continued that tradition. We also get the family together for ski trips and other outings where we get away and can discuss the business.

WSJ: How do you get younger generations interested in joining the business and understanding what the opportunities are?

One of the things we've done for the fourth generation is set up an internship program for my kids and my cousins' kids to give them a sense of whether they want to work for the business. But it's sort of an organic thing. My dad would come home and talk about the business when I was a kid and I would work on it. It's not like one day they asked me if I wanted to join the business. It was a continual conversation.

Have you worked for a family business? How easy was it getting family members to work together?

Article printed from Independent Street: <http://blogs.wsj.com/independentstreet>

URL to article: <http://blogs.wsj.com/independentstreet/2008/11/10/managing-a-three-generations-old-family-business/>

URLs in this post:

[1] here: <http://online.wsj.com/article/SB122347733961315417.html>

[2] here: <https://secure.winningworkplaces.org/topsmallbiz/2009/nominations/index.html>

Click [here](#) to print.