



FAMILY BUSINESS

newsletter

Martin Iron Works

Building a Family and a Skyline

Anywhere you look in Reno, Nevada, you're likely to see a building constructed with the help of Martin Iron Works, Inc. In business since 1939, the structural steel contractor has worked on industrial projects, municipal buildings and infrastructure, high schools, University of Nevada buildings, hospitals, shopping malls, and even high-end residences. The Reno-based company has more than 100 employees working on projects in Nevada and Northern California.

At the age of 81, President Piero Bullentini usually opens the doors at 7 a.m. and works till closing at 6 p.m. After immigrating to the U.S. from Italy in 1956, 18-year-old Piero joined his father at MIW, starting as a shop helper who greased the machinery. He worked his way up in the company, becoming president in 1989, and today owns the company with his children, Mario and Trish.

Piero's son, Mario, didn't intend to work at his father's company and joined an engineering firm in Reno after earning an engineering degree from the University of Nevada. "When my dad ran into some problems at the firm and asked if I could return to help him, I didn't really want to, but I ended up saying yes," Mario says. "Part of the deal for returning was that we update and modernize the company; so we worked together to bring in new technology, both in the office and the shop. The rest is history. I've never looked back." Today, he uses his engineering expertise to supervise MIW's project managers and engineers as executive vice president.

"Martin Iron Works is where I grew up," says Piero's daughter, Trish, who started working there part-time at the age of 16. Like her brother, she didn't plan to make it a career, and became a registered dietician after college. However, she eventually realized that working for the family firm offered many advantages, including more freedom and a less formal atmosphere. She is now MIW's vice president and chief financial officer. Her duties include managing the accounting department, human resources, loss control, insurance, contracts, administration and business marketing.

Like many companies in the construction industry, MIW was hit hard by the recession that followed the housing crash



Trish Bullentini, her father, Piero, and brother, Mario, share ownership and decision-making at Martin Iron Works in Reno, Nevada.

in 2008. The Bullentinis had to get creative to keep their company afloat while so many others were forced to close their doors. When contracts for local projects dried up, they kept their workers busy by seeking out jobs in southern Nevada and California. They even branched out into making industrial picnic tables for parks.

"It was a struggle, but we had a good foundation," says Piero. "A building with a good foundation will stand up, even during an earthquake. That's the way I run the business — I want to keep a good foundation."

"One factor that really helped us then, and continues to help us, is that we have phenomenal employees," Mario says. "We can produce a larger volume of work compared to others in our field. Some employees have been here 30 years or more. On average, it's 15-18 years. They bleed Martin Iron blue."

The Bullentinis say they all share decision-making. "It helps that we each have our own area of work," Mario says. "At the end of each day, we come together and share what's happening in our department. That way, each of us knows what the others are doing. That's the glue. The decisions are made by all three of us. It's not always unanimous, but no decision is made by just one person."

"If you don't get along, you don't succeed," Piero says. "We may disagree, but most things can be fixed over a big family dinner. After we decide what needs to be done, we raise a glass of wine and say 'Salute!'"

Mario says it's rewarding to look at the Reno skyline and know that MIW played a big part in creating about 80 percent of it. Piero agreed: "It makes me proud that all this was done by a family owned company."



Leading the Next Gen by Example

Constructive Family Relationships

By Deb Houden

John Gottman, Ph.D., has devoted his life study to the indicators of what makes a successful marriage. While Gottman is a noted researcher on marriages, I believe his research applies to any familial relationship, especially those who own/work together. Parents can teach teens and college kids how to have a constructive, open relationship with family members by treating their own relatives in the business in a healthy manner. Gottman dubbed the four most detrimental behaviors for a marital relationship as The Four Horsemen: criticism, defensiveness, stonewalling and contempt. In fact, his accuracy in predicting divorce (when he sees these behaviors) is at 94 percent!

Gottman defines criticism differently than a complaint. A complaint focuses on the specific behavior, whereas criticism focuses on the character of a person. When I teach negotiations, I tell the students to separate people from the problem; focus on what the problem is at that time. Don't get caught up in the behaviors of the other person because that causes one to lose their most critical leverage piece: Their ability to think clearly.

The same is true of familial relationships. Don't slay the character of the other family member. Examples such as "He always needs to be in control" or "She is lazy" is a direct slam at their character. It solves no problems but instead exacerbates the downfall of the relationship. In some of my most conflicted family enterprise work, I see character slams repeatedly happen. The manner of character slamming becomes a habit and is passed down to the next generation. Children mirror these types

of habits and begin to believe that this is how we treat relatives. Not good preparation for the future!

Defensiveness, says Gottman, is a way of blaming the other for the issue and blame has never solved any dispute. By accepting responsibility for at least your own part of the problem goes a long way in having a constructive discussion. Being defensive is like having a rubber wall around a person, never letting in any type of constructive feedback. The defensive person takes feedback and twists it to fling back at the person in order to protect themselves. Communication and problem-solving get increasingly difficult with this person because attempts to better a situation are stalled from the beginning and the conflict escalates. Teenagers and young adults need to learn to graciously accept feedback and hone their own ability to change and grow. Defensiveness is an inherited trait.

The third part of The Four Horsemen is stonewalling: when one of the participants of a relationship withdraws from interaction. How many times do we see people go quiet and withdraw when things get difficult? How many times do people get flooded and not know how to manage the situation, so they shut down? It happens a lot. People falsely believe that by not interacting in a time of conflict that there will be a better outcome than by confronting the negative, but the research shows that is not the case. It's a death knell for a relationship.

Being able to talk with someone (or even argue in a constructive way) is better than shutting down. I have worked with more than a few families who have the culture of not "fighting." The problem is that no one learns to manage conflict effectively. Stonewalling is a fierce form of control over the other person. There is no emotional connectedness with the person who is stonewalling because they have emotionally built an impenetrable wall around their psyche.

Finally, Gottman argues that the greatest predictor of divorce is contempt, and I argue it is the greatest issue of destructive family dynamics. Contempt displays include sarcasm, cynicism, eye-rolling, name-calling, tsk-ing, sneering and hostile humor. (There are more, and you know them when you see them). Parents don't understand how their children can act that way towards their siblings, yet they demonstrate those same behaviors to their own relatives in the firm.

Contemptible actions are made to discount the thoughts, feelings and actions of the other in such a way as to inflict incredible damage. To ignore someone who is doing that takes Herculean strength! I have been the recipient of contempt and it is probably, to me, the absolute worst treatment anyone can do. I feel silly, angry, not valued and completely turned off.

Imagine if that happens every day when you work with someone who is related to you? I have been in situations where parents do this to children. What does that teach? The parent is keeping the child one step below, always on the lower rung. How can we prepare a child to have good relationships, have confidence to take on challenges when they are made to feel inferior? To me, contempt is akin to hatred. Who needs enemies when family members display contempt? There is no place for displays of contempt.

I am not naïve to expect that none of the above will happen in even the most loving, respectful and constructive of relationships. Sometimes emotions take over and we become our worst self — especially with

those whom we trust will forgive us. But the preparation of our children is such an important task that we really need to teach them emotional skills that help with relationships. When you find yourself behaving a little subpar (and that might take some reflecting time to let the anger subside), acknowledge your actions and admit that you are not your best self sometimes.

Parents can teach kids how to have a constructive, open relationship with family members by treating their own relatives in the business in a healthy manner.

Gottman's final word of advice to couples is to try to have a ratio of 5:1 in positive to negative interactions (over a long span). By conceding less than stellar behavior and combating it with some positive interaction, you will mitigate the damage from the Four Horseman. We can do that with our next gen, too. Try to remember the golden ratio to keep the Four Horseman of the Relational Death at bay. Then you will have prepared your next gen well.

Deb Houden, Ph.D., is a senior consultant with The Family Business Consulting Group, Inc. specializing in helping family owned businesses with family communication, transition and next generation development.





From Leadership To ... ?

*Planning for a Meaningful Future When
You Are No Longer at the Helm*

By Stephanie Brun de Pontet

*L*ike many people, I often start the new year giving a lot of thought to how I can maximize my sense of fulfillment and joy in the coming year. I consider how I can better organize my work, maybe my pantry, and even my leisure travels. Inevitably, I also get to wondering why this kind of intentional planning is not a more frequent or regular practice in my life. To quote the adage, why does “the urgent get in the way of the important?”

Because the work we do with enterprising families is often centered around helping them focus on important planning for the future, we regularly see how urgent matters can make this longer-term planning difficult to prioritize. One aspect of longer-term continuity planning that is often underdeveloped is the leader’s need to make plans for their own personal continued sense of fulfillment and joy when they are no longer in a daily leadership role in the business. Not only does this absence of planning put these individuals at risk for feeling adrift and unhappy in retirement — their inability to imagine a fulfilling life outside the business may well put the entire succession process in jeopardy.

My recently published book, *Transitioning From the Top*, explores the issues that derail transition planning and shares stories from CEOs who have done it successfully. Below is an abbreviated excerpt from the book that provides the responses of these successful family business leaders to this fundamental question:

Why would healthy, capable and driven people let go of a powerful role they enjoy if they have nothing to move toward afterward?

Successful business leaders understand that significant business changes require planning. But they may fail to recognize that what is true for the enterprise is also true for the individual. Given the increasing number of post-retirement years in developed countries, it is surprising how little planning individuals typically do for this phase of life. For example, a survey of recent retirees found that 62 percent had retired without any idea of how they would craft a life or adjust to retirement. The trend has prompted experts to point out that many people spend more time planning a wedding than planning for retirement.¹

Popular books like Stephen Covey’s excellent *The Seven Habits of Highly Effective People* encourage us to consider all our roles (e.g., mother, entrepreneur, friend, volunteer) and ensure we are investing time in the important priorities for each.² But in reality, many of us struggle to apply this practical wisdom consistently. In particular, ambitious and successful people tend to invest a significant percentage of their time and energy in the execution and development of their professional role. This makes us more likely to fall into what I call an “identity trap,” where your career role comes to define too much of your identity, making it difficult to move comfortably into retirement.

If 80 percent or more of your waking hours are consumed with doing one thing and being one person (the boss, elite athlete, mom), when the time comes for you to relinquish that role in whole or in large part, it may lead to a tremendous sense of emptiness, confusion or lack of purpose.³ Individuals in this situation may struggle with a sense of not knowing who they are anymore, a disorienting feeling, to say the least.

While the loss of one's central identity is certainly a major challenge, there are several additional, more practical losses that come with the end of the leadership role and may contribute further to the challenge CEOs have with their transition. Specifically, positions of leadership at work often come with perks, authority, privilege and status that may not be readily available in retirement, representing further costs of movement into the post-work stage. Here are several of the most prominent ones:

Office and administrative support: Typically, CEOs have a nice office arrangement, as well as a capable administrative staff that knows them well, and may have long provided personal administrative help in addition to assisting with CEO/business-specific tasks.

Decision-making authority: When you represent the "here" in the "buck stops here," the idea that decisions will continue to get made without your input or guidance can be hard to swallow. While a retiring leader may understand rationally that someone else is going to be stepping into that role and making those decisions going forward, grasping that in the abstract and accepting it emotionally can be very different matters.

Access to perks: In addition to an office, meeting space, and administrative support, many CEOs enjoy access to transportation, a large entertainment-expense account, high-end health benefits, and myriad other perks that support their work responsibilities, are considered part of their total compensation, or both.

Loss of status: We tend to be reluctant to admit that high status — as associated with prestige and wealth — is something we actively pursue. But humans are actually wired to seek status as a way of protecting their role in the community; so, it's more natural than we may realize.⁴ Moreover, though a retired CEO may still have a great deal more status than the average person, they may experience subtle shifts in their community standing, access to decision-makers, and even ease of making a hard-to-get dinner reservation.

A Few Tips to Consider

1. Recognize over-commitment to your professional identity: Be aware of the extent to which you are committed to your professional role to the exclusion of the development of other meaningful roles and pursuits.

While working, especially early in your career, it can be difficult to find the bandwidth to engage in much else as you are focused on building your business and your leadership, while perhaps also contributing to raising a family. Even if you recognize such over-commitment, addressing it immediately may not always be practical. So, at the very least find ways to enrich and broaden your professional roles where possible. For example, ensure your leadership gives you a chance to engage in both analytical work and mentorship (at the team or individual level).

Give real time and thought to how you will fill your days when you are no longer leading the business.

2. Develop other interests: While it's important to have interests outside of work, sometimes you can leverage roles you play through work or family to start with minor extensions of your interests. For example, get involved in leadership for your industry trade association or serve on the board of your kids' school or a small local nonprofit. Ideally, over time you can broaden your outreach to invest yourself in athletic interests, hobbies or civic organizations that are fulfilling to you as a person.

It's important that the interests feel genuine to you. Former U.S. president Jimmy Carter took on many post-work roles, from founding the Carter Center to advance human rights to volunteering with Habitat for Humanity, where he would go out on projects and simply cut siding alongside other volunteers. By all accounts, he embraced each new role, rather than comparing it to what he'd experienced as president.⁵

3. Take planning seriously: Give real time and thought to how you will fill your days when you are no longer leading the business. "Play golf" is not a sufficient answer, unless you are a passionate golfer with many friends with whom you can share this interest and who can push you to keep growing your skills. The same applies for "I'll travel," unless you are determined to see most of the world, have the means to do so, and multiple people with whom you would enjoy traveling.

Sit down and think through your daily routine, asking yourself serious questions. What goals will you pursue? How will you pursue them? Who will it involve? Where will you go and how often? How will you feel you are making a meaningful impact and leveraging your knowledge and contacts productively? As Lanse Crane, former CEO of Crane & Company, said, “I knew there are other lives out there.” Think about which of those other lives you most want to pursue in retirement.

The exercise below on Role Allocation can help evaluate how you currently allocate your time and how you’d like that mix to look in the future. Make a

few notes on what obstacles you face to get from your current state to a desired state of time invested for each of these broad domains.

4. Understand — and plan for — what you’ll lose: As you plan your transition out of leadership, take stock of all the perks and benefits that come with your current role and consider which you need to replace. Bear in mind that this can impact your personal income. For example, if the company has paid your club membership to date, will this continue or do you need to budget for this expense? More challenging for many is losing the administrative support on which they have come to rely.

Role Allocation

Please use the first column to allocate how you spend your time today, the second column to allocate how you would LIKE to be spending your time, and the third to note some obstacles you anticipate in moving towards that desired state.

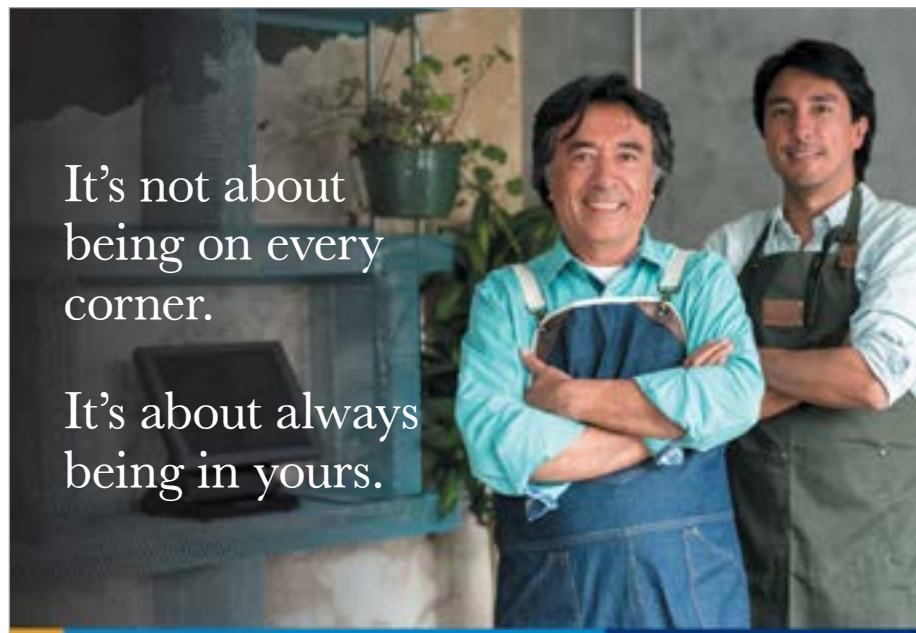
Role	Percentage of your waking time (today)	Percentage of your waking time (desired allocation)	Obstacles in moving towards that desired state
Primary Work Role (Job)			
Other Business or Professional Roles (Board, mentor, side ventures, trade assoc., etc.)			
Spouse			
Other Family Relationships (time with children, extended family...)			
Friends			
Engaging with Faith or Spirituality			
Volunteer			
Pursuing meaningful hobby, fitness, or sport			
Other:			
Other:			
TOTAL	100%	100%	

Take honest stock of the personal (not related to business leadership) work your administrative team supports today and think through how you will get this work done going forward. Do you need to hire a part-time administrative assistant? Where will you house the files you need to access for your board or other professionally related roles?

5. Formalize your role: Give yourself a post-work title. That may sound funny or contrived, but it helps to think through how you want to describe what it is you do now that you are not going to be the CEO or leader of the enterprise. You can make this lighthearted if that is in keeping with your personal style: “Retiree in Training” or “Designated Troublemaker” may go on your business card. I have seen many family leaders modify their business card to say “Shareholder.” A simple adjustment like that can elegantly maintain your affiliation with your family’s business.

6. Practice your pitch: Just as you practiced for countless presentations and speeches as CEO, it can be helpful to practice describing what you do in your post-work life. Ideally, you will have started to envision a role or series of roles for yourself now that you have the new bandwidth to deploy. Think through how you would articulate this to an old friend at a reunion or to a person you meet at a conference. Even a short description, like this one from a former CEO, can do the job: “I currently divide my time between board service for a couple enterprises and an education task force for our mayor, along with spending quality time with my family and fly fishing whenever I can.”

This article represents only a brief glimpse of the deep insights provided by CEOs who have successfully managed Transitioning From the Top. It is my hope that sharing their stories can foster empathy and understanding about this aspect of the continuity planning process.



It’s not about
being on every
corner.

It’s about always
being in yours.

When running a family business, it’s easy to get wrapped up in the day-to-day details. Which can mean you neglect vital financing needs, operational demands, and planning for a transition to the next generation.

Let us help with all your family business matters. Call or visit us online today.

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1. As noted in Nancy Schlossberg, *Revitalizing Retirement: Reshaping Your Identity, Relationships, and Purpose* (Washington, DC: American Psychological Association, 2009)
2. Stephen Covey, *The Seven Habits of Highly Effective People: Powerful Lessons in Personal Change* (New York: Simon & Schuster, 1989).
3. For an academic perspective on this issue, see Peter J. Burke and Donald C. Reitzes, “An Identity Theory Approach to Commitment,” *Social Psychology Quarterly*, Vol. 54, No. 3 (September 1991), pp. 239-251.
4. See for example David Rock, “SCARF: A Brain-based Model for Collaborating with and Influencing Others,” *NeuroLeadership Journal*, (2008, Vol. 1), pp. 1-9.
5. See for example Carter-related anecdotes in Peter Buffett, *Life Is What You Make It*, (New York: Harmony Books, 2010).

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