

Disrupt Yourself Podcast

EPISODE 376: CATHY CARROLL

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Welcome to the Disrupt Yourself podcast. I'm your host Whitney Johnson, CEO of Disruption Advisors, where we help you build high performing teams and people -- because organizations don't disrupt, people do.

It's not a pretty truth of life, but we all argue with family, eventually. In fact, those arguments can be some of the most explosive moments of our lives. But why? Is it just that the folks closest to us know how to push our buttons? If so, how can we overcome that to grow? And grow alongside our family?

Our guest today has a couple ideas. Cathy Carroll is the president and founder of Legacy Onward, a leadership coaching business dedicated to helping - you guessed it - family businesses. All those images I just conjured up, of fighting with your family: now add money, a lot of money, to the mix, and that's where Cathy operates. She even comes from a family business herself - rodeo equipment manufacturing.

Today, Cathy's out with a new book, *Hug of War*, a real guide to navigating that tension between the good of the business and the good of the family. So, what do we do when we're fighting with the people we love most? Is it possible, as Cathy claims, for both of us to be right? And if so... then what?

I hope you enjoy.

Whitney Johnson: So, Cathy, your work, your company, Legacy Onward are all aimed at growing family businesses. You grew up smack dab in the middle of one, in fact. So, tell us more about your childhood.

Cathy Carroll: Well, it was fun actually being the granddaughter of an entrepreneur. My grandfather was self-made. The challenge was he had four children and there was just tons of drama in their generation. They even as adults, they kind of behaved a little bit childish with each other. So, when I graduated from school, the last thing I thought about doing was joining the family business. Instead, I went corporate for 20 years and I worked in anything as an actuary, a pension actuary to a mid-level executive at United Airlines. And it was in 2009, while I was at United, when my father sucked me back into our family business.

Whitney Johnson: All right. So, I'm curious because you think about within a family business, I mean, you have or within families generally arguing, disagreeing is hard enough. But then you add in this whole other dimension where your financial success is tied up with the business as well. So, can you think of an experience when you were growing up? How did your family resolve conflict? What did that look like?

Cathy Carroll: Such a great question. Whitney. I, you know, you're not going to like the answer, but at my father's generation, they hired attorneys and set things up. I mean, it was a very, very acrimonious generation. A lot of tension. And it's, you're dead on when you make the observation that we're tied together in a family business because we have this shared golden goose, and there's this need to stay attached to the golden goose, but you are handcuffed to people that you may not want to be handcuffed to as a result. And it creates this tension, this tension between what's right for me and what's right for us and what's right for me isn't always what's right for us, but what's right for us may be uncomfortable for me. So, this tension, I call it, is one of the core challenges of operating in a family business and in a family system.

Whitney Johnson: Yeah. And what's interesting is I hear you talk about this is that there is this when you said in your father's generation, they hired attorneys because they just probably, the stakes were so high. And what I'm hearing you say is they didn't actually have the skills, the soft skills to know how to resolve it, which it was this kind of tension and conflict that has probably led to your life's work. So, jumping ahead to your new and first book, *Hug of War*, which I love that title. You say that every question has two different yet two correct answers in a family-owned business. Can you give us an example of what that looks like and, and just tell us more about that?

Cathy Carroll: Yeah, sure. The core challenge that I write about in the book is that the norms of the family and the norms of the business are in total opposition. Like the norms of the family. Family is an emotional system. It values fairness and sharing and unconditional belonging and the norms of business; it's a rational system and it values profits and competition and meritocracy. And so, when you're making a decision using the family mindset, you get a clear right answer. And when you make a decision using the business mindset, you get a clear right answer. But it's different. And so, when you're in a family business, you've got these two right answers that are in constant competition with each other. And polarity thinking, which is the crux of the book, is about how to actually integrate these two right answers to get a good path forward for your family.

Whitney Johnson: Tell us more. Okay, give us an example of polarities at work and how you've how you reconcile them.

Cathy Carroll: Yeah. So, the easiest way to understand it is in the, it's kind of a, it sounds like it would be a boring topic, but it's actually interesting. It's how you compensate people in a family business. If you're using the business mindset well, you pay them a market rate. That's what you do in any business, right? If you're using the family mindset, well, I don't want to pay my kids differently. Like they're all my kids. I don't want them to think that I love them differently, and I want to make sure they all have a decent income because they're working in our business. So, I don't care if they're the CEO or if they're running the shop floor. I'm paying them all the same. And using the family mindset, which values fairness and belonging, it makes perfect sense when you're using the business mindset. It's inane, right? So how do you actually find a way to reconcile these two mindsets and honor the truth of the family mindset and the truth of the business mindset?

Whitney Johnson: Can you give us an example of where this happened and what you did, how you reconciled that?

Cathy Carroll: Sure. This actually, I'll talk about a live client that I'm working with right now. This is a tough one. They have four children, and the youngest of the four is not thriving in the family business. The other three are doing great, and the other three are livid because the youngest is getting all the perks of the family business, but they're not actually carrying their weight. And so, there's tons of tension in the family. And so, what the family is doing right now is they're delineating between what are the benefits of being a family employee and what are the benefits of being a family member. And so, this youngest son will retain the benefits of being a family member and not get the benefits of being a family employee. And here's the benefits of being a family member. If you're a member of the family, you get to join the family vacation in Florida every spring. If you're a member of the family, you participate in ownership distributions. So, you get money based on distributions from the profits of the business. If you're a member of the family and working as a family employee, your perks might be you get to go to the convention in Orlando or Vegas, or you get a company car. And you get a gym membership, right? So, the perks are separated. Because what's so interesting about this young son is and when I say young, you know, he's 30, he's managing a completely different polarity that I think is worth mentioning. It's the desire to be both completely autonomous and have your freedom and also belong. And he's terrified of leaving the business because if he leaves the business, he's not going to belong in the family anymore. And so, by delineating the benefits of being a family member and the benefits of being a family employee, he's going to find a way to get the best of being a member and belong. And he's going to get the best of the alternative, because, interestingly, his wife just got hired by the business. So, she's going to get the perks of being a family employee, and they're going to get the car and they're going to get the gym membership and the trips and he's getting the benefits of being the family member. So, it's a really interesting situation. But that's probably a very live example that I'm working with.

Whitney Johnson: Oh, yeah. I love that. I'm wondering, how did you come up? How did you come upon this? So this I, I mean, the idea of polarities has been around for a while, but do you remember when you had this thought of, oh, this is what's going on, you know, from a from an intellectual property ideation standpoint, what was your, your journey to get to this understanding of what's happening inside of a family business?

Cathy Carroll: Yeah, I appreciate that question because it was a confluence of a few different things. I mentioned that I worked for my father, and he and I are on opposite ends of almost every polarity you can imagine. The ones that come to mind are he's very bold, and I just crave humility. He loves to spend. I've saved every penny I've ever earned. He loves to disrupt and so, I am obsessed with stabilizing. Right. His leadership style was very command and control. I was all about collaboration. And what was so frustrating was that I knew I was right, like, I was convinced I was right, and he was wrong. And for three years we were butting heads. And it was very, very challenging. And eventually I left. That was one of the many reasons that I left, but I ended up leaving and I pursued a coaching path. I got trained as a coach. I was introduced to this concept of polarities and all that time for, I'd say, a good five years after I left the business, I kept on trying to make sense of what my experience was, and I struggled to make sense of it until I understood this concept of polarities, that all of a sudden I realized, oh my gosh, I wasn't right. We were both right. And I was so convinced I was right, and he was wrong. And so, it was very humbling for me to realize that I didn't appreciate all of what he did bring as a leader and owner of that business. And I wish I could do it all over again, because I think I would have appreciated it in onward what he brought, and I would have integrated more of his strengths into my leadership style because I was a partial leader, right? I didn't have the instinct to disrupt, I was all about stabilizing because he was so disruptive. I felt the need to bring the opposite, right? So, to a certain extent, we were balancing each other, but it also led to tons of rancor in our relationship.

Whitney Johnson: So, what kind of business was this? The family? Your family business? What kind of business was it?

Cathy Carroll: Well, it was very different from my time at United Airlines. It's rodeo equipment manufacturing. We make ropes and saddles and training equipment for team ropers. And so here we are. I'm facing a bunch of other opposites. When my father invited me to lead the business here, I was a woman in a man's world. Yes, there are women in team roping, but it is a male dominated sport. I was a Yankee suddenly operating in Texas. I was, I

had a service background, and suddenly we were in the manufacturing business. There were a lot of opposites that were, suddenly I was confronting with in this transition. But it was a blast.

Whitney Johnson: You know, one of the things that I'm wondering is, I'm talking about these polarities with your father and polarities in a family business and polarities just in general, in, in working with anybody who's not us, not ourselves is - you said that, or you didn't say this, but I'm wondering, does it also then happen that as a consequence. So, you said, you know, your father is bold, you're focused on humility. Does it sometimes happen that you end up being even less bold than you might because you're reacting to or you're reactionary to that quality? And so, you, it not only isn't a strength, it potentially becomes a weakness. Is that something you've observed in in yourself and even in clients?

Cathy Carroll: Absolutely. Yeah. It's not uncommon for children of parents who are in the overuse of a certain style or value for the children to actually swing in the opposite direction. So, I'm working with this, this newish client, Nathan, that's not his real name, who is finding himself on the opposite end of a really frustrating polarity with his father. His father has been a shoot from the hip, kind of a leadership guy for his entire career. And so, the son who watched his dad, you know, he hit some home run, home runs and he hit some duds. But mostly the business is just kind of broken even. And so, the son's like, well, I'm not going to do that. This, you know, shoot from the hip, intuitive leadership style. I'm going to bring analysis. I'm going to bring data. And so, the client came to coaching because he was mired in indecision, because he's so obsessed with analysis, analysis paralysis. Also, Nathan is focused on what could go wrong. He's obsessed with risk. His father is focused on what could go right. He's obsessed with possibilities. Right. So, they just are on opposite ends. And that's, that happens all the time in family businesses, especially when a parent is in the overuse of a certain value, the parents who actually can integrate the opposites successfully don't end up having this polarity, like this massive swing of the pendulum from one end to the other.

Whitney Johnson: So interesting. So, what kind of businesses do you work with now? What industries, what size? What do they look like?

Cathy Carroll: Yeah, they're all over the place. I don't really have an industry size. It's anything I mean, my largest clients, probably 3 billion right now. My smallest is maybe 50 million. So, I'd say it's middle market too large. There's no industry specialty. There's no particular size. There's no particular region. I've got clients actually, globally now, which is fun. It's really about the family business dynamic. That is what pulls me in.

Whitney Johnson: All right. So, Kathy, where do you find polarities in your own life as a coach for family businesses?

Cathy Carroll: I'll start with my polarities as a coach. One of the core polarities that I really struggle with is support and challenge. Like, I just want to support everybody. And for me to be an effective coach, I need to push myself into challenge. Because if I'm not challenging my clients, then I'm limiting their ability to see new possibilities. So, one of my growing edges is in managing that tension. And what's so interesting is that it's a client by client and session by session artistic balance, because sometimes the same client might need more stroking than poking. Another time they need more, they might need more poking than stroking. But yeah, that's one that's, that's very alive for me. I'm trying to think of one that's deeply in the family business.

Whitney Johnson: Well, I'm, just to clarify. So, you're saying that your tendency, I guess, if I understand correctly. So bold versus sort of humility, you would tend towards stroking versus poking, but recognizing that there are certain situations where what they actually need is more poking and stroking and really, really understanding. You know, from a repertoire standpoint, what is required in this moment to serve, to best serve your client.

Cathy Carroll: Mhm. Yeah. Well said. Another one that comes to mind, and this maybe is a little bit closer to the family piece is the tension between telling and asking. Like I know how to solve all of their problems. Every coach knows how to solve all of their client's problems. At least we think we do. We don't. Of course we don't. But we think we do. And we're so eager to share our brilliance. Right. So, I'm constantly trying to bite my tongue to in giving my opinion. Right. And I'm constantly trying to ask questions so that the client can actually find their

answers from within. And yet sometimes sharing my experiences can add value. I mean, sometimes there's and its a, you know, it's breaking some of the best practices of coaching. But sometimes sharing my experiences are actually additive to the client's experience, especially my family business experiences. Right. Although I have to be very careful not to project.

Whitney Johnson: Yeah, sometimes it's coaching, sometimes it's advising. And like you said, not to project, not to get yourself pulled into, pulled into the, pulled on stage, as it were. So, you talked a little bit about your 20-year corporate career and I'm just curious. So, you did that, talk to us if you mentioned it briefly, but just give us a slightly more detailed overview. But then I would be curious about what did you learn during that time that has helped you? When you came back to the family business. But what has also helped you in your coaching? Do 1 or 2 things come to mind?

Cathy Carroll: Gosh, I had never really thought about that. Well, the first my first job out of college was as a pension actuary. I spent six years at Hewitt Associates valuing pension plans. Then it went back to school, got an MBA, and then I joined the travel industry. I spent six years at a company called Saber in Dallas, which used to be the IT division of American, but they spun off and they do travel agency reservations. It's a technology company. And then I moved back to Chicago, my hometown, and joined United. When I was at Saber, I started in finance, which was a natural transition from being an actuary. You know, I had my calculator handy. But shortly after I joined United, I moved into a marketing role and eventually into a sales role. And those really challenged me because when I was in finance, I was rewarded for having the right answer. And when I moved into marketing, and I was also rewarded for speaking just the straight up facts. When I moved into marketing, I was invited to tell a story, to spin things.

Cathy Carroll: It was so hard for me to do that. It was so hard for me to not just speak the facts and let people make up their own minds. I got to actually craft people's opinions for the first time, and even more so in sales. So, those experiences were really helpful in rounding out my knowledge of just how business operates at a fundamental level. And then what did I bring forward into the family business, you know, the industry that I joined? The people who ran the businesses were my father's friends. These were his cowboy; his roping buddies really is what they were. They didn't have a whole lot of business background or training. So, all of the experience I had at large corporations, all of my MBA, I was able to complement the industry knowledge that the Cowboys brought, which was enormously valuable with some of the business structure that large corporations have to offer. And that ended up being a nice combination of things, and it led to a successful turnaround of the businesses. So, something was working.

Whitney Johnson: Yeah. And I'm also wondering too, Cathy, as I listen to you share that. So, my guess is, this is my hypothesis. You can tell me what you think is that if you had come back into the family business with your father's generation and their expertise, their domain expertise in roping, but not so much on the finance side and said, this is what it looks like, this is how you do it, you probably wouldn't have gotten very far. But because you had learned being in marketing, being in sales, telling stories, how do you get by in that equipped you to not only have the technical skills to orchestrate a turnaround, but you had the technical skills from a storytelling, from a marketing perspective, from a persuasion perspective, to get people to come along, to want to actually turn the business around. I'm just wondering, what are your thoughts?

Cathy Carroll: I'm going to take that concept and pivot gently because I think you're there, but I'm going to provide a little bit of a nuance. First, my grandfather's company was not rodeo at all. My grandfather, you know, my grandfather's company was a holding company. He bought anything from shrimp fleets to railroad ties, to jewelry, to silver. I mean, it was just a holding company. And when the lawyers got involved, that's when they ripped apart my grandfather's estate. My father inherited some of the companies, sold them and started buying companies. And his personal passion, which is team roping. So that's how the team roping came. But going back to your concept, I totally agree that had I come in green without this background, I would have been ignored and considered irrelevant because I just didn't have the credibility in order to, they have legitimate knowledge or experience, and I didn't have the self-confidence that I earned over time. And that's one of the recommendations in general that a lot of family business consultants. I'm not a consultant.

Cathy Carroll: I'm a coach, would advise family businesses is to allow the rising generation to have some of their own world experiences in the business world, so that they have some self-confidence when they join the family business. But one of the things that I think my grandfather focused on. That was a missed opportunity, and it frankly informs a lot of what I do today is my father. My grandfather was very focused on the business, very focused on logic and reason and ration and growth. And he didn't give a lot of attention to the family. And in a family business, you need both, because if you only focus on the business, you run risk of doing damage to the family. And I think that's what happened. And so, to a certain extent, the work that I do completes the circle that my grandfather started. You know, my grandfather created an enormously successful business, and it did a lot of damage to the family. And so, the work that I do tries to integrate the family back in with the business so that it's a more complete, more whole experience.

Whitney Johnson: That's beautiful. I'm wondering, so, what have you found that are the benefits to a family business that you can't necessarily find in a business that isn't owned by a family? And let's assume that both have some scale. So, both have resources, both have scale. But what are some benefits to your mind to a family, by being part of a family-owned business as opposed to being just in general corporate anywhere in the world.

Speaker3: Yeah. The other side. You know, it's I'm glad you asked the question because so much of my book focuses on the challenges, and there are enormous upsides to working in a family business. I think one of the biggest ones is the opportunity to work with people that you love and trust. Trust them because you have very shared interests, and you love them because you're family. In theory, like in theory, you love them, and in theory you trust them. Not all families are built on that foundation of love and trust. And the ones that are have an enormously rewarding experience working together. In addition, there's something really magical about supporting your community. You know, when you have a family business, you're supporting the Little League, you're supporting the local hardware store, you're really embedded in the community. And that can have a, it can feel really special to be, I'm a member of this family which supports our community. There's also an element of patient capital that's associated with family business. And when I say patient capital, I mean we're not, family businesses aren't investing so that they can demonstrate quarterly performance to Wall Street, right. Families are investing so that their children and grandchildren and great grandchildren will have opportunities and benefits. So, there's something really magical about having that long term investment focus and a passionate vision for what's possible in creating generations of success for a family.

Whitney Johnson: It's interesting to me because I think about it. And yes, in some ways the stakes are higher and more immediate because there's, there are financial. implications of whether or not you're getting along or not, but of what you just described. I think it's also interesting is that there's a lot more motivation to figure out how to work together in a way that you might not in a family that doesn't work together, or in a corporation that isn't a family. And so, I think that there's a beautiful opportunity there. Okay. Just a few more questions. So, I'm wondering, you go into the business, you turn it around, talk to us just briefly about what that looked like. And then how did you know that it was time for you to disrupt yourself to jump to a new s curve? Like, okay, I've done what I came to do. It's time for me to do something new. And your instance, you decided to go into coaching.

Cathy Carroll: Yeah. Gosh, turning the companies around was a blast. I learned so much about this part of our country that I wasn't, I mean, I was a city person, right? And, I had an opportunity to live in the rural parts of America or at least operate in the rural parts of America. And I loved every second of it. It's such a, such a rich country that we have in so many different cultures, all blending together in sometimes complex, intense ways and, and other, other extraordinarily beautiful ways. So, I loved the industry. I loved the.

Whitney Johnson: Okay, so sorry. What are some of the places that you lived and operated in just so we can have them in our heads?

Cathy Carroll: Sure. So, let's see, outside of Dallas, there's, uh, Greenville. Outside of Fort Worth is Granbury. Outside of San Antonio is Pleasanton. Outside of Colorado, Longmont. Yeah, that's probably the primary locations that I spent most of my time. Yeah.

Whitney Johnson: So good. Okay. All right. Keep going. So, turning around.

Cathy Carroll: Yeah. So, turning it around was really a very collaborative experience. I did bring some valuable experience and skills from the business world that were fresh to the rodeo companies. And I also hired a few people to complement the cowboys. And I learned a ton about the industry, and they learned a ton about business. It was a really interesting collaborative experience. And in all honesty, I think what disrupted the success of my leadership was, and this is a little bit of a long story, but I'll belabor it a little bit. When I was working really closely with the cowboys and remember they were all his friends, right? As I, as we succeeded as a leadership team, the cowboys were coming to me more often than they were going to my father. And that was really hard for him because these were his friends, and they stopped calling him because they were getting what they needed from me. And although my father is still the CEO, at 86, you know, and at the time he was as well, I was the president and chief operating officer. So, all the cowboys and all the general managers and cowboys reported to me. So, of course they were taking direction from me. And I think that really challenged my father's identity and his relevance, because suddenly he was losing connectivity to his friends.

Cathy Carroll: And what it brought back for my father was memories of when my parents divorced. And everyone in our hometown sided with my mom in the divorce, including his friends, his children, and, you know, to a certain extent, even his parents.

Whitney Johnson: Wow.

So, here fast forward decades later. Now his friends are siding with his daughter, and that was just unbearable for him. And so, it got very tense between the two of us. And he started to do. He was participating in all the strategic planning, and all of a sudden, he started directing the cowboys to do 180 degrees, the opposite of what we had all agreed to do. So, I asked to sit down with him and said, hey, we're speaking from two mouths of leadership. I think we need to get on the same page. And we couldn't find a path forward to get on the same page. So, I, I bowed out and that led me to disrupt myself. So, that was probably one of the lowest moments of my life when I had to, yeah, pick up myself, because I had really attached myself to this being my future. Like, I had this heroic image of me being the hero to the family. I turned the companies around.

Cathy Carroll: I'm the oldest of five children. Everyone got to look to me because I was the savior, right? So, so much of my identity was attached to leading this business successfully so that when I left, I really hit rock bottom and it took me a while to get my footing. I went through a coaching training program and thinking I would do it in my 60s, and I was in my mid 40s at the time and halfway through I was like, oh my gosh, coaching is nothing like I thought it was. I thought I'd get to tell people how to lead. That's not coaching. And then I also realized, oh, I really could have used a coach when I was working for my father. I think my father could have used it. I'm not sure he's coachable, but he could have used it. My grandfather, I mean, two generations ago, if my grandfather had had a coach, we could have had a very different life outcome. And then I looked at my life and I realized, oh, wow, this is my calling. This is what I'm meant to do. This is what I'm meant to be. So, I, immediately upon graduation, opened up a coaching practice serving family business leaders. And that was over a decade ago. Never looked back and the best thing ever.

Cathy Carroll: And I still keep disrupting myself because now I'm writing a book and I've never written a book before. And it is an incredibly disruptive experience. Not only is the writing process, you've written, it's an incredibly taxing process, but this whole publishing and promotion thing that this, these are two huge mountains that I'm learning for the first time, and they're pretty intense promotion. I have a preference for humility, right? Promotion is uncomfortable for me. I don't like it and yet it doesn't sell itself.

Whitney Johnson: Yeah, absolutely. You know, it's interesting going back to your story with your dad. It's I guess two thoughts are coming to my mind is that, you know, again, what you shared about your grandfather, what you shared about your father. You chose family over the business. And that moment of you're going to step away and not fight your dad and so that you could go that full circle moment. But it did come at a cost to you. And but that's interesting to hear you describe, as you knew, it was time for you to go, because you'd done what you could do. And there wasn't more without causing damage for you that would have been damaged that you didn't want to cause. And I think that's interesting because sometimes we do need to walk away in those instances. And then the question becomes, is that ability, and I've been thinking a lot about this recently is forgiveness is how do we forgive people and not hold that that sadness or that anger or whatever we might feel in our hearts. But

then you decided to become a coach, and now it's becoming a way for you to, like you said, to give back in a really meaningful, beautiful way.

Cathy Carroll: Yeah, well, it's certainly helped me appreciate my father in a way that I couldn't appreciate him as a younger person. And I had I think I had to forgive myself for being so judgmental and so angry, you know? He was a tough dad, right? So, I brought all my childhood stuff into my adult relationship with him. And I had to forgive myself. I had to forgive my father because he did the very best he could. I couldn't see it at the time. And I didn't believe it at the time. And he didn't do what I wanted him to do, but he really did the best he could.

Whitney Johnson: Yeah. So good. All right. So, question for you, Cathy. As you think about, so you're ICF certified and we're big fans of ICF, and in fact, we're recording this on International Coaching Week, which is lovely. Can you just talk about the importance of certification and how that's been helpful for you in your career as a coach?

Cathy Carroll: Um, yeah. I am a very avid fan of the International Coach Federation. I lead some PCC marker training that's associated with the ICF. I'm actually in the process. I just finished an MCC training course, which is for those of you who don't know what those are. Actually, maybe I should explain. There are three levels of credentialing within the ICF. There's ACC, which is associate certified coach, PCC, which is where most coaches are professional certified coaches, and then MCC, which is master certified coach. And I really didn't think I would go for the MCC, but I ended up deciding to do it and I loved the training. It's such a fantastic experience. I have submitted my recordings, and I should find out in September if I earn the credential.

Whitney Johnson: Oh, I'm sure.

Cathy Carroll: Yeah, I, I hope so, but we'll see. I am, I think what I appreciate the most about the ICF is both the core competencies and the code of ethics. Give me structure to lean on so that I can dance in my own unique manifestation of being a coach. And so, I think that's another polarity. There's like, the rules, and then there's the breaking of the rules. And the thing I really love about the ICF is that they provide really solid structure. It's sort of like, you know, there are certain dances that are like that, like Argentine tango is an incredibly complex and very highly technical dance. But the whole purpose of Argentine tango is to interpret the music and break the rules based on what you hear. And I love that metaphor in applying it to coaching from a from an industry perspective, family businesses don't know the ICF. They don't know the ACC, the PCC. That means nothing to them. The ICF is really about me and building my strength for me. I mean, in some industries in the coaching space, the credentials really matter and the family business space, I have not seen it matter at all. But it matters to me that I'm continuing to hone my skills, mature as a coach. I mean, talk about an s curve of disruption. This MCC. I mean, the training brought me to my knees. I was like, I'm a great coach. Oh my gosh. This is a completely different kind of coaching. It's spectacular.

Whitney Johnson: Wow.

Cathy Carroll: So, yeah, I appreciate the ICF and I'm glad I'm a member.

Whitney Johnson: That's so good. So, you're like, I'm in mastery on the S curve of coaching. You're like, well, maybe not. Maybe I'm only in the sweet spot. Maybe I'm on the launch point. That's really good. All right, so when you think about your legacy that you would like to leave on. Well, actually, before I go to that question, I want to ask you one of the questions. So, tell us just a little bit more about your book, *Hug of War*. What are people going to get when they read that book? So, what can you look forward to in, in buying and reading your book?

Cathy Carroll: Well, the full title, including subtitle, is *Hug of War: How to Lead a Family Business with Both Love and Logic*. So, what, the book is structured as follows. It's an introduction of this concept of the family mindset and the business mindset and trying to find some sort of integration or harmony with them. And then it talks about the various ways that this tension manifests in day-to-day leadership. There are a lot of great books about leadership in a family business, but they're about governance and succession planning. There aren't many about the blocking and tackling of daily leadership challenges. And so, I talk about domain crossover power,

where you've got power in the family that you're using to get what you want in the business, or vice versa. I talk about shadow influencers. Yeah, where you've got people who are not employees, not owners of the business all. Often married in who wield enormous like secret power in a family business because they're, you know, married to the people who are decision makers. Right? There are all sorts of unusual circular power and blocking power. And I go into a lot of detail about all of that.

Speaker3: Oh, sounds so good.

Cathy Carroll: I talk about the internal polarities that leaders face and the one that I really focus on is this tension between privileges and responsibilities. And a lot of family members are given or are granted great privileges as being a member of a family business, and some don't actually pick up the responsibility associated with it. And they get labeled as entitled. And there's a lot of stuff in the media about entitled family businesses. Look at succession, right? It's such a great example of people who show up as very entitled. But what I focus on a lot more is the overuse of responsibility in the book, because I think that's where I fell into the trap. I was way more focused on responsibility, and I didn't use any of my privilege because I was filled with shame of having all this unearned privilege of being a beneficiary of a family business, that's a really core tension.

Whitney Johnson: It's a polarity.

Cathy Carroll: Yeah, exactly. Then I talk about how in the family system, there's a ton of conflict that comes because in a system you've got some people who are anchoring towards, let's say we, we want to invest all the profits in the business. And then you've got other people who want to harvest all the profits from the family business. Right? And both are right. There's value in investing and there's value in harvesting. Right. But people get entrenched in these battles of we need to invest, you know, we need to harvest. And again, massive conflict in the family because they're arguing to rights. There are two truths. Wow. Then I talk briefly about some of the tensions, the polarities in succession, some of the polarities in governance. And then I get wonky about all right, now that we've got a really rich understanding of what makes it hard, what are we going to do about it? So, there's a whole chapter on how to actually resolve the tensions, how to navigate the polarities. And then, a final chapter on some examples and then a conclusion. So that's the structure.

Whitney Johnson: Love it, I love it. I was saying I was going to say don't tell us how to do it because people need to go buy the book. So that's good.

Whitney Johnson: All right. So final questions. When you think about the your life's work, what do you want your legacy to be as it pertains to how people run family-owned businesses?

Cathy Carroll: Well, my business name is Legacy onward. I should have a good answer for this. You know, what comes to mind is really what I mentioned earlier, related to my grandfather, you know, completing the circle that my grandfather started. It would be such an honor to have contributed to that aspect of the business world, because the United States, in particular, values entrepreneurship and values wealth creation so much, sometimes at the expense of the interpersonal relational dynamics that are so important. So, the opportunity for me to bring attention to the missing part of what's been a part of the family business experience for so long would be very gratifying.

Whitney Johnson: So being able to build great businesses and great family relationships at the same time. So, Kathy, what's been useful for you in this conversation? Something maybe that you said, but probably something that you observed or thought.

Cathy Carroll: Such a great *Coaching Habit* question, isn't it?

Whitney Johnson: Yes, it is. Thank you, Michael Bungay Stanier.

Speaker3: Exactly. I didn't realize how much my grandfather would play in our conversation today. You know, he's, I'm actually getting a little choked up thinking about it. I don't know. I just feel so grateful to have had him as

a grandfather. And it's because of what he did for our family that it gave me the platform to do what I do and very grateful for that.

Whitney Johnson: Any final thoughts?

Cathy Carroll: Um, no. It's just been an utter delight. And thank you, Whitney. Um, I love this concept of disruption. You know, it is a polarity, right?

Whitney Johnson: Stabilization. Disruption.

Cathy Carroll: Yeah. Uh, and it's just an honor to have had this opportunity to be with you. So, thank you.

Whitney Johnson: Thank you. And thank you to Stacy Allred for introducing us.

Cathy Carroll: Exactly. For sure.

How many of your arguments with your family can be boiled down to - "I want you to be different." That's the thing about polarity, about getting entrenched in an opinion.

You're looking at a family member, and saying - why are you over there? Jump over here! Can't you see the ledge you're on is collapsing! And the whole time, your sister or your father is looking at you and saying - no, you jump over here! Don't you see your side is collapsing?

But like Cathy said, "You're arguing two truths." Two ships passing in the night. Two cats chasing each other's tail in a circle, going nowhere. We have to understand polarities, not as a tension between right versus wrong, or some kind of core incompatibility, but a tension between life experiences. Equal respect for two equal ideas. It turns "I want you to be different" into "I love that you're different."

For more on tailoring your family systems with intention, there's my recent talk with Ruth McKeane, [episode 369](#). On more practical tools on breaking that cycle of family polarities and conflict, there's [episode 260](#) with Amanda Ripley. And for a look at what real partnership can achieve, there's [episode 352](#) with ExtraSpace founder Ken Woolley.

Thank you again to Cathy Carroll and thank you for listening. If you enjoyed today's show, hit subscribe so you don't miss a single episode. If hearing from our coaches has got you interested in Smart Growth Certification, visit TheDisruptionAdvisors.com/certification to learn more and register for an upcoming informational webinar.

Thank you to our producer, Alexander Tuerk, production assistant Etta King and production coordinator, Nicole Pellegrino.

I'm Whitney Johnson.

And this has been Disrupt Yourself.