



VIEW*S* & VISIONS

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Leading the Family Business in Transition

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Joseph Z. Lewis is the director of sales for Orbital Engineering Inc., a company founded by his father, Bob, in 1969.

He earned a degree in film and television from the former College of Santa Fe, now Santa Fe University of Art and Design. He worked in television for 10 years, followed by a career in the hospitality industry, before returning to his hometown of Pittsburgh.

After a stint working in the media department for the Pittsburgh Steelers, Lewis entered the sales department of Orbital Engineering.

My father, Bob Lewis, created Orbital Engineering Incorporated in 1969. At that time, Orbital was nothing more than a single room with a draft table and a salesman in a three-piece suede suit. Today, Orbital is a thriving national engineering firm, employing more than 250 people, with offices in Pittsburgh, Philadelphia, Detroit, St. Louis, Chicago and Houston. Orbital helps support its heavy industrial and manufacturing business partners with two affiliate companies: Orbital Technical Solutions Inc., which provides drone services, data analytics and software development, and Jobtec Inc., which provides staffing and recruiting services.

It's no secret that continuing a successful family business into the next generation is not an easy task. From the Harvard Business Review to Forbes, articles and studies from business academics have repeatedly warned of next generational failures. A 2014 Alternative Board study found that 56 percent of family business owners are either unhappy with their succession plan or don't have one at all, and 62 percent of owners believe it's unlikely their business will



remain family-owned by the next generation.

Leadership in any business has its challenges, but the transitioning family business has a unique set of challenges that we are facing head-on. First, we believe it is important to identify what characteristics of the business have made it successful and how those can be easily replicated and applied by employees, regardless of turnover. Second, it is imperative to identify important client relationships and understand



how to transition them to new individuals, while maintaining the same expectations of trust and responsiveness. Third, we must view our clients as business partners rather than commodities and ensure that this corporate philosophy is understood and exercised at all levels of the company and fundamental in everything we do. Fourth, leadership is obligated to institute transparency with respect to succession planning and the process of identifying emerging leaders. Fifth, the company as a whole must identify opportunities to exploit our capabilities and expertise by uniting those core competencies with new areas of emerging technology. And, sixth, by creating a diversified and knowledgeable board to help guide emerging leadership teams, the company will ensure smooth transition.

Unlike non-family business, leadership in the family business setting must make difficult decisions with respect to what, if any, family members are truly capable of taking various roles in the business. Unfortunately, not all family members are a match. Or, sometimes, family members can have unrealistic expectations or be perceived to feel entitled to favoritism. It is important that leadership not allow these issues to pervade the workplace, as it creates unrest among employees and

can lead to perceptions of corporate bias toward family employees. At the end of the day, leadership must instill throughout the organization the belief that it makes the best choices with respect to the health and direction of the company and those that are in the best interests of the employees. When family becomes employees, it is a reality that doing the right thing for the business may sometimes cause conflict with family relationships.

The next generation of leadership sees a bright future for Orbital. We are committed to investing in our employees and consider our workforce to be one of our greatest assets. We are excited to transition institutional relationships so that our longstanding business partners can appreciate the continued commitment to service and realize the vision of how our partnership will continue to help their businesses succeed. We are working diligently to develop new relationships and look forward to building additional partnerships that will result in mutually beneficial growth. However, above all, we are thankful for the opportunities to lead this company into the future and appreciate the help and dedication of our employees, which allows us to effectively do so. ▽

