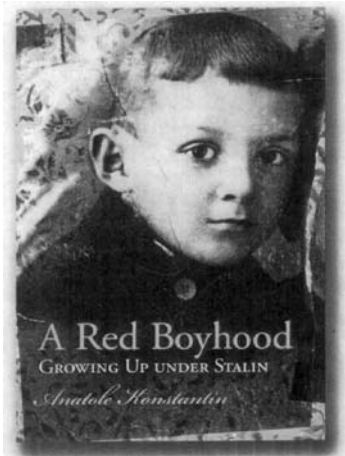


## Anatole Konstantin to Publish His Memoirs

Forty years ago, Anatole Konstantin founded Norwalk-based PDC International Corporation, a leading producer of packaging machinery for the food and pharmaceutical industries.

But his life today is a far cry from his life as a child growing up in the Soviet Union. In 1938, when Anatole was 10 years old, the Soviet Secret Police came for his father, an “enemy of the people”. From that moment on, the lives of his family would never again be the same. His mother was forced to do whatever she could to try to support her two children, after being evicted from their home and having all of their property confiscated. She held her small family together despite the severe hardships they faced under the Soviet Regime and the German Occupation.

While Anatole, like so many children growing up with him in the Soviet



Cover of soon to be released book, with childhood photo of Anatole Konstantin, Founder PDC International Corporation

Union, led a life filled with misery which, thankfully, most of us can hardly imagine, he kept hope. Despite

experiencing life as a refugee in post-war Displaced Person Camps, and the countless hardships he endured, Anatole graduated from the Technical University of Munich in Germany in 1949 and immigrated to the United States. He continued his engineering studies at Columbia University and in 1968 founded PDC International Corporation.

Anatole’s story has lessons for generations both young and old who may not fully understand the political corruption, discrimination and intense suffering under the Communists of the Stalin regime. He has unselfishly relived the details of his turbulent childhood to author a book of his memoirs, scheduled for release in spring of 2008 by the University of Missouri Press. The book will be available through Amazon.com and at some local bookstores.

## Strategic Planning Basics for Family Businesses

By Pamela R. Knecht



**Pam Knecht, Vice President  
ACCORD LIMITED**

*(Pam Knecht’s November presentation impressed upon our members the importance of preparing a strategic plan. We asked her to now provide you with some “nuts & bolts” to help get you started.)*

Research has shown that family business owners who take the time to develop strategic plans are more successful in the long-term than those that ‘fly by the seat of their pants.’ This is because strategic planning, done well, helps to position the organization for competitive advantage which ensures its long-term success.

A well-designed strategic planning process has the added benefits of helping family members and other senior managers to create a shared understanding of the challenges and opportunities facing the business and to make tough decisions about how to prioritize time, energy and resources.

Before embarking on a strategic planning process, the members of the family who are involved in the business should agree on a strategy for the family’s asset. For instance, the family/owners should articulate their expectations regarding dividends, talk through their appetite for risk and debt, determine their liquidity needs, and agree on the ultimate objective of the business (e.g., whether to keep it in the family or to sell it to provide wealth for the family). In addition, they should determine if there are any parameters they would like to place on the strategic planning process (e.g., requiring a certain level of profitability;

*(continued on page 6)*

## Strategic Planning Basics for Family Businesses

(Continued from Page 1)

deciding to only conduct business domestically versus internationally).

Once the family/owner strategy has been agreed upon, the strategic planning process can begin in earnest. The first step is to decide who will serve on the strategic planning team. This is the group that will analyze the internal and external environmental information, identify the critical strategic issues facing the business, and develop the actual strategic plan. Whereas the family/owner strategy development occurs with just the family members, the strategic planning process should engage all of the top managers in the business. Ideally, the team would consist of a minimum of 5 individuals and a maximum of 12. It should include the family members who are involved in the business and the top members of the management team. It may be advisable to include key family members who are no longer active in the business, but have a significant amount of knowledge about the industry, competitors, and the company (e.g., a retired founder).

In many cases, participation in strategic planning meetings also serves as a professional development opportunity for younger family members who are interested in learning how to think like executives. One caveat, family members who are very new to the business, and are serving in lower positions within the organization may want to wait until they have more knowledge of the business before participating on the strategic planning team.

Family members and other key employees who are not on the strategic planning team should be included in the input gathering phase of the strategic planning process for two main reasons. First, they can provide information and insights that are useful for the content of the strategic plan. Second, their involvement increases their understanding of and buy-in to the resulting strategic decisions. Their input can be secured via individual interviews and/or focus groups. The questions that are usually asked are:

■ What are the internal strengths

and weaknesses of the business?

■ What are the best opportunities for growth and the worst external threats to the business?

■ What is your vision for what the business will "look like" at the end of 3 years (i.e., growth attained; profitability and revenue achieved; markets served; product and services offered; infrastructure built; culture developed)?

■ What should be the strategic priorities for the next year?

The information from these sessions (as well as from interviews with each strategic planning team member) should be summarized and included in a retreat preparation package. That package should also contain executive level, graphically-displayed information showing trends in internal performance (e.g., profitability, sales, customer satisfaction, productivity and quality). In addition, it should include concise summaries of external and competitor information such as trends in the industry, markets, and market share. It should also include the strategic planning retreat objectives and agenda, and it should be distributed to the team approximately one week before the retreat.

The retreat itself is usually two full days of off-site meetings in a setting that is conducive to free-flowing conversation and creative ideas. Ideally, the retreat will be facilitated by an external consultant who can structure the conversation, manage the time and process, assist the group in freely discussing issues and help them achieve consensus on decisions.

During the retreat, the strategic planning team should candidly discuss the internal and external environmental information, and then draw conclusions about the critical strategic issues facing the business over the next three years. The team should revise or create a mission statement, or an articulation of the overall purpose of the business, and a set of core values, or guidelines for behavior. The majority of the retreat should be spent developing a longer-range vision of "what" the business will "look like" in key components of the organization at the end of the selected time frame. (Most family-owned businesses create 3-year strategic plans, but some look out 5

years.)

On the second day, the team should develop three to five shorter-term, measurable goals that describe the major areas of priority for the next year. Then, the team should set three to five objectives for each of the goals. Objectives usually articulate "how" the goals will be accomplished over the next three to twelve months, and they include the name of the individual who will be held accountable, the due date of the objective (articulated in months or quarters), and the resources that will be required above budget.

Some businesses find it helpful to convene a second, one-day retreat approximately one month after the initial retreat to finalize the plan. This gives the team an opportunity to review the document and confirm their decisions.

A wise person once said that "the planning is as important as the plan". In other words, the discussions and debates that occur during the strategic planning retreat(s) help all to understand each other's viewpoint about critical strategic questions facing the business. This is especially true for family businesses, many of which are highly entrepreneurial, and have not taken the time to plan for the future. The strategic planning process, therefore, becomes an opportunity for the family members and key managers to 'get on the same page' and it is an important tool for ensuring that the business will succeed beyond the founders to successive generations.

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by Anne King

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