

# Creating family business success

## Informing policymakers through research

**The issue.** Family businesses generate substantial economic growth and activity across the U.S. Both family businesses and the entrepreneurs who own and manage them remain under-researched but vital units of business and community activity. In reality, the dual roles of making both business and family decisions pose interrelated and overlapping demands that may directly affect one or both systems. Family business success has implications not only for family well-being but also for the economy and the community.

Despite the potential impact on business sustainability, little attention has been devoted to assisting family businesses with means by which to successfully cope with managerial role overlap and overload. By identifying and deploying specific combinations of human resources and material resources, family business entrepreneurs can help meet the business's basic needs and position it to seize opportunities as they arise.

**According to our research.** Each family business situation is unique and both single and dual managerial roles may yield satisfying end results. It does appear from our study, however, that a more holistic approach enhances a manager's capacity to reallocate resources and make the adjustments necessary to resolve conflicts. The dual managerial approach is therefore more apt to yield long-term satisfaction and may thus be a fruitful strategy for sustaining a successful family business.

**We recommend.** When advising small family businesses, economic development and business consultants should use a dual approach that focuses on the use of resources and decisions that impact both the business and the family.

Additionally, to fully address factors that contribute to family business success, it is important to consider family and business managerial structures and processes in interventions and programming.

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