Just as we are getting used to yesterday, along comes today…

…an apt description of the state of mind today of a Reliance stakeholder – be it an employee, investor, shareholder or even an image management consultant. Having got past the succession phase from father to sons and the public washing of linen by the brothers, along comes the split, leaving them wondering 'What next?'

In family-run businesses, there are three typical phases in the organisation's life cycle.

The first, when Generation One strives hard in the face of odds, putting in the requisite sweat, toil and long hours, to make a success of his start up venture. He stands tall, takes a bow to the accolades and then, with aplomb, bequeaths his success to his sons (and sometimes daughters).

Generation Two may not have been born with a silver platter but has got accustomed to it along the way. Once the baton moves into their hands, they want to make sure they get an equal share (or more) as they know daddy loved them as much. The elder sibling's struggle to control the strings of inheritance as dictated by the law of chronology, more often than not, finds huge resistance along the way.

Generation Three has been born with one silver spoon in the mouth and a dozen tucked away in the closet, and has no clue that money needs to be 'earned'. They typically wander off towards the refined arts, exploring the 'purpose of existence'.

We, however, will leave Generation Three alone for now. What Generation Two aka Mukesh and Anil, are undergoing right now should perhaps have been expected. This has been analysed to shreds by each one of us who - to quote Jeffrey Caponigro, author of The Crisis Counselor – advised the brothers that it would have been a lot easier to have planned the succession to "hammer out a deal while everybody's still in love."

In any professional organisation, a crisis plan, reviewed each year, should make clear who would be responsible for what, should the founder or head of a company pass away. What is more, the plan needs to be written down and communicated to others in the company so that there is no confusion.

It really is as simple as that. All the tussles and squabbles should be sorted out prior to the event so that professional succession can be detached from the emotional turmoil. But of course, this is theory, and the world we live and do business in is far removed from theoretical principles.

That being a given, the intent now shifts to damage control when the inevitable squabbling begins – minimizing the cost of a business split.

Let's get the basics right first. The 'do nots' become as important as the 'to dos' at the time. To reassure their stakeholders, and particularly their employees, the brothers need to be visible today. So the first guiding light would be simply: 'Do not hide. Do not rush into pretending that everything is back to normal. And do not take the easy way out and depend solely on email.'

Stakeholders need relevant information, sympathy, empathy and a positive perspective on the future. Put on the employees hat, and think how they are thinking. There is a need to connect, compel and only then command respect and control the direction of the company once again.

In a situation such as the one faced by Reliance, the leader needs to communicate a sense of confidence and control, a sense of purpose and commitment, and set expectations regarding appropriate and inappropriate behaviour immediately. He also needs to communicate a trust in the abilities of the employees to get through the change. Effective communication would help decrease resistance, and encourage moving through the change more effectively and positively.

Contrary to the general belief that communication is getting the message out there, communication is really best described as 'creating understanding'. The message goes out through words, actions, body language, voice tone, and the manner in which communication is carried across the organisation.

In addition, to ensure the creation of 'understanding' one needs to verify that the message one intended to send was actually received and interpreted the way it was intended. In a situation where there are bound to be preconceptions, receivers listen selectively and filter information that can distort the message. The only way that one can be sure understanding has been established is to listen to the people one is are communicating with, and make special effort to encourage them to reflect back as to what they make of it.

At this point, it is important that the Ambanis face the mirror to themselves and be ready to ask questions about the impact of their actions.

It might be well worth their while to engage in professional research on the impact of this change on the reputation of the organisations affected. Among employees, they might want to consider the possibility of initiating an Appreciative Inquiry. As an organisation, Reliance has had strong ties with its workforce. This might be a time to seek their feedback on how they feel about their firm.

Although in a difference context, a study reported in the Melcrum's Strategic Communication Management showcased how BBC, as an organisation used the Appreciation Inquiry as a culture change tool effectively.

For six months in 2002, over 10,000 employees (approximately 40 percent of the total BBC) took part in 'Just Imagine', an Appreciate Inquiry exercise that took place over 200 meetings across the UK and around the world. Attendance was voluntary and, in sessions that included anywhere between 25 and 200 individuals at one time, people paired up and held reciprocal interviews about their positive experiences at the BBC. The process had a profound impact on many BBC employees - and for some it was the first time anybody had asked them what they thought and felt about the BBC.

Unlocking the emotions of affection, pride and loyalty throws light on the complex nature of the psychological contract our people have with the organisation. In all, Just Imagine threw up over 98,000 ideas and suggestions (15,000 unique ones) which were captured, analyzed and fed back to divisional and pan-BBC change teams for evaluation and implementation. It led to 35 concrete initiatives for change at the BBC.

Once the sense of the organisation has been understood, the leaders then have to carve out the Who, What, When and How of communication and change.

Who: Managers sometimes have a tendency to communicate about change on a 'need to know' basis. However, effective change leaders recognize that almost any change will effect most people in an organisation, no matter how removed they are from the change. The basic rule of thumb is that communication should take place directly between the manager and employees when employees need to know as well as *want to know*.

Except for situations that involve confidentiality, even those who are indirectly affected may want to know what is going on, and how it may affect them. In situations of such dramatic change, it might be better over-including people in your communication, than leaving people out.

What: One needs to keep in mind what one is trying to accomplish through communication about change. The intent is to provide information that pre-empts the grapevine and reduces uncertainty and ambiguity regarding the change. It is likely that employees will hear rumours regardless of what is disclosed. Besides, as a change leader, the staff watches you carefully to guess how you are feeling about the change, and they will draw their own conclusions based on your behaviour. It is better to state your reaction to the change precisely to do away with rumour mongering.

When: The longer one waits to communicate details of change, the more one is likely to extend the period of adjustment. Communicate as early as possible about change, but do not assume that once done, the job is over. Communication must occur in anticipation of change, during the implementation and after the change has been stabilized.

How: Another decision one needs to address is what needs to be communicated in group settings, and what needs to be addressed in one-to-one meetings with employees. Besides, care has to be taken on what is communicated verbally and what needs written communication. Within written communication as well, there needs to a distinction between mass communication and a personal letter.

Most situations require both group communication and one-to-one communication. They compliment each other. Using only one or the other will create problems. In a situation such as that of a family split, one needs to use group communications to ensure everybody hears the news of information they need to receive at the same time. This must be complemented with individual meetings as the changes are likely to cause a high degree of emotionalism that is better dealt with in private. And different people have different fears and needs. Written communication should be used for information that needs a record of the communication for future reference, or refer to details of the change later. Written communication can be used as backup to verbal communication.

Poor communication and failing to prepare for succession are among the most common reasons for failure of family run businesses. Yet, remarkably, two-thirds of family businesses do not have a succession plan in place. It is interesting to note that many family-run businesses in India are addressing this issue post the Lodha-Birla and Ambani brothers issues came to fore.

The Ambanis may survive the impact of this split but as they go ahead they may be well advised to create an organisational chart that spells out the organisation's new structure together with a succession plan for the future – before the future descends upon them. For it might not be evident to them yet, but *today is history that doesn't yet make sense. So get it right.*

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