

>> MISSISSIPPI LEADERS by Martin Willoughby

# Passing the baton

Payne succeeds father

In the 2008 Beijing Olympics, both the men's and women's United States relay teams dropped the baton between the third and anchor leg of the relay races. These incredible athletes failed to make a critical transfer and it cost them victory on a very public stage. I think of this analogy when I consider succession planning in family-owned businesses. The first-generation founder and second generation leader have to execute a "handing of the baton" of the family business which often does not go well. In fact, fewer than half of family-owned businesses successfully make it from the first to the second generation, and less than 15 percent make it to the third. Interestingly, an internal investigation of the U.S. track team's disappointing performance in Beijing found that "a lack of communication between coaches and athletes, poor management of the relay pools and questions over which coaches were responsible for the relays resulted in the 4x100 failures in Beijing." Poor communication, management, and a lack of defined roles is similarly often a challenge in family succession. Because of the challenges, I always take note when companies have successfully made this transition.

I recently interviewed Abb Payne, president and CEO of Camellia Healthcare. Abb's father, W.A. Payne, founded the company in 1974, and they have successfully transferred leadership to create a thriving organization. The company has grown 10 fold in the last 10 years and now

Up Close With ... **Abb Payne**

**Title:** President & CEO, Camellia Healthcare  
**Favorite Books:** *Good to Great* (Jim Collins); *The Snowball* (Alice Schroeder); *Unbroken* (Laura Hillenbrand)  
**First Job:** "My first job was working as a stock boy in our family business."  
**Proudest Moment as a Leader:** "There have been several, but I think the proudest moments have been that we have consistently been one of Mississippi's fastest-growing companies and one of its Best Places to Work per the MBI. The balance between workplace happiness with rapid change is hard to manage and I think we do a good job of that."  
**Hobbies/Interests:** "I have a young child and one on the way so that takes up most of my time outside of work, but I do enjoy golf and reading and attending any college or professional football game possible."



operates 20 home care agencies and 13 hospices around the Southeast. Abb earned his undergraduate degree from Ole Miss and then went on to get his J.D./M.B.A from Florida State University. After interning in the legal field, he decided that he would return to the family business in 2000. He shared, "One of the first things my father had me do was to work in every department to gain a full perspective of the business." Abb also pointed out that for his first real leadership opportunity with the company, he was asked to move to Ft. Lauderdale to run the office in that hyper-competitive market.

Abb said, "Working in the Florida market really accelerated my growth and learning exponentially. It was a great environment to learn our industry at a rapid pace." After they successfully built up and sold their operations in Florida, Abb returned to the home office in Hattiesburg and assumed the role of president of the company using the sale proceeds to begin their hyper expansion. Abb noted, "One of the most important things my father has taught me is that if you don't hire good people then you are always going to have problems." In a people-oriented and customer service-intensive business like theirs, this is particu-

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**Abb Payne**  
 President/CEO, Camellia Healthcare

larly true. Camellia takes customer satisfaction very serious. They send out a survey to the patient or family at the end of every service. If the results are not above average, then Abb makes a personal phone call. He noted, "Fortunately of the thousands of customers we serve every year, I only have to make a few calls." This type of attention to customer service and a flat management structure keeps Abb plugged in to the front lines of the business. I find too many CEOs get too removed and lose the ability to really hear the "voice of the customer." If management resists following the 2nd generation leader, the results can be disastrous. Fortunately, Abb noted, "I am truly appreciative that the seasoned management team at Camellia embraced my leadership and vision for the company and will be forever grateful to our long-term people who welcomed me and followed my lead to growth."

Today, under Abb's leadership Camellia is poised to continue its rapid growth and is entering new lines of business, as well. Abb and his father have done a great job of transitioning a family business. Their success is creating jobs and making an impact in our state. In an industry where many smaller players have been squeezed out, they have achieved a critical mass that will allow them to be a force in their markets going forward. Seeing family businesses transition in our state and thrive provides encouragement to me for our future.

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