

Family in Business: Your Hidden Key to Business Growth

by Candace Shiver

While serving as a Presidential Appointee at the U.S. Department of Commerce during the Obama Administration, I observed that many U.S. firms find immense value in tapping into their networks of family and friends located outside of the U.S. for assistance with their business growth. This applies to both domestic growth and international expansion. These relationships

that may initially begin as that of simple support or indirect involvement often evolve into successful and thriving “family businesses”.

As a matter of context, at that time, the U.S. Department of Commerce’s Minority Business Development Agency had released new data showing that particularly minority-owned businesses have the most favorable export attributes of any sector of the

U.S. economy. In fact, statistics from the U.S. Census Bureau continue to show that these firms are twice as likely to export, six times more likely to transact business in a foreign language, and three times more likely to generate 100 percent of its revenues from exporting than non-minority firms. More simply put, many firms owned or controlled by minorities have family and cultural ties in foreign countries which provide a unique advantage for exporting.

Yet, familial ties are not only beneficial for exporting. They can be key to your business growth and longevity overall! It is perhaps no coincidence that family-owned firms make up 80-90% of firms worldwide. It is perhaps no coincidence that household names such as Wal-Mart, Ford, and Tyson, have grown over many years to reach the prominence they enjoy today. The mere idea of a family business may not be popular, as many think they would never go in business with family to avoid the potential tension and stress. Yet, with a change in mind set



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and careful preparation and management, it could be the best decision you've ever made!

If you are contemplating opening a family business, going into a family business, or bringing some other family member into your business, consider three beginning tips:

1. Define and distinguish your Family System from your Business System
2. Remain firm on policies of Fair Compensation and Work Load
3. Take seriously Succession and Inheritance Planning

The advantages to a family business can be great — offering freedom, independence, and control; leading to unforeseen financial rewards; it may even help improve some family relationships. Stay open-minded, for your family could be your hidden key to substantial business growth! 🙌

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