

Origin stories



Why are there so few female CEOs? That was the question Terrance Fitzsimmons, a lecturer in organisational leadership at The University of Queensland Business School, tried to answer when he embarked on his PhD back in 2007.

He didn't arrive at an answer but he did stumble on extraordinary insights into the backgrounds of the women who make it to the top rung of the corporate ladder.

At the time of his research, there were only 45 female CEOs out of around 1500 ASX-listed companies; 31 agreed to an in-depth interview.

What Fitzsimmons found stunned him – of the 31 women he talked to, 28 had a background in small business.

"They came from families where their father was self-employed and their mother was either actively involved in the business or employed in

other positions. In either case, their mother was still identified as primarily responsible for maintaining the household," he wrote in his thesis.

The small-business background was a feature unique to female CEOs; the male CEOs he interviewed came from professional families.

Fitzsimmons' research also uncovered three additional key traits of female CEOs: they were from large families; had

suffered a trauma in childhood, such as forced migration or the loss of a parent; and had a non-traditional female role model who wasn't their mother.

"These findings weren't intentional," Fitzsimmons says. "We were looking at life narrative and pivotal moments. It was during capstone questions, such as things that might have predicted that person becoming a CEO, that these stories came out."



Childhood exposure to the family business gave these leaders an insight into what it takes to succeed and, writes **Julie Hare**, they still take lessons from that time.

As the great Russian novelist Leo Tolstoy might have said (had he been writing 140 years later), all happy families are the same but all small-business-owning families are bonded and stressed in their own particular way.

According to four successful executives who grew up immersed in the daily affairs of small business, there can be immense joy in the interconnectedness of intergenerational family firms – as well as enormous stress in economically straitened times. Both are a study in the realities of leading a company.

Terrance Fitzsimmons, a researcher in business leadership at The University of Queensland Business School, says that the children of small-business owners are often exposed from an early age to adult business talk that can serve as a profoundly immersive apprenticeship.

"Business becomes part of their DNA," says Fitzsimmons. "They can walk into a company in their early 20s and have a sophisticated conversation about profit and loss, balance sheets, loans, risk and employee issues because they've been observing their parents and doing it themselves."

There are other lessons these children take with them into their adult lives, he says. "It's not only that this is what their family does; it's also about the parents telling the kids about the value of work. Work ethic is important in the story of all CEOs but it's particularly true for those who come from small-business backgrounds because their parents never really clocked off."

Growing the family firm

Catherine Harris never doubted that she'd follow in her parents' footsteps and start a business. She and her husband, David, who also comes from a family-business background, created Harris Farm Markets in 1971 with a single fruit and vegetable store in Sydney's Villawood. There are now 26 across NSW.

"David and I saw our parents as incredibly independent, thoughtful and mindful," says Harris. "We weren't restricted in any way by conformity. There was a gameness, an entrepreneurial spirit – and you were allowed to fail."

Harris's father, Theo Rossi, owned two companies: Hat Bands Pty Ltd, which made hat bands for Akubra, and another called Tapex, a strapping and cording business he set up in 1957 (and that's now run by Harris's brother, Philip Rossi).

"When you grow up in a family business like I did, you get very involved," says Harris, who remembers sitting around the table after dinner sifting through bobbins and working in the factory in what is now Sydney's Green Square during school holidays "sorting materials and the like – very uninteresting stuff".

Harris's mother, Mary Rossi, was something of a renaissance figure. She had 10 children, in 1956 became the first woman to host her own program on Australian television – *Woman's World* on the ABC – and in 1970 went on to establish her



Catherine Harris
Director, Harris Farm Markets

own high-end travel agency on Sydney's North Shore. Rather than it being simply ambition, Harris has said "opportunities were presented that [my mother] grabbed with both hands... I'm also driven to see an opportunity and think, 'That would be an interesting thing to do.'"

Going into business "was always front of mind for us", she says of herself and David, whom she met at university. "There was a sense that this was the ultimate thing to do; that other people were just working for someone else."

While Theo and Mary's companies are still family-owned and run, Harris discouraged her own children from becoming involved in Harris Farm Markets "because I thought it was really important for their own self-worth to be independent of us".

They got the bug anyway. While all five sons established professional careers, three – Angus, Luke and Tristan – are now Harris Farm Markets' co-CEOs (Catherine is chair), while Daniel is a director of the company. Lachlan, a media commentator and former chief press secretary to former Prime Minister Kevin Rudd, runs content-platform company RevTech Media.

A driving force

As a teenager, Cameron McIntyre felt the effects as his father, Wayne, made the decision to abandon the relative comfort of a salaried position running a large pharmaceutical company – Beecham in New Zealand – to return to Sydney to start his own business, supplying equipment to the printing industry, in 1986.

"Our garage was the warehouse," recalls McIntyre, who's now CEO of online classified advertising company carsales.com.au.

It was exciting but stressful, with his father's new venture, Celmac, preceding the stock market crash of 1987 by a year and the recession of the early 1990s. "We went from a certain lifestyle – being able to manage the bills and putting three kids through school – to having very little money coming in and lots going out," says McIntyre. "There was a lot of stress in the family in those early days."

His father, however, channelled vast amounts of energy and hard work into the fledgling company. Despite the difficult financial times, Wayne eventually employed his first staff member and moved the stock out of the garage and into a warehouse in Melbourne's Collingwood.

"It just kept expanding," says McIntyre. "They had to keep relocating because they were scaling up and needed extra space and then started pushing interstate."

He says the fact that the business was precarious in the early days taught him some important lessons that have resonated throughout his career.

"It takes a lot of courage, sacrifice and dedication to run a small business. Most importantly, it takes a whole lot of luck. And from that I learnt not to be afraid to have a go. Life is not a dress rehearsal;

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CATHERINE HARRIS

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McIntyre said he set up a few small businesses of his own when he was young but landed at carsales.com.au in 2007 when it was just getting going and had a staff of 60 or so. It now has 1200 staff in 10 countries. He says witnessing his father's dogged belief and grinding hard work in Celmac's early days has made him comfortable with risk and accepting of failure. Wayne, now 74, still runs the company.

Playing for time

The early-'90s recession also took a huge toll on the family business of Adam Wilkinson, as did the entry of big international players into the niche toy market.

His father, Rob, left a secure, well-paid job as a consultant to open his first toy store, Toy Kingdom, in Frankston, Victoria, in the late 1980s. This grew to five stores on the Mornington Peninsula in five years.

"Those first four to five years were really profitable, despite the recession," says Wilkinson, who is CEO of Melbourne-based luggage company Crumpler. The line between work and home life was almost non-existent; his mother, Sue, also worked in the business and Adam would put in hours after school. "Our whole life revolved around those stores."

Fortunes changed with the entry of big-box retailers Toys R Us and World 4 Kids in about 1995. "They both opened stores in

Frankston in the vicinity of our five stores, which had an impact on our business for the next five to eight years."

With the business strategy in tatters, Wilkinson says his father eventually worked out how to compete with the intruders by applying local knowledge, customer service and a different product mix. "The business got back on track and survived for another 10 years."

Wilkinson took a shine to retail and by the age of 16 was managing stores during school holidays. "It taught me a lot about responsibility; about managing staff and budgets, understanding the financial metrics of a business and staff rostering."

The fundamental element in such a level of responsibility at a young age was trust. "My dad knew he could manage



Adam Wilkinson
CEO, Crumpler



Cameron McIntyre
Managing director and CEO, carsales.com.au

and mentor me if things weren't going quite right. But he also saw I was genuinely interested. I loved the engagement with customers and enjoyed hitting budgets."

He says witnessing his father's roller-coaster ride in the early years of Toy Kingdom helped shape his own approach to business. "In hindsight, Dad tried to do too much himself. He started with a single store when he could do everything and still be a success but then he tried to spread himself too thinly across all the stores."

Ultimately, says Wilkinson, "the stores' success came down to the people – the format was the same, the products were the same and the layout was the same but some staff are great and some aren't. Dad was very loyal. He probably should have worked harder to get the right team, to delegate more and be less hands-on. It's something I am very conscious of."

Uniform approach

For Josephine Sukkar, co-owner and principal of Buildcorp Group and chair of the Buildcorp Foundation, growing up in a vast, extended Lebanese family provided little separation between business and family life – but that's just how everyone wanted it.

Sukkar's grandparents established the school uniform company Midford as newly arrived immigrants to Sydney in 1946. While the company grew furiously in the 1960s and '70s with 800 women working sewing machines in factories in Sydney's St Peters and Miranda and, later, Kuala

Lumpur, Sukkar remembers it being run out of her grandparents' terrace on the southern end of King Street in Sydney's then gritty working-class suburb of Newtown.

"My grandparents had 11 children and more than 20 grandchildren and our holiday jobs were helping them in the factory," says Sukkar.

Even as the company grew, she says it was run like a family business. "They loved and cared for their people. That's all I knew. The staff watched us grow up."

She remembers one staff member, a Croatian woman, who started with the company on the day Sukkar was born in 1963. "She was responsible for ironing everything that came out of the factory. One of my jobs as a teenager was to stand with her in this hot factory and put the ironed shirts into plastic bags so they could be packed into boxes and sent out to fill the incoming orders for the new school year."

Growing up in and around the factories in the 1960s and '70s, Sukkar witnessed her male relatives in the boardroom running the company while her aunts were down on the factory floor overseeing the production line. "I saw how much influence and power sat with my aunts, who led by example, and how they balanced all the other things in their lives," she says.



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"It helped me to figure out what my balance was when I [later ran] a big business. I didn't think about it in those terms back then but I wasn't scared of it when it came along. I knew I could balance family and be a good daughter and parent and also get job satisfaction."

Sukkar says her extended family still reminisces about "those times with complete joy. It's what we saw – people working really hard and family supporting family."

The lessons she learnt from those formative years have an influence to this day. While she studied science at university and worked briefly as a medical research scientist at the Garvan Institute, she didn't blink the day her builder husband, Tony, lost his job and suggested they set up their own company in 1990, during the recession.

Their construction company, Buildcorp, now has annual revenue of more than \$500 million and about 300 staff. Following her grandparents' example, the company recruits more on shared values and character than technical skills.

"I was never worried about having a business or hard work," says Sukkar. "I remember my late father saying, 'Make sure you work to make a better quality of life and not work so hard that you lose sight of that.'" ●