

the role of the CEO's Spouse

It really is lonely at the top, but it's less lonely if the CEO and his spouse can truly function as a team. **BY DAVID DUDON**

THOSE WHO HAVE read my past articles in *The CEO Advantage Journal* know that I am intensely interested in family businesses. This passion arises from my own experience as the second-generation CEO of a manufacturing firm. I've known both the joys and the struggles of operating an enterprise that matters so much to those I care about most. It's one thing to have a wife and children depending on you; it's another to have parents, siblings, nieces, and nephews watching, as well. Indeed, it is a solemn responsibility—and a fulfilling one.

Family businesses have unique issues, but *every* business has at least one family to whom it is a family business whether the outside world characterizes it that way or not: the CEO's family. To run a company effectively, one has to live and breathe it. Many hours are spent at work, and even the hours at home are often occupied with thinking of issues at work. In that sense, the spouse and children are wrapped up in it, too.

Shelves abound with books professing to help CEOs run their businesses, but not much has been written about the role of the CEO's spouse. (In this article, I will assume the CEO's spouse to be a female even though I realize that many businesses are run by a female. I will also assume that she is not working in the business.) She plays a critical role not just in the life of her husband, but in the health of the business. It can be hard to quantify and some might question her influence,



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but make no mistake, her role is immensely important. She must know her role and its limitations.

THE ROLE OF THE CEO'S SPOUSE

What *is* the role of the CEO's spouse? First and foremost, she must be his moral strength. It really is lonely at the top; he does not have many with whom he can share his struggles, doubts, and worries. He will come home drained, and his wife must fill him up. Home should be a haven—a recharge station—for him. It has been said that behind every good man is a better woman, and I believe it. Marriage is a wonderful institution in which each half supports the other. In the case of the CEO, his wife will often need to be the one who props him up and renews his desire to keep going.

The spouse's second role derives from the first: she must show interest in the business. I cringe when I hear a CEO's wife say, "That's his business, and I let him deal with it." The CEO couple is in it together, and that's not just for the CEO's benefit. Shortly after selling my business, I did some work advising businesses in turnaround situations. In one case, my client's business was beyond saving, and I convinced the owner and his wife to visit a bankruptcy attorney. The wife had chosen to be uninvolved up to this point, and as I explained the dire situation to the counsel, she began crying hysterically as she finally began to understand for the first time that they would

lose everything. How regrettable that was. It would have been better for both of them to be operating more as a team.

Showing interest in the business necessitates being a good listener. The CEO needs a trusted ear on which to dump his thoughts and concerns. My mother is a prime example of this. When I was a child, she rarely visited my father's company. It wasn't until I worked in the business for several years that I discovered the vital role she had played in the company's success. I enjoyed visiting her frequently and sitting at the kitchen table to visit. Inevitably, our conversation would turn to the family business. Topics I thought she knew nothing about flowed from her lips as if she had worked at the business for years. The only way she could have known this information was through my father. After he passed away, my mother explained that Dad had shared everything with her, frequently asking for her advice. He seldom followed her suggestions, but he sought her counsel, nonetheless. Her willingness to listen played a huge role in his success, and that success directly benefited the company.

The third role for the CEO's spouse is to be the voice of perspective. Running a business can be a roller coaster ride of emotions. The CEO will frequently come home wrapped up in

There will be times that the family needs financial reserves. The CEO is used to spending money in the business that he doesn't have, and his wife must be the voice of discipline that keeps him from doing the same at home.

With any of these roles or others I have not covered, the CEO's spouse should not underestimate her role. He might not ask for her help, but he wants her help. Indeed, he *needs* her help. He won't make it without her. Many times, she is his only confidante, and her intuition and reason may even be worth more in a business sense than his highest paid executives. Certainly, *she* is worth more than the business. That is something the CEO had better understand.

LIMITATIONS ON THE ROLE OF THE CEO'S SPOUSE

As much as the CEO's spouse should not underestimate her role, she must also understand the limitations of her role. The owner of a business in my industry was forced to seek medical treatment out-of-state for several months. During this time, his wife stepped in as CEO. She had absolutely no experience in this realm, and it showed. Without consulting her husband, she formed a partnership with a competitor of their largest customer. When that customer caught wind of the deal, they cancelled all orders and placed their business with other suppliers. Not long after, the new partnership with the competitor proved to be a total bust. Eventually, the \$100

million business closed.

The lesson? As important as the CEO's spouse is to the business, she cannot automatically step into a leadership role and expect good things to happen. That is not where her value lies. Even if she is not running the business, she must resist the temptation to think she is bigger than she is. She can't tell people in the business what to do. She can't get jobs for people. She can't expect to have direct strategic influence on the company. Her role is to help her husband be the best CEO that he can be. If she serves that role well, it won't be just her husband who benefits. The business and her family will be better off, as well.

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the major issue of the day. The spouse's job is to help him not get too high with the highs or too low with the lows. She can help him remember how similar situations have worked out in the past. She can remind him that this is just a blip on a much larger radar screen. That leveling influence is invaluable to a CEO, and what better source for it than the one he can trust the most.

The CEO spouse's fourth role is to initiate communication on how her husband's work is affecting the family. Most CEOs have good intentions with the time and energy they pour into work; they're doing it for their families. That said, they are still spending more time in the business than with their wife and children, and that is taxing on the family. It's easy for the spouse to become jealous of the business. Here's the blunt truth: the spouse needs to confront these issues if she wants to stay married. Letting them fester is a recipe for disaster. It's not an accident, unfortunately, that divorces are so common in the upper levels of business. It doesn't have to be that way, but avoiding that situation requires a strong CEO and a strong spouse, and that strength manifests in open and honest communication. They must be in this together, a point reinforced by the first three spousal roles I've covered.

The final role of the CEO spouse that I will cover here is the money manager. She will most likely control the purse strings of the home, so she must learn to budget and stretch a dollar.



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