
The Reflective Practitioner: A Tribute to Dick Beckhard¹

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Introduction

Back in the 1970s, when Dick Beckhard first started thinking seriously about family businesses, there was no such thing as a family business field. There were a few prominent consultants who specialized in this type of company, but little in the way of conceptual thinking about the unique issues with which they were dealing. There was no professional association where practitioners could come together to learn from each other and discuss best practices. There was practically no research on family business and scant literature on topics such as succession planning, governance, sibling partnerships, family councils, and the like. Leaders of family businesses saw little value in education and rarely had occasion to get together with other owners to exchange ideas on common problems. And in business schools across the country, family business was essentially looked at as an oxymoron.

If our field has come a long way in the last 20 years, it is because of the vision and effort of devoted colleagues like Dick Beckhard. He provided the initial impetus for our field and helped lay the foundation on which the rest of us could build. Dick died on Dec. 28, 1999, at the age of 81. His passing marks the end of an era. He not only took the initiative in organizing the Family Firm Institute, but also helped to define some of the basic approaches to consulting used by practitioners and inspired many of us to invest our careers in the field.

Dick transmitted to those around him a sense of discovery and excitement about the possibilities of this blossoming field. He showed us, too, the value of lifelong learning with respect to our careers and the organizations we counsel. He was a master of inductive self-education and adhered to the philosophy articulated by Kurt Lewin, that if you truly want to understand something, you should try to change it. He wrote in his autobiography, “My life pattern has consistently been one of doing something because it was there to be done, and then trying to learn something from the doing” (Beckhard, 1997).

I first met Dick Beckhard on a summer vacation at my parents’ home in Venezuela when I was 16 years old. He knew my father in the 1960s from a “Presidents Lab” (essentially, a human relations training group for CEOs) organized by the National Training Laboratories in Palm Beach, Florida. Dick became a lifelong friend of my family, and for five years served as a consultant to our family insurance business. Over time, he also became a close friend and mentor to me personally. Dick stimulated my interest and involvement in applied behavioral science and particularly in family business. He was also a mentor to a number of others who today are leading thinkers and practitioners in the field, among them Barbara Hollander, Gibb Dyer, Ernesto Poza, and Fredda Herz Brown.

Dick was a self-made man, lacking in egotism, indifferent to self-promotion, and generous in sharing his ideas with others. He was a blend of godparent and guardian angel to countless greenhorn consultants and took great pride in their career development and accomplishments. From his amazingly eclectic career, he

¹I am indebted to Sandra Barti and Elaine Kepner for their thoughtful feedback of earlier drafts of this article. Their comments helped me to understand important elements of Dick’s professional and personal development.

distilled deep and practical wisdom about people and organizations.

Dick has been honored for his work in family business in various ways. Fredda Herz Brown and her colleagues funded the Family Firm Institute award in his name that is given each year for excellence in practice in the field. Joe Astrachan, editor of the *Family Business Review*, acknowledged his passing in the March 2000 issue.

Because his influence was so often exerted behind the scenes, however, his leadership in the development of our field was, perhaps, never fully documented. I would like to honor Dick Beckhard's memory by describing his background and those aspects of his work that I witnessed firsthand and think were important to the development of our field.

Early Struggles

Many who Dick befriended in the field may not have been familiar with his origins and early struggles. His grandfather was a wealthy investment banker in New York. His father was a Harvard-educated entrepreneur who pioneered the development of the outboard motor. Like many professionals who are attracted to our field, Dick, too, had a family business in his background – a marina in Queens, New York, that his father owned and operated. His father was often a competitor-owner and a judge in boat races, and during summers, the Beckhards moved around the country. Unfortunately, the family lost their wealth in the stock market crash of 1929. Dick's family ended up in St. Petersburg, Florida, where his father bought a small house and built a dock for the use of local fishermen. The family scraped through the Depression with the income (and the fish) that the dock provided.

The sudden loss of wealth coupled with the move from New York to a conservative seaside community in Florida was, no doubt, a difficult adjustment for Dick and his family. He was 11 years old at the time and worked delivering *The Saturday Evening Post* around town. His opportunity to leave St. Petersburg came after high school when his uncle, a theater producer and

director, invited him to join the cast of a summer stock play he was staging. Dick's experiences acting, singing, and directing – and a brief stint as a stage manager for a number of Broadway plays – were very important in his personal and professional development. Not only did the theater provide him with money needed for his education, it instilled in him a deep appreciation for the theatrics of organizational life that was integral to his effectiveness as a consultant. He always knew how to work with the audience of the moment, whether it be a gathering of 500 people at a conference, 40 clients attending an executive seminar or one-on-one with students, friends and acquaintances, including the doormen of the hotels he frequented in Europe when traveling.

Dick was one of those rare birds who didn't need the usual credentials to get ahead; in whatever situation he found himself, he rose by demonstrating his talent and an unerring sense of what was practical. As a young man during World War II, he was declared 4F because of a hernia. He found a job with the Red Cross and rose to a position of director of recreational activities in the South Pacific, where he flew from island to island organizing shows and other entertainment for servicemen. As supervisor of 1,600 Red Cross workers, he cut his teeth as a leader and learned many valuable lessons about management (Beckhard, 1997). Dick attended Pomona College in California on a scholarship and did odd jobs to pay his expenses.

Despite his achievements in the academic world (he wrote eight books and countless professional articles), he never earned a Ph.D. He was appointed as a visiting lecturer at MIT's Sloan School of Management in the 1960s after impressing Douglas MacGregor, who had returned to the Sloan faculty after a brief stint as president of Antioch College. MacGregor was in charge of building an organizational studies group and thought that Dick's pragmatic approach to change management would balance the highly academic tone of the department (the other colleagues in the group included such luminaries as Ed Schein and Warren Bennis). Dick's visit at Sloan turned out to be a long one; he re-

mained on the MIT faculty a total of 21 years, including 10 years as a full professor.

He was always on the leading edge of a developing field. He is credited with coining the term “organization development” and was instrumental in shaping management consulting as a profession. He was also a pioneer in the introduction of applied behavioral science methods to complex healthcare organizations.

During the 1950s, he joined the staff of the National Training Laboratories (NTL). In its heyday, NTL was the leading educational organization devoted to the socio-psychological study of group dynamics. Dick was one of the few nonclinicians entrusted with the leadership of T-groups in the NTL’s core program. Fundamentally, the T-group was an innovative social relations training method designed to heighten sensitivity to group dynamics. The basic idea was that by placing individuals in highly unstructured groups, with no agenda and no stated task or clear objectives, they would gradually become aware of the social processes, giving rise to such phenomena as leadership, inclusion-exclusion dynamics, collaboration, competition, and scapegoating. During the 1960s, T-groups became a widely used method for training managers and executives. Dick worked with the NTL family for many years and ultimately became a board member.

His introduction to the distinctive problems of family businesses came through early consulting assignments with the CEOs of family-owned companies whom he had met through the Young Presidents Organization. Although he was typically hired to consult on problems of the business, he soon realized the inescapable influence of ownership and family on the business’s fortunes. Today we take that linkage as a given. But in the heavily compartmentalized world of the 1950s, it was actually an important revelation.

At the time, the United States was emerging from the nightmare of World War II and the euphoria that followed. Businesses were being asked to respond to a huge increase in demand for their products and services at a time when the nation was no longer single-mindedly devoted

to the war effort. Management’s response to this new condition was to mechanize production and organizational processes to the point that employees were commonly viewed as mere resources of production – the human relationships that make collaboration and organizational life possible were often viewed as irrelevant. Indeed, the growth of the organization development (OD) field was stimulated in no small measure by an effort to humanize management away from mechanistic Taylorism.

Whereas Dick certainly embraced humanistic values associated with OD, he also understood from the start the need for executives to respond effectively to the work objectives of the systems they led. Like Robert Blake and Jane Mouton and OD pioneers, he viewed the assumed tradeoff of efficient production vs. humanistic values as a false dichotomy. He realized that the family business CEOs he worked with were imbedded in a network of fundamental relationships and that their effectiveness as leaders depended on their capacity to manage those relationships. Through the use of an open-system method, which acknowledged the interests and participation of various stakeholders in the business, he helped his clients sort out and prioritize the demands made on them by their families, shareholders, boards, and executive teams, as well as by outside constituencies. The purpose was to get clients to develop realistic expectations of what they could – and could not – actually accomplish in each set of relationships.

At the time, he has already an internationally recognized expert on the management of complex organizational change and a respected faculty member at the Sloan School. It was there that his work began on elaborating a framework for understanding the dynamics of family enterprise.

The MIT Study

Although Dick grew up in a family business and had a number of family business clients in the early years of his consulting practice, he did not start doing formal research on the topic until

1980. Together with Gibb Dyer, one of his doctoral students, he launched a three-year action-research program aimed at mapping the fundamental issues associated with family ownership and management. The design Dick used for the MIT project was itself an important contribution in that it modeled a way of recruiting the involvement of family business owners in the development of ideas about the issues that concerned them. For this pioneering study, he recruited a number of clients who agreed to fund the project, make their companies available as research sites, and provide advice and guidance to the project. The group included the Roger Sonnabend family, owners of the Sonesta Hotel chain; George Raymond, owner of the Raymond Corporation; Bernardo Garcia Vega, CEO of Grupo Alfa in Monterrey, Mexico; and my parents, who owned an insurance company in Venezuela.

The researchers started with a systematic review of the literature they could find on family business. These findings helped document and disseminate awareness of the prevalence and significance of family companies to the U.S. economy. The researchers estimated that 90% of all U.S.-based business and 35% of the Fortune 500 were family owned or family controlled – data that challenged the well-established notion among economists and business school professors that de facto control of U.S. corporations had shifted from owners to managers (Berle & Means, 1932).

The study yielded a number of empirical observations and conceptual contributions that laid the foundation for a new way of thinking about family enterprises. Dyer's doctoral dissertation on cultural change in the family firm, conducted at the Raymond Corporation, became a case study that helped the group define some of the key questions to be addressed (Dyer, 1986). The families in the study came together for conferences three times a year at Endicott House, MIT's executive retreat center. The purpose of these meetings was to inform the participants of the kinds of issues the research was turning up and to get their input and guidance on the progress of the work.

A memo from Dick at the time reveals some of the questions explored in those early meetings and gives us a taste of the study's far-reaching implications:

- What criteria should be used for training and selecting future family (and nonfamily) leaders?
- How best to educate families on succession planning?
- What data to collect when doing research on business families?
- How much can seniors control what the next generation can (or cannot) do?
- What role does the business play in holding nuclear (and extended) families together?
- How do business families make decisions?
- What proven models of business governance exist after the founder has retired?
- How best to govern the “double” system?
- What ought to be the conditions for the entry of family members?
- How to train people to be responsible owners?
- How much can we bring the family together before there is a succession problem?

It is humbling to realize that these concerns are as relevant today as they were 20 years ago; they speak to Dick's capacity to track the fundamental issues. His enthusiasm for family business as well as his conviction that this was important work helped to create a climate of trust among the participating families that furthered the learning and research agenda. The study became, in effect, the precursor of the university-based family business forums in existence around the world today.

Dick realized early on that there was an important disconnect between the curricula in most management schools (including Sloan) and the real world. A study of the Sloan student body, indicating that over 70% of entering students came from business families, reinforced this idea. Upon entering the program, most had no

intention of seeking employment in their family's business; by the end of their second year, however, three-quarters had changed their minds and were seriously contemplating careers in the family company. The irony is that even though subsequent research strongly corroborates those original estimates (LaPorta, Lopez-De-Silanes, Shleifer, 1999), the great majority of newly anointed MBAs continue to be blissfully ignorant about the particular concerns of family enterprise.

The MIT study also helped to advance the development of a new conceptual understanding of family business by looking at both the conflicts and the synergies between family and enterprise as embedded in an interdependent and mutually reinforcing system. The pervasive notion of the family enterprise as a business with a family "attached" was, thus, dismissed as highly misleading. Challenged along with it was the view of the family as an irrational force that needed to be contained for the sake of protecting the economic integrity and administrative efficiency of the business. After recognizing that some of the most prominent businesses in the United States and abroad were, in fact, family companies, the emergent question became: Under what conditions can family and business coexist productively and harmoniously? All of a sudden, *family business* became a hyphenated term conceptually.

Developing New Interventions

This new perspective on the family enterprise as a system had important implications for subsequent research and practice. For one thing, it led researchers to ask for the first time: In what ways does the family's involvement in ownership and management strengthen, rather than weaken, the organizational behavior and economic performance of these enterprises? The legitimizing of the family's involvement began to raise awareness of what was truly distinctive about these complex systems and paved the way for the development of new interventions.

For example, the basic idea of exploring new and creative ways of organizing and educating families to serve as responsible stewards of their

enterprises was stimulated, in part, by the work at MIT by Dick and his associates and by his own explorations of these issues with client families. Many of the constructs and ideas that grew out of this early initiative were published in the Summer 1983 issue of *Organizational Dynamics* and helped shape the development of the field.

The MIT study opened up a whole universe of new possibilities. What if families could be trained to talk about their ownership and management concerns in a more open and constructive way? What if ideas from other fields, such as family therapy and law, could be brought into the mix to highlight the challenges facing business families? What if families could be trained in more constructive ways to manage the inevitable dilemmas and conflicts stemming from the juxtaposition of ownership, family, and business issues?

Marital Collaboration

Dick's interest in exploring such questions at this juncture in his career was not coincidental. Although he was at the peak of his success as a practitioner as well as an academic, he felt that he was not being sufficiently challenged by the work he was doing. As he put it, "I was working a lot but learning little." Family business offered him an opportunity to renew himself as an agent of change in a new arena. More importantly, at the time, Dick was going through a major transition in his life that strongly reinforced his interest and commitment to the family business field: his marriage to Elaine Kepner. Three years earlier, Dick had lost Lee, his wife of 30 years. Dick and Lee had no children of their own. Now he was in the midst of joining Elaine's family, a wonderfully close-knit Jewish clan from Cleveland. Family issues were clearly in his mind.

Elaine, a prominent Gestalt psychologist, was very influential in shaping Dick's perspective on family companies. Conceptually, she brought an understanding of the psychological issues of families that complemented his organizational pragmatism and strengthened his overall understanding of the systemic relationship of

family and business.

Together, Dick and Elaine formed a fruitful partnership: through Barbara Hollander they sought out other professionals such as Harry Levinson, Leon Danco, and Peter Davis, who were also doing pioneering work in family business. They organized seminars and workshops on the topic around the country and abroad, and they co-consulted with a number of important family business clients. Indeed, their involvement with family business was to be their “retirement project.” They dreamed of starting an institute for family business education near Dick’s summer home in Maine (ultimately abandoning the idea as logistically impractical).

Over time, their own relationship became almost a laboratory through which they learned about the dilemmas facing family business and the professionals who serve them: How do you balance work and family? Where do you draw a line between intimacy and professionalism, retirement and engagement? How do you manage gender dynamics at work? How close can you get to client families without compromising professional independence? How do you manage the powerful transference dynamics of client families? How can advisors collaborate across the boundaries with respect to their different disciplines?

As Dick and Elaine reflected on their own experience working together, they discovered how challenging it really was to work with business families. For one thing, Dick and Elaine realized early on that they did not always speak the same professional language. They frequently talked about how their personal histories, work experience, and professional backgrounds shaped the lenses through which they interpreted the needs of their clients as well as the conceptual maps they used to formulate their intervention strategies. Their conviction that working effectively with family enterprises required a multidisciplinary approach created the impetus to establish an institute that would facilitate a dialogue among the relevant professions. However, they also understood that bringing together the diverse professionals who

work with family businesses would not be an easy task. George Bernard Shaw used to say that every profession is a conspiracy of sorts – each develops its own entry rituals, nomenclature, epistemology, ethical standards, and fee structure. The unintended effect (or is it intended?) is to keep the “lay folk” out.²

The Founding of FFI

In October 1984, Dick and Elaine convened in their New York apartment a meeting of the group that, with them, became the founding board of the Family Firm Institute: Barbara Hollander, Aron Levinson, George and Robin Raymond, and me. The stated purpose of FFI was to be “a national forum designed to enhance knowledge and practices of professionals serving family business, as well as enterprise leaders themselves.”

Each of us contributed seed capital to get the organization off the ground. Barbara Hollander, a family therapist by training, became the founding president, taking responsibility for legally constituting FFI as a tax-exempt organization and for coordinating all administrative activities. Elaine undertook to organize a series of professional study groups across the country in which practitioners of varying backgrounds came together regularly to discuss their cases and distill lessons for their practices. I, in turn, signed on to be the first editor of the *Family Business Review*.

It is said that the fundamental conflicts that affect the development of any organization are present right from the start. FFI was no exception. From the beginning, the mixing of academics, practitioners, and family business owners constituted an uneasy blend. The business owners worried that they might be asked to foot the bill for the organization. Was the interest in them as contributors to the field genuine or instrumental? Would lending their support lead

² Although Dick and Elaine later divorced, their reflections on their work together yielded many insights that were useful to them and to collaboration among other professionals. Dick later married Sandra Barti, to whom he remained devoted for the rest of his life.

to an invasion of their privacy? Would they be swamped with professional solicitations? The practitioners in the group were concerned with competence and competitiveness. Was it safe to admit publicly that we did not know much about the issues facing family business clients? Could we talk about mistakes in practice without being judged by our peers? And, of course, was it smart to share the little knowledge we had with potential competitors?

The huge size of the market was somewhat reassuring, but each of us had real concerns. As the young academic in the group, I personally worried about getting involved with a new journal and a startup organization at this stage of my academic career. Would this new venture detract from my research and writing? How would the senior faculty at my university, who would decide my professional fate, interpret this career move? The familiar publish-or-perish anxieties were never far from my mind.

From the start, Dick helped all of us see past these insecurities and provided the leadership necessary for the group to coalesce. He generously leveraged his reputation and opened doors to institutions that provided legitimacy to the new venture. He helped find a well-respected publisher for the *Family Business Review* – Jossey-Bass in San Francisco – and helped negotiate a contract that was beneficial to FFI. He leaned on his well-established colleagues in academe to write for the new journal and encouraged the best of them to join the editorial board. He helped with fund-raising and actively participated in the design of FFI's early conferences. This is what Dick did best. His unique gift was to help others translate ideas into purposeful action.

Exporting the Field

Early in 1983, Dick was invited to present to a meeting of the faculty at the International Management Institute (IMI) in Geneva, one of the two most prestigious management training institutes in Switzerland (the other being IMEDE). It was there that Dick planted the idea of developing a residential executive program on family

business. He recommended John Ward and me to be the core faculty to start the program; John Davis was brought in as the third core faculty member soon after. Our mission was to develop a three-day executive course for international family business owners and to mentor a local faculty member who would ultimately take over the program.

Dick's sense of timing was superb: Europe was ripe for family business ideas and education. Not only was this program very successful, counting among its alumni some of the most important family enterprises in Europe, it became the seed that ultimately led to the founding of such organizations as the European Family Business Network and the Spanish Institute for Family Enterprise. By raising awareness of family enterprise and by demonstrating the benefits of coming together in a learning environment, the program served as a catalyst for family business activity all over Europe and elsewhere. Alden Lank, now a distinguished colleague in the field, became the resident faculty member. The Institute for Management Development (IMD) in Lausanne (the institute result of the IMI and IMEDE merger) still offers the course.

I'm not sure that many of our European colleagues fully realize the connection between the educational opportunities they have today and Dick Beckhard. The fact that Dick chose to pass this great opportunity along to his junior colleagues rather than keep it for himself speaks both to his generosity as well as to his capacity to shape events in ways that were forceful and yet discreet. He took great pride in his networking abilities and in his gift for bringing the right people together, pointing them toward a worthy objective, and then – as he put it – “getting out of the way.”

Dick the Director

In the tradition of Seymour Sarason and Erving Goffman, Dick had a deep appreciation for the importance of settings in shaping social action. His early career as a theater director on Broadway gave him a fundamental understanding for the theatrical elements of human behavior. He

knew how to script opportunities and how to pick his casts. He also had a gift for deconstructing organizational life into its basic dramatic components, always paying careful attention to the alignment of motivations among the key roles in the play. So when he talked about “the chairman,” “the CEO,” “the Papa” or “the Mama,” he knew the lines that went with each role. More important, he knew how to redirect the performance in service of a new resolution to the plot.

His teaching and his consultations often had the feel of a rehearsal for a play he was directing. He would start by forcefully describing the significance of what the group was there to do, in the process engaging people to invest themselves in an activity of great importance. He would then spin visions of possibilities and describe the concrete tasks involved in realizing them. Like a director envisioning the play, he would describe future scenarios forcefully, rapid fire, giving enough detail to provide direction and yet remaining sufficiently vague so as to stimulate the group’s imagination. He would then pull away and leave a loud silence that was uncomfortable at first but invariably moved the group to fill the void with their own enthusiasm and ideas. As they did that, he sat quietly, looking down at the floor and listening attentively until the time was right for him to intervene again. Typically, his follow-up comments were precise, logically derived, and targeted to the work to be done. Whenever possible, he would avoid moving himself back to the center stage, thereby gradually transferring ownership of the work to the group.

His most important conceptual contribution to organizational thinking was undoubtedly in elucidating the nature of transitional periods and the planning needed to manage them. He understood that the state in between what an organization is now and what it will become has an underlying logic all its own. To manage transitions effectively, he argued, leaders have to understand the particular needs generated by the change itself: How will the work be organized

during the transition? Who will need to be involved for change to occur? How will responsibilities be assigned to those people? How can they be motivated during the transition to invest in making the change happen? His focus on transitions framed his unique approach to consulting; his expertise was not in the substance of whatever needed to be changed, but in the process of change itself. This, too, was a natural byproduct of his theater perspective. After all, both consultants and directors add the most value to organizations *before* the opening night.

Dick’s sensitivity to the family relationships of his clients was not just the result of his remarkable empathy. Like everything else about him, it stemmed from his life experience, particularly his family’s loss of wealth and his early struggles. One cannot help wondering whether these adversities instilled in Dick some of the skills and coping mechanisms that later were critical to his effectiveness as an agent of change. It was in these early years of struggle that he may have learned his capacity to go in and out of disparate groups with ease; his disarming humor and appreciation of the absurdities of life; his self-reliance and hard-boiled leadership; and, as Kipling put it, his ability to walk with kings without losing the common touch.

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