From Founder-Dependent to Professionally Managed

How a Family Business Built the Systems to Scale Beyond Its Owners

Since 2021, our ongoing advisory engagement has connected succession with stronger sales, operations, and financial management. The progress so far: a business the family can increasingly trust other people to run.

6–12 months	~5/week → ~75/week	A complete finance function
Founders stepped back from daily operations	Inbound wholesale account requests	Accounting team, reliable reporting, budgets and cash forecasts

The real succession problem

Founded in 1981, the family company operates two businesses: B2B manufacturing and B2C retail/service. In 2021, manufacturing generated approximately $3M in annual revenue with roughly 40 employees, while retail/service averaged approximately $270K in monthly revenue. In 2026, average monthly retail/service revenue reached approximately $468K. For full-year 2026, the combined family enterprise is projected to approach $20M in revenue with approximately 75 team members.

The second generation held responsibility without consistently having authority. One founder remained central to finance; the other circulated without a defined operating seat. Decisions were second-guessed, meetings became heated and unresolved issues returned to the family.

Limited documentation, institutional knowledge, weak scorecards and reactive finances made letting go difficult. Succession required an organization capable of carrying decisions, not simply a new name on the org chart.

01 / Authority became explicit

We helped the family and leadership team clarify purpose, values, direction, functional ownership, performance measures and decision rights. A defined organization structure made the future business visible and gave leaders room to test ideas and execute.

Over 6–12 months, the founders moved toward board and advisory roles. They now join roughly one leadership meeting per month; quarterly-planning participation is limited. Retirement, travel and time with grandchildren became possible. A significant ownership transfer remains underway with legal, tax and succession advisors.

02 / Demand met sales discipline

The wholesale team had worked from Excel and cold-call lists, with weak follow-up and few activity targets. We established a CRM, then brought in a Demand Generation Specialist to rebuild and optimize the website, SEO, paid acquisition and inbound strategy.

Account submissions rose from approximately five per week to 75 per week. A defined pipeline now moves requests toward first purchase, supported by role clarity, follow-up standards, scorecards, sales meetings and weekly through annual targets.

The business now adds approximately five new wholesale customers per week. Average monthly wholesale revenue grew from approximately $157K to $250K—an increase of about 60%.

03 / Leadership and managers gained visibility

Manufacturing began with limited processes, unclear capacity requirements, bottlenecks and a high warranty fail rate. An internal technology leader built an ERP from scratch, making production, inventory, quality, capacity and constraints more visible.

We helped clarify roles and establish scorecards, accountability, coaching and structured issue solving. Leadership and managers gained the authority and information to improve the work. Production reached 3.8 times its earlier volume; warranty failures fell materially. Internal leaders deserve primary credit for plant execution.

04 / Finance became a function

The business once relied on its bank balance, distrusted key statements and depended heavily on one person. In late 2025, we brought in financial reinforcement: a specialist who built the accounting team, systems and processes. By mid-2026, a controller, dedicated AP and AR, outside CPA review and a documented close delivered usable statements by the 15th of the following month.

Annual budgets, monthly budget-to-actual reviews, cash forecasts, projections, scenarios and liquidity thresholds made finance forward-looking. Funding needs once handled the same day could typically be addressed about 90 days ahead. The specialist also coordinates third-party advisors as funding, legal, tax and other needs arise.

05 / Strategy acquired a rhythm

We helped establish annual and quarterly planning that replaced shifting priorities and oversized projects. A 10-, 5-, 3- and 1-year horizon connects to 90-day priorities, weekly review and daily execution. Leaders typically select just one or two major quarterly priorities, each with an owner and deadline. Better data reduces mid-quarter pivots.

06 / Leadership deepened

Technology leadership joined the leadership team; manufacturing and retail/service gained distinct leadership and planning rhythms. Meetings now review commitments, scorecards and issues, assign owners and follow through. Clearer seats and disciplined meetings support faster decisions, fewer recurring issues and fewer escalations.

More capacity. Less dependence.

Stronger systems helped the businesses grow and gave the family greater freedom to step back.

Average monthly production

Units

3.8×

Manufacturing output

Warranty fail rate

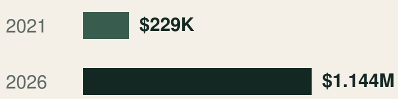
Plant-wide

-36%

Relative reduction

Manufacturing revenue

Monthly average



+399%

Monthly revenue growth

Retail/service revenue

Monthly average

+73%

Monthly revenue growth

The ownership dividend

The retail/service business now operates with limited owner involvement. Front- and back-of-house managers handle most operations using scorecards, budgets, cash forecasts and their own strategic-planning cadence. Revenue grew as managers took greater ownership of day-to-day operations.

At the manufacturing business, second-generation owners have stepped out of several functions and can take meaningful time away, while remaining actively involved in operations and quality.

What made the change durable

The disciplines reinforced one another. Clear decision rights made authority transferable. Scorecards made performance observable. Documented processes moved knowledge out of individual heads. Weekly issue solving converted concerns into accountable action. Quarterly priorities kept the leadership team focused.

Financial visibility reduced uncertainty around resources and funding. Separate operating rhythms recognized that a plant and a service business need different management conversations. Specialist support filled capability gaps while internal leaders retained ownership.

Our role

We helped clarify authority, establish the operating rhythm, identify capability gaps, bring in specialist reinforcement and hold the leadership system accountable to execution. The objective was to make the organization less dependent on indispensable individuals.

Owners had to release authority; leaders and managers had to accept accountability and improve the work. The Demand Generation Specialist rebuilt acquisition, an internal technology leader built the ERP, and the financial specialist built the accounting function and strengthened capital coordination. The results reflect collective execution.

Why succession became real

The founders needed evidence that the business would remain safe. The next generation needed genuine decision rights. Managers below them needed the competence and information to act. A planning framework alone could not create that confidence; repeated, visible execution could.

The strategic lesson is that succession and management capability should advance together. Transferring titles without improving information, roles and follow-through risks moving the same dependency from one generation to the next.

The work still underway

Manufacturing owners remain actively involved in operations and quality as leadership capability and documented processes continue to develop. The intergenerational ownership transfer also requires ongoing coordination. Professional management is a capability the company continues to strengthen.

For an owner assessing a similar transition, the useful questions are concrete: Who owns the decision? What measure makes performance visible? Which recurring issues still escalate? Can the business fund its priorities without a last-minute scramble?

Confidence to step back is built through execution.

Clear responsibilities, visible performance and consistent follow-through gave the family greater confidence in the people running the business.

Clear authority. Stronger leadership. Greater freedom for the family.