



Business Basics

The Best Of Both Worlds?

Tara Weiss,
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When Ginny Pitcher needed to hire a director of business development at her Westborough, Mass., marketing firm, she turned to her closest friend, Kate Massey.

Massey and Pitcher had talked money before, during the years they were roommates. They've also traversed emotional territory--Massey was a bridesmaid in Pitcher's wedding. Still, this is business. It brought up sticky issues like negotiating salary and professional success, things most people want to keep separate from their friendships. Not to mention that Pitcher would be Massey's boss.

"I didn't jump on it immediately," says Massey. "I thought about it for a while."

It's been a year, and both women say their friendship is as strong as ever. Even better, they're both making money and succeeding professionally. That's likely because they handled it like experts from the beginning. They acknowledged there would be a change in their friendship and discussed potential challenges. Anything personal stays outside the office. Massey doesn't take constructive criticism personally. Pitcher treats Massey no differently than she does her other employees.

Pitcher and Massey exemplify the best aspects of working with friends. "One of the tricky things when you interview someone is figuring out if their personality will fit with the culture of the office," says Pitcher, a co-founder of Kel & Partners. "When you intimately know someone like I know Kate, you know the answer already."

Knowing someone will fit in doesn't alleviate other problems. Carly Drum had hired four trusted friends to work at her family's executive search firm in Manhattan, Drum Associates. She turned to them after the business, which is located just blocks from the World Trade Center, was struggling after Sept. 11, 2001.

One of them had great potential but was bringing her personal problems to the office. It was affecting her work. "I knew going in that addressing it was going to be one of the more challenging things in my career," says Drum, the firm's managing director. "She expected me to be sensitive to her personal issues because we're friends. While I am, there has to be a line drawn when you're running a business. Even as soft as I tried to put it, her initial reaction was she was offended."

Two days later the employee came in and apologized to Drum. They openly discussed the matter and developed a plan of action so she could separate work from business.

While it was tough, that challenge was a good managerial experience for Drum. She learned that before hiring a friend you must outline for him or her exactly what an average day will be like. Part of that discussion should include the type of interaction you will have with each other and the fact that in a workplace it's all business. "Stuff that you do outside of the office together cannot be brought into the office," says Drum.

Managing friends isn't always a choice. Employees who get promoted may find themselves suddenly in charge of friends. The same rules for success apply. First, the new manager should be the one to tell the staff about the change, particularly if he or she will be in charge of friends. From there, it's important to acknowledge that things will change. Explain that it's not because the relationship isn't important or because you want to end your personal relationship. Rather, you now have a hand in the professional lives of a group of people.

Gina Cox, an organizational psychologist in Florida who runs the leadership coaching firm Human Resource Center, suggests saying something like this: "I still want us to be friends. Can you support me and know that what happens at work doesn't have anything to do with you or our relationship?" As for the subordinate, he or she needs to understand that the boss can't show any favoritism.

That's precisely what Tory Delany had to deal with as she rose up the ranks at a restaurant company in Manhattan. She started as a coat checker at Maggie's Place in midtown and, after a series of promotions, eventually became general manager. "The staff becomes close-knit because it's an Irish bar. Most of our family is very far away," says Delany. "The owners have five places, so we all always knew there was a chance for promotion for everyone from within."

She says the key to successfully managing friends is developing rules and boundaries and enforcing them. For example, an employee who came in late was spoken to. If the employee was late again, he or she got a warning. The third time resulted in suspension. Delany attributes her success to that uniformity.

"If there's no structure, your whole team falls apart," she says.

She must be doing something right. She's a co-owner of the Half Pint--a bar that will open in the West Village next week--with the owners of Maggie's Place.