Professionalising the Family Business: From Owner-Led to Board-Governed

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Technical depth: Conceptual · **Practical mode:** Case study

Introduction

Many family enterprises grow on the energy and judgement of a founder who makes most decisions personally. Beyond a certain size, that model becomes a constraint: decisions queue at the top, capable managers leave, lenders and partners ask for governance the company cannot show, and the next generation inherits a business that depends on one person. This Core Concept course equips owners and directors to move from owner-led control to board governance and professional management without losing the family's values or control. Participants leave with a Professionalisation Roadmap for their own enterprise.

Course Objectives

- Diagnose the growth-stage pressures and founder dependencies that signal the need to professionalise
- Separate ownership, governance and management through a decision-rights charter and delegation of authority
- Plan the transition from an advisory board to a fiduciary board with independent directors and committees
- Oversee the introduction of planning, performance, control and risk systems suited to a larger enterprise
- Address founder resistance, related-party dealings and the appointment of non-family executives
- Direct the preparation of a Professionalisation Roadmap for the owners and the board

Target Audience

- Founders and owner-managers moving from personal control to board governance
- Chairs and directors of family-controlled companies strengthening board practice
- Family shareholders overseeing the separation of ownership and management
- Senior family and non-family executives leading the introduction of management systems
- Senior governance, legal and finance advisers to family enterprises

Course Outline

Day 1: Growth, Founder Dependency and the Case for Change

- Greiner Growth Model: Crises of Leadership, Autonomy and Control
- Churchill and Lewis Five Stages of Business Growth
- Founder Dependency Diagnostic: Decisions, Relationships and Knowledge
- Family and Non-Family Roles Mapped on the Three-Circle Model
- IFC Corporate Governance Progression Matrix Self-Assessment

Day 2: Governance Frameworks for the Professional Family Firm

- G20/OECD Principles of Corporate Governance 2023 for Unlisted Family Companies
- ISO 37000:2021 Governance Principles: Accountability, Oversight and Stakeholder Engagement
- Board Evolution Path: Nominal Board, Advisory Board and Fiduciary Board
- Separating Ownership, Governance and Management Through a Decision-Rights Charter
- COSO Internal Control - Integrated Framework 2013 Components

Day 3: Building Governance and Management Systems

- Delegation of Authority Matrix Design
- Independent Director Search, Selection and Induction
- Board Committee Charters: Audit, Nomination and Remuneration
- Strategic Planning Cycle and Balanced Scorecard Cascade
- Professional HR Architecture: Job Grading, Performance Management and Merit-Based Pay

Day 4: Resistance, Conflicts and Difficult Cases

- Founder Resistance and Retained Informal Authority
- Non-Family Chief Executive Mandate, Incentives and Retention
- Related-Party Transactions and Conflict of Interest Policy
- COSO ERM 2017 and IIA Global Internal Audit Standards 2024 for Board Assurance
- Board Evaluation Methods and Governance Effectiveness Review

Day 5: Case Work and the Professionalisation Roadmap

- Founder-Led Distribution Group Case Study: Appointing the First Independent Directors
- Industrial Family Group Case Study: Handing Operations to a Non-Family Chief Executive
- Governance Maturity Gap Analysis for an Own Family Enterprise
- Professionalisation Roadmap Drafting
- Board Presentation and Peer Challenge

Skills You Will Gain

- Governance Maturity Assessment
- Board Composition Planning
- Delegation of Authority Design
- Management Systems Oversight
- Related-Party Governance
- Executive Search Oversight
- Founder Transition Management
- Organisational Scaling

Why Attend This Course

- Return with a Professionalisation Roadmap that sets out what changes, in what order and who owns each step
- Free the founder and senior family members from day-to-day decisions without weakening family control
- Present lenders, partners and future investors with governance they can recognise and trust
- Learn from owners and directors in other sectors and countries who have made the same transition

Conclusion

Professionalising a family business means replacing reliance on one person with institutions, systems and people who can carry the enterprise forward. This course moves from diagnosing growth-stage pressures and founder dependency, through the international governance and control frameworks, to decision rights, board composition, committees and management systems, and then to the founder resistance and related-party issues that stall many transitions. The final day turns that material into a Professionalisation Roadmap that participants take back to their owners and board for approval.