

St. John Fisher University

## Fisher Digital Publications

---

Business Faculty/Staff Publications

School of Business

---

1-2022

### Three Unique Succession Planning Stories with a Common Theme – Start Planning Now!

Carol Wittmeyer

St. John Fisher University, [cwittmeyer@sjf.edu](mailto:cwittmeyer@sjf.edu)

Follow this and additional works at: [https://fisherpub.sjf.edu/business\\_facpub](https://fisherpub.sjf.edu/business_facpub)



Part of the [Business Commons](#)

---

#### Publication Information

Wittmeyer, Carol (2022). "Three Unique Succession Planning Stories with a Common Theme – Start Planning Now!." *Shoe Retailing Today*.

Please note that the Publication Information provides general citation information and may not be appropriate for your discipline. To receive help in creating a citation based on your discipline, please visit <http://libguides.sjfc.edu/citations>.

This document is posted at [https://fisherpub.sjf.edu/business\\_facpub/104](https://fisherpub.sjf.edu/business_facpub/104) and is brought to you for free and open access by Fisher Digital Publications at . For more information, please contact [fisherpub@sjf.edu](mailto:fisherpub@sjf.edu).

---

## Three Unique Succession Planning Stories with a Common Theme – Start Planning Now!

### Abstract

Most businesses ultimately fail and many family businesses do not succeed at transitioning their businesses to the next generation. NSRA has developed its “NextGen Leadership Program” to support the transition planning process for family firm members. This article takes a look at how the process has gone for three NSRA family firms who have succeeded and were gracious enough to share their stories.

### Disciplines

Business

### Comments

Published in the January/February 2022 issue of Shoe Retailing Today, Copyright © 2022, National Shoe Retailers Association, Tucson, AZ, [www.nsra.org](http://www.nsra.org). All rights reserved.

# Three Unique Succession Planning Stories with a Common Theme – Start Planning Now!

CAROL WITTMAYER, ED.D.

Most businesses ultimately fail and many family businesses do not succeed at transitioning their businesses to the next generation. NSRA has developed its “NextGen Leadership Program” to support the transition planning process for family firm members. This article takes a look at how the process has gone for three NSRA family firms who have succeeded and were gracious enough to share their stories.

In an interview of three multigenerational NSRA family business leaders who have transitioned their businesses to the next generation over the last few years, it became clear that there is a significant trade-off when the transition occurs. On the one hand, a dream has come true that does not for many businesses and cannot be taken for granted. After significant planning and preparation – the business stays in the family and is owned and run by talented, prepared and enthusiastic “NextGens” who become the “NowGens.” The exiting generation members (older NowGens) are able to “live the dream” with good health, financial security to do fun things and the joy of seeing their family take over – and run with – what they built. On the other hand, there is an unavoidable challenge in these transition journeys that can include a feeling of

loss for the exiting generation, as they no longer work side-by-side with their children and are no longer part of the daily joys and challenges in the business. Those are profound gifts from owning a family business.

Our three interviewees, Ed Habre (Shoe Mill), Tom Luck (Lucky Shoes) and Maurice Breton (Comfort One Shoes), are close shoe retailer colleagues and have many things in common. They have had long, successful tenures in the shoe retail business, they are widely respected and admired as national leaders in the industry, they have sons who have been working alongside them in the business for decades, and they have a deep passion for their next generations to enjoy what they have enjoyed – the challenging opportunity to be economically self-sufficient and to support their communities in a variety of important ways.



**Dr. Carol Wittmeyer**

They have differences as well. Maurice started his business, so he did not experience a business succession from a parent to himself like Ed and Tom did. (Tom’s business, Lucky Shoes, is over 100 years old.) They had different strategies of transferring the business to the next generation. Their spouses had different roles in the business. They had different business governance and advisor strategies. Two have one son running the busi-



**The Breton family of Comfort One Shoes. Clockwise from left: granddaughter Gracie, daughter-in-law Alaina, wife Deborah, Maurice, son Garrett and granddaughter Josephine.**

ness and one has several sons involved. These differences highlight something important to consider in family business: no family is exactly the same and what works for one might not work well for another. That said, what is important for succession to work for any business thinking about a transition is planning for it to happen and to happen early.

### Process Timeline

All three leaders shared that the succes-

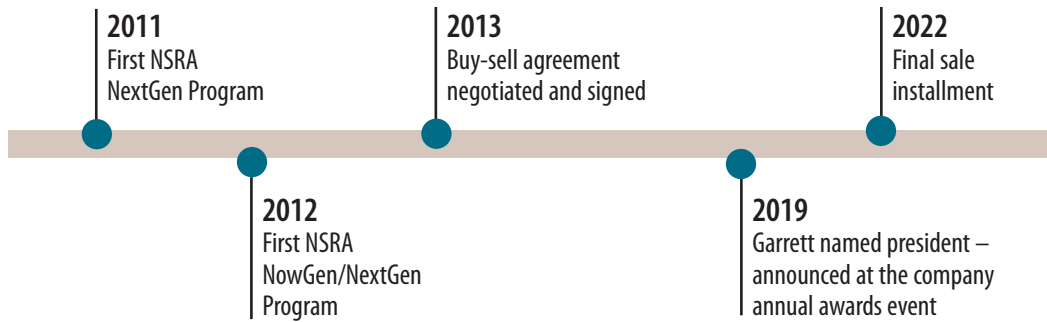
sion process was several years – for them it was ten or more.

That process allowed them to have time for important and sometimes emotional conversations on topics that can take months or years to complete, such as the pace the NextGen can proceed to the top. The leaders took part in NSRA's program and other educational processes yearly or more frequently, they sought and relied on guidance from advisors

and peers, and they planned out how to thoughtfully increase the NextGen's responsibilities while they continue to work together side by side to teach and learn from each other, giving them both the opportunity to grow in areas they needed to for a succession to work.

Here is the timeline of the Breton's succession process of Comfort One Shoes:

### Comfort One Succession Timeline:



### Strategies

The leaders reflected on strategies they recommend for succession and discussed them below.

<b>Educational Forums</b>	Enroll in college courses/degrees, NSRA NextGen Program (including sessions with NowGens), Chamber of Commerce Programming, Peer Group membership with those from other industries.
<b>Ongoing Conversations</b>	Set the stage for discussions using strategies learned from NSRA NextGen, including a timeline for ongoing discussions and using advisors to facilitate sharing and action items.
<b>Advisors</b>	Identify and rely on trusted advisors to assist in the process and when appropriate, invite them to collaborate together on family transition strategies to make sure advisors, vision and incentives are aligned. Accountants, attorneys, counselors and family business consultants have been helpful to families.
<b>Boards/Peer Groups</b>	Rely on advisory and governing boards to provide input into the process and NextGen mentoring. Some families had informal advisory boards and some had formal governance boards. One "NextGen" created his own. A key is to think about how the board can change with the generational transition. Oftentimes non-family key employees have had an important role in the process.
<b>NextGen Aspirations</b>	It is important that the process includes discussions and opportunities for the NextGen members to make sure that they want to take over the business.
<b>Ownership Transition</b>	There are many decisions to be made such as gifting, buying out owners and even discussing gifting to the children of the NextGens to set the stage for multi-generational ownership continuity.

### Pain Points

Transitions are never easy. Easing out of one's lifetime of work takes significant effort and being open to change is a related challenge.

All three leaders shared that one of the hardest challenges in the succession process can be giving up control, especially

when decisions being made by the next generation are radically new/different and/or might not be ones they would have made. When those situations occur, it can feel like a lack of respect from both sides. Relatedly, it's important for the exiting generation to work on a plan over many years for new and exciting activities

to fill the void when they begin to exit their roles and businesses.

Owners talked about the challenges when the next generation includes children who will be involved in the business and some who will not. That has implications for family dynamics and estate planning. Again, these are delicate

**continued on page 10**

**NextGen**  
continued from page 9

issues that, like the business transition process, need significant planning and discussions. They may require input from spouses and other family members and oftentimes require assistance from advisors to make the process as smooth, conflict-free and as financially effective as possible.

**Lessons Learned**

So, what is the most important advice our experts offer?



**The Habres of Shoe Mill. Ed, center, with sons, from left, Jordan, Josh, Joel and Jared.**

<b>Ed Habre</b>	Start as early as is reasonable and be patient with the process. The second part is critical – there will be times when there will be disagreements due to differing perspectives and style; however, in order to insure successful transition, we as NowGens must respect their efforts and vision. By doing so, we will give staff and business resources confidence in their leadership roles.
<b>Maurice Breton</b>	Succession has to be discussed. You have to get professional advice. It won't go easy unless you do.
<b>Tom Luck</b>	Communication, communication, communication. The next generation members have to make decisions on what they want. Until that commitment of how to do it happens, succession discussions can't be done. The NSRA NextGen program gets NextGen and NowGen educated and talking about the process.



**Tom Luck and son John, of Lucky Shoes.**

Dreaming about a wonderful business transition process and outcome is something every owner desires. Starting the process early, talking regularly to your next generation, and working with talented advisors who understand your dream, will help you realize your vision like Ed, Maurice and Tom have. ■

*Dr. Carol Wittmeyer is interim dean of the School of Business at St. John Fisher College. She teaches at the Family Business Center at Loyola University of Chicago and is also a founding faculty member of NSRA's NextGen initiative.*

**COVID and Succession**

Three years ago, this article would have had a very different ending about how the leaders spend their time after the business succession. While there is a lot of fun that is happening in terms of new homes, travel and other hobbies, there is still some opportunity to contribute to the family business. What is truly fascinating about the journey of our three leaders, is that each of them has had roles in the required business pivoting needed due to COVID-19 pandemic – whether it has been helping to renegotiate leases to being a thoughtful sounding board to the next generation for pandemic-related issues that neither generation has faced. The opportunity for the leaders to support the next generation has been significant due to COVID and has kept the leaders somewhat involved in the business from a high overall level and in a way that has allowed them to use their experience, business relationships and negotiation skills to help the business and next generation members at a time the next generation has many problems to solve and opportunities to identify.