

Preparing to transfer the family business

September 8, 2013 by SHERYL NANCE-NASH / Special to Newsday



Brothers Ken and Irwin Sher, co-founders of Day & Nite / All Service, the New Hyde Park-based commercial HVAC and refrigeration company they started in 1977, spent several years preparing for the day when their sons would take over. That time came in January, but despite preparation, transition is never simple.

Ken's son, Matthew, 41, serves as president and vice president of sales, and Irwin's sons -- Rick, 42, and Brett, 39 -- serve as vice

president of service and vice president of finance and administration, respectively. Irwin, 68, and Ken, 65, now serve on the board and work as consultants for a few hours daily.

"We want to take what is already an American success story to a new level," Matthew said of the company, which serves the Carolinas and Florida as well as the metropolitan area.

Matthew was the firm's director of sales and marketing for six years and previously ran his own businesses. As president, he's learning to juggle. "It's hard at times balancing priorities," he said.

advertisement | [advertise on newsday](#)

His new role is more strategic. "I can't lose sight that we're a growing company and must keep our eyes open for the right opportunity for growth and look forward. It takes getting used to."

Family matters

In any succession, adjustments are necessary, experts say. "The tensions of family life and strains of business life combine quite forcefully during a generational transition," said Andrea Simon of Simon Associates, a management consulting firm in Yorktown Heights. Companies must "think through how to send the right messages and build trust that the right family members are in the right jobs to ensure future success for the business -- and the family."

Common tensions may include the older generation not treating the younger generation "like equals, or not introducing them to key clients or vendors," or the younger generation coming in "acting like hotshots, alienating loyal employees," explained Jeanne Brutman, a certified family business specialist in Manhattan.

Day & Nite hired advisers to assist with its transition. Still, Matthew said finding common ground doesn't happen overnight. "It takes real work."

Generational differences had to be worked out. For example, Matthew said Irwin and Ken -- "generation one" -- were more technicians, very hands-on in the business but without a formal, regimented plan or well-documented vision.

Generation two felt it was "paramount that we do in-depth financial reporting, so we can forecast where we are going," Matthew said. "We are being aggressive about doing the financials."

"We've worked hard to get aligned," he added. "It's five of us, and we have to find one clear path to what's best for the business."

Over the course of a year, they had many sessions with the consultant to work through issues and discuss strategy until agreement was reached.

Another big change by the new generation has been the centralization of the company's parts department and dispatch functions. Soon, all operations, including those for the southern states, will be run out of the New Hyde Park headquarters. "We got the support of generation one and various leaders" for the consolidation, Matthew said.

Generation two is also big on technology. At their instigation, the company now uses Android devices to capture work orders. "This has increased our overall efficiencies and productivity -- enabling faster diagnostics for customers," Matthew said.

Letting go

"We've gone through good and bad times," Irwin said. "We want to share our insights with the boys."

He is proud that the tradition of hard work continues. "I have full confidence in them. For me, [passing the reins] is mostly an emotional issue. We put our heart and soul into the business. I don't see myself ever not coming into the office -- that day will be when I can't walk. Being involved keeps you young. But I don't need to make decisions."

AT A GLANCE

Company: Day & Nite / All Service, New Hyde Park

President: Matthew Sher

Founded: 1977

Employees: 125 on Long Island; 25 in Florida and the Carolinas

Revenue: More than \$20 million

[< back to article](#)