



# Family Firms Give Back

By ANNA CHANG-YEN | Green Shoot Media

Ninety percent of all businesses in the United States are family owned, meaning there's a good chance you already do business with many such companies, from your dry cleaner to your home remodeling professional. Why not make an effort to also spend your holiday gift-giving budget with the families who make up your community? The rewards will be worth the effort.

Supporting family-owned businesses not only helps strengthen communities and the families who call them home but it also could mean customers get higher quality products and services with greater attention to detail.

#### FAMILY VALUES

"Family business has access to unique ingredients that can provide a lasting competitive advantage," concluded KPMG Enterprise in a 2011 reported titled "The Competitive Advantage of a Family Business." Those ingredients include strong values that show in their business practices, according to KPMG.

Another trait that many family-owned businesses have plenty of is a "do whatever it takes" attitude, according to Franchise.org. "The words 'that's not my job' do not exist."

Families put customers first because they're invested in the long-term success of their companies, so they can pass down the family business

"I've seen so many business owners who tell me something like 'my business feeds 457 people.' It's really neat that they added it up, counted the spouses and kids at the company picnic, and have a strong sense that 'my business affects this many people in my community.' "

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through the generations, according to the Conway Center for Family Business. Family businesses also are more likely to invest in their employees and avoid layoffs during tough economic times, according to Conway.

#### THE RIGHT STUFF

When Texas A&M University economics professor Jim Lee studied family businesses, he found that they out-performed other businesses in revenue and employment growth. According to Census bureau information, family businesses also are more likely than other companies to survive the first

few years in business, when more than 7 out of 10 business fail. In fact, only about half of all types of new businesses survive the first five years. Among family-owned businesses, however, about 30 percent survive to be passed down to the next generation, according to Inc. magazine.

Wells Fargo Advisors points out that families emphasize making sure each family member is well suited for their role in the business. A strong sense of ownership translates into more efficient companies that tie their personal futures directly to the family business' success.

#### BUILDING COMMUNITIES

Family owned businesses also have a vested interest in making their communities a better place to live. Their kids go to the same schools as their customers, they worship in the same places and pay taxes in the community. In short, their success is their community's success and vice versa.

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counted the spouses and kids at the company picnic, and have a strong sense that 'my business affects this many people in my community.' "

That means when a family decides to sell their business, they're probably not just looking for the highest bidder. They want to find a buyer who's committed to keeping the business vibrant in the community, investing tax dollars and providing jobs.

From customer-first values to building communities, it's easy to see how supporting family-owned businesses is a great way to spread some goodwill this holiday season.

## AD SPACE

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